NATIONAL INSTRUMENT 43-101 TECHNICAL REPORT ON THE INFERRED MINERAL RESOURCE ESTIMATE OF THE MEXICO MINE TAILINGS

LOCATED IN EL ORO - TLALPUJAHUA MINING DISTRICTS
STATES OF MEXICO & MICHOACAN, MEXICO

UTM Location (NAD27, Mexico Zone 14)
(UTME 363500E – 388000)
(UTMN 2197000N – 2185000)

For
Candente Gold Corp.

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GLOSSARY AND ABBREVIATIONS OF TERMS

above mean sea level	asl
acre	A
ALS-Canada	ALS-CAN
ALS-Mexico	ALS-MEX
Atomic Absorption Spectroscopy	AAS
Atomic Absorption (metal conc. prior to Fire Assay)	AA
Azimuth	Az
billion	B
billion tonnes	Bt
billion years ago	Ga
British Columbia Securities Commission	BCSC
British thermal unit	BTU
Candente Gold Corp	CDG
Canadian Institute of Mining, Metallurgy and Petroleum	CIM
Canadian Securities Administration	CSA
centimetre	cm
cubic foot	ft^3
cubic inch	in^3
cubic metre	m^3
cubic yard	yd^3
Coefficients of Variation	CV's
day	d
days per week	…d/w
days per year	d/a
dead weight tonnes	DWT
degrees	^{0}
degrees Celsius	^0C
Digital Elevation Model	DEM
Direccion General de Minas (Spanish)	MMB
Dollar American	USD$
Dollar Canadian	CAD$
Dry metric ton	dmt
east	E
Estado (Spanish) or State (English)	Edo
foot	ft
gallon	gal

gallons per minute	gpm
Gigajoule	GJ
gigapascal	GPa
gigawatt	GW
grams	g
grams per litre	g/L
grams per tonne	g/t
greater than	>
hectare (10,000 m^2)	Ha
hertz	Hz
hour	h
hours per day	h/d
hours per week	h/wk
hours per year	h/a
high sulphidation	HS
hydrochloric acid	HCL
hydrofluoric acid	HF
Inductively Coupled Plasma-Atomic Emission Spectroscopy	ICP-AES
Inductively Coupled Plasma-Mass Spectrometry	ICP-MS
inch	in
kilo (thousand)	k
kilogram	kg
kilograms per cubic metre	kg/m^3
kilograms per square metre	kg/m^2
kilometre	km
kilometres per hour	km/h
kilowatt hours	kWh
kilowatt hours per tonne	kWh/t
kilowatt hours per year	kWh/a
less than	<
litre	L
litres per minute	L/m
megawatt	MW
metre	m
metres above sea level	masl
metres per minute	m/m
metres per second	m/s
milligram	mg
milligram per litre	mg/L
millilitre	mL
millimetre	mm
million	M
million tonnes	Mt

low sulphidation..LS
Placer Dome Corporation ....Placer
millions of years ....MA
Minera Mexico Michoacán (Spanish) .... MMM
north ....N
National Instrument 43-101 ....NI43-101
Natural Source Audio Magnetic Telluric .... NSAMT
Net Smelter Return (payment to mine/mill after deducting expenditures in agreement.........NSR
northwest.. NW
parts per million .... ppm
quality management system ....QMS
qualified person ....QP
southeast ....SE
square kilometres .... km^2
System for Electronic Document Analysis and Retrieval...SEDAR
southwest... SW
Teck Corporation.. Teck
The El Oro Property...the Property
Tonnes in metric .... t
Tonnes per year ....t/a
Tonnes per day...t/d
TMX Group Inc. .... TMX
True North...TN
Toronto Stock Exchange .... TSX-V
United States Currency ....USD
Universal Transverse Mercator...UTM
Ultra-Trace Level Method using ICP-MS and ICP-AES ME-MS061
west ....W
X-ray Fluorescence .... XRF
Four Acid Digestion (total digestion with nitric, perchloric, HF and HCL acids) 4-acid

1.0 SUMMARY

1.1 INTRODUCTION

Candente Gold Corp. ("Candente Gold" or "the Company") is a Canadian-based exploration company with precious metal properties in Mexico and Peru. The Company is listed on the Toronto Stock Exchange ("TSX") under the trading symbol CDG, and in the United States of America on the Over the Counter ("OTC") Bulletin Board under the trading symbol CDGXF.

Candente Gold's principal asset is the El Oro low sulphidation gold-silver property ("the Property") located in the Mexican States of Mexico and Michoacán. The El Oro Property hosts twenty ("20") precious metal veins with past production and more than fifty-seven ("57") known veins, having produced approximately 6.4 million ounces of gold and 74 million ounces of silver from two of these known veins. The Company also has access to several mine tailings deposits in the municipality of El Oro de Hidalgo ("municipality") totalling 17.60 hectares.

Candente Gold holds a 70% earned interest in the El Oro Property through its subsidiary Minera CCM S.A. de C.V. ("Minera CCM") in Joint Venture with Industrias Luismin S.A. de C.V. ("Luismin") a 100% owned subsidiary of Goldcorp Inc. ("Goldcorp"). Candente Gold commenced exploration on the El Oro Property in May of 2006 and has continued until present. Most of the recent work has focussed on assessing the viability of a Tailings Reprocessing and Reclamation Operation ("TRO") of the Mexico Mine tailings deposit, one of several mine tailings deposits in the municipality of El Oro de Hidalgo ("the municipality"), the focus of this report.

In June of 2013, Minera CCM El Oro Jales S.A. de C.V., (a subsidiary of Candente Gold) signed an agreement with the municipality of El Oro de Hidalgo, Mexico (the Tailings Agreement) that provides the Company with the right to evaluate, and reprocess the tailings and reclaim the land surface within the municipality. The tailings are easily accessible, located immediately adjacent to existing road access as well as power and water services and once reclaimed, would be available for the town's future development.

The Mexico Mine tailings deposit has had extensive historic work in hundreds of drill holes including metallurgical testwork from the 1950's to as recently as 1990. An Inferred Mineral Resource Estimate has recently been completed following verification of historic 1990 tailings data by a detailed auger/channel sampling program. . Recent work includes a High Level Study by JDS Energy & Mining Inc. ("JDS") which gave the basis for potential economics of a TRO near El Oro. This work marks the resumption of evaluation programs of the Mexico Mine tailings deposit since a hiatus of activity ending in late 1990.

The following report was prepared for Candente Gold Corp. to provide an updated National Instrument 43-101 (NI 43-101) Technical Report including a current *Inferred Mineral Resource Estimate on the Mexico Mine Tailings* at El Oro dated August 25th, 2014. The effective date of this report is July 8th, 2014. This report post-dates the most recent NI 43-101 disclosure, an amended NI 43-101 Technical Report on the El Oro Property by Nadia Caira, P. Geo., with a date of November 30th, 2013 *(Caira 2013).*

This report is co-authored by Nadia Caira, P.Geo. of World Metals Inc. (formerly Argonaut Gold Odyssey Inc.) who first visited the project in August of 2012 and has been intermittently consulting for the Company on the project since that time, and recently visited the project from May 1st to May 9th, 2014 during the tailings data verification sampling program. The second author is Allan Reeves, P.Geo. of Tuun Consulting Inc. who was retained to provide expertise on the resource estimate and is responsible for and/or has shared responsibility for Sections 11.0, 12.0, 14.0, 25.0 and 26.0. This report has been prepared in accordance with National Instrument 43-101 ("NI 43-101") and Form 43-101F1 and the *May 10, 2014 CIM Definition Standards update for Mineral Resources and Reserves.*

This report is to be filed as a Technical Report with the Canadian Securities Regulatory Authorities pursuant to the June 30th, 2011 Guidelines for contents of a National Instrument 43-101 Report, and the Standards of Disclosure for Mineral Projects. This report has been reviewed by Joanne C. Freeze, P. Geo. and President of Candente Gold Corp.

From May 2006 to May 2014, Candente Gold has spent a total of approximately USD$11,000,000 dollars on exploration on the 17,959.5 hectare (179.595 km^2) El Oro Property with part of this expenditure for the on-going assessment of the Mexico Mine tailings deposit.

1.2 PROPERTY DESCRIPTION AND LOCATION

The El Oro Property and mine tailings deposits are located 110 kilometres ("kms") west-northwest of Mexico City, straddling the border between the State of Mexico and the State of Michoacán and covers the towns of El Oro and Tlalpujahua. The property lies within the El Oro and Tlalpujahua Mining Districts centered at 373500E and 2190000N (UTM NAD27, Mexico Zone 14).

The El Oro Property consists of 27 claim blocks totaling 17,959.5 hectares (179.595 km^2). These claims are held by Luismin. As of May 1st, 2012, Candente Gold Corp had earned a 70% undivided interest in the El Oro property by investing USD$10 million dollars and issuing a total of 1,000,000 shares as per an 2006 option agreement that has been modified several times, most recently in 2009.

All concessions are current and up to date based on information received. Mineral concessions in Mexico do not necessarily include surface rights and Candente Gold/Minera CCM has entered into various agreements with land owners ("Ejidos") for surface rights access to carry out exploration on the concessions.

The mine tailings deposits are not part of the Luismin/Goldcorp agreement as they are held by the municipality of El Oro de Hidalgo and are subject to a separate agreement with Minera CCM El Oro Jales S.A. de C.V. ("Minera CCM Jales") on June 12, 2013 The Tailings Agreement allows the Company a one year period to carry out testwork to ascertain recoveries and the potential economic viability of a tailings reclamation and reprocessing operation (Tailings Exploration-Phase I), for contributions which will be used to fund Social projects. If Candente Gold decides to enter into the reprocessing and the reclamation phase (Phase II), then a Net Profits Interest ("NPI") of 8% will be paid to the municipality of El Oro de Hidalgo during the period of operation. The Company is presently in discussions with the authorities of the municipality and the Director of Mining & Development for the State regarding both a Tourism Agreement between Minera CCM Jales and the Municipality and for an extension to the Phase 1-Tailings Exploration Phase as defined in the Tailings Work Contract summarized in Section 4.4.

1.3 GEOLOGY AND MINERALIZATION

1.3.1 El Oro and Tlalpujahua Mining Districts

There is a wide variety of epithermal precious metal deposit types throughout the world, one of which includes the *Low Sulphidation (LS) Adularia - Sericite type* found at the El Oro-Tlalpujahua mining districts.

The El Oro and Tlalpujahua mining districts, collectively, host at least twenty ("20") precious metal veins with past production and more than fifty-seven ("57") known veins to date, having produced 6.4 million ounces of gold and 74 million ounces of silver from just two of these known veins. Historically, the 3.3 km long San Rafael vein was reported to have produced in excess of 5.0 million gold equivalent ounces over 45 years from 11.9 million tonnes of ore with an average production grade of 10.8 grams per tonne gold and 115 grams per tonne silver over an average mining width of 10 metres (32.8 feet) to a maximum mining width of 36 metres (120 feet).

The blind El Oro mineralization lies beneath a blanket of younger Tertiary post-mineral volcanics. The younger volcanics are underlain by a variably mineralized rhyodacitic ignimbrite blanket that is deposited along a north-trending fault graben. Gold and silver veins in both the El Oro and the Tlalpujahua districts cross-cut various lithologies and are generally oriented north-northwest to south-southeast.

1.3.2 San Rafael - Mexico Mine

The Mexico Mine is located on the northern strike extent of the San Rafael vein. In 1907, the lowest grade ore profitably exploited contained 1/4 ounce gold per ton and 2 to 3 ounces silver per ton. Prior to that, when metal recoveries were lower, the lowest grade ore being recovered was two or three times higher. Historically the veins in the district are separated into two types: oxide veins and sulphide veins. The veins are oxidized due to weathering and leaching in the upper sections typically to a depth of 30 metres but locally to the +300 metre depth of the mine. Sulphide-rich, pyrite-dominant gold-rich veins locally crosscut oxide veins.

The San Rafael vein maintained widths of up to 46 metres (150 feet) in three vein segments including: the San Rafael-El Oro Mine; the San Rafael-Esperanza Mine; and the San Rafael-Mexico Mine (the source for the Mexico Mine tailings). The deeper parts of the vein are more continuous along strike than the shallower parts due to the vein horse-tailing or vein-splitting up-dip. There is an increase in silver content, northward on the San Rafael vein with double the silver to gold ("Ag : Au") ratio at the San Rafael-Mexico Mine in the north, compared to the ratios on the southern San Rafael-El Oro and San Rafael-Esperanza mines.

1.3.3 Mexico Mine Tailings

The Mexico Mine tailings deposit was sourced from the San Rafael-Mexico Mine that conducted mining from 1904 to 1926. In 1951, a historical estimate was prepared by the Cooperativa de Las Dos Estrellas on a 185 drill hole program totalling 2,162.7 metres, using a dry bulk density factor of 1.3. This historic work defined a potential conceptual estimate of 800,000 to 839,000 dry tonnes grading 2.80 to 2.95 grams per tonne gold and 75.0 to 89.0 grams per tonne silver, containing 80,000 to 91,874 oz of gold and 2,200,000 to 2,505,651 oz of silver *(Aguilar, J.L.P., 1990).* Further in-house tailings studies were completed after 1951 to as recently as 1990.

During the 1990's metallurgical testwork on the Mexico Mine tailings deposit included detailed mineralogical characterization. The valuable minerals found during this tailings review included: 51.87 % in Friebergite ((Cu, Ag, Fe) Sb_2S_3); 33.86 % in Aguilerite (Ag_2 S, Se); 12.53 % in Argentite; and the balance of 1.74% in native silver and native gold.

In May of 2014, Candente Gold collected 101 samples from the upper ceiling and the lower toe of the tailings deposit. The goal of the program was to verify a 30% sample population of the historic assay results from the 1990 tailings 22 hole drill program (297.674 metres) such that accuracy and continuity of grade could be predicted with confidence with a reasonable level of reliability. A total of 18 holes were sampled by hand auger to a maximum depth of 3.0 metres. In addition, several vertical channel samples were collected predominantly from the base of the tailings toe upwards vertically for 5 to 10 metres. The 2014 assay results returned an average grade of 2.95 grams per tonne gold and 60.70 grams per tonne silver from the 101 auger/vertical channel samples collected. The base of the tailings material in the northwest of the pile averages 3.49 grams per tonne gold and 80.34 grams per tonne silver. In addition, 21% of the samples average greater than 3.5 grams per tonne gold and as high as 4.81 grams per tonne gold and 22% average greater than 80 grams per tonne silver and as high as 188 grams per tonne silver.

1.4 INFERRED MINERAL RESOURCE ESTIMATE

An Inferred Mineral Resource Estimate was completed in June of 2014 by Tuun Consulting Inc.

The estimate included:

- Verification of the resource database;
- Basic statistics and geostatistical analysis and variography;
- Consideration of compositing and capping for grade estimation;
- Construction of topographic surfaces and a tailings 3D solid;
- Block model construction and grade interpolation;
- Cut-off grade selection to determine “reasonable prospects for economic extraction”;
- Preparation of the Mineral Resource Statement and;
- Resource classification and validation;
- Consideration for appropriate bulk density.

The Mexico Mine tailings deposit is estimated to contain 1.27M tonnes at a grade of 2.94 grams per tonne gold and 75.12 grams per tonne silver at a gold equivalent cut-off of 2.5 grams per tonne gold equivalent *(Candente Gold Corp, News Release NR037 dated July 10, 2014).* The effective date of this estimate is July 8th, 2014 (Table 14.8). Tuun has estimated the resource in accordance with CIM Best Practices and disclosed under NI 43-101. The mineral resource was estimated using the Ordinary Kriging (OK) method on uncapped composited 1.5 metre grades.

The current Mexico Mine tailings deposit Inferred Mineral Resource Estimate is preliminary in nature and is considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and have not demonstrated economic viability. Furthermore, there is no certainty that the resource estimate will be realized. Mineral resources are not mineral reserves and have not demonstrated economic viability.

1.5 RECOMMENDATIONS

It is recommended that the following program be implemented to further the Mexico Mine tailings deposit assessment process. The recommendations cover a wide variety of topics including: drilling, database management, quality assurance quality control ("QA/QC") measures and environmental factors.

1.5.1 Geology

Database Management

The authors recommend that all data pertaining to the Mexico Mine tailings deposit be kept in a single MASTER ACCESS database. A single database of historic tailings testwork was created for this NI 43-101 report. Additional detailed recommendations related to the database can be found in Section 26.2.1.

Geology and Interpretation

Unique codes for the tailings database were created by Tuun for this current mineral resource estimate.

Survey Data

Down-hole survey data was not collected for the tailings data verification *hand auger drill program*. The auger holes were vertical and a maximum of 3.0 metres in depth. For the resource drill program the authors recommend: a vertical collar at surface (-90) and an EZ-Shot down hole survey instrument or equivalent to capture the bottom of all holes estimated to be between 3 to 27 metres in depth.

Specific Gravity Analysis

The authors recommend that all future specific gravity analyses be completed at the lab due to the instability of the clay and fine sand-sized tailings material and the need to coat the samples in wax prior to analyses. Additional detailed recommendations can be found in Section 26.2.4.

Bulk Density Analysis

A literature search and discussions with processing experts suggested that a dry bulk density of approximately 1.6 would be a reasonable estimate for tailings that have continued to dewater and settle for over 60 years (Section 26.2.5).

For the purposes of this resource estimate a conservative dry bulk density value of 1.5 has been applied to all tailings blocks. Historic humidity estimations varied from 22% to 10%. Candente Gold had not completed any dry bulk density analyses at the time of writing of this report however; Candente Gold plans to do so during the proposed resource drilling and sampling program (Section 26.4).

QA/QC Sampling

The authors recommend that QA/QC samples be included in all drilling and channel sampling of the mine tailings deposits according to the Mineral Industry Best Practices. Additional detailed recommendations are provided in Section 26.2.6.

Inferred Mineral Resource Estimate

The Inferred Mineral Resource Estimate discussed in Section 14.0 is considered a reasonable representation of the Mexico Mine tailings deposit at the current level of sampling. The estimate follows the guidelines of the CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices". The tailings resource database provided by Candente Gold consists of 52 sample records comprised of 22 DDH, 17 auger holes, and 13 trenches totalling 392.92 metres and contains a total of 269 assays for both gold and silver. The 1990 Luismin diamond drill data predated the 1991 implementation of the NI 43-101 and has been supplemented by the 2014 program of auger holes that twinned some of the deeper historic drill holes (Section 9.1). The auger drilling confirmed the validity of the diamond drill holes for use in this resource estimate. The trenches sampled deeper gulleys and accessible cliff faces (in vertical trenches) to provide greater spatial testing of the tailings deposit. The 2014 samples were collected from the upper 3 to 4 metres and the lower 5 to 10 metres, respectively.

1.5.2 Drilling

A drilling campaign should be carried out both for metallurgical testing and to upgrade the reported Inferred Mineral Resource Estimate. A twenty-five (25) drill-hole program is recommended to infill at an approximate 75 metre hole-spacing to upgrade the resource estimate to the Indicated or Measured categories by providing additional verification of the grade continuity at depth. The new dataset for the resource work will be comprised of the new infill drill data totalling approximately 450 metres; the 1990 drill data totalling 297.64 metres; and the 2014 auger/vertical channel data collected (101 metres) reported in this report as a good basis for a potential resource upgrade (Section 26.4).

The 25 drill-hole program will provide additional samples for metallurgical testwork. The metallurgical testwork program will determine the particle size and mineralogical characteristics, the process details and reagent consumption levels and the optimal recoveries to be achieved.

1.5.3 Proposed Work Program

The proposed drill program in 1.5.2 and accompanying metallurgical testwork would provide a higher level of confidence in the potential Mineral Resource Estimate which could be used as a basis for future economic studies that would include geological, engineering, operating, economic, social, environmental and other relevant factors to be considered. In April of 2014, JDS Energy and Mining Inc. ("JDS") completed a high level review of current data to establish conceptual design parameters and target economic expectations of a Tailings Reprocessing Operation ("TRO") near El Oro. JDS also provided order of magnitude capital requirements and observed potential project economics for Candente Gold's internal project assessment. Given the current Inferred Mineral Resource reported in Section 14.0, JDS should continue with further studies and complete an initial Preliminary Economic Assessment ("PEA") on the project (Section 26.5).

1.5.4 Environmental

All necessary permits have been obtained for the exploration and evaluation of the Mexico Mines tailings deposit. Some modifications to these permits are being sought for more flexibility. Additional permitting will be required if Candente Gold chooses to proceed with the reprocessing and reclamation of the tailings deposit.

Candente Gold should continue with the monitoring of all social and livelihood activities in the El Oro-Tlalpuhajua Mining Districts to maintain the support of the local communities. Additional detailed recommendations can be found in Section 26.6.

2.0 INTRODUCTION

2.1 TERMS OF REFERENCE

Candente Gold has focussed on assessing the viability of a Tailings Reprocessing Operation ("TRO"), including reclamation of the Mexico Mine tailings deposit, one of several mine tailings deposits the Company has access to by the agreement with the municipality of El Oro de Hidalgo since June of 2013.

The mine tailings deposits are easily accessible, located immediately adjacent to existing road access as well as power and water services, and once reclaimed the land surface underneath the current tailings would be available for the town's future development.

The Mexico Mine tailings ("the tailings") has had extensive historic work in hundreds of drill holes including metallurgical testwork from the 1950's to as recently as 1990.

More recent work has included completion of a High Level Study by JDS. In addition, historic data collected in 1990 was verified by Candente Gold in the spring of 2014 with a detailed auger/channel sampling program. This work marks the resumption of tailings evaluations since a hiatus of activity ending in late 1990.

The reader is referred to those data sources, which are outlined in the References Section 27.0 of this report. In addition, all abbreviations used in this report are defined in the Table of Contents under the Glossary and Abbreviations of Terms.

The primary purpose of this report is to disclose a current Inferred Mineral Resource Estimate on the Mexico Mine tailings. The Inferred Mineral Resource Estimate will provide the basis for a PEA to assess the potential value for Candente Gold.

The report also includes a summary of relevant information previously disclosed in the NI 43-101 Technical Report on the El Oro Property filed on November 30, 2013 *(Caira 2013*).

The authors understand that this report may be used for internal decision-making purposes and may be filed as required under TMX regulations. This report may also be used to support public equity financings.

2.1.1 Units of Measurement

All units of measurement used in this technical report and resource estimate are in metric, and the currency expressed in US dollars, unless otherwise stated.

2.2 SOURCES OF INFORMATION

This report is based, in part, on translated (from Spanish to English) historic reports, internal company technical reports, maps and correspondence, published government reports, public information and a literature review as listed in the References Section 27.0 of this report. Several sections from reports authored by other consultants and from previous historical sources have been directly quoted or summarized in this report and are indicated where appropriate. The sources of information accessed in preparing this report included Candente Gold's records and exploration database and historic reports, in particular reports completed by Luismin, a subsidiary of Gold Corp; Teck Cominco Ltd ("Teck"); Placer Dome Gold ("Placer") and Minera Mexico Michoacán ("MMM").

The authors have drawn heavily on excerpts from material contained in reports as noted:

- *Aguilar, José Luis P., Monsivais, G.J., (1990*): Reporte del Muestreo de Los Jales del Tiro México: An Internal Report for CIA. Minera México Michoacán, S.A. de C.V.
- *Caira, N.M. (2013):* National Instrument 43-101 F1 Technical Report on the El Oro Property, Mexico located in the El Oro-Tlalpujahua Mining Districts, States of Mexico & Michoacán, and Mexico for Candente Gold Corp.
- *Kerley, J., (1981):* Summary Reporto de Tucson Arizona y Laboratorio Tayoltita"1981"
- *Monroy, Posadas J. E., April (2012):* Metallurgical Test son Tiro Mexico by Pruebas Metalúrgicas Realizadas en Los Jales del Tiro Mexico from 1951-1990.
- *Minera Mexico Michoacán, 1989:* Reporte Correspondiente al mes de Junio de 1989, El Oro, Edo, de Mexico.

- *Mountain States Research & Development, (1979)*: Preliminary Review of Ore Reserves and Mineral Resources El Oro Mining District Mexico – Michoacán, Mexico, Internal report for CIA Minera Mexico Michoacán, S.A. de C.V.
- *Mountain States Research & Development, (1979):* Laboratory Leach Tests on a Gold Silver Ore. An Internal Report for CIA. Minera México Michoacán, S.A. de C.V.
- *Velázquez, Marco A. Zapata., (1989):* Mexico Mine Tailings Análisis, Universidad Autónoma de San Luis Potosí, Instituto de Metalurgia.
- *Villafañe, M., (1951):* El Tramiento de los jales del Tiro Mexico en El Oro, Comisión de Fomento Minero.

2.3 SITE VISIT BY THE AUTHORS

From May 1st to 9th, 2014, the primary author, Nadia Caira. P.Geo. visited the El Oro Project to assist in the Mexico Mine tailings deposit data verification and sampling program. The program was designed to verify historic 1990 tailings drill data. The objective of this program was to provide enough data verification of the 1990 drill data, to support an Inferred Mineral Resource Estimate on the Mexico Mine Tailings. The sampling program is discussed in Sections 9.1, 11.0 and 12.0 of this report. Allan Tuun, P.Geo. has not visited the project site.

3.0 RELIANCE ON OTHER EXPERTS

In preparation for this report, the authors have relied on others for information, and disclaim responsibility for information derived from reports pertaining to mineral tenure, property ownership, surface rights, environmental, legal, royalties and social issues.

A map of the current claims was reviewed by the primary author and a verification of the El Oro Property claim title was performed by Candente Gold's legal counsel, RB Abogados Insurgentes Sur 1787 Piso 6, Col. Guadalupe Inn, México D.F., C.P. 01020, Mexico (July, 2012). Operating license permits and work contracts were not reviewed. The authors can pass no opinion on the manner of staking, nor can they verify the detailed position of the claims in their entirety. The authors have not verified the legality of any underlying agreement(s) that may exist concerning the claims or other agreements between third parties (agreement with the municipality of El Oro de Hidalgo) but have relied on, and believe it has a reasonable basis to rely upon, documents provided by Candente Gold. In addition, outside legal counsel for Candente Gold has included Gowlings located at Bentall 5, 550 Burrard St. Suite 2300, Vancouver, B.C., in Canada.

The authors have reviewed historic data, some of which may not be from qualified persons. Based on a detailed data review and multiple site visits, the primary author has no reason to believe that exploration conducted by historic explorers was completed in a manner inconsistent with normal exploration practices and has no reason not to rely on such historic data and information for basic interpretational purposes however, the authors cannot verify a large portion of the historic tailings drill data, as a complete set of original assay certificates were not available at the time of the report. In addition, the authors have reviewed all the pertinent information, including select copies of assay certificates (where available) from the various labs, consultant's technical reports and memos that pertain to previous work on the Mexico Mine tailings. The authors reserve the right, but will not be obligated to revise this report and conclusions, if additional information becomes available subsequent to the effective date of this report.

As much of the property data is historic in nature, quality assurance and quality control ("QA/QC") protocols that were applied at the time of data collection cannot be fully verified. More recent exploration work by Candente Gold from 2007 to present utilized current industry QA/QC protocols (Section 11.0 and 12.0) that are consistent with NI 43-101 requirements. The authors consider the historic work conducted by Luismin, Placer and Teck although predating the NI 43-101 would likely have followed best practice QA/QC protocols but cannot verify it as such.

A draft copy of the report has been reviewed for factual errors by Joanne C. Freeze P.Geo., President of Candente Gold Corp. All statements and opinions expressed in this document are given in good faith and in the belief that such statements and opinions are neither false nor misleading at the date of this report.

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 EL ORO PROPERTY AND MINE TAILINGS LOCATION

The El Oro property and mine tailings deposits are accessible for most of the year on well-established paved and gravel roads and can be reached by car in 2.5 to 3.0 hours from the Juarez International Airport in Mexico City or in 1.5 hours from the Toluca, Mexico International Airport.

The two towns of El Oro and Tlalpujahua occupy one of the higher parts of the central plateau of Mexico, a region of detached mountains with north-westerly trends. The elevation above sea level varies between 2745 to 3050 metres (9,000 and 10,000 feet). Together, the two towns have a population of approximately 50,000 people. A narrow gauge cargo railroad connects Mexico City to nearby cities of Toluca, Tultenango and Maravatio. The mine tailings lie within the municipality of El Oro de Hidalgo.

The El Oro property and mine tailings deposits are located in central Mexico, approximately 110 kilometres west-northwest of Mexico City (Figure 4.1) in the States of Mexico and Michoacán with the center of the land holdings at an approximate location using UTM

(NAD27, Mexico Zone 14) grid coordinates UTME 373500 and UTMN 2190000 (100⁰ 7' 53.076" W and 19⁰ 48' 38.53"N). Physiographically, the El Oro district belongs to the province of "*Eje Neovolcanico*" part of the Trans Mexican Volcanic Belt ("TMVB") that cuts across the central part of Mexico in an east-west direction (Figure 7.1).

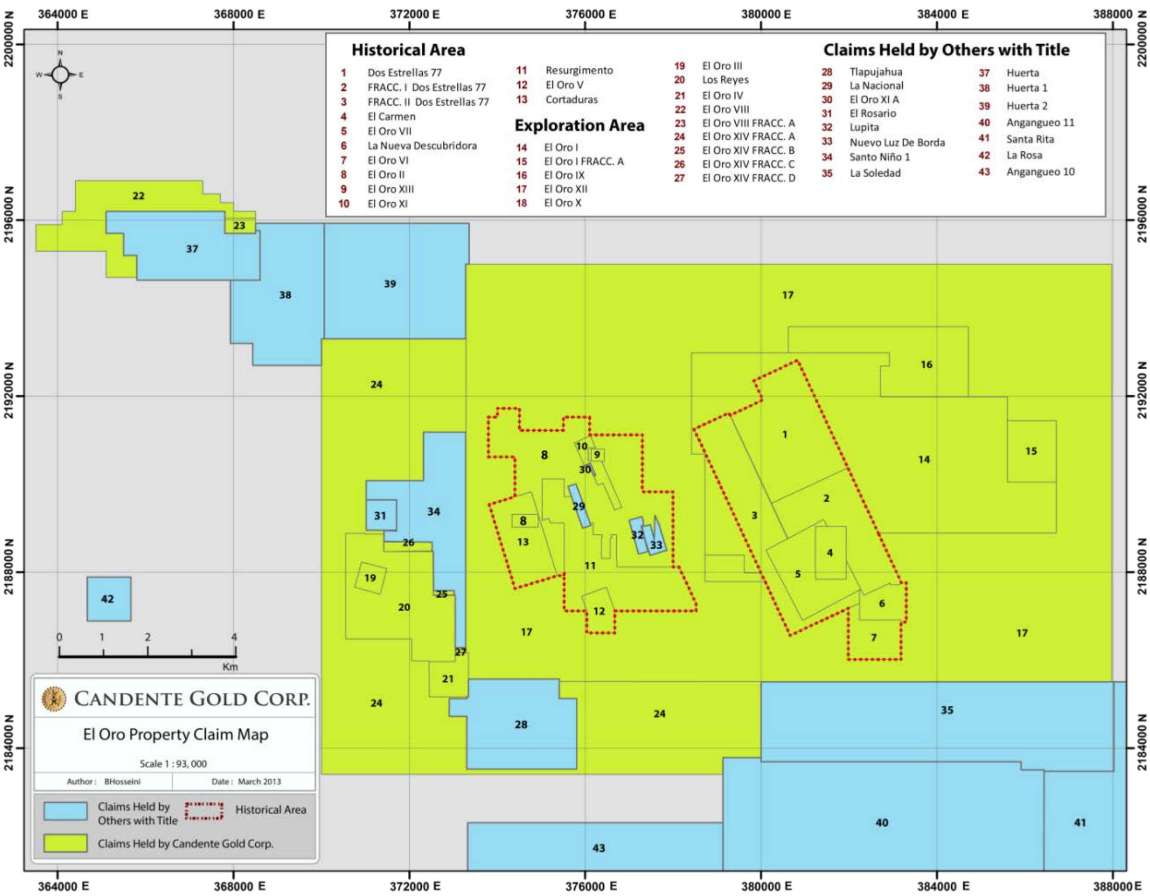
Figure 4.1: El Oro Property Location Map within Mexico

4.2 EL ORO PROPERTY DESCRIPTION AND TENURE

The El Oro Property consists of 27 claim blocks ("mining concessions") totaling 17,959.5 hectares (179.595 km^2). These claims are owned by Luismin, a 100% owned subsidiary of Goldcorp. In 2006, Canaco Resources Inc. ("Canaco") and Candente Resource Corp. ("Candente Copper") entered into an option agreement on a joint 50:50 basis which gave the combined companies the right to earn up to a 70% interest in all of the El Oro mining concessions held by Luismin. To operate this joint venture, Candente and Canaco formed a Mexican subsidiary named Minera CCM S.A. de C.V. ("Minera CCM"). In April of 2009, Candente Copper and Canaco agreed to transfer, for consideration, their ownership in Minera CCM and the El Oro property to Candente Gold Corp.

Detailed mining concession descriptions can be accessed on the SIAM website that provides a detailed list in excel file format of all claims in the region (source: http://www.siam.economia.gob.mx/swb/es/siam/p_Titulos). For a map representation of the claims in a particular region the CARTOGRAFIA website can be accessed (source: http://www.cartografia.economia.gob.mx/cartografia/).

Figure 4.2: El Oro Claim Map (source: http://www.cartografia.economia.gob.mx/cartografia/)



A detailed claims title search was conducted in March of 2013 on behalf of Candente Gold /Minera CCM by Lic. Victor Manuel Olavarrieta Beranza. The claim search and validation process was completed at the Director General Mine's Office *(sub-Direccion General de Minas)* in the city of Queretaro, State of Mexico, Mexico. The data validated for each of the claims with the Original State Files included: title numbers; claim names; size (hectares); municipality; Mexican State; the terms of each of the claims; and the concession fees due.

The individual title/concession files held by Candente Gold/Minera CCM were photocopied and are on file for future reference as summarized in Table 4.1 below. The 2013 bi-annual taxes for surface mining rights payable on the present land package is MXN$1,426,260 or USD$111,765.35.

Table 4.1: El Oro Property 2014 Claim Holdings and Biannual Mining Rights Payments

Mining Developments San Luis, S.A. de C.V. Biannual Mining Rights Payments for January and July 2013-The El Oro Project											
No.	**CLAIM NAME**	**EXPTE.**	**TITLE**	**TERM**		**Hectares**	**Municipality**	**Mx, State**	**Pesos**	**Pesos**	**SUM(Pesos)**
				From (year)	**To (year)**	(Has)			**Jan-13**	**Jul-13**	**TOTAL**
1	El Carmen	4825	156873	10/05/1972	09/05/2022	84.0000	El Oro	Mex.	10,478	10,478	20,956
2	Resurgimiento	321.1-9/279	177586	01/04/1986	31/03/2036	412.7565	Tlalpujahua	Mich.	51,487	51,487	102,974
3	Cortaduras	321.1-9/304	179074	17/11/1986	16/11/2036	182.0056	Tlalpujahua	Mich.	22,703	22,703	45,406
4	Los Reyes	321.1/9-305	179519	10/12/1986	09/12/2036	499.3463	Tlalpujahua	Mich.	62,288	62,288	124,576
5	Frac. II Dos Estrellas 77	321.1-6/133	191267	19/12/1991	18/12/2041	380.3055	El Oro	Mex.-Mich.	47,439	47,439	94,878
6	Frac. I Dos Estrellas 77	321.1-6/132	191268	19/12/1991	18/12/2041	330.3153	El Oro	Mex.	41,204	41,204	82,408
7	Dos Estrellas 77	321.1-6/131	191269	19/12/1991	18/12/2041	478.3939	El Oro	Mex.-Mich.	59,675	59,675	119,350
8	El Oro III	6/1.3/00417	215271	14/02/2002	13/02/2052	36.0000	Tlalpujahua	Mich.	4,491	4,491	8,982
9	El Oro VIII Fracc. A	6/1.3/00418	215302	14/02/2002	13/02/2052	24.1920	Tlalpujahua	Mich.	3,018	3,018	6,036
10	El Oro V	6/1.3/00421	215303	14/02/2002	13/02/2052	59.9117	Tlalpujahua	Mich.	7,473	7,473	14,946
11	El Oro IV	6/1.3/00420	215329	14/02/2002	13/02/2052	77.9797	Tlalpujahua	Mich.	9,727	9,727	19,454
12	El Oro X	5/1.3/00523	215533	28/02/2002	27/02/2052	62.4890	El Oro	Mex.	7,795	7,795	15,590
13	El Oro I Frac. A	5/1.3/00525	215534	28/02/2002	27/02/2052	155.3469	El Oro	Mex.	19,378	19,378	38,756
14	El Oro VI	5/1.3/00526	215535	28/02/2002	27/02/2052	115.8852	El Oro	Mex.	14,456	14,456	28,912
15	El Oro I	5/1.3/00527	215536	28/02/2002	27/02/2052	1,846.8273	El Oro	Mex.-Mich.	230,373	230,373	460,746
16	El Oro IX	5/1.3/00528	215537	28/02/2002	27/02/2052	439.6603	El Oro	Mex.-Mich.	54,843	54,843	109,686
17	El Oro VIII	6/1.3/00419	216708	17/05/2002	16/05/2052	416.8080	Tlalpujahua	Mich.	51,993	51,993	103,986
18	El Oro II	6/1.3/00422	216935	05/06/2002	04/06/2052	734.7005	Tlalpujahua	Mich.	91,647	91,647	183,294
19	El Oro VII	5/1.3/00524	217504	16/07/2002	15/07/2052	203.1999	El Oro	Mex.	25,347	25,347	50,694
20	El Oro XII	104/00105	219142	14/02/2003	13/02/2053	8,278.4633	El Oro y Tlapujahua	Mex.-Mich.	1,032,656	1,032,656	2,065,312
21	El Oro XIII	054/07439	219719	03/04/2003	02/04/2053	8.5056	Tlalpujahua	Mich.	1,061	1,061	2,122
22	El Oro XI (Unif)	6/5/00018	221779	19/03/2004	17/03/2052	43.7478	Tlalpujahua	Mich.	5,457	5,457	10,914
23	La Nueva Descubridora	5-1-00803	226074	16/11/2005	15/11/2055	79.2594	El Oro	Mex.	5,618	5,618	11,236
24	El Oro XIV Fracc. A	54/08566	239006	15/11/2011	14/11/2061	2,981.1786	Maravatio, Tlalpuja y El Oro	Mich. y Mex	25,400	25,400	50,800
25	El Oro XIV Fracc. B	54/08566	239007	15/11/2011	14/11/2061	4.6344	Maravatio, Tlalpuja y El Oro	Mich. y Mex	39	39	78
26	El Oro XIV Fracc. C	54/08566	239008	15/11/2011	14/11/2061	21.2646	Maravatio, Tlalpuja y El Oro	Mich. y Mex	181	181	362
27	El Oro XIV Fracc. D	54/08566	239009	15/11/2011	14/11/2061	2.3728	Maravatio, Tlalpuja y El Oro	Mich. y Mex	20	20	40
TOTAL SURFACE (Has.):						**17,959.5501**	**TOTAL FEE:**		**1,886,247**	**1,886,247**	**3,772,494**

4.3 EL ORO PROPERTY SURFACE RIGHTS

Surface rights within the El Oro Property mineral concessions are held by private owners and communities (“Ejidos”). In the 1970’s, Luismin purchased the surface rights to twelve hectares over an area within the Cortaduras gold-silver target an area of interest lying in the south-western corner of the present Candente Gold El Oro Property.

For the 2007 to 2013 exploration programs, Candente Gold obtained permission from the individual property owners, as well as representative heads of the various communities affected to access and conduct exploration activity on their land. Compensation for road construction and drilling was also agreed upon.

4.4 TAILINGS RECOVERY OPERATION AGREEMENT

On June 12th, 2013, Minera CCM El Oro Jales S.A. de C.V. ("Minera CCM Jales"), a subsidiary of Candente Gold signed an agreement with the municipality of El Oro de Hidalgo, Mexico ("the Tailings Agreement") that provides the Company with reprocessing and reclamation rights to the 17.60 ha of mine tailings deposits in the municipality. The mine tailings deposits are easily accessible, located immediately adjacent to existing road access as well as power and water services, and once reclaimed the tailings areas would be available for the town's future development. The first stage ("Phase I") of the Tailings Agreement allows the Company a one year period to carry out the necessary testwork to ascertain the potential economic viability of a tailings reclamation and reprocessing operation, for contributions of USD$25,000 upon signing the Tailings Agreement and monthly contributions of USD$3,000 starting 30 days after signing the Agreement. The contributions will be used by the municipality to fund social projects.

If Minera CCM Jales/Candente Gold decides to enter into the reprocessing and reclamation phase ("Phase II") then an 8% Net Profits Interest ("NPI") will be paid to the municipality during the period of operation. If during any months there is no NPI due, then a monthly contribution of USD$3,000 will be made *(Candente Gold Corp, NR025 dated June 13th, 2013).*

4.5 MINERALIZED VEINS, MINE WORKINGS AND MINE TAILINGS DEPOSITS

4.5.1 Mineralized Veins

The mineralized veins lie within two well-known mining districts, the El Oro and Tlalpujahua Mining Districts. The most productive part of the two districts occupies an east-northeast structural corridor that measures approximately 6.5 km (4.0 miles) from east to west and 4.0 km (2.5 miles) from north to south. The majority of the historic gold and silver production came from the El Oro District in two principal veins: the San Rafael Vein in the State of Mexico and the Verde Vein located partially within the State of Mexico and the State of Michoacán. The balance of production from the Tlalpujahua District came from the Borda and the Coronas Veins.

In the El Oro District ("El Oro"), the main San Rafael and Verde veins, as well as an additional 18 of the 57 known veins in both districts (Figure 6.3) dip steeply to the west, vary from 5 to 46 metres in width, and are covered by post mineral volcanic cover ranging in thickness from 75 to 500 metres. Production from the western Tlalpujahua Mining District ("Tlalpujahua") has consisted chiefly of silver from the main Borda and Coronas veins and related stockwork zones. The veins dip steeply east and are exposed at surface and range in width from 1 to 3 metres. There are several other minor veins that branch from the wider Borda and Coronas veins and some that are independent for a total of 30 known veins in the Tlalpujahua District. Gold and silver mineralization occurs in extensive stockwork zones at Cortaduras, Syenite and the San Francisco de Los Reyes target areas.

4.5.2 Mine Workings

The districts have 100's of kilometres of tunneling and underground workings. For the most part, much of the historic tunneling is inaccessible at this time excluding the San Juan adit and the first 500 metres of the Dos Estrellas adit that was rehabilitated by Candente Gold.

Approximately 115 shafts, 44 adits and test pits have been located, as well as a re-establishment of 143 historic drill collar locations. Many historic shafts, adit entrances and drill hole locations are presently buried by vegetation, landslides, construction materials and recent buildings hence are difficult to locate accurately.

4.5.3 Mine Tailings Deposits

Several historic mine tailings (Figure 4.3) occur within the El Oro region and are included in a Tailings Agreement that was signed on June 12th, 2013 between Minera CCM El Oro Jales S.A. de C.V. (a subsidiary of Candente Gold Corp.), and the municipality of El Oro de Hidalgo *(Candente Gold Corp., News Release NR025 dated June 13, 2013).*

The Mexico Mine tailings deposit ("the mine tailings") are located in the northwestern part of the town of El Oro, are easily accessible, and are immediately adjacent to existing road access as well as power and water services. The mine tailings covers an area of approximately 7.37 Ha, 6.9 hectares of which, were included in the recent Inferred Mineral Resource Estimate, that once reclaimed would be available for the town's future development. From 1950 to the 1990's the tailings had 3 verification drill programs in 3 separate drill campaigns (1950, 1980 and 1990) with some metallurgical testwork by previous owners.

The mine tailings contain approximately 1.27M tonnes at an estimated grade of 2.94 grams per tonne gold and 75.12 grams per tonne silver at a gold equivalent cut-off of 2.5 grams per tonne gold equivalent *(Candente Gold Corp, News Release NR037 dated July 10, 2014).* Historical metallurgical testwork has produced gold and silver recoveries ranging from 20 to +75 percent. Testwork suggests that grinding of the tailings prior to cyanide leaching may lead to an increased recovery of gold and silver.

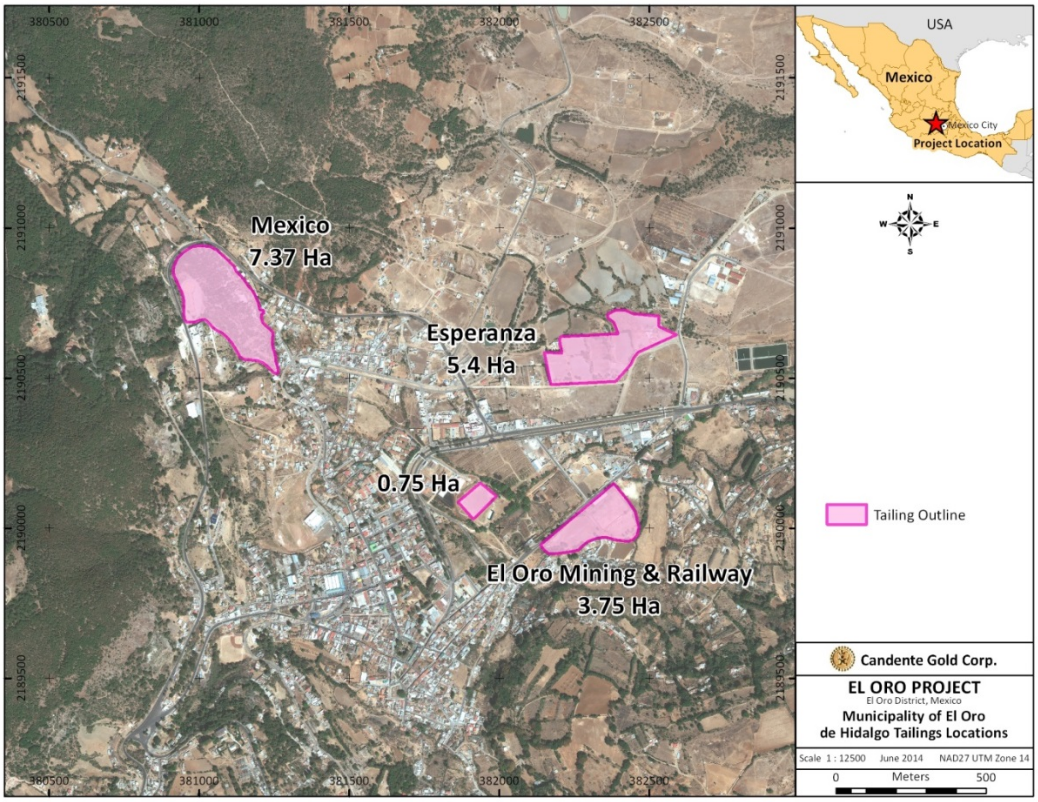
The authors are treating the above estimate as a current Mineral Resource (Section 14.0). This estimation has been completed to an Inferred Mineral Resource using CIM resource categories (CIM, May 2014). Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the accuracy of the estimate. The gold equivalent calculation has been based on the 12-month rolling averages *for the gold and silver price as of May 31, 2014. Recoveries of 50 % have been assumed for each metal.*

On April 15, 2014 Candente Gold Corp. (TSX:CDG) ("Candente Gold" or "the Company") reported that JDS had completed a High Level Study for a Tailings Recovery and Reclamation Operation ("TRO") on the Mexico Mine tailings *(Candente Gold Corp, News Release NR034 dated April 15, 2014)*. The Company's strategy is to look for opportunities to develop cash flow in the near term with relatively low capital costs. Study results indicated that the Mexican Mine tailings, has the potential to meet the above-mentioned criteria and justify further study on the economic potential of a Tailings Recovery Operation. The homogenous nature of tailings, at least in a lateral sense, suggested that a small percentage of the tailings could be systematically verified in a sampling program such that continuity could be predicted with confidence and contained metals may be better known with a reasonable level of reliability.

On May of 2014, Candente Gold proceeded with a tailings verification auger and vertical channel sampling program discussed in Section 9.2. The verification sampling program utilized current NI 43-101 QA/QC standards and included new specific gravity analyses (Section 11.2.4) as well as a new 2.0 metre topography survey that identified a topographic shift in historic work (Section 9.1.4).

In June of 2014, an Inferred Mineral Resource Estimate was completed and is discussed in detail in Section 14.0. The next planned drill program is now permitted and the objective will be to increase the level of confidence of the current mineral resource estimate. Samples will be collected for metallurgical testwork that will be performed to confirm the gold and silver recoveries to be expected in a commercial operation.

Figure 4.3: Mine Tailings in the Municipality of El Oro de Hidalgo



4.6 TAILINGS ROYALITIES AND OTHER PAYMENTS

A summary of the Term Sheet including royalites and other payments in the June 12, 2013 Tailings Agreement between the municipality of El Oro de Hidalgo (MUNICIPALITY) and Minera CCM Jales (CONTRACTOR) collectively THE PARTIES agreed to the following terms:

1. If during the exploration and exploitation phase the rodeo stadium is damaged or altered the Contractor agrees to repair damage or alterations caused by the contractor's activities to this facility. The amount of damages or alterations to be reimbursed by the Contractor will be based on a 3rd party estimate agreed to by both parties.
2. A monthly contribution of USD$3,000 per month is to be provided for social projects starting 30 days after the signing of the final contract. These products are delivered to the Municipal Treasury throughout the Phase 1-Exploration Phase and are also deliverable during the Phase 2-Exploitation Phase in those quarters where the 8% net profits interest ("NPI") does not apply.
3. In accordance with Clause 3 of the work contract, the Contractor agrees to provide to the municipality a quarterly payment of 8%, of the total net profits interest

("NPI") for the quarter just completed (defined as total revenues less costs to produce, principal and interest payments on shareholder loans or debt, administration costs, interest costs, employee profit sharing, royalties and taxes) from the start of commercial operation. During months when no NPI is due, minimum payments of USD$3,000 will be made to the municipality.

4. The Contractor agrees to commit 25% of the Tertiary profits (Net Profits after distribution to the Municipality of the 8% NPI) to exploration activities by Minera CCM on the El Oro property. Given that the Life of Mine revenues will be very dependent upon the recoveries of metals and metal prices, this amount is hard to predict but is expected to be no less than USD$2,000,000 and will be capped at USD$10,000,000. In addition this assumes the El Oro property continues to be deemed worthy of exploration by Minera CCM Jales.
5. The Contractor also agrees to make the following contributions for municipal development programs under the following terms:
    - USD$25,000 at the time of signing of the work contract agreement by the Municipality.
    - The payment of USD$25,000 was delivered in August 2013, after approval by the Legal Counsel of the State Government and upon delivery of the final contract to the Contractor.
6. After the exploitation and rehabilitation stages have been completed the use of the land on which the tailings existed shall revert back to the Municipality.
7. The Contractor agrees to return the roads affected by the activities to their pre-existing condition (per the terms of the feasibility study) after the exploitation and rehabilitation stages have been completed.
8. To the extent possible the Contractors will, on a best efforts basis, attempt to utilize the labor available in the municipality of El Oro de Hidalgo.
9. If possible, the Contractor agrees to construct facilities required for the tailings operations and which are under the direct control of the Contractor, within the municipality of El Oro de Hidalgo.
10. At the time of signing the work contract, the Contractor will obtain the rights to process the Tailings and derive the economic benefits contained therein as well as any potential benefits from the other mine tailings deposits within the municipality of El Oro owned by the city. In the signing of this agreement, the Contractor is authorized to begin operations, solely on the Mexico Mine tailings deposit. All other mine tailings deposits owned by the municipality of El Oro de Hidalgo, will require the necessary authorization from the municipality of El Oro prior to the start of operations by the Contractor.
11. The Contractor agrees, on a best efforts basis, to facilitate an agreement between the Municipality of El Oro de Hidalgo and Minera CCM for the use of the San Juan tunnel for tourist purposes. Such usage is to be coordinated with Minera CCM so as not to conflict with their requirements.

12. The Municipality of El Oro de Hidalgo agrees that at the time of signing the agreement that all costs incurred by the Contractor for security at the San Juan Socavón, the costs for relocation of the facilities and costs of land required, to be purchased will be deducted from the Municipalities' quarterly net profit payments.
13. The Contractor is permitted to have 12 months from the date of signing the work contract to complete the exploration stage.
14. Once the agreement is signed between the parties, the Municipal Government shall request a validation from the State Congress that ensures the future (successor) municipal governments honor this contract without any changes.
15. Both parties declare that there is no mistake, fraud, bad faith, or any vice of consent in this agreement.

4.7 ENVIRONMENTAL LIABILITIES

Neither of the authors of this Technical Report nor the Company knows of any environmental liabilities related to the El Oro Property concessions or the various mine tailings deposits in the municipality of El Oro de Hidalgo.

To facilitate a potential upgrade of the Inferred Mineral Resource Estimate a drill program is required to test the full depth of the tailings (Section 26.3 and Section 26.4). A separate environmental assessment report was required to obtain an additional permit to drill the tailings with minimal disturbance, under the current applicable laws ("NORMA-120-SEMARNAT"). In May of 2014, Candente Gold contracted Lic. Alejandro Nieto to complete an "Environmental Impact Assessment" ("EIA") was to facilitate the acquisition of the drill permit for Candente Gold.

The Norma Oficial Mexicana of NOM (Official Mexican Standard) is the name of a series of official, compulsory standards and regulations for diverse activities in Mexico. The standard is more commonly referred to as NOM's or Norma's. There are more Official Mexican Standards under NOM (http://www.mexlaws.com/completelist.htm) that may be required to proceed through to the actual tailings reprocessing and reclamation program.

The Environmental Impact Assessment discusses the sensitivity of the environment to the collective impacts and the individual impacts of the proposed drill program. The rationale for the EIA was based on 2011 regulations imposed on NOM-120-SEMARNAT-2011. Technical aspects of the review included a review of : investment costs of the program; the duration of the program; drill collar location; the affected surface; drill rig description; road access; drill additive types; and sampling methodology. In addition, impacts on the geology of the area; description of the forest and wildlife; weather; water sources; proximity to population centers; land use and the planning regulations for the municipality were reviewed. In addition, an Environmental Impact Study Matrix ("EISM") was designed to track the degree of environmental impact in the affected area of the proposed tailings drilling. Finally, a detailed action plan was designed for the prevention and mitigation of potential environmental impacts within the study area. Candente Gold received the report on May 2, 2014 and the report results were presented by Lic. Nieto to SEMARNAT in Mexico City on May 6, 2014. The drill permit was received on June 20, 2014 and is valid for a period of six months.

Under Mexican environmental law all historic work including mines, mine tailings deposits, and waste dumps performed prior to 1988 are exempt and therefore are not the responsibility of the current concession holder. Candente Gold entered into the Option Agreement in 2006 and transferred it into a Mexican subsidiary, Minera CCM. The Tailings Agreement was signed on June 12, 2013.

The El Oro district has been mined since 1529 when the Spanish first discovered the outcropping veins in the Tlalpujahua area. There are several historic waste dumps and mine tailings deposits and other pre-existing environmental impacts on the property. In the El Oro Agreement with Goldcorp Mexico, no environmental liabilities have been disclosed to the Company, and the Company is not aware of any environmental liabilities related to the El Oro Property or the mine tailings deposits. In 2002, Placer completed an environmental review that stated that there were no liabilities at that time.

Neither Minera CCM nor the Company have performed any mining activities that have included extraction and/or processing of ores or other material or storage of waste material from mining activities on the El Oro Property. The Company and Minera CCM are not aware of any mining activities by others on the El Oro Property since 1988. There is currently a private individual that intermittently mines a part of the Borda Vein in Tlalpujahua mining district on one of the internal licences not held by Minera CCM.

A separate Environmental Impact Assessment (“EIA”) was prepared for a proposed Portal Norte where the focus of underground work was anticipated for access to the north end of the San Rafael vein, and although only in an exploration phase, this work required the construction of 'patios' for the transfer and storage of underground material on surface.

4.8 EXPLORATION AND EXPLOITATION WORK REPORTING

In accordance with Article 27 of the Mexican Mining Law, the holders of mining concessions shall conduct yearly minimum exploration and/or exploitation works on their mining concessions. The value of the work completed (total work expenditures) is contributed to the required investment fee or required expenditure in exploration and/or exploitation works on a yearly basis.

Compliance with this obligation shall be fulfilled through investment fees via work expenditures in the mining concession or by obtaining economically utilizable minerals by profitable exploitation from activities via production revenues. However, in order to fulfill the "performance and verification of exploration and/or exploitation works", the obligation of reporting these investments or production revenues becomes enforceable when a mining holder owns mining concessions that jointly comprises more than one thousand hectares (">1000 hectares"). This obligation is proven through the filing of a report known as: "Exploration and Exploitation Work Evidence Report" ("Evidence Report") at the Mexican Mining Bureau ("MMB"). This Evidence Report must be submitted even when the mining concession is substituted for a new one for causes ruled by the Mexico Mining Law.

It is relevant to mention that even if the holders of mining concessions do not have the obligation to submit the Evidence Report, the MMB could request to physically verify at any point and time, the investment(s) on work of exploration and/or exploitation in the mining concessions. The Evidence Report shall be filed before the MMB by May 31st of each year, and those Reports shall cover the investments made in the previous year from January 1st to December 31st.

Investments in exploration and/or exploitation work will be accepted from the following categories:

- Direct mining works, such as ditches, wells, slashes, tunnels and all others that contribute to geological knowledge of the mining concession or the mining reserves;
- Drilling;
- Topographic, photogrammetric and geodesic surveys;
- Geological, geophysical and geochemical surveys;
- Physical-chemical analysis;
- Metallurgical experimentation tests;
- Development and rehabilitation of mining works;
- Acquisition, lease and maintenance of drilling equipment and the development of mining works;
- Acquisition, lease and maintenance of equipment for physical-chemical laboratories and metallurgical research;
- Acquisition, lease and maintenance of work vehicles and for personnel transportation;
- Works and equipment used for job safety and the prevention of pollution or restoration of the environment;
- Building of facilities for warehouses, offices, workshops, camp sites, dwellings and services to workers;
- Acquisition, lease, construction and maintenance of work and equipment related to access roads, generation and conduction of electric energy, extraction, conduction and storage of water and infrastructure in general;

- Acquisition, lease and maintenance of equipment for mining, hauling and general services in the mine and;
- Acquisition, lease, installation and maintenance of equipment for beneficiation operations and tailings dams.

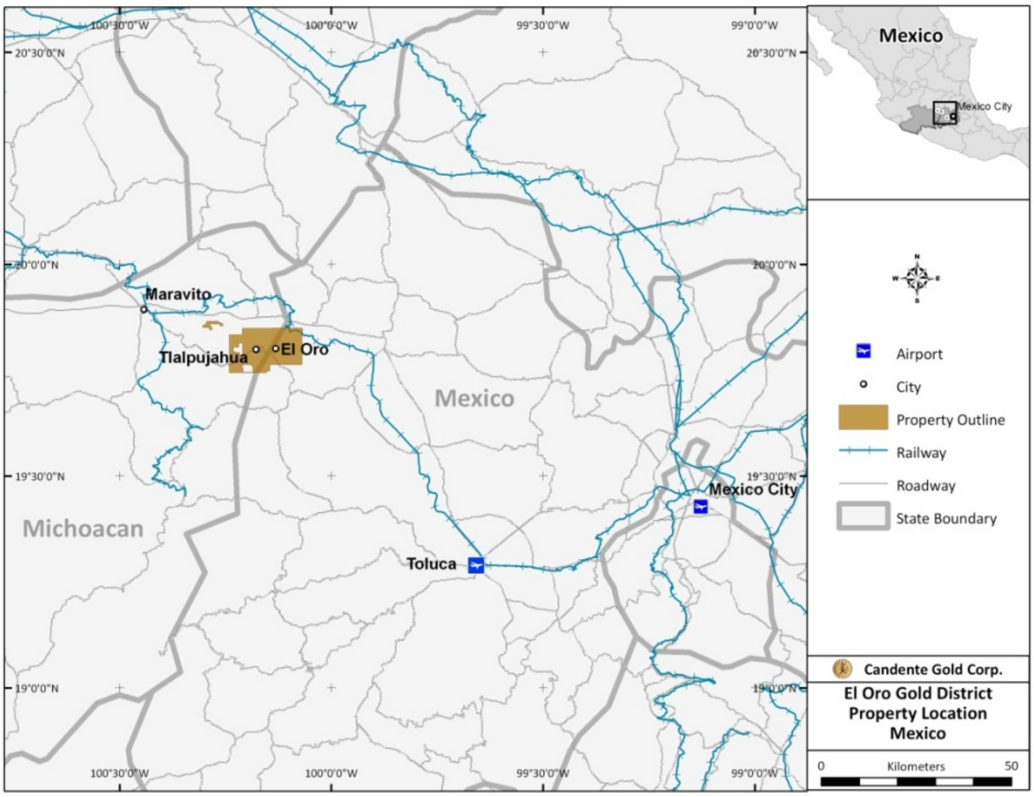
The evidencing of exploitation work by obtaining economically utilizable minerals (exploitation) is based on the value of the invoices of mineral or payment thereof.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 ACCESS

The El Oro property and mine tailing deposits are located approximately 110 km west-northwest of Mexico City and 80 km northwest of the town of Toluca, straddling the states of Mexico and Michoacán and covering two towns. The town of El Oro is situated in the northern part of the State of Mexico close to its western border. Tlalpujahua lies 5 km further west in the State of Michoacán. The property has excellent road access and can be reached by paved highway from the Mexico City International Airport in 3 to 4 hours or the Toluca International Airport in 2 to 2.5 hours (Figure 5.1).

Figure 5.1: Location and Access to the El Oro-Tlalpujahua Mining Districts



5.2 PHYSIOGRAPHY, CLIMATE AND VEGETATION

The elevations at the El Oro project area range from approximately 2,200 metres to 3,000 metres (10,000 feet). The landscape consists of gently rolling hills. Vegetation in the area is dominated by cedar, oak and pine forests. Local crops are mainly corn, oats, and small orchards of apple trees. Fauna is dominated by coyotes, rabbits, bats, scorpions and snakes.

There are two dominant seasons in this area. The winter months are from November to January when the climate is cooler with a light frost and the occasional accumulation of snow at higher elevations. The wet season occurs in the summer months from July through August. At this time of the year unpaved roads can be difficult to access and at certain times the roads can be washed out. Access to water is more accessible during the rainy season however some of the main creeks can provide a year-round water supply. The best time for field exploration activities is during the dry season which lasts from November through May although working during the wet season is also possible at El Oro.

5.3 LOCAL RESOURCES AND INFRASTRUCTURE

The town of El Oro is located in the central part of the concession. The second biggest town in this concession is Tlalpujahua. The town of El Oro has a population of approximately 50,000 people and has several elementary and secondary schools, one university, and a hospital. The closest airport is located in Toluca, a two hour drive from El Oro. Fuel, food, and basic camp supplies can be purchased locally in El Oro however, Atlacomulco a nearby major center, is a 45 minute drive by car. El Oro has a grid power supply, several hotels, restaurants, internet access and cellular phone coverage. The various historic mine tailings on the El Oro Property are easily accessible and located immediately adjacent to existing road access, as well as power and nearby water services and once reclaimed the tailings area would be available for the town's future development.

6. 0 HISTORY

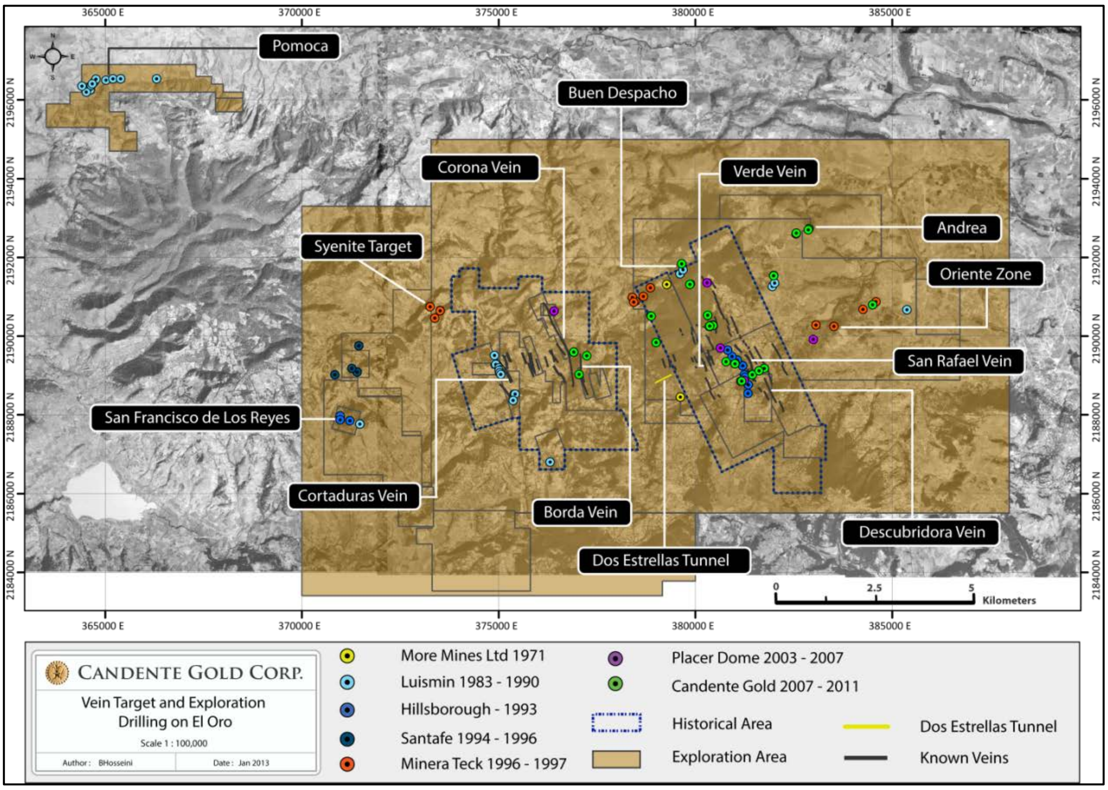
6.1 EL ORO PROPERTY HISTORY

The El Oro and Tlalpujahua Mining Districts and related targets (Figure 6.1) have collectively, been described as some of the most significant high grade, gold and silver producers in the history of Mexican mining with past production of approximately eight million gold equivalent ounces from the San Rafael and Verde veins alone. Production from the Borda and Coronas veins is poorly documented, although Locke (1913) estimated historic production from the Spanish era of close to $200 million pesos at Borda. An unknown author estimated informal production for the period from 1743 to 1751 totaling $36 million pesos.

The veins on the El Oro property have been worked since the Spanish first discovered the veins in 1529 and later in the late 1700's when the Coronas and Borda vein systems were discovered. The height of the mining activity began in 1896, and in a span of 33 years, four companies focused on the San Rafael and Verde veins producing in excess of 17.5 million tonnes of ore grading 11.9 grams per tonne gold and 121.0 grams per tonne silver. Eventually Minera Dos Estrellas consolidated most operations with peak production in the order of 3,000 tons per day ("TPD"). Production data between the Years of 1907 and 1959 can be found in Section 6.5 of this report.

The most important producer(s) on the San Rafael vein (Figure 6.1) in the early 1900's, were three well known historic mining companies (Figure 6.2) including: Mina El Oro Mining & Railway ("El Oro Mine"); Mina Esperanza ("Esperanza Mine"); and Mina Mexico ("Mexico Mine"). In addition, small but productive veins include the San Patricio Vein (also called the Somera Vein) located 609.6 metres (2000 feet) in the hanging-wall and west of the main San Rafael Vein, and the Descubridora vein located 304.8 metres (1000 feet) in the footwall and east of San Rafael vein. The biggest producer on the Verde Vein was the Dos Estrellas Mine.

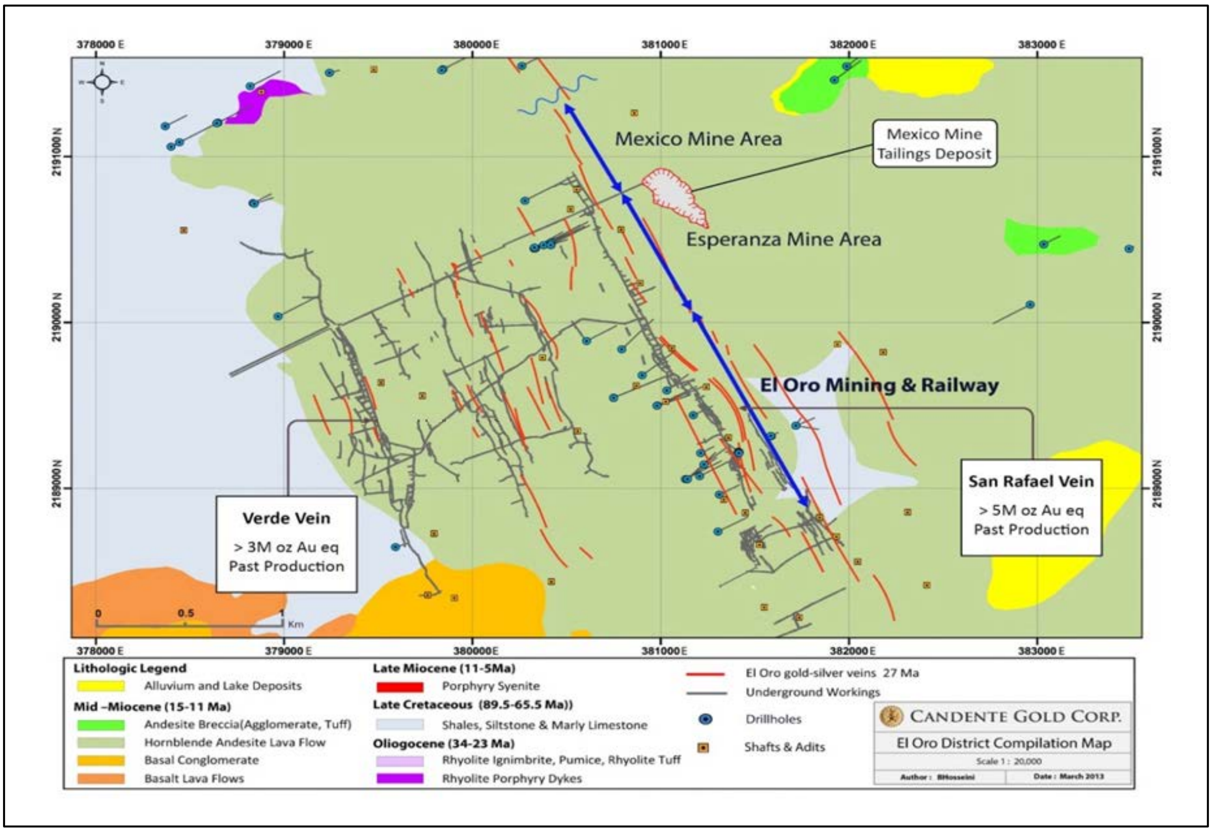
Figure 6.1: Vein Targets and Historic Exploration Drilling on the El Oro Property



A significant number, but not all, of the higher priority underground mine records, level plans and cross sections have been digitized from the voluminous historical maps available.

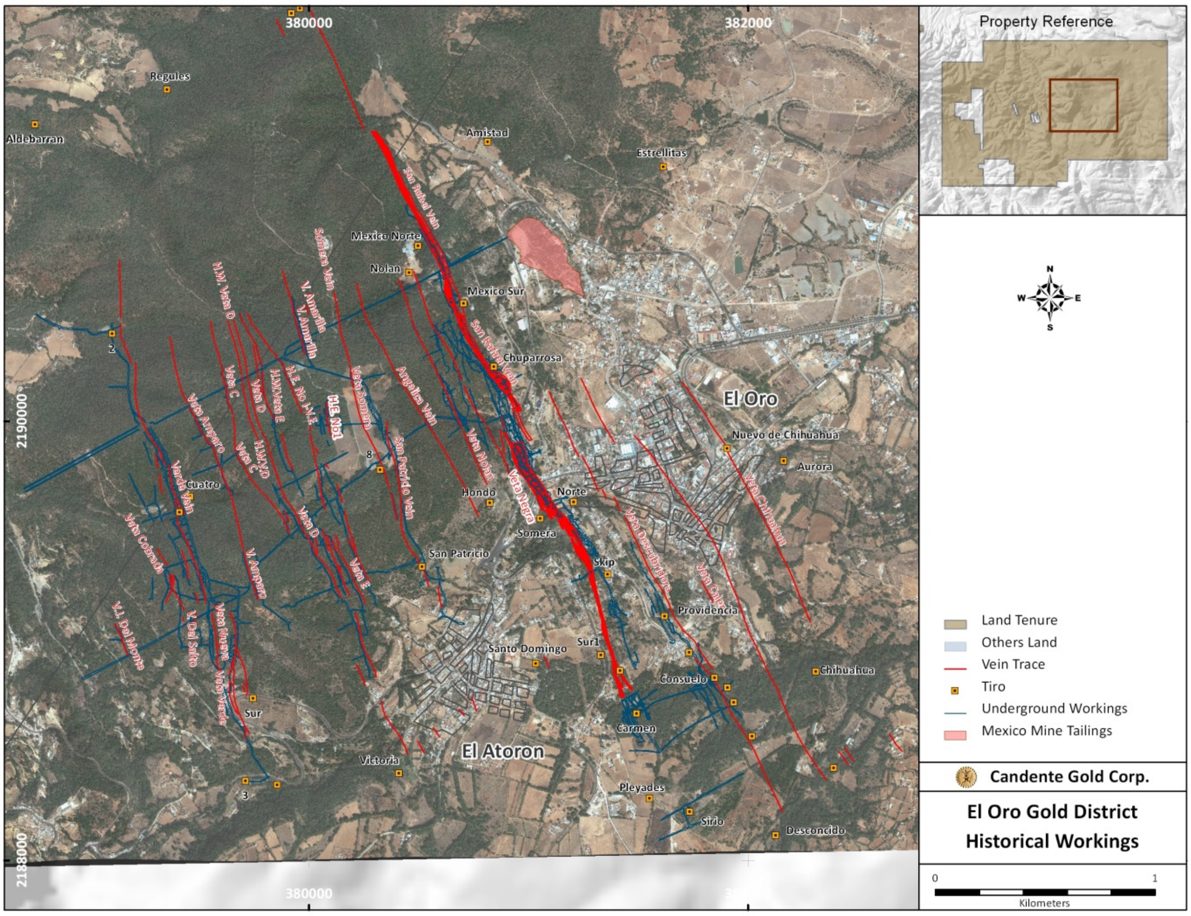
Evidence of past production includes 100’s of kilometres of underground workings, dump sites, pits, shafts and adits (Figure 6.2). In total, there are 115 known shafts varying in depth of between 250 to 575 metres and 44 adits of varying lengths. To the authors’ knowledge only 3 of the 115 shafts were accessible in the 1950’s including: Tiro San Patricio (429 m deep), Tiro Somera (568 m deep) and the Tiro Providencia (400 m deep) access shaft that accesses the San Juan Adit level and the levels below.

Figure 6.2: El Oro Mining District (veins, workings, shafts and drill holes)



Locations of major vein targets and historic exploration drilling can be found in Figure 6.1. Locations of the known underground workings, shafts and mine locations can be found in Figure 6.2. The locations of the individually named veins and the Mexico Mine tailings deposit (in pink) in the El Oro District can be found in Figure 6.3.

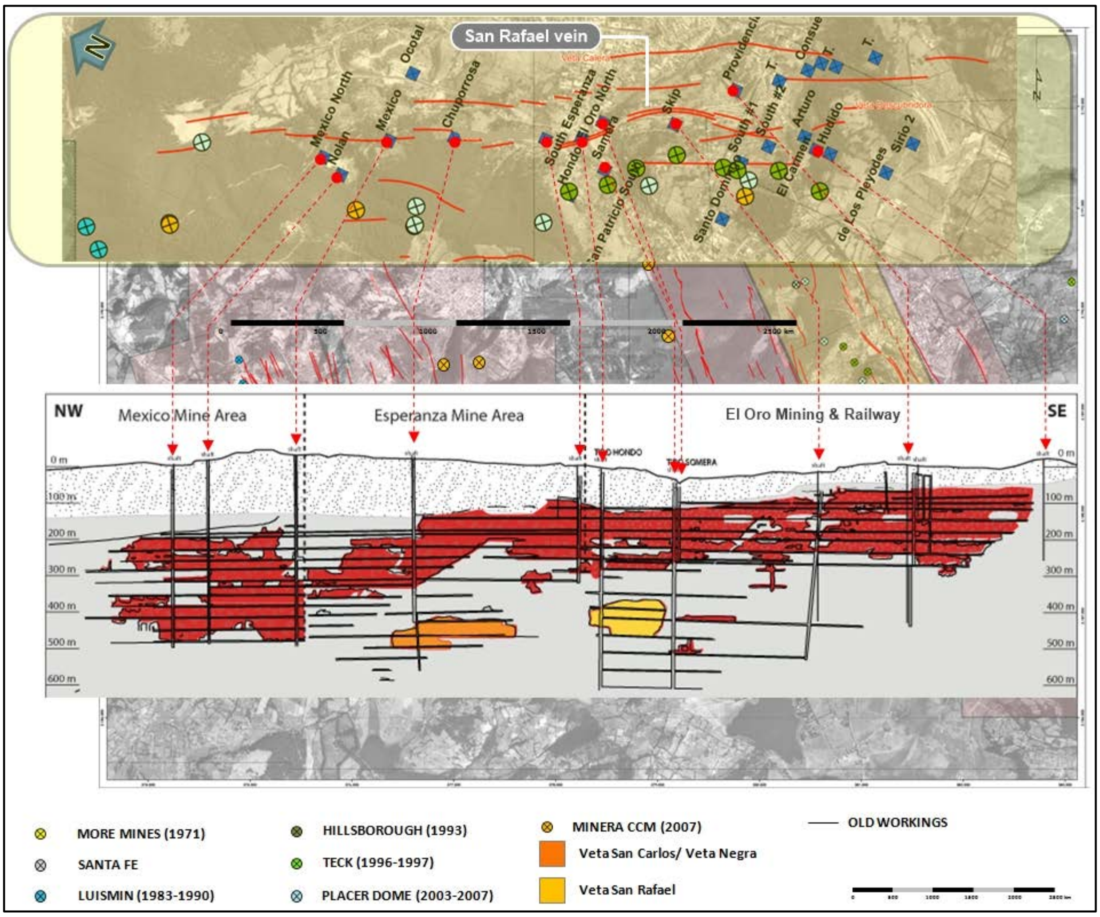
Figure 6.3: El Oro Mining District Veins showing Mexico Mine Tailings (in pink)



History of the El Oro Mining District

The El Oro Mining District displayed in Figure 6.3 , had not been discovered until the end of the 18th century. It was not until 1900 that the district attained greatness *(Locke 1913).* The area remained undiscovered due to post mineral volcanic rocks that covered the blind gold-silver veins. An isolated structural window, in the furthest southeastern end of the district near the Descubridora mine, exposes the underlying gold and silver vein mineralization in Cretaceous shales beneath the post mineral volcanics. This outcrop and the Descubridora vein were the first to be discovered in the area. Unlike the high grade silver-rich Tlalpujahua ore, the El Oro ore was of medium grade, relatively deep, chiefly of gold and poorly adapted to the Patio Process. The Patio Process was developed in 1557 for the extraction of silver from ore with generally poor gold recoveries resulting in the bulk of the gold-rich El Oro ore being deemed unprofitable due to poor recoveries. The mine tailings deposits under the Tailings Agreement lie wholly within the El Oro Mining District (Figure 6.5)

Figure 6.4: Schematic Longitudinal Section-San Rafael Vein, El Oro Mining District (2007)



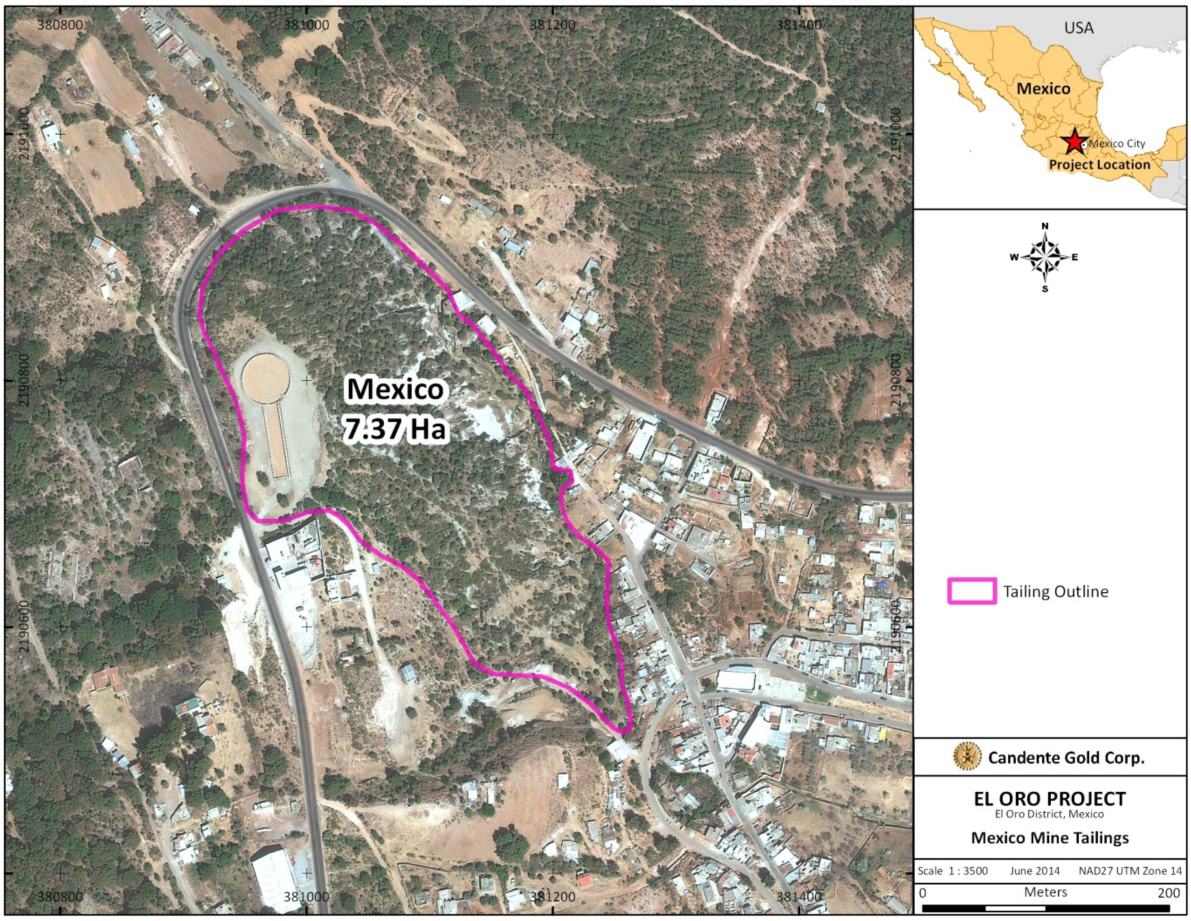
6.2 MEXICO MINE TAILINGS HISTORY

The following discussion refers to the history of the Mexico Mine (San Rafael) and parts of the Esperanza Mine (the Negra and San Carlos veins), the source of the Mexico Mine tailings.

- *Year 1907:* The Mexico mine was owned by the Mexican Venture Company and started production on the San Rafael vein with the completion of the 100-stamp cyanide mill.
- *Year 1910:* The Mexico Venture Company was sold to the London Exploration Company Limited and certain English and French interests.
- *Year 1912:* The Esperanza Mine was relinquished to the Esperanza Limited Company. The lowest grade ore profitably exploited contained 0.25 oz gold per ton and 2-3 oz silver per ton.
- *Year 1920:* the American Mining Co. built a 120-stamp cyanide mill.

- *Years 1925 to 1937:* In 1925 all of the mines and properties, including the Mexico Mine, were acquired by Las Dos Estrellas. Higher grade backfill, pillars and intermediate veins were mined at this time. A new crushing and processing plant was built to process this ore. Most of the Mexico Mine tailings were produced during this period.
- *Years 1937 to 1960:* In 1937, Minera Dos Estrellas turned the mines over to the mine workers as debt repayment and newly formed La Cooperativa de Las Dos Estrellas en El Oro and Tlalpujahua continued operating as a salvage operation from stope-fills in the San Rafael/Veta Verde Veins mining back-fill and exploitation of in-situ higher grade pillars.
- *Year 1951:* La Cooperativa Las Dos Estrellas conducted a comprehensive Mexico Mine Tailings sampling program by drilling 185 holes totaling 2,162.7 metres and defined up to 91,874 oz gold and 2,505,651 oz silver; and completed metallurgical testwork.
- *Year 1959:* La Cooperativa Las Dos Estrellas conducted further tailings treatment testwork with varying results for gold and silver recoveries: 49 to 81% gold and 22 to 41 % for silver.
- *Year 1977:* The mineral rights over the El Oro veins were owned by a private company; Minera Mexico Michoacán ("MMM") acquired the exploration rights to the El Oro property covering a 2700 hectare area.
- *Year 1979:* MMM rehabilitated some of the deeper shafts including Tiro Providencia, as well as adits and crosscuts to gain access to stope-fill in the central portion of the San Rafael vein.
- *Year 1980-1981:* Luismin acquired a majority interest in the El Oro property from MMM and drilled 18 verification holes into the Mexico Mine tailings and conducted metallurgical testwork simultaneously at two different labs including the metallurgical lab in Tucson, Arizona and the Tayoltita mine site lab. The results from the two labs produced variable metal recoveries.
- *Year 1982:* Heap leach test characteristics were completed on behalf of Luismin.
- *Year 1989-1990:* Luismin conducted a further 22 verification drill holes equally - spaced over the tailings deposit with further metallurgical testwork at the Metallurgical Institute of San Luis Potosi. Results included increased metal recoveries for both gold and silver.

Figure 6.5: Mexico Mine Tailings in the Municipality of El Oro de Hidalgo



6.3 MEXICO MINE TAILINGS DRILLING (1950-1990)

The Mexico mine tailings deposit has been sampled in multiple programs between 1951 to 1990 by drilling, trenching, test pitting and soil sampling. The drilling and sampling programs are summarized below.

6.3.1 1950-1951 Drill Campaign

The 1951 Cooperativa Minera Las Dos Estrellas 1951 Tailings Sample Program

The most comprehensive sampling program was conducted in 1951 by the Cooperativa de Las Dos Estrellas and included 185 drill holes (Figure 6.6) varying in depth from 5.0 to 27.0 metres totalling 2,162.7 metres for approximately 90,000 to 91,874 oz gold and 2,400,000 to 2,505,651 oz silver using a dry bulk density factor of 1.3.

Table 6.1: Cooperativa Minera Las Dos Estrellas 1951 Tailings Historic Estímate

Cooperativa de Las Dos Estrellas	
Drill Hole Metres (185 holes)	2,163
Cubic metres	865,080
Bulk Density	1.3
Wet tons	1,124,604
Humidity % 7.6	85,470
Dry tons	1,039,134
Contained kg of gold	2,857.62
Contained kg of silver	77,935
Contained oz gold	91,874
Contained oz of silver	2,505,651

The detailed assay results of the 1950-1951 Cooperativa de Las Dos Estrellas 185 drill hole sampling program can be found in Table's 6.2a to 6.2d. The Cooperativa de Las Dos Estrellas calculated a conceptual estimate of 1,039,134 dry tons containing approximately 90,000 to 91,874 oz gold and 2,400,000 to 2,505,651 oz silver.

The results presented in Figure 6.6 are colour coded according to gold equivalent ("AuEq"). The detailed results are presented for each 10 m^2 block with gold in grams per tonne located in the upper left hand corner and silver in grams per tonne located in the lower right hand corner of each 10 m^2 block.

The authors are not treating the above historical conceptual estimate as current mineral resources or mineral reserves. This estimation is conceptual in nature and should not be relied upon as insufficient drilling has been done to define an inferred mineral resource. In July of 2014 a current mineral resource estimate was completed on the Mexico Mine tailings using CIM resource categories (CIM, May 2014) and is discussed in Section 14.0.

Table 6.2a: Cooperativa Minera de Las Dos Estrellas 1 to 46 of the 185 Drill Hole Results

Drill ID	Depth(m)	Tons	Au gr/Ton	Ag gr/Ton	Humidity	Gold(grams)	Silver(grams)
1-5	2.3	676	2.50	78.0	5	1690	52728
1-6	3.5	1820	2.50	78.0	9	4550	141960
1-7	3.7	1924	2.50	78.0	6	4810	150072
2-5	1.0	520	2.50	73.0	4	1300	37960
2-6	5.2	2704	2.50	88.0	5	6760	237952
2-7	10.0	5200	2.25	63.0	8	11700	327600
2-8	5.3	2756	2.00	58.0	8	5512	159848
3-4	1.7	858	2.75	82.0	6	2360	70356
3-5	3.8	1950	2.25	53.0	10	4388	103350
3-6	10.4	5408	2.75	72.0	10	14872	389376
3-7	10.0	5200	2.25	73.0	9	11700	379600
3-8	6.9	3562	2.50	73.0	8	8905	260026
3-9	1.6	832	2.75	87.0	8	2288	72384
4-3	3.2	1664	2.25	48.0	9	3744	79872
4-4	4.6	2392	2.50	58.0	8	5980	138736
4-5	6.4	3328	3.00	82.0	8	9984	272896
4-6	11.5	5380	2.75	72.0	7	14795	387360
4-7	11.7	6084	3.00	77.0	7	18252	468468
4-8	8.0	4160	3.25	72.0	6	13520	299520
5-4	2.1	1092	2.75	90.0	9	3003	98280
5-5	10.1	5252	3.00	62.0	6	15756	325624
5-6	13.3	6916	3.00	87.0	5	20748	601692
5-7	10.4	5408	2.75	77.0	7	14872	416416
5-8	15.7	8164	2.75	82.0	7	22451	669448
5-9	8.6	4472	2.50	68.0	6	11180	304096
6-4	3.2	1664	3.00	82.0	6	4992	136448
6-5	10.3	5356	2.75	62.0	7	14729	332072
6-6	14.2	7384	3.00	82.0	7	22152	605488
6-7	15.0	7800	3.25	82.0	6	25350	639600
6-8	19.2	9984	2.75	78.0	5	27456	778752
6-9	8.0	4160	2.25	72.0	9	9360	299520
7-4	4.4	2299	2.75	72.0	8	6322	165528
7-5	10.5	5460	3.50	82.0	9	19110	447720
7-6	19.8	10296	2.75	82.0	6	28314	844272
7-7	21.0	10920	3.00	87.0	7	32760	950040
7-8	21.5	11180	2.50	83.0	8	27950	927940
7-9	13.5	7020	2.25	80.0	10	15795	561600
7-10	9.5	4940	2.50	77.0	8	12350	380380
8-4	1.6	832	3.00	60.0	7	2496	49920
8-5	3.6	4472	3.25	107.0	10	14534	478504
8-6	17.5	9100	3.00	87.0	8	27300	791700
8-7	23.3	12116	2.75	77.0	8	33319	932932
8-8	25.6	13312	3.00	97.0	8	39936	1291264
8-9	18.4	9568	2.50	78.0	9	23920	746304
8-10	11.2	5824	2.00	78.0	10	11648	454272

Table 6.2b: Cooperativa Minera de Las Dos Estrellas 46 to 92 of the 185 Drill Hole Results

Drill ID	Depth(m)	Tons	Au gr/ton	Ag gr/ton	Humidity	Gold(grams)	Silver(grams)
8-11	7.1	3692	2.75	82.0	10	10153	302744
9-4	1.9	988	3.00	74.0	8	2964	73112
9-5	5.8	3016	3.00	77.0	8	9048	232232
9-6	14.6	7592	2.50	87.0	7	18980	660504
9-7	27.0	14040	2.50	88.0	8	35100	1235520
9-8	26.5	13780	3.00	92.0	7	41340	1267760
9-9	22.4	11648	3.00	92.0	8	34944	1071616
9-10	12.6	6552	2.50	78.0	10	16380	511056
9-11	5.1	2652	2.75	87.0	10	7293	230724
10-4	1.7	884	2.50	93.0	5	2210	82212
10-5	3.4	1768	3.75	81.0	5	6630	143208
10-6	13.8	7176	3.50	107.0	6	25116	767832
10-7	24.0	12480	2.50	63.0	6	31200	786240
10-8	25.3	13186	2.00	83.0	9	26372	1094438
10-9	21.6	11232	3.00	77.0	8	33696	864864
10-10	13.3	6916	2.50	63.0	8	17290	435708
10-11	6.8	3536	2.50	83.0	10	8840	293488
10-12	2.6	1352	2.50	63.0	6	3380	85176
11-5	5.4	2808	3.00	92.0	7	8424	258336
11-6	14.5	7540	3.00	87.0	9	22620	655980
11-7	23.0	11960	2.50	68.0	4	29900	813280
11-8	24.6	12792	2.50	63.0	8	31980	805896
11-9	22.3	11596	2.50	78.0	8	28990	904488
11-10	13.5	7020	2.00	78.0	10	14040	547560
11-11	7.0	3640	2.50	63.0	10	9100	229320
11-12	5.4	2808	2.50	72.0	11	7020	202176
12-5	6.4	3328	3.00	72.0	5	9984	239616
12-6	14.0	7250	2.50	68.0	6	18125	493000
12-7	21.7	11284	2.50	78.0	7	28210	880152
12-8	24.4	12688	2.50	73.0	8	31720	926224
12-9	25.8	13416	3.00	72.0	10	40248	965952
12-10	12.4	6448	2.00	58.0	9	12896	373984
12-11	6.3	3276	2.50	48.0	11	8190	157248
12-12	4.6	2392	3.00	77.0	9	7176	184184
13-2	5.2	2704	1.50	24.0	10	4056	64896
13-3	3.8	1976	3.50	42.0	10	6916	82992
13-4	5.7	2964	3.00	87.0	10	8892	257868
13-5	9.3	4836	2.50	68.0	10	12090	328848
13-6	15.4	8008	2.50	77.0	9	20020	616616
13-7	20.0	10400	3.00	77.0	6	31200	800800
13-8	23.6	12272	2.75	82.0	6	33748	1006304
13-9	22.3	11596	3.00	72.0	7	34788	834912
13-10	9.6	4992	2.50	53.0	8	12480	264576
13-11	7.3	3796	3.00	57.0	9	11388	216372
13-12	7.6	3352	3.00	72.0	8	10056	241344
14-0	5.0	2600	3.00	67.0	6	7800	174200

Table 6.2c: Cooperativa Minera de Las Dos Estrellas 92 to 139 of the 185 Drill Hole Results

Drill ID	Depth(m)	Tons	Au gr/ton	Ag gr/ton	Humidity	Gold(grams)	Silver(grams)
14-1	10.7	5564	2.50	83.0	6	13910	461812
14-2	10.2	5304	2.50	93.0	6	13260	493272
14-3	11.2	5824	2.50	93.0	8	14560	541632
14-4	11.5	5980	2.50	88.0	8	14950	526240
14-5	17.7	9204	2.50	63.0	6	23010	579852
14-6	18.3	9516	2.00	73.0	8	19032	694668
14-7	22.5	11700	2.50	58.0	8	29285	678600
14-8	14.7	7641	3.00	57.0	6	22923	435537
14-9	14.8	7696	2.00	68.0	8	15392	523328
14-10	16.0	8320	1.50	64.0	8	12480	532480
14-11	11.5	5980	2.00	58.0	9	11960	346840
14-12	8.0	4160	2.00	58.0	7	8320	241280
14-13	5.0	2600	2.50	83.0	4	6500	215800
15-1	5.4	2808	3.50	72.0	7	9828	202176
15-2	10.5	5460	3.00	82.0	8	16380	447720
15-3	12.0	6240	3.00	87.0	8	18720	542880
15-4	15.0	7800	3.00	82.0	8	23400	639600
15-5	16.5	8580	2.50	33.0	4	21450	283140
15-6	18.6	9776	3.00	77.0	8	29328	752752
15-7	20.1	10452	2.50	23.0	7	26130	240396
15-8	14.2	7384	2.50	78.0	7	18460	575952
15-9	14.0	7280	2.50	58.0	8	18222	422240
15-10	15.6	8112	3.00	72.0	8	24336	584064
15-11	9.6	4992	2.50	78.0	9	12480	389376
15-12	6.1	3172	3.00	72.0	8	9516	228384
16-2	5.0	2600	3.00	72.0	7	7800	187200
16-3	9.4	4688	3.00	82.0	8	14064	384416
16-4	12.1	6445	3.00	82.0	6	19335	528490
16-5	13.5	7176	3.00	82.0	6	21528	588432
16-6	15.5	8060	2.50	73.0	6	20150	588380
16-7	16.7	8684	2.75	82.0	7	23881	712088
16-8	13.0	6760	2.50	73.0	8	16900	493480
16-9	15.4	8008	2.50	53.0	6	20020	424424
16-10	14.5	7540	2.00	48.0	6	15080	361920
16-11	14.6	7592	3.00	87.0	8	22776	660504
16-12	12.3	6396	3.00	72.0	9	19188	460512
16-13	9.4	4888	3.00	82.0	8	14664	400816
17-3	5.1	2652	3.50	72.0	7	9282	190944
17-4	9.9	5149	3.50	87.0	9	18022	447963
17-5	11.1	5772	3.00	67.0	6	17316	386724
17-6	12.6	6552	2.75	82.0	6	18018	537264
17-7	14.1	7332	3.00	77.0	8	21996	564564
17-8	14.5	7540	3.00	77.0	7	22620	580580
17-9	15.8	8216	2.75	62.0	9	22594	509392
17-10	12.0	6240	2.50	58.0	6	15600	361920
17-11	12.2	6344	3.00	77.0	7	19032	488488
17-12	10.5	5460	3.00	62.0	9	16380	338520

Table 6.2d: Cooperativa Minera de Las Dos Estrellas 139 to 185 Drill Hole Results

Drill ID	Depth(m)	Tons	Au gr/ton	Ag gr/ton	Humidity	Gold(grams)	Silver(grams)
17-13	8.5	4120	3.00	47.0	9	12360	193640
18-4	4.0	2080	3.25	87.0	6	6760	180960
18-5	9.5	4940	2.50	73.0	6	12350	360620
18-6	11.0	5720	2.75	77.0	7	15730	440440
18-7	14.0	7280	2.75	72.0	6	20020	524160
18-8	16.8	8736	3.00	77.0	5	26208	672672
18-9	20.2	10504	2.75	62.0	9	28886	651248
18-10	13.6	7072	2.50	48.0	7	17680	339456
18-11	11.2	5324	2.50	58.0	6	13310	308792
18-12	10.5	5616	2.50	48.0	8	14040	269568
18-13	9.5	1940	2.50	48.0	8	4850	93120
19-4	6.0	3432	2.50	68.0	6	8580	233376
19-5	9.7	5044	3.00	82.0	7	15132	413608
19-6	12.5	6500	2.75	62.0	7	17875	403000
19-7	14.9	7748	3.00	87.0	6	23244	674076
19-8	17.2	8944	3.00	77.0	8	26832	688688
19-9	19.5	10140	3.00	87.0	6	30420	882180
19-10	20.0	10400	3.00	82.0	8	31200	852800
19-11	9.6	4992	2.50	58.0	9	12480	289536
19-12	6.7	3484	2.50	53.0	10	8710	184652
19-13	8.2	4264	2.50	48.0	9	10660	204672
20-4	5.0	2600	3.00	52.0	8	7800	135200
20-5	9.3	4836	2.50	73.0	9	12090	353028
20-6	15.3	7904	3.00	87.0	6	23712	687648
20-7	15.5	8060	3.00	82.0	8	24180	660920
20-8	17.1	8892	2.50	73.0	9	22230	649116
20-9	17.4	9048	3.00	72.0	7	27144	651456
20-10	19.5	10140	3.00	72.0	9	30420	730080
20-11	9.4	4888	2.50	58.0	8	12220	283504
20-12	8.3	4316	2.50	43.0	9	10790	185588
20-13	9.1	4732	2.50	68.0	8	11830	321776
21-5	8.5	4420	3.00	72.0	6	13260	318240
21-6	11.1	5772	3.00	72.0	7	17316	415584
21-7	10.6	5512	3.25	77.0	8	17914	424424
21-8	11.0	5720	2.75	87.0	7	15730	497640
21-9	12.5	6500	3.50	82.0	6	22750	533000
21-10	14.0	7290	3.00	89.0	8	21870	648810
21-11	9.0	4680	2.50	63.0	7	11700	294840
21-12	8.7	4524	2.00	45.0	9	9048	203580
22-5	4.0	2080	2.50	43.0	8	5200	89440
22-6	5.0	2600	3.00	47.0	8	7800	122200
22-7	4.5	2496	3.25	67.0	7	8112	167232
22-11	8.0	4160	2.50	53.0	7	10400	220480
22-12	8.4	4368	2.00	43.0	8	8736	187824
23-10	3.5	1794	2.25	48.0	7	4037	86112
23-11	8.0	4160	2.25	48.0	6	9360	199680
23-12	8.4	4368	2.50	48.0	8	10920	209664
TOTALS	**2156.8**	**1119420**	Average gold grams per tonne estimated at 2.71 g/t Au (compared to the 1950 estimate of 2.8 g/t Au) Average silver grams per tonne estimated at 73.11 g/t Ag (compared to the 1950 estimate of 75.00 g/t Ag)			**3031878**	**81840806**

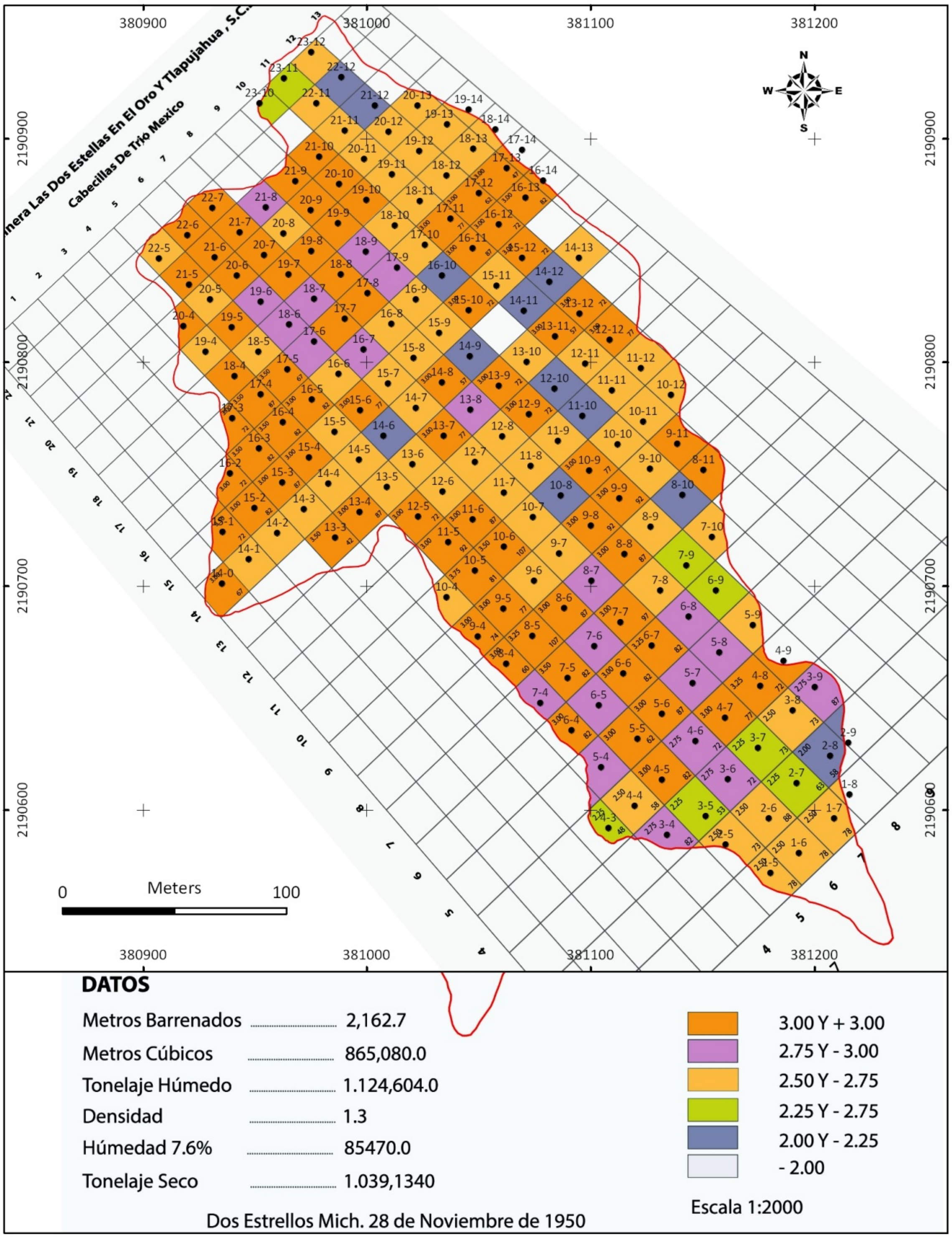


Figure 6.6: Results from the Mexico Mine Tailings 185 Drill Hole Tailings Program (gold equivalent)

6.3.2 1979-1980 Drill Campaign

As part of the re-calculation process Minera Mexico Michoacán drilled a total of 18 verification drill holes (Figure 6.8, Table 6.3 and 6.4) in the Mexico Mine tailings deposit and conducted detailed mineralogical studies in an effort to characterize the tailings material as summarized in Section 6.6 of this report. Minera Mexico Michoacán defined calculated a conceptual estimate of 1,073,011 dry tons grading 2.73 grams per tonne gold and 73.5 grams per tonne silver *(Mathis G. C., 1980)*.

A summary of the various conceptual estimates on the Mexico Mine tailings deposit can be found in Table 6.3 below.

Table 6.3: Summary of the Mexico Mine Tailings Historic Conceptual Estimates

Company	Year	Method	Dry Tonnes	Au grams	Ag grams	Bulk Density
Cooperativa Minera Las Dos Estrellas	1951	185 holes at 20 metres deep	1,039,134	2.75	75	1.27
Mountain States	1980	recalculation based on 185 holes	1,196,723	2.73	73.5	1.4
Minera Mexico Michoacán	1980	18 holes on 1x1 metres	1,073,011	2.73	73.5	1.4

The authors are not treating the above historical conceptual estimates as current mineral resources or mineral reserves. This estimation is conceptual in nature and should not be relied upon as insufficient drilling has been done to define a mineral resource using CIM resource categories (CIM, November 2010 and May 2014). A qualified person has not done sufficient work to classify this historical estimate as current mineral resources or mineral reserves, and the Company is not treating the historical estimate as current mineral resources or mineral reserves. A current Inferred Mineral Resource Estimate for the Mexico Mine tailings deposit can be found in Section 14.0 of this report.

Table 6.4: Summary of the 1980 Minera Mexico Michoacán Tailings Holes

Hole No.	Tailings depth(m)	Tonnes (1980)
1	13.00	18.2
2	19.00	26.6
3	15.00	21
4	11.00	15.4
5	15.00	21
6	15.00	21
7	7.80	10
8	20.60	28.8
9	11.20	15.6
10	23.70	33.1
11	17.80	24.9
12	21.50	30.1
13	26.50	37.1
14	14.50	20.2
15	21.00	29.4
16	14.20	19.8
17	4.00	5.6
18	2.50	3.5
TOTAL	**273.30**	**381.3**

Note: dry bulk density factor used in calculation was 1.4

6.3.3 1989-1990 Drill Campaign

In 1989, Luismin consolidated the existing El Oro mining concessions and acquired the rights to an additional number of claims covering both mining districts held under the National Mining Reserve from the Mexican government arm of “Servicio Geologico Mexicano” (“SGM”) to create a single contiguous land package. This land package covered the Mexico Mine tailings however; the rights to the tailings had reverted to the holder of the surface rights being the municipality of El Oro de Hidalgo when the owner of the mine that produced the tailings gave up the mining rights (pre-Luismin).

In 1990, Luismin conducted a 22 drill hole verification program to define the length, width and depth of the Mexico Mine tailings deposit and to verify historic results. Luismin calculated a conceptual estimate of 800,000 to 839,774 tonnes grading between 2.60 to 2.93 grams per tonne gold and 80.00 to 89.00 grams per tonne silver. A total of 297.67 metres were drilled in 22 AQ diameter core holes with variable core recoveries. The total estimated precious metal content was approximately 69,000 to 79,000 ounces of gold and 2,000,000 to 2,500,000 ounces of silver *(Aguilar, J.L.P., 1990).*

The authors are not treating the above historical conceptual estimate as a current mineral resource or mineral reserve. This estimation is conceptual in nature and should not be relied upon as insufficient drilling has been done to define an inferred mineral resource using CIM resource categories (CIM, November 2010 and May 2014). A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves, and the Company is not treating the above historical estimate as current mineral resources or mineral reserves. A current Inferred Mineral Resource can be found in Section 14.0.

The 22 drill holes depicted in Table 6.5 and in Figure 6.8 were drilled on roughly 60 metre-spaced centers over the areal extent of the tailings deposit. According to the 1990 Luismin program, the tailings pile varies in thickness from 5 to 27 metres. Some erosion has occurred over the years from rain-induced wash-outs along southeast-oriented drainages.

Figure 6.7: Section #3 (1990 Luismin Hole Locations #3, #4 and #5)

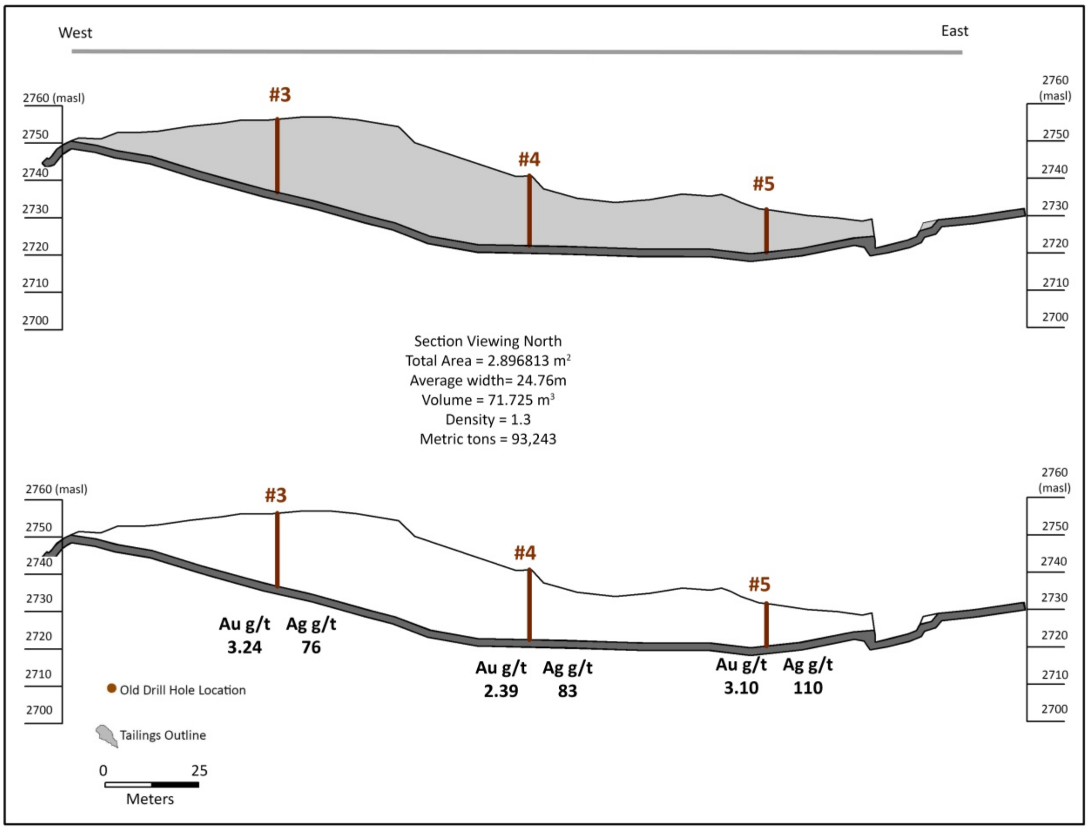
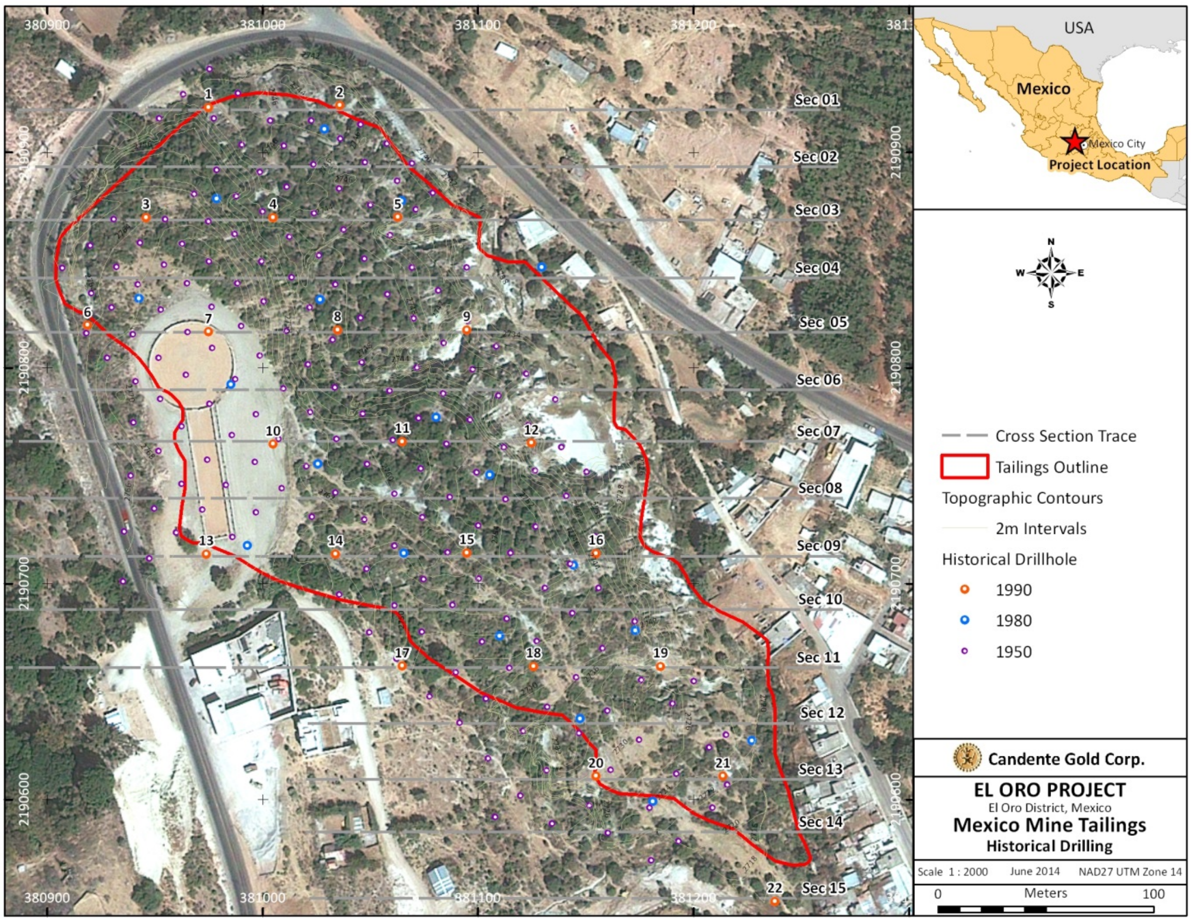


Table 6.5: Results of the Luismin, 1990 Mexico Mine Tailings Drilling

Hole No.	Tailings depth(m)	Gold (gr/ton)	Silver (gr/ton)
1	12.09	2.09	64.0
2	9.02	2.16	51.0
3*	19.89	3.24	76.0
4*	18.38	2.39	83.0
5*	11.88	3.10	110.0
6	8.14	3.81	113.0
7	21.48	2.82	77.0
8	18.09	2.74	85.0
9	11.70	2.68	89.0
10	19.33	2.81	100.0
11	27.85	2.88	92.0
12	9.59	3.41	95.0
13	17.60	3.23	102.0
14	9.75	3.33	96.0
15	25.04	3.17	95.0
16	19.69	2.82	98.0
17	1.17	3.65	90.0
18	17.12	3.27	88.0
19	5.70	2.64	74.0
20	9.00	3.00	88.0
21	4.27	3.14	104.0
22	0.90	2.50	70.0
TOTAL	**297.67**	**2.93**	**89.0**

(Note: 3*4*5*-Drill holes depicted in Figure 6.8)

Figure 6.8: Plan Map of the Mexico Mine Tailings Historic Drill Campaigns



6.4 HISTORIC PRODUCTION

6.4.1 Production History El Oro (1920-1926)

Table's 6.6 to 6.14 include production summaries from the Copper and Mines Handbook Years 1920-1926. During these production years, the El Oro Mining & Railway Co. ("the El Oro Mine") operated on the southern part of the San Rafael vein; Esperanza Mines Ltd. (the Esperanza Mine) mined the central portion of the San Rafael vein; and Mexico Mines of El Oro Ltd. (the Mexico Mine-tailings source) worked on the northern extension of the San Rafael vein.

The tables below suggest that production from the San Rafael vein was approximately 10,000,000 tons of ore and production from the Verde vein was nearly 7,000,000 tons produced during 1920 to 1926.

6.4.2 Mines on the San Rafael Vein (1907 to 1924)

The ore mined by the El Oro Mining & Railway Co. and Esperanza Mines Ltd. was similar in grade, in the order of 0.30 ounces per ton gold and 1.5 to 3.0 ounces per ton silver or 8.5 grams per tonne gold and between 42.52 to 85.05 grams per tonne silver.

Table 6.6 depicts the total known production from the El Oro Mining & Railway Mine at 4,558,739 tons milled at an average grade of 0.30 ounces per ton gold.

Table 6.6: El Oro Mining & Railway Co. Production Summary (1909-1925)

El Oro Mining and Railway Co. (source: Mines Handbook 1920-1927)				
Historic properties : San Antonio, San Rafael, Trianon, Diamante, Ofir and Carmen No. 2 Claims				
Orebodies varied in width from 10 to 60 feet (3.05 to 18.9 metres); currently under Luismin/JV Candente Gold				
Year	**Tons Milled**	**USD$/Ton**	**oz. Au/Ton EQ**	**Reserves-Tons**
1909	285,181	$8.56	0.414	
1910	316,138	$8.10	0.269	
1911	360,294	$6.63	0.321	
1912	387,157	$5.57	0.269	301,934
				(Total value $9.26/Ton)
1913	433,708	$5.04	0.244	448,053
				($8.11 Au/Ton and 3 oz Ag)
1914				
1915	Idle			
1916				
1917				
1918	30000 tons/m			
1919	308,665	$8.07	0.39	333,135
1920	368,538	$8.77	0.424	293,779
1921	383,043	$7.63	0.369	282,124
				($7.96 Au/Ton and 2.1 oz Ag)
1922	401,840	$5.48	0.265	339,687
				($5.23 Au/Ton and 1.73 oz Ag)
1923	399,820	$4.88	0.236	330,000
				($4.44 Au/Ton and 1.69 oz Ag)
1924	447,060	$4.20	0.203	
1925	447,290	$4.04	0.195	
TOTAL	**4,558,739**	**Avg Grade**	**0.30**	

Table 6.7 below depicts the total production of 2,089,827 tons at an average grade of 0.387 ounces per ton gold from the Esperanza Ltd. Mine from 1911 to 1921. The recoveries reported in 1918 from the Esperanza Mine were 86.43 % for gold and 68.25 % for silver. Through 1918, total output was $78,003.993 (Mexican Gold Currency) from 2,826,041 tons of ore. Total production through 1921 was 3,525,864 tons of ore. In the year 1922, a new mill was installed to process 1,000,000 tons of low grade ore and stope fills. This project was

proven to be uneconomic given the price of gold and silver at this time (using a gold price of US$20/oz).

One of the highest grade veins in the hanging-wall of the main San Rafael vein had different names depending on the vein segment: in the north, the vein was called *"Veta Sulfuros"*; in the central and south segments it was called *"Veta San Carlos"*. The vein was narrow (8-20cm); very high in total sulphide (mostly pyrite); and was extremely gold-rich paying for mining costs over several months. The footwall in the central mine is the pre-mineral andesite sill or "*Andesita Antigua"*. Some of the better grades in the Esperanza Mine were from the Sulphide Vein or "*Veta Sulfuros"*, near the northern boundary with the Mexico Mine north of the No. 2 Fault where a vein segment and related breccia measured several hundred metres in length and had mining widths of between 15-46 metres (50-150 feet).

Table 6.7: Esperanza Ltd. Production Summary (1911-1921)

Esperanza Mines Ltd. (source: Mines Handbook 1920-1927)				
Historic veins San Rafael, Esperanza, San Carlos, Descubridora(bonanza silver grades)				
Orebodies varied from 2 to 100 feet (0.61 to 30.5 m) in width; currently Luismin/JV Candente Gold				
Year	**Tons Milled**	**Value/Ton**	**oz. Au/Ton EQ**	**Reserves-Tons**
1911	272,235	$6.17	0.299	
1912	229,076	$7.31	0.354	
1913	207,281			
1914	143,670	$8.21	0.397	
1915	22,684			156,000
1916	113,921	$6.67	0.323	111,723
1917	200,548	$10.00	0.484	65,368
1918	200,589	$9.88	0.478	35,131
1919	308,665	$8.07	0.39	333,135
1920	273,120			
1921	159,445			
TOTAL	**2,089,827**	**Avg. Grade**	**0.387**	

Table 6.8 below depicts total production of 1,522,606 tons of ore from the Mexico Mine. The Mexico Mine, the source for the Mexico Mine tailings deposit,, operated on the northern strike extent of the San Rafael vein, was a more selective mining operation with higher ore grades averaging 0.521 ounce gold (14.2 grams per tonne gold) and 8.0 ounces silver per ton (226.8 grams per tonne silver).

Table 6.8: Mexico Mines El Oro Ltd. Production Summary (1907-1924)

Mexico Mines El Oro Ltd. (source: Mines Handbook 1920-1927)				
Historic veins: Mexico, Nolan, Amistad Mines (currently owned by Luismin/JV Candente Gold)				
Year	**Tons Milled**	**USD$/Ton**	**oz. Au/Ton EQ**	**Reserves-Tons**
1907-08	62,394	$12.90	0.624	
1908-09	101,105	$12.40	0.600	
1909-10	136,372	$10.20	0.493	
1910-11	136,408	$11.20	0.542	
1911-12	142,884	$10.80	0.522	
1912-13	158,395	$10.50	0.508	
1913-14	Idle			
1914-15	30,825			505,300
				($10.4 Au/Ton and 6.4 oz Ag)
1915-16	84,030			457,100
				($11.89 Au/Ton and 8.0 oz Ag)
1917-18	121,793			416,200
1918-19	130,665			379,000
1920	138,710	$10.34	0.500	350,100
		7.0 oz Ag		($10.02 Au/Ton, 8.82 oz Ag)
1921	125,185	$11.39 Au	0.551	311,430
		7.8 oz Ag		($11.23 Au/Ton and 9.83 oz Ag)
1922	153,840	$9.06 Au	0.438	274,655
		(6.7 oz Ag)		($10.97 Au/Ton and 10.06 oz Ag)
1923				292,655
				($10.90 Au/Ton and 10.18 oz Ag)
1924				255,723
				($10.60 Au/Ton and 9.39 oz Ag)
TOTAL	**1,522,606**	**Avg. Grade**	**0.521**	

6.4.3 Minera Dos Estrellas (1916 to 1924)

The main vein that was worked by the Minera Los Dos Estrellas, S.A. Company was the Verde Vein with an average mining width of 12 metres. Total production to the end of 1923 was 6,350,847 tonnes. The grades reported in 1923 estimate were 5 grams gold per tonne and 115 grams silver per tonne, considered to be marginal, yielding a profit at that time of USD $0.40 per tonne. A brief history can be found in the NI43-101 Technical Report on the El Oro Property dated November 30, 2013 by Nadia Caira, P.Geo. (Caira 2013).

Table 6.9 below depicts production during 1916 to 1924 where the ore was milled by Dos Estrellas from the Verde vein averaging 0.7 ounces gold per ton (24.0 grams gold per tonne).

Table 6.9: Cia Minera Las Dos Estrellas Production Summary (1916 to 1924)

Historic Properties: Mexico, Nolan, Amistad Mines (currently owned by Luismin/JV Candente Gold)				
Year	**Tonnes Milled**	**USD$ Value/Ton**	**oz. Au EQ/Ton**	**Reserves-Tons**
1916	164,610	$14.65	0.709	807,079
1917	266,658	$18.44	0.892	297,384
1918	344,859	$22.38	1.083	820,819
1920	361,878	$17.73	0.858	829,199
1921	413,016	$13.07	0.632	730,705
1921	413,016	$13.07	0.632	730,705
1922	477,172	$12.02	0.582	991,092
1923	531,559	$10.77	0.521	1,234,651
1924	521,488	$9.50	0.46	1,446,231
TOTAL	**3,447,060**		**0.715 oz Au**	

Source: Mines Handbook (1920-1927)

6.4.4 Cooperativa Las Dos Estrellas (1937 to 1959)

The following summary was translated from production summary reports. In 1937, total production was divided between production from the Dos Estrellas claim (e.g. Verde and nearby veins) totalling 40% and production from the Esperanza Mine and the Mexico Mine totalling 60% by mining remnant mineralization from old stopes *(Muñoz P., et. al.,1959).*

The remnant mineralization in the Dos Estrellas Verde mine is comprised of inconsistent grades in back-fill, remnant pillars, and lower grade in-situ vein material including a historic estimate of 492 dry weight metric tonnes grading 2.6 grams per tonne gold and 68 grams per tonne silver. The Esperanza and Mexico Mines gave tonnages of 544.8 dry weight metric tonnes grading 2.75 grams per tonne gold and 44.0 grams per tonne silver.

The authors are not treating the above historic conceptual estimate as current mineral resources or mineral reserves. This estimation is conceptual in nature and should not be relied upon as insufficient drilling has been done to define an inferred mineral resource using CIM resource categories (CIM, Nov 2010 and May 2014). A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves.

In 1937, a total of 204,856 tonnes was mined from the Esperanza-Mexico Mines accessed by surface and underground shafts and adits underneath the post mineral volcanic cover (Table 6.10).

Table 6.10: Cooperativa Dos Estrellas Verde Mines in 1937

Dos Estrellas	Tonnes	Gold g/t	Silver g/t
Veta Del Salto	4,472	2.51	49.02
Veta Nueva	11,338	2.84	82.71
H.E. Nueva	978	3.39	107.21

Veta Colorada	71,044	2.75	36.84
V.W. Verde	110	1.77	78.00
Veta Verde	247,190	2.02	70.24
H.W. Veta Amparo	4,726	5.64	69.94
Veta Amparo	3,507	1.75	31.51
H.E. Veta Amparo	1,578	5.40	83.59
H.W. Veta A	749	6.35	85.00
Veta A	3,638	3.16	51.78
Veta B	319	2.25	54.00
Veta D	25,170	4.79	86.34
Veta E-Hilo del W	1,170	3.64	141.00
Veta E	12,812	3.50	87.97
Veta E-Hilo del E	5,419	3.45	103.21
Veta F	5,310	2.25	34.82
Veta Amarilla	12,706	3.37	28.51
Veta Limpias	875	3.24	58.55
TOTAL	**413,111**	**2.53**	**64.67**

In 1937, Cooperativa Dos Estrellas recovered 413,111 tonnes grading 2.53 grams per tonne gold and 64.67 grams per tonne silver from the Dos Estrellas Mines (Table 6.10) and 204,856 tonnes grading 2.77 grams per tonne gold and 44.82 grams per tonne silver from the Esperanza-Mexico Mines (Table 6.11).

Table 6.11: Cooperativa Dos Estrellas Production Esperanza-Mexico Mines in 1937

Esperanza-Mexico	Tonnes	Gold g/t	Silver g/t
Veta Nolan	7,160	4.78	46.27
H.W. Nolan	11,381	3.46	41.64
Veta Negra	15,199	4.35	74.95
Veta Gris	5,204	1.37	21.31
Veta A	8,952	2.47	51.07
H.W. Veta San Rafael	14,726	2.58	58.54
San Rafael	128,154	2.55	41.07
Limpias	3,302	3.14	46.36
Dump Material	10,778	2.94	44.63
TOTAL	**204,856**	**2.77**	**44.82**

Table 6.12: Cooperativa Dos Estrellas Production History in 1938

Dos Estrellas	Tonnes	Gold g/t	Silver g/t
Veta del Salto	9,500	2.4	46.0
Nueva	25,060	3.0	86.0
H.E. Nueva	61,800	2,8	40.0
Colorada	293,500	2.2	72.0
Veta Blanca	1,500	4.0	80.0
Veta Amparo	6,100	4.2	76.0
Veta A	24,000	3.3	55.0
Veta B	15,700	2.2	54.0
Veta D	11,400	4.9	81.0
H.W. Veta E	9,200	3.6	141.0
Veta E	10,500	3.5	100.0
H.E. Veta E	4,000	3.9	116.0
Amarilla	20,400	3.5	31.0
TOTAL	**492,660**	**2.6**	**68.0**

In 1938, an estimated total of 492,660 Tonnes grading 2.6 grams per tonne gold and 68.0 grams per tonne silver remained unmined at the Dos Estrellas Mines (Table 6.12).

Table 6.13: Cooperativa Dos Estrellas Remnant Grades Esperanza-Mexico Mines in 1938

Esperanza-Mexico	Tonnes	Gold g/t	Silver g/t
Veta Nolan	4,800	3.8	43.0
Veta Negra	40,000	3.5	61.0
San Rafael	500,000	2.7	42.00
TOTAL	544,800	2.8	44.00

In 1938, an estimated total of 544,800 tonnes grading 2.8 grams per tonnes gold and 44.0 grams per tonnes silver remained unmined at the Esperanza-Mexico Mines (Table 6.13).

The compilation in Table 6.14 covered a 17 month period at Dos Estrellas totalling 48,866 tonnes of mine-fill and indicated an average grade of 5 grams per tonne gold and 54 grams per tonne silver. The table below was extracted from the monthly production reports, of Cooperativa Minera Los Dos Estrellas, Appendix B, during July 1958 through November 1959. Assuming that there was no selective extraction from the San Rafael stope-fills, which seems unlikely, the compilation suggested that the grade of the stope-fills could approach 5 grams per tonne gold and 54 grams per tonne silver. During the years between 1938 and 1958 the workers operated autonomously with unknown production data.

Table 6.14: Cooperativa Las Dos Estrellas Production (July 1958-November 1959)

July 1958 through to November 1959 (extracted from San Rafael)					
Year	**Metric tonnes**	**Au oz**	**Ag oz**	**Au (gram/tonne)**	**Ag (gram/tonne)**
Jul-58	3,307	5.9	45.1	19511.3	149145.7
Aug-58	3,278	5.8	52.7	19012.4	172750.6
Sep-58	2,588	4.7	39.5	12163.6	102226.0
Oct-58	2,577	5.5	60.2	14173.5	155135.4
Nov-58	2,595	4.5	45.1	11677.5	117034.5
Dec-58	3,296	4.5	51.9	14832.0	171062.4
Jan-59	3,104	5.3	48.6	16451.2	150854.4
Feb-59	2,508	4.9	48.9	12289.2	122641.2
Mar-59	2,173	5.7	61.0	12386.1	132553.0
Apr-59	2,762	5.6	54.4	15467.2	150252.8
May-59	2,626	5.3	54.3	13917.8	142591.8
Jun-59	2,718	5.1	46.4	13,861.8	126115.2
Jul-59	3,238	4.3	71.1	13923.4	230221.8
Aug-59	3,240	4.0	55.4	12960.0	179496.0
Sep-59	2,713	3.8	71.1	10309.4	192894.3
Oct-59	3,436	3.7	50.5	12713.2	173518.0
Nov-59	2,707	4.4	62.6	11910.8	169458.2
TOTAL	**48,866**			**237,560.4 at 4.86 g/t**	**2,637,951.3 at 53.98 g/t**

Source: Copper and Mines Handbook 1920-1927

Table 6.15: Historic Mineral Extraction and Production on the San Rafael Vein

Company	Mineral Extracted (1907-1925) Tonne	Au(grams)	Production(t)
El Oro Mining	4,550.73	9.34	42,578,575.56
Esperanza	1,160.04	12.05	13,978,469.95
Mexico Mines	1,155.29	16.2	18,715,746.80
TOTAL	**6,866.07**	**10.95**	**75,272,792.11**

Source: Copper and Mines Handbook 1920-1927

6.4.5 Cooperativa Las Dos Estrellas and Esperanza-Mexico Mines in 1959

The historic work at the Dos Estrellas Mines and Esperanza-Mexico Mines is summarized in a report called *"Informe de Las Condiciones Economicas de la Cooperativa Mineras Las Dos Estrellas en El Oro y Tlalpujahua" (Muñoz P. et. al, 1959).* In this report, Dos Estrellas Mines calculated a conceptual estimate of potential remnant mineralization totaling 89,130 tonnes of high confidence material grading an average of 6.0 grams per tonne gold and 188.0 grams per tonne silver and lower confidence material totaling 145,980 tonnes grading 5.7 grams per tonne gold and 98.00 grams per tonne silver.

The authors are not treating the above historic conceptual estimate as a current mineral resource or mineral reserves. This estimation is conceptual in nature and should not be relied upon as insufficient drilling has been done to define an inferred mineral resource using CIM resource categories (CIM, Nov 2010 and May 2014). A qualified person has not done sufficient work to classify the historical estimate as current inferred mineral resources or mineral reserves, and the Company is not treating the historical estimate as current mineral resources or mineral reserves.

For a period of 23 years the Cooperativa de Las Dos Estrellas (the Cooperative) was unofficially working on developing the Dos Estrellas Mines with un-recorded production. The total production from 1947 to 1951 was 51 kilograms of gold and 620 kilograms of silver. In 1951, the Cooperative retained the Federal Government's assistance to facilitate and direct the mining at the Dos Estrellas Properties. The Cooperative lasted another 8 months, however the grades of 3.5 grams per tonne gold and 120 grams per tonne silver proved to be unprofitable using a 1952 gold price of USD$34.60 per ounce of gold.

6.5 HISTORIC MINERAL PROCESSING AND METALLURGICAL TESTING

6.5.1 San Rafael Vein

Preliminary metallurgical testwork was performed on three samples collected from in-situ and stope-fill material derived from the San Rafael vein system by Mountain States Research and Development in 1980 *(Mountain States, 1980).* The metallurgical testwork included cyanide leaching and flotation to recover gold and silver. The results of the testwork are summarized below in Table 6.16.

Before 1907, the gold ores in the El Oro District had very poor recoveries. Without the use of a cyanidation process the gold ores were deemed unprofitable. In 1907 production was started on the San Rafael vein with the completion of a 100-stamp cyanide mill. The lowest grade ore profitably exploited during the early 1900's graded 0.25 oz gold per ton and 2-3 oz silver per ton. In 1920, a 120-stamp cyanide mill was built. From 1925 to 1937 higher grade back-fill, remnant pillars and narrow intermediate veins were mined and a new crushing and processing plant was built to process the ore.

A detailed summary of the historical metallurgical testwork can be found in Table 6.16 below and in the Amended NI 43-101 Technical Report on the El Oro Property dated November 30, 2013 by Nadia Caira (Caira 2013).

Table 6.16: Metallurgical Testwork Results from the San Rafael Vein

Sample Location	Head Grade		Cyanidation Recoveries		Rougher Flotation Recoveries	
Sample ID	Gold (g/t)	Silver g/t	Gold (%)	Silver (%)	Gold (%)	Silver (%)
San Rafael in-situ	7.75	41	96	85	87	58
San Rafael-Carmen stope-fill	3.02	29	91	56	80	43
San Juan-Carmen stope-fill	10.00	113	94	46	94	85

The testwork results indicate that a standard cyanidation process utilizing typical industry practice would achieve satisfactory gold recoveries. Silver recoveries are significantly lower. A standard flotation process may also achieve satisfactory gold recoveries however; with the leaching tests the silver recoveries are significantly lower than the gold recoveries. It was recommended that additional optimization testwork and flow sheet development be completed in an effort to improve the silver recoveries. The Mountain States testwork was performed on a limited number of samples and therefore the results cannot be considered as representative for the entire El Oro district. A larger collection of representative sample material considered for mining would be required to achieve a higher level of confidence in expected gold and silver recoveries.

The historical processing of the El Oro ores successfully utilized cyanide leaching of ground ores for extraction of gold and silver and the Mountain States testwork indicated that cyanide leaching would be an appropriate processing technology for the El Oro ore.

6.5.2 Mexico Mine Tailings

Several different metallurgical facilities have completed comprehensive testwork studies on the Mexico Mine tailings between 1951 and 1990 in an attempt to identify the most effective tailings treatments to achieve the highest overall metal recoveries at the lowest costs. The various programs are discussed below from the earliest to the most recent.

1951: Mining Development Commission

A series of 1951 testwork results on the Mexico Mine tailings deposit is summarized in a report called, *"Sinopsis Titulada: El Tratamiento de los Jales del Tiro Mexico en El Oro Estado de México, Comision de Fomento Minero" (Villafaña., M., 1951)*. Two processing and recovery tests were completed.

Test 1: the first test was performed, after cyanidation and calcination, and included a grind of 96% to minus 325 mesh size getting positive recoveries including 70% for gold and 71% for silver.

Test 2: the second, lower cost test was performed, prior to cyanidation and calcination, and included 20 minutes at 600 ^{0} C of roasting followed by further treatment by cyanidation without re-agitation yielding good recoveries for gold of 70% and poor recoveries for silver of 20%. Although the gold results were metallurgically good, the distribution of potential pollutants into the environment (e.g. arsenic or mercury) deemed the treatment as inadequate.

1959: Compilation of Testwork from Various Labs

The following discussion is extracted from a 1959 report titled *"Informe de las Condiciones Economicas de la Cooperativa Minera Las Dos Estrellas en El Oro y Tlalpujahua" (Muñoz, P., 1959).* The Cooperative conducted a series of a series of tailings treatment tests with varying gold and silver recoveries including 49 to 81% for gold and 22 to 41 % for silver (Table 6.4).

The treatments were as follows:

1. Leaching of tailings with thiosulphate without grinding and without heat treatment. In this method the recoveries of gold and silver were very close to zero.
2. Treatment of the tailings by Cyanidation with and without milling. The recoveries were also negligible.
3. Treatment of the tailings by calcination prior to Cyanidation. In this method gold recoveries were as high as 75% and the silver recovery was 22%. This test was performed without regrinding.
4. Treatment of the tailings by roasting and grinding to minus 200 (-200) mesh size prior to Cyanidation. Gold recoveries were as high as 80% for gold and 30% for silver.
5. Flotation tests with grinding of 80% to a minus 325 mesh size. Concentrates were obtained grading 25 grams of gold and 1,200 grams of silver with poor recoveries of 27% for gold and 48% for silver.
6. Flotation tests with grinding of 93% to minus 325 mesh size.

1981: Tucson Arizona Lab and Tayoltita Lab Comparison

In 1981, Luismin acquired a majority interest in the El Oro Property in a JV with Minera Mexico Michoacán (MMM) and drilled 18 verification holes in the tailings area and conducted metallurgical testwork simultaneously at two different labs. The results from a metallurgical lab in Tucson, Arizona and the lab at the Tayoltita mine site produced variable metal recoveries using the exact same analytical technique for tailings treatment (Table 6.17).

In a report titled *" Pruebas Metalurgicas de MMM Lab, Tucson Arizona y Lab, Tayoltita, 1981" (Kerley, 1981),* Kerley reported the results from four agitated cyanide leaching tests for the same sample composition and same volumes to compare the reliability and accuracy of the results. The treatment was as follows: 300 grams of ore was milled for 6 minutes in 240 litres of water + 150 ml of thio. # 3 + 60 ml of NH_4OH + 24 grams of $OS_4Cu.5H2O$ + 10 grams of $(NH_4)_2SO_3$ + 130 ml H_2O using a working temp of 49^0 C and a pH of 9.6 for a total of 1 to 3 hours of agitation. The amount of gold and silver dissolved into solution using cyanide and the stirring process by agitation resulted in very low recoveries including 35% for gold and 37% for silver. The pulps were washed in copper sulphate solution and ammonia and then dried and weighed.

Table 6.17: 1981 Lab Comparison tailings treatments of the Mexico Tailings

Test No.	Tucson Lab (Gold Rec %)	Tayoltita Lab (Gold Rec %)	Tucson Lab (Silver Rec %)	Tayoltita Lab (Silver Rec %)
Test 1	25	30	37.6	68.5
Test 2	25	30	36.3	68.5
Test 3	60	20	27.5	51.1
Test 4	NR	NR	20	61.1

1982: Heap Leach Testwork (as translated)

In a report titled, *"Pruebas Metalúrgicas, CIA. Minera Real de Asientos y Anexas, 1982", (Cabrera, 1982)* tailings heap leach testwork characteristics are summarized below.

Test 1: The first test was completed on the tailings material in its original form through an agglomeration treatment with lime and cement. The test recoveries were low including 50% for gold and 20% for silver.

Test 2: The tailings material was agglomerated into columns with 10 lbs. lime + 10 lbs. cement + 6 lbs. per ton of sodium cyanide. The test results were encouraging with better recoveries of 55% for gold and 52% for silver. The test results were questioned and follow up checks were recommended however, the check results were not available for comment.

1989-1990: The Metallurgical Institute of San Luis Potosi (as translated)

Luismin conducted a further 22 verification drill holes over the tailings deposit and reviewed concentration and treatment scenarios that were summarized in a report *by "Universidad Autónoma de San Luis Potosí, Instituto de Metalurgia, San Luis Potosi" by Marco A. Zapata Velazquez in May 30. 1989.*

This metallurgical testwork reviewed various concentration and treatment methods. The best method for the highest recoveries was by "agitation cyanidation" and "cyanidation" using the smaller mesh sizes. The best treatment was by direct cyanidation on a minus 325 mesh size with reported recoveries of up to 75% for gold and 82.41% for silver (Table 6.18).

Conclusions of the study:

1. The most profitable process to achieve the best metal recoveries from the tailings sample provided was by "Direct Cyanidation by Agitation".
2. It was not very advantageous to further grind or roast the ore.
3. The coarser fractions were lower grade and interfered with the cyanidation process. It was recommended to classify the material to an equivalent size fraction to 100 mesh size and conduct cyanidation before that size fraction.
4. It is important to disaggregate the clumps that affected the cyanidation.
5. Disaggregation of the clumps/conglomerates could be done by conditioning the material for a 24 hour period and then proceed to the material classification to completely disaggregate the clumps.
6. Tailings material could be processed as described above with potential economics.

Recommendations were to send the samples to a reliable metallurgical test lab with expertise in metallurgy. The follow-up testwork should include cyanidation in bottle roll tests and in column leach tests using detailed classifications of plus +100 mesh screen sizes and doing the experimentation with the minus -100 mesh screen sizes.

These results will be used in an on-going evaluation of the technical and economic viability of future tailings reclamation and reprocessing operation. Further metallurgical testwork is required by Candente Gold to establish whether or not the tailings have economic value using current operational costs and metal prices. If the results suggest that reclamation and reprocessing of the tailings is technically feasible and economically viable then Candente Gold would commit to raising the capital to finance the processing of the tailings and build new infrastructure required for the tailings reprocessing and reclamation operation.

A summary of the various metallurgical testwork programs and results can be found in Table 6.18 below.

Table 6.18: Summary of the Historic Metallurgical Test Results (1951 to 1990)

Year	Company	Process	Regrind	Recovery % Au	Recovery % Ag	Recommendation	Comments
1951	Mining Development Commission	Flotation	96% -325 mesh	70.0	71.0	Yes	Long float times and resultant coal dust
		Cyanidation After Calcination	No	70.0	20.0	Yes	Short periods of calcination (20 min) to 600 °C and elimination of carbonaceous material
1959	Mining Cooperative Two-Stars	Cyanidation After Calcination	No	75.0	22.0	Yes	No regind and values similar to 1951 results
		Cyanidation After Calcination	-200 mesh	81.0	30.0	Yes	Grinding to -200 mesh with an increase recoveries
		Flotation	80 % to -325 mesh	27.0	48.0	No	Low recoveries in comparison with the 1951 test work
			93 % to -325 mesh	49.0	41.0	No	
1982	CIA.Minera Real Asientos y Anexas S.A. For Minera Mexico Michoacan	Heap Leaching	No	20.0	41.33	No	10 days of leaching required
			Yes	20.0	53.33	No	8 days of leaching and grinding for 8 minutes
		Heap Leaching after Roasting	No	40.0	58.7	No	Roasting chloridizing to 700 °C for 30 minutes, 7 days of leaching, initial conditions
			No	50.0	66.66	No	Roasting chloridizing to 700 °C for 30 minutes, 7 days of leaching, varying initial conditions, (intermediate).
			No	50.0	70.67	No	Roasting chloridizing to 700 °C for 30 minutes, 7 days of leaching, varying intermediate terms, (final).
1989	Institute of Metallurgy of SLP	Flotation	No	13.5	13.6	No	Size of very fine material, carbonaceous material and surface partially oxidized
		Direct cyanidation	No	50	47.82	No	There are conglomerates of material, low recoveries.
		Direct cyanidation	-325 mesh	75	82.41	Yes	Greater expenditure of reagents (cyanide and Cal).
		Cyanidation After Roasting	No	75	55.44	Yes	Roasting at 800 °C for 20 minutes.

Minera Mexico Michoacán also completed a detailed mineralogy characterization of the tailings material as summarized in Table 6.19 below. The mineralogical results included quartz fragments that may have produced non-representative results so it is anticipated that the tailings material requires grinding to a minus -400 mesh size in order to better liberate and recover the contained metals.

Table 6.19: Summary Table of the Detailed Mineralogical Characterization

Mineral species	Formula	Relative proportion	Particle size(microns)	Avg. size (microns)	No. of Part
Friebergite	(Cu, Ag, Fe) Sb_2S_3)	51.87	1 to 6	3.5	8
Aguilerite	Ag_2 (S, Se)	33.86	0.4 to 3	1.4	29
Argentite	Ag_2 S	12.53	2 to 4	3	3
Native Silver	Ag	1.74	2		
Native Gold	Au		2 to 10		

6.6 HISTORIC CONCEPTUAL EXPLORATION TARGET REVIEW

6.6.1 Mexico Mine Tailings Estimate

Several mine tailings totaling approximately 17.60 hectares occur in the municipality of El Oro de Hidalgo, in the State of Mexico, Mexico under the June 2013 agreement with Minera CCM El Oro Jales S.A. de C.V. ("Minera CCM Jales", a subsidiary of Candente Gold). One of these mine tailings deposits extracted from the Mexico Mine covers an area measuring 7.37 hectares and lies within the current town site of El Oro, an area that would be useful for the town's future development (Figure 6.9).

The tailings material was extracted from the historic Mexico Mine's milling plant as well as from smaller portions of the Esperanza Mine (e.g. San Rafael Vein, Negra Vein and the San Carlos Vein). The ore consists of oxides and sulphides mined from predominantly the upper branches of the San Rafael Vein within the northern San Rafael-Mexico Mine vein segment.

Candente Gold believes the potential exists for positive results from a responsible stewardship removal, reprocessing and reclamation of the municipality-owned 7.37 hectare tailings deposit that lies on surface within its 100% owned El Oro project (the El Oro Project). This historic 1904 to 1926 tailings deposit contains a conceptual estimate of 800,000 to 839,000 tonnes grading from 2.80 to 2.95 grams per tonne gold and from 75.0 to 89.0 grams per tonne silver *(Aguilar, J.L.P., 1990).*

The authors are not treating the above historical conceptual estimate as current mineral resources or mineral reserves. This estimation is conceptual in nature and should not be relied upon as insufficient drilling has been done to define a mineral resource using CIM resource categories (CIM, Nov 2010 and May 2014). A current Mineral Resource Estimate on the Mexico Mine Tailings is discussed in Sections 11.0, 12.0 and 14.0 and was based on current verification of historic data. Further resource upgrade drilling could be done using current NI 43-101 QA/QC standards, including a determination of the specific gravity and further metallurgical testwork to identify, with more certainty, the quantity and grade of the reported estimation.

This site could easily be accessed for reclamation and reprocessing of the contained gold and silver for a potential profit to Candente Gold and the municipality of El Oro de Hidalgo. A portion of the gold and silver mineralization could potentially be recovered for an economic benefit at a relatively low cost. The tailings deposit might also contain deleterious elements like arsenic, mercury, selenium and cadmium that, if left in place, that could potentially contaminate the existing water resources used by the El Oro town's people.

Further testwork and technical/financial assessment is required by Candente Gold to determine if the tailings warrant reclamation and reprocessing. If the results suggest that reclamation and reprocessing of the tailings is technically feasible and economically viable then Candente Gold would commit to raising the capital to finance the design and construction of new tailings reclamation and reprocessing facility.

In June 2013, Candente Gold conducted an in-house review of the Mexico Mine tailings reprocessing and reclamation project. Some of the highlights include: the tailings are located near existing infrastructure in the town site of El Oro; the Environmental benefit and value to the community by the removal of the hazardous and unsightly old tailings pile; the Economic benefit and value to the community in access to reclaimed real estate and potential for future development; and the potential profitable project for the community and the Company by recovery of precious metals contained in the tailings.

6.6.2 1937 Federal Commission Review-Dos Estrellas Cooperative

The following summary is from a report titled *"Comisión Investigadora de las Condiciones Económicas de la Compañía Las Dos Estrellas-Programas de Obras de Exploración* by *(Antúnez E. et. al. 1937).* This Federal Government of Mexico Commission was asked to review and recommend work programs for the mines owned by the Dos Estrellas Cooperative.

San Rafael-Mexico Mine (source of the Mexico Mine Tailings)
Exploration in the Mexico Mine was done via an inclined Shaft #23 that did not cut the vein, potentially due to an insufficient length. The vein dip varies between 16 degrees ° and 19 degrees ° changing to 40 degrees ° to the southwest. Above the 3rd Mine Level, high grade silver mineralization was found comprised of silver sulphides and sulfo-antimonides. The best grades on the San Rafael Vein were found between the 4th and 8th mine levels of the Mexico Mine (75 to 175 metres below the Dos Estrellas Tunnel). On the 9th level, most of the vein was barren, and only short sections had mineable values near a back-rest. The mineralization was mineable up to the 11th Level, and below this level grades were lower with narrow mineralized sections measuring 50 metres in length near the limit with the Esperanza Mine. At the lower mine levels only short, scattered and isolated values were found deeming the Mexico Mine uneconomic at the 1937 metal prices of USD$34.79 per ounce of gold *(source: World Gold Council Timothy Green's Historic Gold Price Table).* The northern extension of the San Rafael vein was inconsistently explored on the Cometa de Oro property on Levels 3 and 6 that were extended to the north in the Mexico Mine. The San Rafael vein in the Mexico Mine was barren from the northern boundary of the Esperanza Mine for a distance of 250 metres to the southern property boundary. After this barren 250-metre segment, the vein was well mineralized from this point up to the Golden Comet Fault *(Cometa de Oro)*. Higher grades of gold and silver were found on the 3rd to the 6th levels, which were exploited completely by the Mexico Mine.

The commission believed that future exploration should include exploration north of the Cometa de Oro Fault on the San Rafael vein where the strike and dip of the vein is unknown. The West Vein (*Veta Del Poniente*) located in the hanging-wall of the San Rafael vein has similar vein characteristics as the San Rafael vein segment to the north. The Del Poniente vein had very high grade areas between Levels 4 and 6, however below Level 6 the grades decreased to the 9th level. The grades in Veta Sulphurous had magnificent grades both in the

Esperanza and the Mexico Mines, between Levels 7 and 11. The well mineralized Sulphurous vein had the best grades on the 6th level, gradually decreasing in grade down to the 9th level. Although the best grades were exploited in the past, the Commission recommended exploring the small veinlets that exist in the hanging-wall and footwall via crosscuts and methodically mining all the pillars, back-fill and stope-fill of remnant un-mined mineralization.

San Rafael-Nolan Mine (minor source for the Mexico Mine Tailings)
The direction of the vein in this mine is 225 Az., and varies in dip between 55 to and 60° to the SW. The vein is infilled by quartz, trace pyrite and iron oxide. In the Nolan Mines No. 1, No. 2 and No. 3, the San Rafael Vein was first intersected at a depth of 513 metres below the surface by a crosscut to the East on the 483 foot level in the Nolan shaft. The San Rafael vein had a width of 21 metres, including some intermediate shale lenses up to 2.50 metres in width. At the top of the San Rafael vein, there were a series of smaller veins, one of which was called the Nolan Vein, characterized by a higher sulphide content including pyrite with higher gold and silver values. As of 1937, the other smaller veins had very little exploration to date. In the Nolan Mine, a hornblende-pyroxene andesite intrusion was cut at depth in the shaft with similar petrographic characteristics to the post mineral andesite cap exposed at surface. The andesite intrusion at depth was cut by rhyolite porphyry dykes.

The Nolan Vein (minor source for the Mexico Mine tailings)
The Nolan Vein is located approximately 210 metres west in the hanging-wall of the main San Rafael vein, and was cut on Level -30m of the Nolan shaft. The Nolan vein is an ore shoot that varies in width from 0.30 to 2.5 metres. The strike of the vein is parallel to the San Rafael vein, although to the north, near the Nolan shaft, it tends to drift westward. The host rock in the south, in both backrests, is rhyolitic porphyry, but in the northern part of the face on the -30m level, at a distance of 225 metres south from the Nolan shaft are carbonaceous shales. The Nolan vein is comprised of 3 orebodies or vein seams called the Nolan No.1, Nolan No.2 and Nolan No.3 characterized by high gold and silver grades. The Nolan No. 1 seam was the highest grade and was characterized by infilling of compact quartz bands with abundant pyrite, silver sulphide and native gold. Exposure to groundwater along the andesite cap resulted in near surface oxidation of the sulphidic quartz vein resulting in limonite, and quartz with crystals of secondary oxidized pyrite with native gold.

7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 REGIONAL LITHOLOGY AND TECTONICS

The El Oro Property lies within the central Trans Mexican Volcanic Belt (“TMVB”), a volcanic arc that measures up to 1000 km’s in length and 80 to 230 km’s in width that formed since the middle Miocene in response to subduction along the Acapulco Trench (Figure 7.1).

Ferrari 2012, suggests that a mid to late Miocene re-orientation of the TMVB arc was accompanied by a change in the composition of volcanic products from predominantly silicic ignimbrite transitioning to andesite to basaltic lava with the evolution of the arc. Ferrari’s 2012 data supports an Early to Middle Miocene age for the initiation of sub-horizontal subduction in southern Mexico and confirms that the locus of the Trans Mexican Volcanic Belt was primarily controlled by the geometry of the plate boundaries and the structure of the sub-ducting slab *(Ferrari, L. et. al., Geosphere, Dec 1, 2012, v.8, p. 1505-1526).*

The TMVB consists of Quaternary, Pliocene and Miocene volcanic sequences that lie oblique to most of the dominant Mexican geologic provinces and are represented by flows and tuffs of mainly andesitic composition with minor dacitic and rhyolitic compositions. In detail, the belt is comprised of: Quaternary volcaniclastic and debris avalanches and products of silicic volcanism (< 1.8 Ma); Late Pliocene-Quaternary mafic to intermediate volcanism (< 3 Ma); Pliocene silicic volcanism (< 5-1.8 Ma); Mafic to intermediate volcanism (< 6-3 Ma), Late Miocene silicic volcanism (< 7.5-5 Ma), Late Miocene mafic volcanism (< 11-5 Ma) and Miocene andesitic arc (<19-10 Ma) as summarized after Ferrari, 1999.

7.2 LOCAL PROPERTY GEOLOGY

The El Oro property lies within the El Oro and Tlalpujahua mining districts located along the far north-western border of the state of Mexico with the north-eastern border of the state of Michoacán. The states of Mexico and Michoacán are underlain chiefly by folded and faulted Cretaceous sedimentary and Tertiary volcanic rocks, including large areas of extrusive post mineral andesite lavas, that hide earlier precious metal mineralization as well as older subvolcanic andesite sills and dykes that are cut by mineralization (Table 7.1).

The oldest exposed formation in the eastern El Oro District consists of dark fissile shales with limey horizons exposed in the Arroyo de El Oro near the Descubridora Shaft. In this area, the older shale occurs as an isolated structural window in an extensive field of younger Tertiary volcanic rocks (Figure 7.2). In the western Tlalpujahua District, massive limestone resembling Middle Cretaceous limestone rests on shale in an angular unconformity. Unconformably overlying the shales are sub-horizontal flows, historically called the “Pyroxene Andesite Flow” (Table 7.1). Similar looking rocks intrude the shale as a flat sheet (or a sill) up to 183 metres (600 feet) in thickness in the vicinity of the San Rafael Vein.

The Cretaceous basement in the El Oro and Tlalpujahua mining districts are locally intruded by post-mineral andesite dikes, as well as pre-mineral to syn-mineral rhyolite to dacite quartz eye porphyry, quartz diorite porphyry, and syenite porphyry dykes, some of which are spatially and possibly genetically related to known mineralization events. Quartz porphyry dykes are known to intrude the Cretaceous shale and follow the same north-westerly trend of the major veins (*Flores, 1920).*

The principal ore deposits are related to an early to mid-Tertiary period of volcanism and related magmatic events. In 2001 Albinson (Albinson 2001) reported an age date of 27 Ma for the San Rafael gold and silver vein mineralization and suggested that the mineralization is spatially and possibly temporally related to aplite and rhyolite porphyry. The best gold producers in the El Oro district were the San Rafael and the Verde Veins that historically reported proximal "quartz-eye porphyry dykes" in many of the mine workings. Mineralization at the San Rafael and Verde veins is capped by unconformity-related and variably mineralized rhyolite ignimbrite. Andesite porphyry sills at San Rafael, Descubridora and Verde spatially control mineralization through competency contrasts near vein faults

In the Tlalpujahua district, mineralization is spatially and possibly genetically related to quartz-eye porphyry dyke and related quartz veins and stockwork (e.g. Coronas, Cortaduras) that cross-cut earlier andesite sills (e.g. Pomoca) and syenite intrusions (e.g. Syenite Target). The Coronas vein lies in the hanging-wall of a quartz feldspar porphyry intrusion. In both mining districts, the three igneous rocks that appear to be spatially and possibly genetically related to mineralization include: the older subvolcanic andesite sills; the rhyolite porphyry dykes (quartz porphyry dykes); earlier aplite; and the wider, barren quartz veins, all of the above having provided a competent structural host rock.

The vein-faults hosting the mineralized veins that cut the argillaceous shales in both mining districts do not pass into the post mineral volcanic cover. These fractures are a structural system that trends N30°W with an inclination to the northeast in the Tlalpujahua district and to the southwest in the El Oro mining district.

A major north-south fault (graben) is interpreted along the Tlalpujahua Valley clearly separating the two mining districts. This fault is interpreted to be a normal fault with east side down having preserved rhyolite ignimbrite blanket on the eastern and down-dropped side of the fault (e.g. Somera Tuff). The west side of the fault has been up-thrown and most of the late-mineral and post-mineral volcanic rocks have been eroded off exposing silver and gold mineralization and pre-mineral andesite subvolcanic intrusions at surface in the Tlalpujahua district. Gold and silver mineralization was historically mined via open pits in this area.

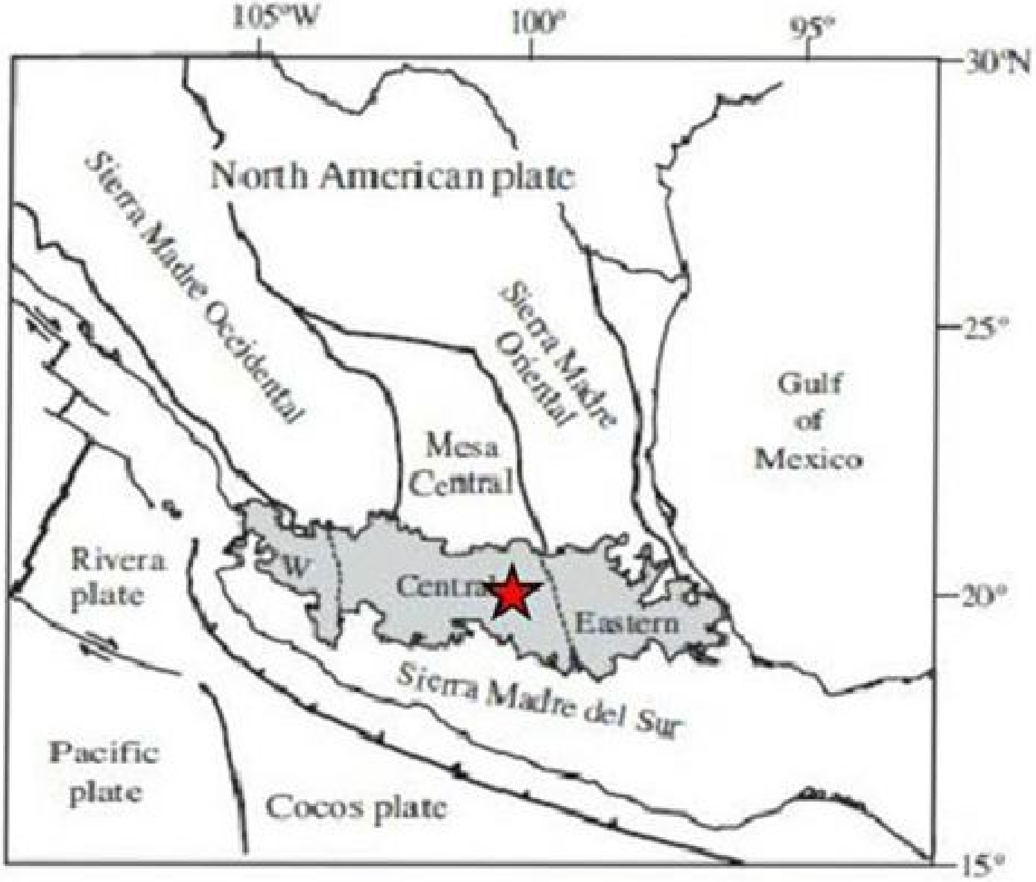


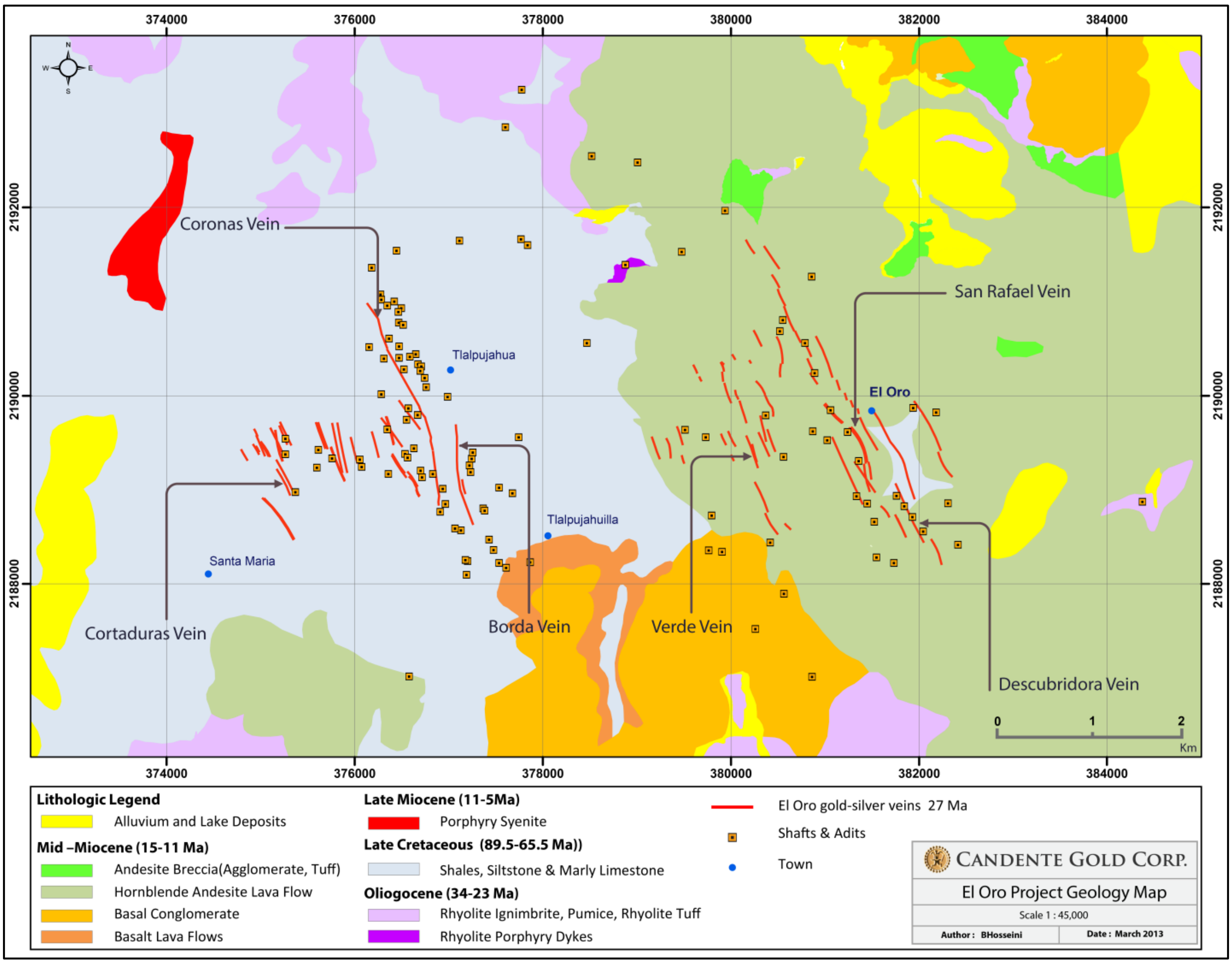
Figure 7.1: El Oro Property (red star) in the Trans Mexican Volcanic Belt (TMVB in gray), Ferrari, 2012

Table 7.1: El Oro-Tlalpujahua District Lithology

LITHOLOGIC LEGEND
Quaternary to recent (< 1.8 Ma)
Recent deposit
Red conglomerate
Late Pliocene to Quaternary (1.8-2.5 Ma)
Andesite dyke
Pliocene (5-2.5 Ma)
Dacite-rhy welded tuff pumice flow
Pyroxene basaltic-andesite lava flow
dacite to rhyolite ignimbrite
dacite-rhyolite porphyry
Late Miocene (11-5 Ma)
Syenite-latite porphyry
Basalt and basalt breccia flow
Mid Miocene (15-11 Ma)
Andesite breccia
Hornblende andesite intrusion
Pyroxene andesite flow
Early Miocene (23-15 Ma)
Rhyolite ignimbrite
Rhyolite porphyry dykes
Oligocene (34-23 Ma)
Rhyolite ignimbrite
Age of El Oro Mineralization (27 Ma)*
Gold-silver bearing quartz veins
Rhyolite porphyry dykes
Aplite dykes and milky quartz veins
Andesite lava flow
Andesite porphyry sill/dyke
Diorite or diabase
Late Cretaceous (89.5-65.5 Ma)
Limestone
Shales and marly limestones

*source: Albinson et. al., 2001

Figure 7.2: El Oro-Tlalpujahua District Lithology



El Oro Mining District

While most of the El Oro District lies in the State of Mexico, its north-western and south-eastern portion extends into the adjoining State of Michoacán. The rocks in the El Oro district are intensely folded and faulted with limited surface exposure in fault-induced structural windows in the Cretaceous sediments and subvolcanic rocks surrounding the mines of the Consuelo, Chihuahua, and Descubridora mines. Along part of the El Oro River the bedding inclinations are steep to vertical unlike the shallow dips of the Cretaceous sediments (shales) in the nearby San Juan adit as well as in the Tlalpujahua district. Many of the early aplite dykes, milky quartz veins and related fractures that are sub-parallel to the N30W vein trend show signs of multiple mineralization events, at times perpendicular to the trend of the vein system. Many of the faults that cut the sedimentary package have dis-located and offset many of the veins of the district, many in a right lateral or dextral sense. Some of the faults post-date the mineralization and the post-mineral volcanic cover and locally displace the cap vertically.

7.3 MINERALIZATION

The El Oro - Tlalpujahua mining district is known for gold and silver mineralization hosted in low sulphidation, epithermal quartz-adularia-calcite veins. The best precious metal mineralization in the district is associated with massive saccharoidal, crystalline quartz and to a lesser extent with calcite. Bladed textures (quartz after calcite) and drusy quartz-filled vugs are common, as well as banded colloform textures.

In general, the mineralization is sulphide-poor with sulphide content rarely exceeding 1% total sulphides. Vein textures include: multiple pulses of crustification or banding and replacement textures of early chalcedonic quartz; bladed quartz after calcite; dolomite followed by colloform banded quartz-adularia; and late drusy cavity-fill with evidence for multiple brecciation and overprinting events. According to Flores (1920) the San Rafael vein mineralogy included: native gold, native silver, electrum (Au-Ag amalgam), and Ag sulfo-salts (Sb-Pb) and pyrargyrite ($AgSbS_3$); auriferous pyrite; ruby silver with minor pyrite; silver sulphides; galena; sphalerite; pyrite-marcasite; and traces of chalcopyrite deeper within the vein system. The silver is in the form of argentite, pyrargyrite, proustite and stephanite. The mineralization in the oxidation zone consists mainly of native gold occurring microscopically along the cleavage planes of pyrite and native silver, rarely accompanied by argentite as well as secondary minerals including limonite, hematite and manganese oxide.

In a 1990 detailed mineralogical characterization of the Mexico Mine tailings, the mineral species identified include: 51.87 % friebergite (Cu, Ag, Fe) Sb_2S_3); 33.86 % aguilerite (Ag_2 (S, Se)); 12.53 % argentite; 1.74 % native silver and native gold. In detailed petrological studies on the San Rafael and Verde vein mineralization, the main mineral species included: sphalerite; galena; polybasite (a sulphosalt with silver, copper, arsenic, antimony); acanthite-argentite (silver sulphides); and proustite (a sulfosalt mineral consisting of silver sulf-arsenide, Ag_3AsS_3). The main gangue sulfide and non-sulfide minerals are pyrite, arsenopyrite, quartz, calcite and iron-carbonates.

Oxidation

In 1920 Flores reported oxidation levels reaching depths of up to 400 metres on the San Rafael vein however at the Verde, Coronas and Borda veins the oxidation levels were much shallower. From historic production reports, the ratio of gold to silver varied from 1 to 6.5 (1:6.5) in the oxide ore and from 1 to 15 (1:15) in the sulphidic ore. In the San Rafael vein, the ratio of silver to gold increases with depth as well as when transitioning from the footwall to the hanging-wall. Several sulphide-rich veins including the Negra Vein (branching from San Rafael) and the Nueva vein (branching from the Verde vein) had higher grades than the main veins.

San Rafael Vein System

The San Rafael vein is reported to have produced in excess of five million gold equivalent ounces over 45 years from 11.9 million tonnes of ore with an average production grade of 10.8 grams per tonne gold and 115 grams per tonne silver over an average mining width of 10 metres. The average assay value in the upper level of the San Rafael vein was reported at 10.88 grams per tonne (0.35 oz) for gold and 155.5 grams per tonne (5 oz) for silver, with maximum reported values reaching up to 466 grams per tonne (15 oz) of gold and 6,221 grams per tonne (200 oz) of silver.

The San Rafael vein (Figures 6.2, 6.3 and 6.4) was mined for over a 3.3 km strike length and was explored to a vertical depth of approximately 400 metres below surface with approximately 250 metres of vertical vein development. The vein is blind and is covered by less than 100 metres to greater than 300 metres of Tertiary post mineral andesite flow and tuff. The vein was reported as having an increase in gold and silver grades where there was enhanced structural complexity at branches, junctions, vein splits and lithologic contact zones. In several places, the San Rafael vein is down-dropped along easterly-trending normal faults with the northern block down-dropped in relation to the neighboring southern block.

Mexico Mine (North San Rafael Vein, source of the Mexico Mine Tailings Deposit)

The shale in the Mexico Mine is thinly laminated, black and variably calcareous and contains minor limestone lenses. The Mexico Mine shaft tunnelled into the andesite cap rock for nearly 600 feet (182.9m) and then penetrated the shale at deeper elevations. The andesite cap rock provided a solid and stable anchor for shafts and adit development.

It is well documented that the San Rafael vein mineralization changes character in metal ratios and mineralogy along its vertical extent. In the top portion of the vein (from the surface to Level 6) gold and silver-rich ore occurs within the foot-wall portion of the vein which varies in thickness from 10 to 70 metres. In the central part of the vein (from Level's 5 and 6) the entire vein is mineralized. From Level 6 and deeper, the ore occurs in the hanging-wall portion of the vein.

Esperanza Mine (Central San Rafael Vein, source for the Esperanza Tailings Deposit)

In the Esperanza Mine (part of the San Rafael vein) vertical displacement across faults amounts to over 300 metres. A series of east-west trending faults down-drop the vein system in a step-like fashion to the north, thus in the southern El Oro Mine section the vein is crosscut and overlain by post mineral andesite volcanics whereas to the north, in the Buen Despacho section there is approximately 100 metres of pre-mineral tuffs overlying the main vein system. The Esperanza Mine was described as a large complicated, fault-rich orebody while the mine characteristics of the Mexico and the El Oro Mines were described as not particularly complicated.

The San Rafael vein lode follows a major vein fault. Both the vein and cap rock were laterally displaced in the Esperanza Mine resulting in movement transverse to the lode that continued after the deposition of the post mineral volcanic cap. The San Rafael vein fault had several dislocation events including: 103 metres of displacement that occurred before the volcanic cap was deposited and approximately 50 metres after the volcanic cap rock was deposited. In the mine the lateral displacement of the San Rafael lode was 40 metres to the right.

El Oro Mine (South San Rafael Vein, source for the El Oro Mining & Railway Tailings)

In the El Oro Mining & Railway Mine the vein complex was a single lode channel with portions of barren quartz and shale host rock between them, that is, the distinction between what is ore and what is worthless quartz is purely economic, based on assays, and not upon geological and structural distinctions. The southern portion of the San Rafael vein has the best historic database.

According to a recent translation of Flores (1920):

"In the beginning, the Branch vein, one member of the San Rafael vein system, was rich enough to exploit; then a smaller streak on the hanging-wall of the main San Rafael vein was worked and finally the footwall portion of the San Rafael vein was stope-mined, as these were determined to be rich enough in gold and silver to more than offset the costs of mining and milling. A typical cross section of the lode channel shows several branch veins, then the footwall orebody measuring 108 metres (355 feet) in length, with streaks of up to 1 metre (3 feet) in width, between the footwall ore and the hanging-wall ore, which is 12 metres (40 feet) in width; beyond this the Branch vein is 1.5 to 5.5 metres (5 to 18 feet) in width. At the northern end of the El Oro Mine the orebodies of the footwall and hanging-wall are split into two separate orebodies for a distance of 213 metres (700 feet) then the vein merges into one vein that measures 24.4 metres (80 feet) in width that continues to the southern end of the shoot in the vicinity of the incline shaft. The ore grade is fairly uniform on the hanging-wall across its full width; but the ore grade in the footwall is best on the hanging-wall side. When the "ore bands" in this mine terminate, they do so first by narrowing, and then by splitting or fanning out (horse-tailing). Divergent streaks connect the various orebodies, and some of them are rich enough to be stope-mined. The entire lode channel is locally interrupted by a series of easterly faults dipping 65 to 70^0 to the north; except for the southernmost fault, which dips shallow at 35^0 to the north."

8.0 DEPOSIT TYPES

8.1 EPITHERMAL VEIN DEPOSITS

The El Oro and Tlalpujahua mining districts host low-sulphidation epithermal gold-silver mineralization. A capsule description of this type of deposit is presented below as extracted from "Selected British Columbia Mineral Deposit Profiles" by A. Panteleyev, Volume 2; Lefebure, D.V. Hoy T., Editors, B.C. Ministry of Energy, Mines and Petroleum Resources *(Panteleyev, A. et. al., 1990).*

"Deposits of this type consist of quartz veins, stockwork and breccias carrying native gold as well as electrum, argentite, pyrite, sphalerite, galena, chalcopyrite and tetrahedrite. The ore commonly exhibits open space filling, layering, crustification, comb structure, colloform banding and brecciation. The ore is associated with volcanic related hydrothermal systems. Ore zones are typically localized in upward-flaring structures and structurally controlled conduits. Different size veins and stockwork are common. High grade ores are commonly found in dilational zones in faults at flexures, splays and sigmoid loops. The calculated average size and grade for the 41 deposits of this type is 0.77 Mt with 7.5 grams per tonne gold and 110 grams per tonne silver."

Using the Panteleyev classification for tonnes and grade of 41 low sulphidation epithermal deposits, the El Oro Property has *multiple low sulphidation vein targets* within the El Oro property boundary. Low-sulphidation epithermal veins in Mexico typically develop a sub-horizontal ore horizon about 300 m to 600 m in vertical extent where the bonanza grade ore shoots were deposited due to boiling of the hydrothermal fluids. Silica deposition may seal the system causing a lowering of the boiling depth and the development of a multi-level stacked system. It is not uncommon to encounter barren zones between mineralized ore shoots both vertically and horizontally. This is a common theme at the El Oro Property where barren zones vertically separate horizontal zones that are controlled by faults and vein breccias developed transverse to or along an ENE orientation relative to the predominantly NNW strike of the vein systems in the district.

According to Sillitoe 1993, there is a wide variety of epithermal precious metal deposit types throughout the world, one of which includes Low Sulphidation (LS) Adularia - Sericite type that can be further divided into three subtypes: sulphide-poor associated with subalkalic rhyolitic rocks; sulphide-poor associated with alkalic rocks; and sulphide (and base metal) - rich associated with andesitic to rhyodacitic rocks. The El Oro Property mineralization is the *Low Sulphidation Adularia-Sericite type*. Further detailed studies are required to define the El Oro sub-type under this classification.

One of the principal factors influencing mineability, is determined largely by structurally, lithologically and hydrothermally-induced permeability. Effective fluid conduits may be provided by high and low-angle faults, in hydrothermally brecciated and/or leached rocks in addition to lithologic variations *(Sillitoe, 1993).* Hydrothermal fluids ascend from a heat source along distinct fracture zones to form vein type precious metal deposits or through permeable lithologies to form disseminated precious metal deposits. As fluids rise, the boiling level is reached, at which point precious metals precipitate out as depicted in Figure 8.1 below.

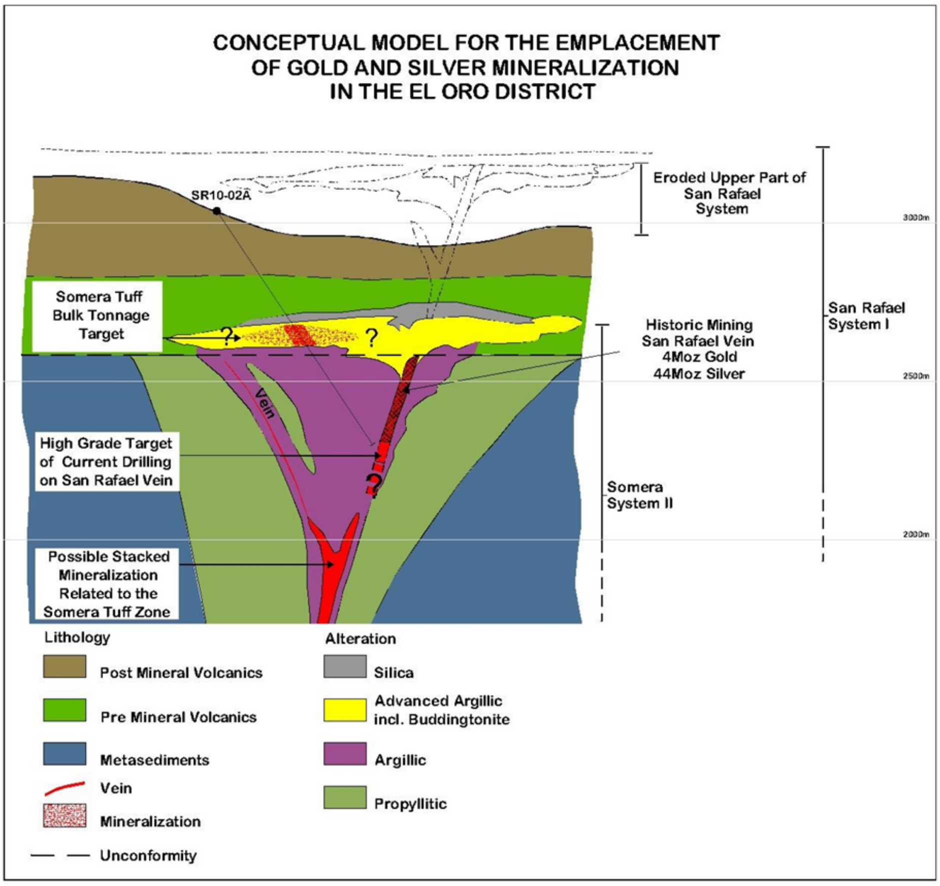


Figure 8.1: Idealized Section of the Multiple Boiling Zones Model Developed at El Oro

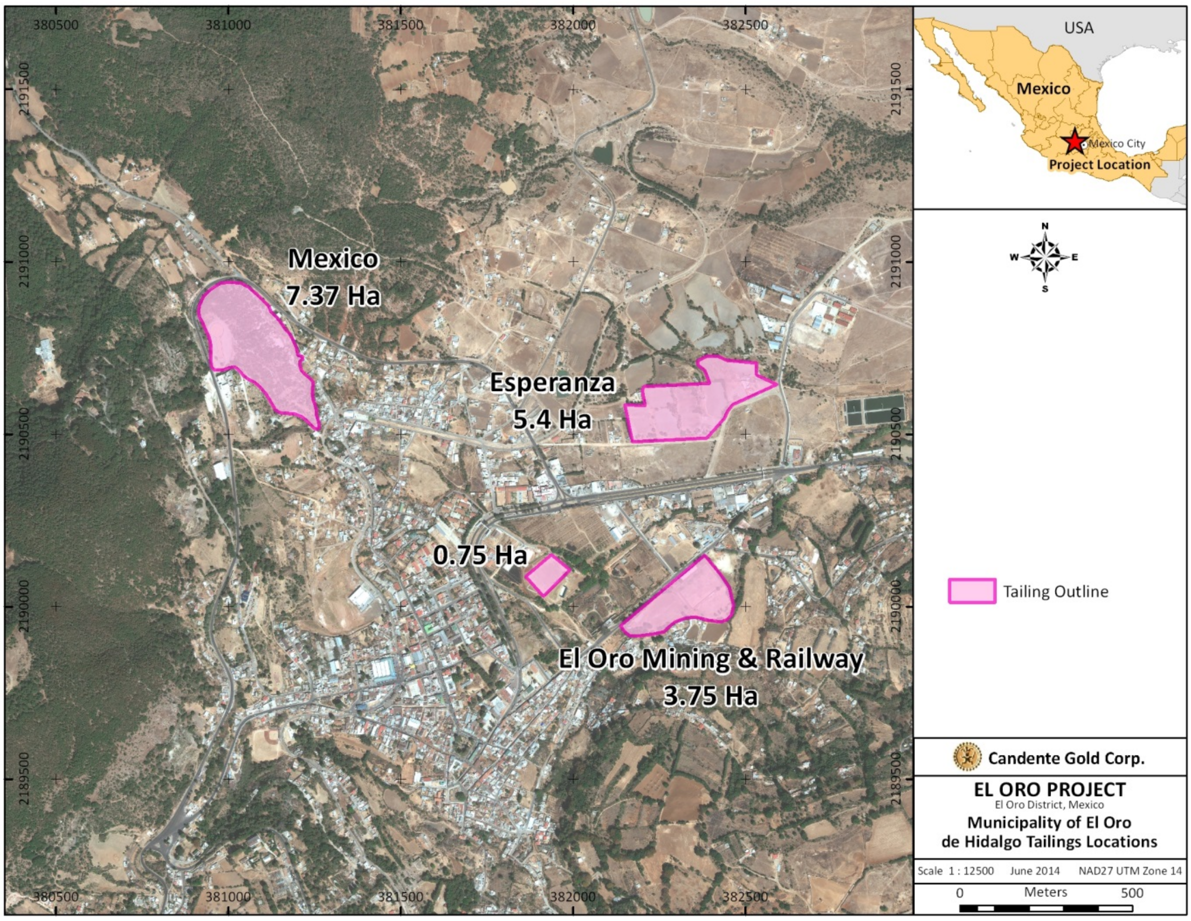
The spatial association of Tertiary volcanic rocks, advanced argillic (+buddingtonite) and epithermal veins is a common theme throughout precious metal districts in Mexico and in similar environments elsewhere in the world. Steam-heated advanced argillic (acid sulphate) alteration occurs in the Somera tuff above some of the mineralized gold-silver bearing San Rafael low sulphidation epithermal veins.

9. 0 EXPLORATION

9.1 2014 CANDENTE GOLD MEXICO MINE TAILINGS EXPLORATION

In 2013, Minera CCM El Oro Jales S.A. de C.V. acquired the right to process historic tailings that were left in the municipality of El Oro de Hidalgo from the pre-1930's milling of ores. One of these mine tailings deposits, the Mexico Mine tailings deposit has had extensive historic assessments including drill testing and metallurgical testwork demonstrating that it is a valid exploration target. The Mexico Mine tailings deposit lies within the town of El Oro and covers an area of approximately 7.37 hectares (ha) as measured on the GeoEye Image that once reclaimed will be available for the town's future development. The mine tailings are adjacent to existing road access, power and water services. At least 3 other tailings deposits exist within the municipality of El Oro de Hidalgo and are included in the Agreement but require further testing and evaluations prior to making a decision to reprocess and reclaim (Figure 9.1).

Figure 9.1: The Municipality of El Oro de Hidalgo Mine Tailings



9.1.1 Tailings Investigation by JDS Energy and Mining Inc.

On April 15, 2014, Candente Gold reported that JDS Energy and Mining Inc. ("JDS") had completed a Preliminary Conceptual Study for a potential Mexico Mine Tailings Recovery Operation ("TRO"). The Company's strategy is to look for opportunities to develop cash flow in the near term with relatively low capital costs. Study results indicate that the Mexican Mine tailings deposit has the potential to meet the criteria and justifies further assessment *(Candente Gold Corp News Release NR034 dated April 15, 2014)*

In keeping with both environmental and social responsibility policies of Candente Gold, the TRO would see the Company provide the municipality of El Oro de Hidalgo with a remediation program, which would include relocation of the tailings from the current site, within the town, to a nearby Greenfield Process Facility in an unpopulated and under-utilized area. Once treated, the tailings would be contained by an engineered structure designed to international standards. This would both remediate potential environmental risks and rehabilitate the current tailings area for new municipal use.

As part of the Preliminary Conceptual Study, JDS evaluated a variety of metallurgical processes which have been historically tested by various parties for gold and silver extraction from the tailings. Considering only industry standard metallurgical processes typically utilized by other operations, the historical metallurgical testwork on the Mexico Mine tailings indicates that minimum overall recoveries of 50% may be expected, however historic testwork also indicates potential for higher recoveries of 60% to 70% for both gold and silver.

Based on the current knowledge, the potential treatment process that JDS recommends would incorporate a single stage polishing grind of the tailings to increase fresh particle surface area prior to extraction of gold and silver in a conventional agitated leach circuit. Gold and silver would be recovered in a Merrill-Crowe plant followed by on site refining. Further infill drilling and metallurgical testwork are required.

9.1.2 Tailings Verification Sampling Program

In May of 2014, given the positive results from the conceptual study by JDS Candente Gold proceeded to the next stage of the Mexico Mine tailings assessment with historic data verification and sampling program to precede drilling of the mine tailings. The objective of the initial auger/trench sampling program was for verification of the 1990 drill hole dataset with historic gold and silver grades, which was used to develop the Inferred Mineral Resource Estimate (Section 14.0).

<u>2014 Auger and Channel Sampling Program</u>

The Mexico Mine tailings were last sampled in the 1990's approximately 23 years ago. A basic verification sampling program was completed on 30% of the 1990 program to provide verification of historic assays from vertical auger holes at 16 of the known 22 drill hole sites, as well as vertical channel samples of existing trenches, pits and erosional cuts along the ceiling and toe of the tailings pile. The objective of this program was to provide data verification of the historic 1990's data to support an Inferred Mineral Resource Estimate on the Mexico Mine tailings deposit.

The depth capacity of the soil auger was between 12 to 16 feet (3.66 to 4.88 metres). The tailings deposit varies in thickness from 0.90 metre to as deep as 27.85 metres. This basic sampling program could not test in all areas of the tailings deposit.

Verification of comparable assay intervals of the historic data points satisfied the data verification requirement for an Inferred Mineral Resource Estimate. The auger program was expected to test the upper 4.0 metres of the tailings deposit which would correspond to 2 metre x 2 metre samples in the 1990 data. The depth extent of the auger in compacted tailings material was limited to testing the upper 3.0 metres of the mine tailings deposit. A total of 47, 1.0 metre long auger samples or approximately 30% of the 1990 sample program were collected. An additional 54, 1.0 metre long vertical channel samples were collected from historic trenches, test pits as vertical cuts that locally sampled from the tailings toe (where exposed) upwards for a vertical distance upwards of 10.0 metres to provide some spatial variation. A total of 20 QA/QC sample duplicates, blanks and standards were also analyzed (Section 12.4).

This program did not test the entire tailings deposit both laterally and to the full depth such that grade cannot be predicted with absolute confidence due to a lack of continuous data. The sampling program provided guidance and validation of the 1990 drill data for use in the current 2014 Inferred Mineral Resource Estimate as discussed in Section 14.0.

9.1.3 Sampling Method and Approach

The auger-hole collars were set up under the direct supervision of Nadia Caira, P.Geo. and Ing. Humberto Hernandez, General Manager for the El Oro Project. The auger-holes were dug with a 2 ¼ inch mud auger bit with 3 four-foot extensions. The Luismin collar locations for BNO-1 to BNO-9 were taken from original drill logs that had been surveyed. The Luismin collar locations for BNO-10 to 22 were digitally captured in AutoCAD from the existing 1990 drill hole plan map by Candente Gold personnel. A detailed topographic survey was completed after the completion of the auger/channel sampling program in preparation for the potential resource upgrade drilling. A topographic shift in the historic topography was discovered during the survey (Section 9.1.4). Luismin may have used an inaccurate government datum as the basis for their survey in 1980's.

A total of 30% or 101, 1.0 metre vertical channel or auger samples were collected from roughly comparable intervals from 16 of the 22, 1990 drill holes. Verification of comparable assay intervals of 30% of the historic data points satisfied the data verification requirement. The data verification was somewhat biased in that the auger holes tested the upper 3.0m of the tailings pile. The vertical channels however tested the lower 5.0 to 10.0 m of the tailings pile.

All auger and channel samples were subjected to quality control procedures (Section 12.4) that ensure best practice in the handling, sampling, analysis, and storage of the samples. All auger and channel holes were sampled continuously. The full 1.0m interval was placed in individually sealed plastic sample bags and submitted for assaying. All sample rejects are presently being stored at the ALS-Guadalajara lab facility.

The Sampling Method and Approach on the auger holes and vertical trench channels of the tailings incorporated the following steps:

- The auger collars were cleared of organics varying in depth from 3 to 7cm.
- All auger and channel samples were sampled continuously at 1.0m sample lengths.
- The channel samples collected were taken from a trench cut that measured approximately 10cm (width) x 10cm(depth) x 100cm(length)
- The full 1.0m sample interval from the auger holes and the channel samples were placed in individually sealed plastic sample bags with unique sample numbers
- Each 1.0 metre sample was weighed for a “wet weight” on site after collection with a scale and weighed between 7 to 9 pounds depending on recovery and humidity
- The auger and trench samples were logged in the field for: sample number; sample depth (m); sample weight; sample colour; % organics; % humidity; and comments.
- All sample bags were placed into 5 gallon buckets and sealed with security tags.

9.1.4 Tailings Topographic Survey

Minera CCM El Oro Jales S.A. de C.V. contracted Ing. Roberto Ramirez Velasco (Ramirez) in May of 2014 to create accurate 2.0 metre topography over the present surface of the Mexico Mine tailings deposit. The purpose of the survey was to facilitate the Inferred Mineral Resource Estimate and the proposed Resource Drilling. The survey also located historic trenches, pits, shafts and open cuts to facilitate an estimation of the potential volume loss, from the time the tailings was deposited in the 1920’s to present. In addition, Ramirez and his crew determined the shift in the 1990 drill collars; the accurate location of the 2014 auger collars; the accurate location of the 2014 vertical channel samples; and the locations of the proposed 25 drill holes for the Phase 2-Resource Drilling. The surveying instrument used during the survey was a *Sokkia Total Station Model 650R* that was auto-leveling with a range of ±5° and a scanning speed 2-650r that offered good accuracy and reliability. The system had a prism range of 4000 metres. The data was collected in the Sokkia Total Station unit using the internal memory and then was downloaded using the *Sokkia IO* program. The data was then processed in Civil-CAD Survey Program to generate topographic survey positions on the surface of the tailings.

Government Control Points, Permanent GPS Stations used during the survey

The El Oro Mexico Mine tailings survey utilized the Passive INEGI Network of the Mexican Government as a basis for the survey. The National Institute of Statistics, Geography and Informatics (INEGI) have been developing the idea of a National Spatial Data Infrastructure of Mexico (IDEMEX) since 2003. The geodetic activities of INEGI are constantly updating the Geodetic Reference System (ITRF2000, epoch 2004.0 in the GRS80) by establishing a main network represented by the National Active Geodetic Net conformed by 15 permanent GPS stations evenly distributed throughout the country of Mexico and the development of the Passive INEGI Network conformed to date by more than 50,000 stations. A brief account of the standards including the National Geodetic System and the National Positional Accuracy Standards were also developed. This free access to the geodetic data information can be found on the Website of INEGI (www.inegi.org.mx/).

Table 9.1: INEGI Control Points used for the Tailings Topographic Survey (www.inegi.org.mx/)

Vertex	Geographic Coordinates	Longitude	Latitude	UTME NAD 27z14 Mx	UTMN NAD 27 z14 Mx
15064021	NAD27 Mexico	100 ° 06'37 .632 "W	19 ° 48'09 .500 "N	383689.2736	2189893.043
15064022	NAD27 Mexico	100 ° 06'21 .715 "W	19 ° 47'56 .387 "N	384149.7722	2189486.911

Survey Method

The control points in Table 9.2 were merged with the survey data that was collected by Ramirez in January 2013 for Minera CCM. The January survey tied into the Government Survey control points and located historic shafts, drill holes and adits in the El Oro and Tlalpujahua area and tied them into the network of survey control stations in the El Oro district including several points surveyed in the immediate tailings area. The above stations are located on the tailings in the area known as "Canvas Charro".

Table 9.2: Tailings Survey Stations Linked to INEGI Control Points (www.inegi.org.mx/)

Station	UTME NAD27 z14Mx	UTMN NAD 27 z14 Mx	Z Elev (m)
E-227	381002.184	2190766.471	2768.848
E-228	380992.433	2190808.414	2768.346
E-229	380967.898	2190859.875	2768.417

Survey Data Processing

The Civil CAD Autocad software was used to process the survey data collected during the survey with modules for topography. Data from the Total Station survey unit were downloaded in text file format and imported into the Civil CAD software to plot the spatial errors and debug the information. Once this was done the topographic surface of the tailings was computed by triangulation to create the 2m topographic contours over the tailings surface.

To calculate the volume of the tailings the 1990 drill hole level data was adjusted or shifted using the XYZ coordinates described below. The base or original surface of the tailings was taken from the depth of the drill holes where the tailings/bedrock interface occurs. When displaying the contours of the new survey a difference in the position of both 1990 and the 2014 surveys was apparent.

To get a more accurate location of the 1990 Luismin drill holes, the contours and drill holes were shifted to an approximate position with the XYZ coordinate shift. The estimated shift in the Cartesian XYZ Coordinates (using the GRS80 Ellipsoid) from the Luismin 1990 hole survey positions to the new 2014 hole survey positions applied the shift defined in Table 9.3.

Table 9.3: Cartesian coordinate shift applied to the 1990 data

Coordinate	System	Shift applied (m)	Direction
X	easting	12.880	to east
Y	northing	1.690	to north
Z	elevation	9.392	upwards

As a basis for moving the holes, Survey Station LM-7 was used as it has the highest elevation within the tailings pile and was interpreted to be the area where the least erosion had occurred. This shift was applied to the 1990 Luismin drill data to record the new corrected positions of the 1990 holes. When this shift was applied the 2014 auger hole locations were not exactly at the new, corrected locations of the 1990 drill holes. The depth of the holes was used to get the approximate lower tailings elevations at the bedrock interface.

INEGI data source (www.inegi.org.mx/) was reviewed to compare elevations in the tailings and to provide the control points used for the survey data. The survey data XYZ was adjusted accordingly to standard protocols for Total Station Surveys. The adjustment or shift in the XYZ coordinates as recorded in latitude and longitude were transformed using the INEGI website transformation tool to the North American Datum NAD27 Mexico. This Datum was used by Luismin for their 1990 tailings drilling as well as for all other historic work in the district. These transformed XYZ coordinates were later checked by direct measurements in the field and the new locations of the 1990 holes were located in the field.

The topography from SGM is sourced from INEGI and created at a scale of 1:50,000 using 10 to 20 metre contours and hence does not fully coincide with the position of the tailings recently surveyed to the detail of 2m contours to include better detail in subtle changes in topography and erosion. In addition, a different process was used to transform the data from ITR92 to NAD27 Mexico and the difference between NAD27 and NAD27CONUS Mexico is East +/- 8 metres and North +/- 4 metres. If the appropriate DATUM is not selected than differences may occur.

The historic tailings database including: 185 holes from 1950-1951; 18 holes from 1980; and 22 holes from 1990 would have provided an accurate original surface (elevation), however accurate hole locations are not fully available so the volume calculation will be approximate in nature.

In summary:

- *The topography shift*- differing data sources show discrepancies in resolution and accuracy with some data sources better than others.
- *Luismin 1990 data sources were poor and inaccurate*-the 1990 drill plan used for the historic drill collar locations had inaccurate topography, shifted UTM Grid and therefore the positions of 1990 holes BNO-10 to BNO-22 were shifted. This was suspected pre-survey and was confirmed with the survey and the appropriate coordinates shift was applied.
- *Google Earth data sources*- Digital Globe (www.digitalglobe.com) provides much of the high resolution imagery to Google Earth however, recently Google Earth utilizes the higher resolution GeoEye Imagery (www.google.com/earth/).
- *GeoEye data sources*- GeoEye is widely recognized as a pioneer in high-resolution satellite imagery having evolved into a complete provider of geospatial intelligence (www.geoeye.com). The resolution on the imagery attains (+/-30cm). The GeoEye imagery provided by Candente provided the highest resolution and best accuracy of imagery available. Candente uses this imagery for their geological mapping bases with a resolution of 0.30 to 0.50cm.

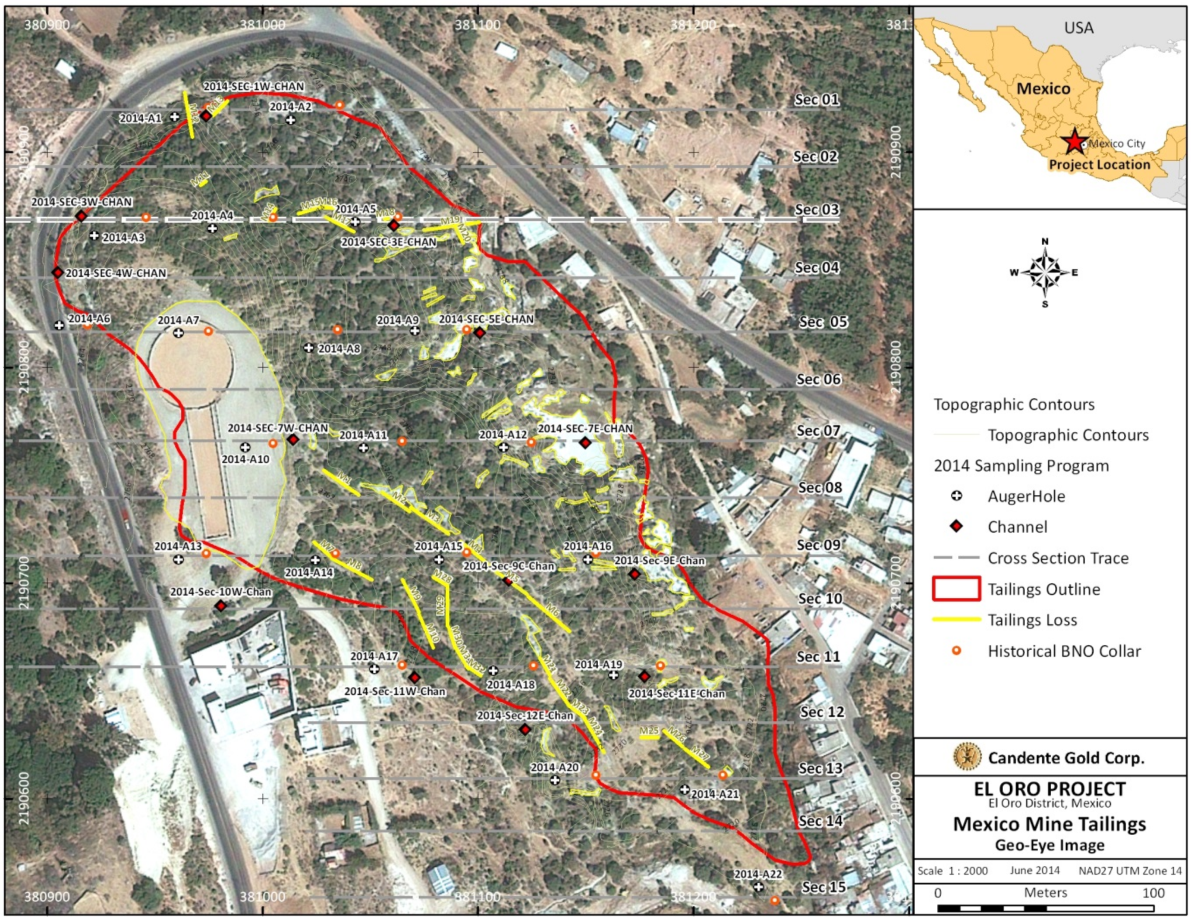


Figure 9.2: Candente's 2014 Tailings Verification Sampling Program

9.1.5 QP Opinion

The current 2014 tailings sampling program has tested a representative sample population. The samples were collected from both the surface and from the base or toe of the tailings deposit to verify the 1990 historic data. The central part of the tailings deposit has not been tested in this program. Quality control measures and data verification procedures were completed both at the lab and internally by Candente Gold.

The 2014 auger/channel sampling program assay results by Candente Gold verified comparable, nearby historic 1990 drill assays. Individual assays vary slightly on a sample to sample basis due to non-comparable assay intervals.

The 2014 auger/channel sample assay results compared well with comparable intervals from the 1990 assay results from the drill program. The sampling program resulted in a reasonable assumption of the grade of the tailings deposit as a whole but did not verify grade continuity.

A portion of the historic 1990 assay data has been verified by appropriate methods by Candente Gold and has confirmed the accuracy of the recorded information. The data appears consistent with current analytical and geological standards. Candente Gold collected the samples using Industry Standard sampling techniques; QA/QC quality of assays; and current specific gravity determinations. The Inferred Mineral Resource Estimate discussed in Section 14.0 estimates the quantity and grade on the basis of this limited, but representative sampling program and reasonably assumed, but did not verify, the geological and grade continuity.

10. 0 DRILLING

10.1 HISTORIC DRILLING OF THE MEXICO MINE TAILINGS

The Mexico Mine Tailings was sampled in various campaigns in 1951, 1980 and 1990 (Section 6.3) by drilling prior to introduction of the National Instrument 43-101 ("NI 43-101") Standards of Disclosure for Mineral Projects defined in 1991 and associated QA/QC requirements, and as such unknown QA/QC measures were utilized during the 1990 program. As a result the resource calculation discussed in Section 14.0 is classified as Inferred. The authors believe that the quality of data collection and assaying methods used best practices of the time.

10.2 CANDENTE GOLD'S HAND-AUGER DRILLING IN 2014

A hand-auger drill program was completed to verify the validity of using earlier 1990 drill data in the current resource estimate. Hand-auger drilling uses a drill-bit on a series of aluminum rod extensions that is man-powered and un-mechanized. The samples were collected by Candente Gold Corp on-site geologists, in part, supervised by the primary author, Nadia Caira, P.Geo. This program is discussed in Section 9.1.

11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

11.1 2014 AUGER /CHANNEL SAMPLE PREPARATION

During the 2014 verification auger and channel sampling program the bags were securely sealed by Candente Gold geologists, packed into security sealed plastic buckets and were driven directly to the lab at ALS-Guadalajara, Mexico by a Candente Gold employee. At the ALS-Guadalajara lab ("ALS-Guadalajara") the samples were accepted by ALS-Guadalajara un-bagged and dried. Sample preparation was conducted at ALS-Guadalajara and the sample PULPS weighing between 120 to 130 grams were shipped directly to ALS-Vancouver for analyses. The samples were analyzed by Fire Assay on a 50 gram sub-sample for gold using ALS-Au-AA23 method and 41 other trace elements by ALS-41 Element ME-MS41 Method ("41 elements ICP"). The Specific Gravity analyses were also done at ALS-Vancouver and are discussed in Section 11.4 below.

<u>Standard Preparation: Dry sample and dry-sieve to -180 micron</u>

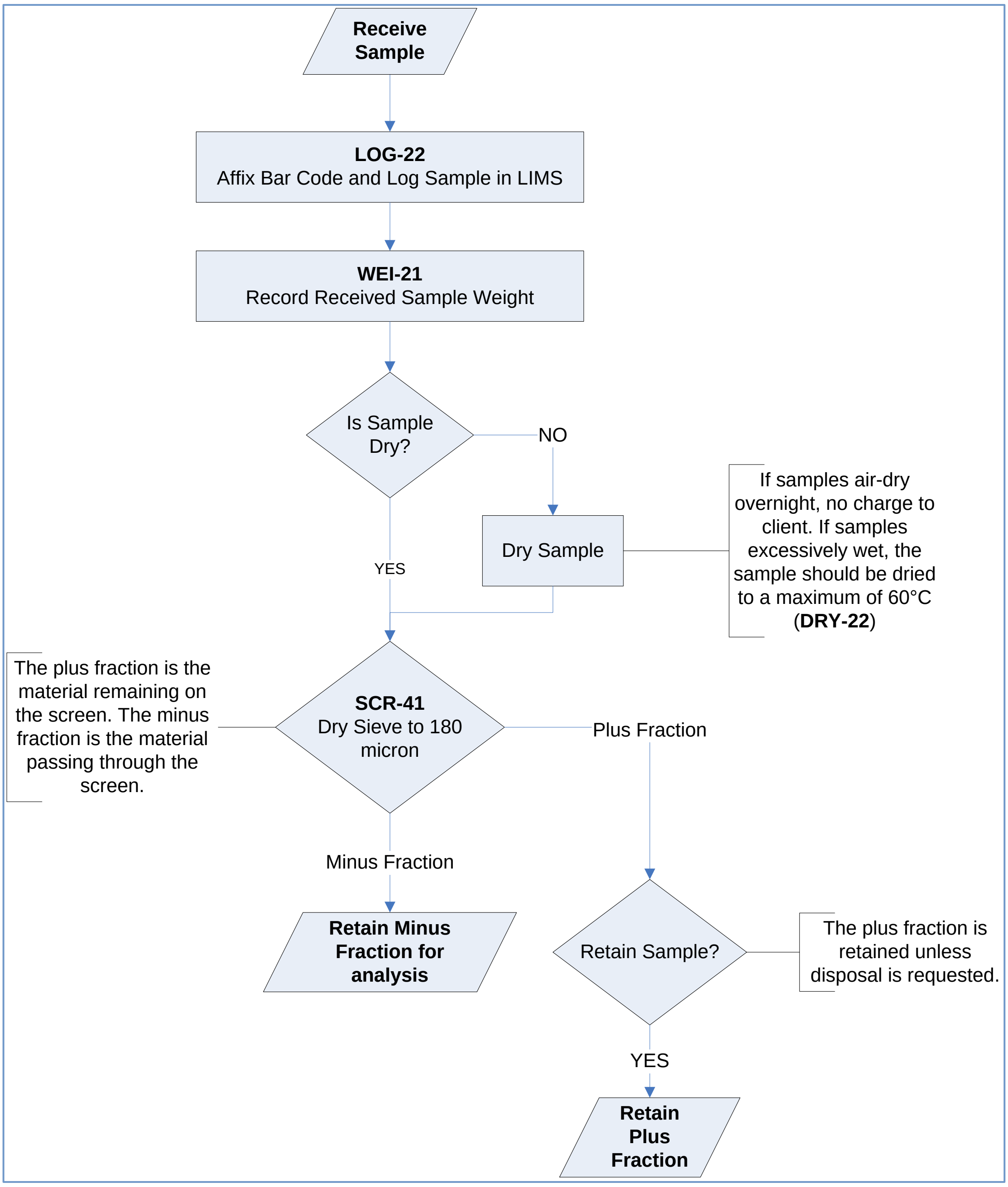
Sample preparation is the most critical step in the entire laboratory operation. The purpose of preparation is to produce a homogeneous analytical sub-sample that is fully representative of the material submitted to the laboratory.

The entire sample is dried and then dry-sieved using a 180 micron (Tyler 80 mesh) screen. The plus (+) fraction is retained unless disposal is requested. This method is appropriate for soil or sediment samples, in this case for mine tailings samples up to 1 kg in weight.

Table 11.1: ALS-Guadalajara Mexico Tailings Sample Preparation

Method Code	Description
LOG-22	Sample is logged in tracking system and a bar code label is attached
SCR-41	Sample is dry-sieved to minus 180 microns and both plus (+) and minus (-) fractions are retained

Figure 11.1: Sample Preparation Flowchart (PREP-41)



11.2 ANALYSES

Analytical techniques used during this test program included: Standard Fire Assay Method for Gold by a 50 g fire assay (with an AA spectrophotometric finish) and silver >100 grams per tonne silver used a Standard Fire Assay (with an AA spectrophotometric finish). Inductively coupled plasma spectroscopy method ("ICP-MS") which uses multi-acid digestion was used for 41 elements including silver. This method also resulted in analyses for other elements including: cadmium, selenium, lead, zinc, copper, bismuth, arsenic, antimony, barium to name a few. Candente Gold employed a rigorous quality control program that includes standardized material; blanks; and duplicates (Section 12.4).

QA/QC measures used during the tailings sampling program were employed at all stages of work as discussed in Section 12.4.

ALS-Vancouver British Columbia are covered by the ALS North America Group Certificate from International Organization for Standardization ("ISO") 9001: 2008 Certificate No. 0069321 with a current certification date of February 11, 2014 (No. 1032903) found on their website at http://www.alsglobal.com.

The variability in the two programs: the 1990 Luismin 22-hole program and the 2014 Candente auger/channel sampling program can be found in scatterplots for gold and silver (Figures 11.1 and 11.2).

11.2.1 Gold by Fire Assay Atomic Absorption (AA) 2AT - 50 g Spectroscopy

A prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required with 6 milligrams 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 4 mL with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards. The lower detection limit was 0.005 ppm and the upper detection limit was 10 ppm gold. The default over-limit detection > 10 ppm gold used Au-GRA21. There were no samples greater than 10 ppm gold in the tailings samples.

11.2.2 Ultra-Trace Level Methods Using ICP-MS (41 element) and ICP-AES

The tailings samples were decomposed using Aqua Regia Digestion (GEO-AR01). The samples were analyzed using Inductively Coupled Plasma-Atomic Emission Spectroscopy (ICP-AES) Inductively Coupled Plasma - Mass Spectrometry (ICP-MS). A prepared sample (0.50 g) is digested with Aqua Regia in a graphite heating block. After cooling, the resulting solution is diluted with deionized water, mixed and analyzed by inductively coupled plasma-atomic emission spectrometry. Following this analysis, the results are reviewed for high concentrations of bismuth, mercury, molybdenum, silver and tungsten and diluted accordingly. Samples are then analysed by ICP-MS for the remaining suite of elements. The analytical results are corrected for inter-element spectral interferences. For detailed detection limits refer to www.alsglobal.com under Geochemical Procedure for ME-MS 41. The upper detection limits for silver was 100 ppm silver and 25 ppm gold.

11.2.3 Silver Over-limits by Fire Assay >100 g/t silver with Gravimetric Finish

The samples are decomposed by Fire Assay Fusion (FA-FUSAG1, FA-FUSAG2, FA-FUSAG1, FA-FUSAG1, FA-FUSAG2). The analytical method used was Gravimetric as follows: a prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents in order to produce a lead button. The lead button containing the precious metals is then cupelled to remove the lead. The remaining gold and silver bead is parted in dilute nitric acid, annealed and weighed as gold. Silver, if requested, is then determined by the difference in weights. The upper detection limit for silver using this method (Ag-GRA-22) using a sample weight of 50 grams was 10,000 grams per tonne silver.

11.2.4 Bulk Density and Specific Gravity Analysis

A Bulk Density of 1.5 has been applied be used for the July 8th, 2014 Inferred Resource Estimate, although recent comparable tailings studies at other projects have used 1.605 *(Avino 2012 and 2013).* A bulk density of 1.5 considered typical of well settled process tailings produced from quartz-vein deposits. Bulk density testwork of the tailings is planned as part of the next phase of assessment and this data will be applied for the proposed upgrade of the mineral resource estimate.

Specific Gravity determination (SG) measurements from auger samples were carried out on 25 of the 101 samples collected. The S.G sample method used was ALS OA-GRA08b where a prepared 3.0 grams sample is weighed into an empty pycnometer. A prepared sample (3.0 g) is weighed into an empty pycnometer. The pycnometer is filled with a solvent (either methanol or acetone) and then weighed. From the weight of the sample and the weight of the solvent displaced by the sample, the specific gravity is calculated according to the equation below. Five samples were checked for accuracy. In addition 5 check samples were rerun in a check analysis. The sample weights ranged between 0.53 to 2.22 kg (averaging 1.45 kg). The specific gravity analysis was between 2.52 to 2.69 (averaging 2.63).

11.3 SECURITY

Nadia Caira, P. Geo. visited the tailings project from May 1 to 9th, 2014 during the auger and channel sampling program. She has consulted on the project since August 2012 and is familiar with Candente Gold's on-site facilities and activities. All the facilities and procedures indicated a clean, well-organized professional working environment. The on-site staff General Manager Humberto Hernandez supervised the chain of custody and methods used at each stage of the sample collection process as supervised by Nadia Caira, P.Geo. All processes are to North American, industry standards and no issues were identified.

11.4 SAMPLE RESULTS

An average grade of 2.95 grams per tonne gold and 60.70 grams per tonne silver was obtained from the 101, 1.0m auger/vertical channel samples collected from the Mexico Mine tailings deposit. The base of the tailings in the northwest average 3.49 grams per tonne gold and 80.34 grams per tonne silver. Approximately 8% of the samples collected average greater than 4.0 grams per tonne gold and as high as 4.81 grams per tonne gold and 8% average greater than 100 grams per tonne silver and as high as 188 grams per tonne silver. All samples were collected over 1.0 metre sample lengths. A total of 22 holes were sampled by hand auger to a 3.0 metre depth. Vertical channel samples were collected predominantly from the base of the tailings toe vertically upwards for 5 to 10 metres. In addition, 21 % of the samples collected average greater than 3.5 grams per tonne gold and 22% of the samples collected averaged greater than 80 grams per tonne silver (Table 11.2).

Table 11.2: 2014 Results Tailings Sampling Program

Sample Type	No.	Location in Tailings Pile	Gold g/t	Silver g/t
Auger + Channel Samples	101	Evenly Distributed	2.95	60.70
All Auger Samples	47	Top to 3m depth	2.79	55.10
All Vertical Channel Samples	54	Mixed top and toe	3.08	65.57
2014-SEC 1W-CHAN (10m)	10	Lower toe in NW	3.49	80.34
2014-SEC 3E-CHAN (4m)	4	Lower to middle in NE	3.31	91.13
2014-SEC 7E-CHAN (5m)	5	Lower toe in E side	2.95	86.26

Figure 11.2: Scatterplot of Gold for the Two Datasets (1990 and 2014)

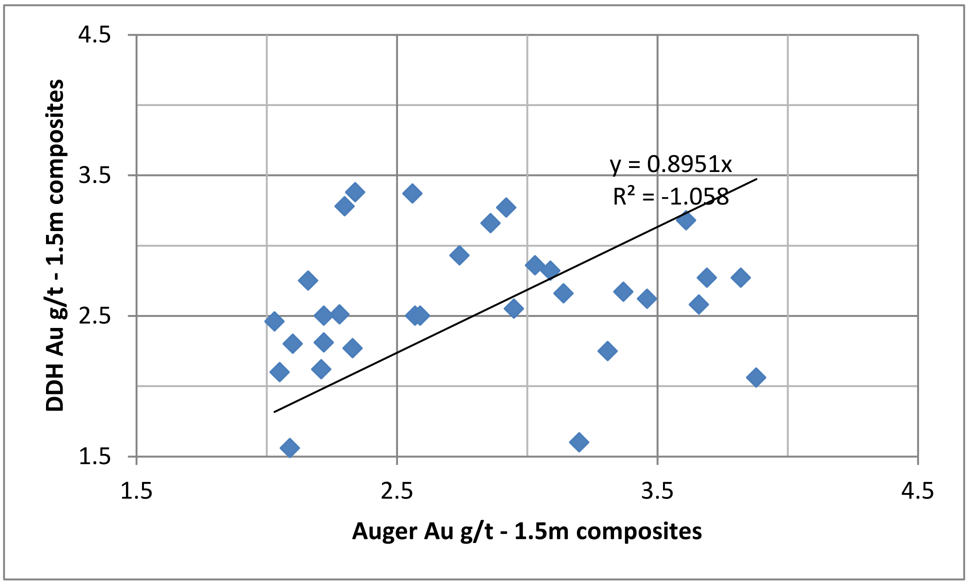
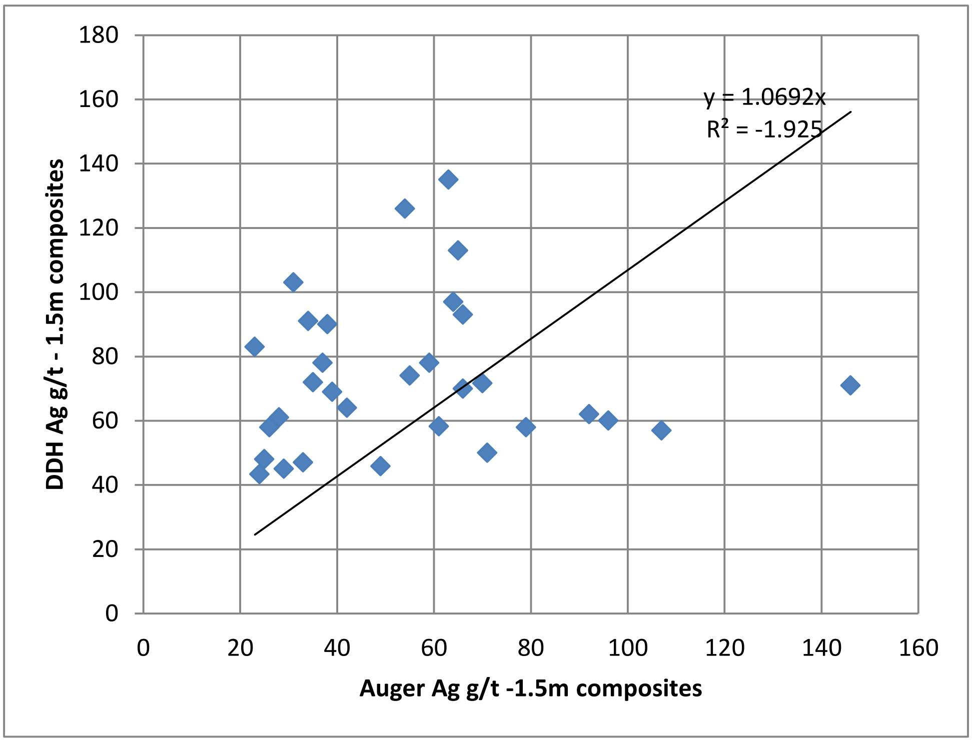


Figure 11.3: Scatterplot of Silver for the Two Datasets (1990 and 2014)



11.5 QP OPINION

The auger sampling confirms that the upper 3 metres and the lower 5 to 10 metres of the tailings samples had similar grades for silver and gold and that the sampling is acceptable for resource estimation. The vertical trench channel sampling confirmed the global grade of the tailings pile.

12.0 DATA VERIFICATION

12.1 2014 AUGER/CHANNEL DATA VERIFICATION

QA/QC measures used at the Mexico Mine tailings sampling program were employed at all stages of work in the field, in the core shed, the sample preparation facility, and in the analytical facility. Evaluation of QA/QC results was done systematically as soon as the results were available to ensure that only the best quality data was entered into the Mexico Mine Tailings database. Umpire, or external check assays were not carried out at this stage of the tailings assessment however they will be done during the Indicated Resource Drill Program. At all times whether in the field, the lab, or at the exploration office this work was consistent with best practises currently in use in the mineral exploration industry.

There are no known factors related to the auger/channel and sampling program that would materially impact the accuracy and reliability of the results. Recoveries were high although minor issues in some of the auger holes resulted in larger sample weights due to sloughing off unsealed auger-hole walls when retrieving the auger from the hole. One duplicate sample was potentially mixed up and will not be used.

12.2 COLLAR COORDINATES

The 2014 auger holes were laid out by handheld GPS (accuracy 2-7m) to the approximate locations of the 1990 Luisman drill hole collars *prior to* the topographic survey. Upon completion of a topographic survey a topographic shift was defined and the previous location of the 1990 holes was adjusted. Upon completion of the auger sampling, the final 2014 auger-hole locations were surveyed using a *Sokkia Total Station Model 650R* survey instrument (Section 9.1.4). The surveyed coordinates showed the error in GPS measurements coupled with the adjustment for the topographic shift.

12.3 DOWN-HOLE SURVEY

The maximum depth of the vertical auger holes was 3.0 metres in depth. A down-hole survey of the auger holes was not done given the shallow depth of the holes however, the collars at surface were measured with a Brunton compass as vertical and care was taken to maintain the vertical hole during the execution of the auger-hole drilling. It was assumed that the holes were on-azimuth and on-dip from the drill-hole collar at the bottom of the hole.

12.4 ASSAY DATA

The accuracy of assay results was monitored by submitting *standards, blanks and duplicates* to the assay lab. The same data verification protocols and standards described in Section 11.0 and Section 12.0 were utilized during the auger drill and channel sampling program. A summary of the performance of the various blanks, duplicates and standards follow.

A total of four blanks and three standards were added to the auger sample stream (47 samples). A total of seven blanks, five duplicates and three standards were added to the channel trench sample stream (54 samples). This gives a total of eleven blanks, six standards, and five duplicates for a total of 22 controls against 101 total samples (47 auger and 54 channels) which the authors believe to be acceptable for this program.

12.4.1 Blanks

A total of 190 core samples were prepared in 2010 for use as blank material or barren samples with an expected very low grade were prepared during previous drill programs by Candente Gold, to ensure that there is no contamination between samples during sample preparation or assaying. If the blank samples following tailings samples have elevated grades, then there have been problems. Inspectorate Labs assayed the core and the results can be found in Table 12.1.

Table 12.1: Geostatistics on Blank Material

Mean Au g/t	Mean Ag g/t	STD Dev Au	STD Dev Ag
0.39	1.09	0.038	0.87

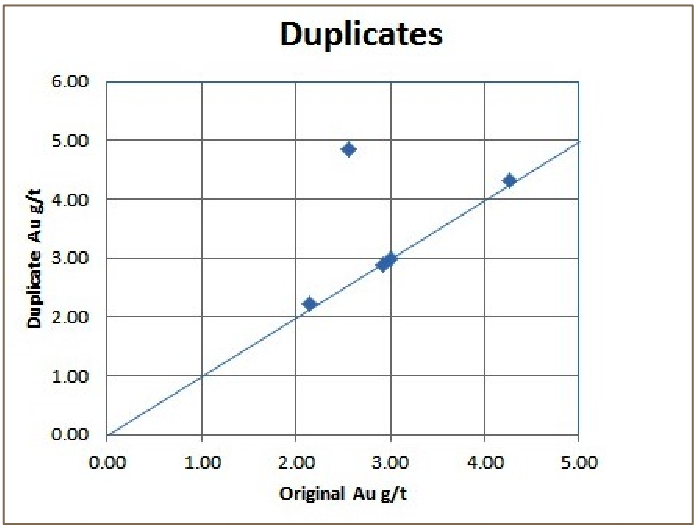
During the Mexico Mine tailings deposit 2014 auger and trench sampling program the lab results for the blanks returned gold below the detection limit of 0.005 grams per tonne.

Blank-Silver results were similar with the average at 0.21 grams per tonne silver and the maximum at 0.64 grams per tonne silver.

12.4.2 Duplicates

Of the five duplicates sent for assay checks, one sample appears to have been mislabelled. Upon discarding that sample, that error shows that the duplicates correlated very well.

Figure 12.1: Scatterplot of Original versus Duplicate Samples



12.4.3 Standard PM1111

Standard PM1111 provided by WCM Minerals shows that the mean value from three labs is 1.563 grams per tonne gold and 77.311 grams per tonne silver. One standard deviation ("SD") is 0.037 and 2.82 respectively. The performance of the six standards inserted into the sampling stream show that the results were well within a 2 SD range for both gold and silver.

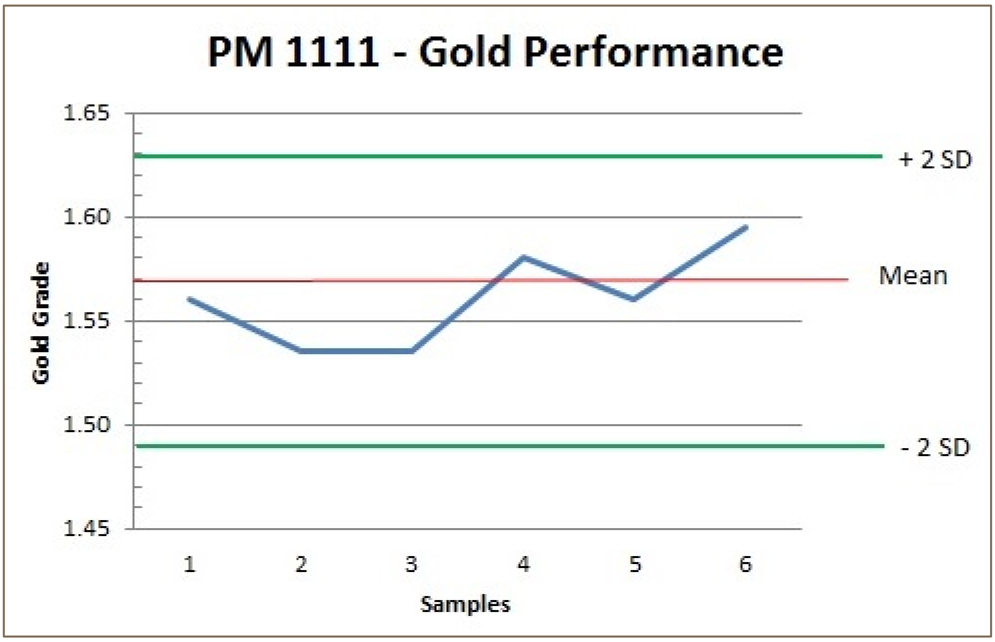


Figure 12.2: Standard PM1111 Gold Geostatistics

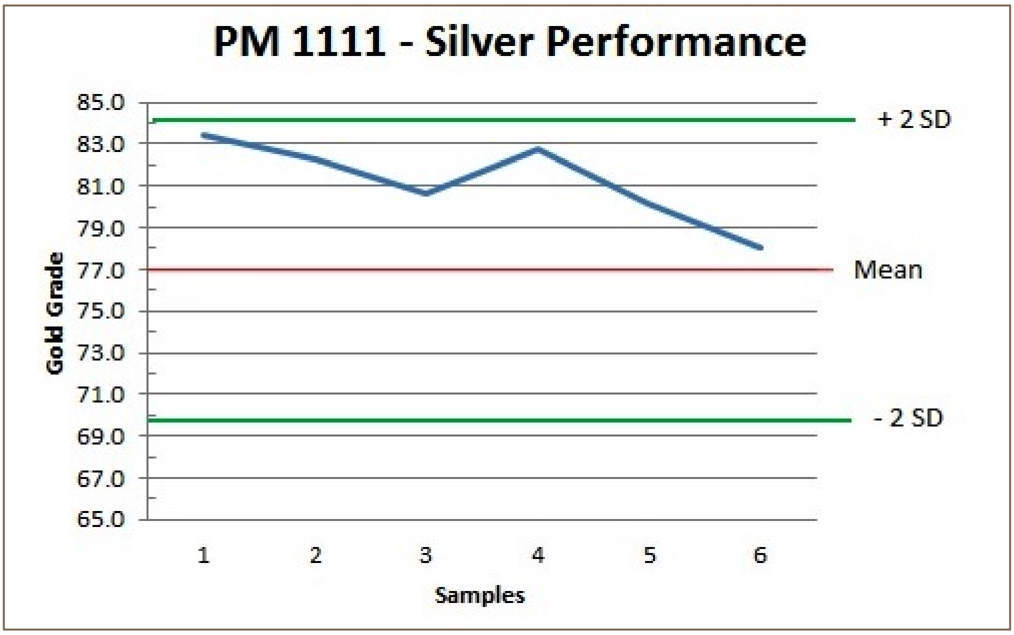


Figure 12.3: Standard PM1111 Silver Geostatistics

12.5 AUGER/CHANNEL SAMPLES SPECIFIC GRAVITY AND BULK DENSITY

Initially, twenty-five (25) samples were collected to assess the historic specific gravity determination. The samples were analyzed by ALS-Vancouver using OA-GRA08b for a specific gravity (S.G.) for pulps and returned a specific gravity average of 2.71. A rerun of the five samples as a check averaged 2.72. ALS-Vancouver inspected the material and indicated that the samples were silica- based with some calcite or dolomite.

In absence of testwork results for bulk density, a literature search and consultations with experts was conducted which suggested that a dry bulk density of 1.5 to 1.6 would be a reasonable number to use for tailings that are comprised of quartz vein, iron carbonates, oxides and minor sulphides that have continued to dewater and settle for over a 60 year period. For the Inferred Mineral Resource estimate, the authors' elected to use a more conservative number of 1.5 dry bulk density.

Figure 12.4: Mexico Mine Tailings-Looking Northeast

12.6 HISTORIC RESULTS COMPARISON

The current 2014 sample results supported the previous assumptions of the historic Mexico Mine tailings sampling programs with comparable gold and silver grades. The overall homogeneity of the tailings material, horizontal continuity and relative high confidence in the volume and tonnage reported in Section 14.0 mitigates any uncertainty in the historical datasets for gold and silver. However, the collar locations for previous tailings drill campaigns are still questionable, given the topography shift and the map quality when the drill collars were data captured in AutoCAD. In summary, the recent 2014 auger/channel program of the Mexico Mine tailings compared best to the 1950's, 185 drill hole program as far as gold and silver values.

Table 12.2: Geostatistics on Tailings Results

DRILL CAMPAIGNS Year	**1950**	**1950**	**1990**	**1990**	**2014 Auger**	**2014 Auger**
Variable	Au g/t	Ag g/t	Au g/t	Ag g/t	Au g/t	Ag g/t
Number samples	185	185	168	168	47	47
Minimum	2.00	23.0	0.79	35.0	1.87	22.4
Maximum	3.75	107.0	6.0	174	4.62	188
Mean	**2.72**	**71.91**	**2.94**	**89.3**	**2.79**	**55.11**
Median	2.75	73.00	2.85	89.3	2.64	46.0
Variance	0.13	211.05	0.63	735.9	0.44	1012.25
St. Dev.	0.35	14.02	0.80	27.1	0.67	32.16
Coef. Of Var.	0.13	0.19	0.27	0.30		

12.7 QP OPINION

The 2014 auger/trench program was done on an existing mine tailings that has been stored since 1925 for a period of 89 years. The 2014 sampling program was carried out by staff of the current issuer, Candente Gold Corp. and was supervised by Nadia Caira, P.Geo.

The 2014 auger/channel program results were similar in grade to those grades obtained in the original tailings historic drill campaigns (Table 12.2). The 2014 auger verification program was limited to sampling the upper 3.0 m of the mine tailings, and in general, were lower both gold and silver when compared to grades in the central and lower portions of the mine tailings based on historic 1990 results.

The authors' believe that it is reasonable to rely on the historic drill database to support the purpose of this technical report and current mineral resource.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

All historic mineral processing and metallurgical testwork on the El Oro Project and the Mexico Mine tailings are discussed in Section 6.6 of this report.

14.0 MINERAL RESOURCE ESTIMATE

14.1 INTRODUCTION

This Inferred Mineral Resource Statement for the Candente Gold Mexico Mine Tailings Deposit represents the first mineral resource estimate for this tailings deposit prepared under the Canadian Securities Administrators' National Instrument 43-101 ("NI 43-101") guidelines. *Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resource will be converted into mineral reserve.*

The El Oro Mexico Mine tailings deposit has been historically sampled and simple estimates were calculated using sectional end-area analysis. The most recent work by Luisman in 1990 predates NI 43-101 however; the authors believe that work was done using best practices of the time. Some confirmation test assaying was done in 2014.

The Inferred Mineral Resource Estimate has been prepared by Tuun Consulting Inc. ("Tuun") and includes the 1990, twenty-two ("22") drill holes, and the seventeen ("17") auger holes and ten ("10") trenches sampled in 2014. This resource estimate was completed by Allan Reeves, P. Geo. an independent Qualified Person as defined in NI 43-101. The effective date of this resource statement is July 8th, 2014.

The resources discussed in this section are considered a reasonable representation of the El Oro Mexico Mine tailings deposit at the current level of sampling. The estimate follows the guidelines of the generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices".

The database used in the resource estimate was audited by both Tuun and Nadia Caira, P. Geo., of World Metals Inc. and both are of the opinion that the current data is sufficiently reliable to interpret with confidence the boundaries of the deposit and estimate the gold and silver grades retained in the tailings. Tuun utilized Geovia GEMS 6.1 software to model the surfaces defining the upper and lower boundaries of the tailings deposit. The software was also used to determine basic statistics; geo-statistics; variography; block modeling; estimating grades and reporting of the resources.

14.2 RESOURCE ESTIMATION PROCEDURE

The methodology for resource estimation consisted of:

- Verification of the resource database;
- Basic statistics and geostatistical analysis and variography;
- Consideration of compositing and capping for grade estimation;
- Construction of topographic surfaces and a tailings 3D solid;
- Block model construction and grade interpolation;

- Cut-off grade selection to determine "reasonable prospects for economic extraction";
- Preparation of the Mineral Resource Statement; and the
- Resource classification and validation.
- Consideration for appropriate bulk density

14.3 RESOURCE DATABASE

The tailings resource database provided by Candente consists of 52 sample records comprised of 22 DDH, 17 auger holes, and 13 trenches totalling 392.92 metres and containing a total of 269 assays for both gold and silver. The diamond drill hole data predated the 1991 implementation of the NI 43-101 and has been supplemented by a 2014 program of auger holes that twinned some of the deeper historic drill holes. The auger drilling confirmed the validity of the diamond drill holes for use in this resource estimate. The trenches sampled deeper gulleys and accessible cliff faces (vertical trenches) to provide greater spatial testing of the deposit.

The construction of the tailings deposit over time appears to have been a gravity discharge into an existing south-easterly stream channel. The lateral spread of the slurry is likely to create a fairly uniform and homogeneous deposit with similar grain size and grade characteristics. Vertical changes due to process treatment modifications may not be observable. At the time of mining, between 1920 to 1925 low gold prices averaging US$20.76 (http://www.nma.org/pdf/gold/his_gold_prices.pdf) and standard recovery processes probably had little to no impact on cut-off grades to the plant.

The database was examined for overlapping or mismatched intervals; upper and lower assay values; and for confirmation that hole lengths matched assay depths. No errors were discovered.

14.4 STATISTICAL ANALYSIS

Various statistical tools were used to examine the characteristics of the dataset. In this case basic or 'descriptive' statistics; histograms and probability plots were used to analyze the data.

The "coarse gold effect" in gold deposits is well-known but was not expected to be an issue within the El Oro Mexico Mine tailings deposit. Using GEMS software, basic statistical and geostatistical analyses were carried out on the raw assay data. The basic statistics are shown in Table 14.1 for the 1990 drilling. The 2014 sampling program confirmed the gold and silver determination of the mine tailings.

The low Variance and Coefficient of Variation support the contention that the tailings deposit is a fairly homogeneous mass. Figures 14.1 and 14.2 show plots of the gold and silver histograms with the cumulative frequency and normal distribution curves superimposed. There are very few outliers also as expected for samples of fairly uniform-grade tailings.

Table 14-1: Basic Statistics of Assay Data

Variable	**Au g/t**	**Ag g/t**
Number of samples	269	269
Minimum Value	0.79	22.4
Maximum Value	6.00	188.0
Mean Value	2.94	78.1
Median Value	2.85	75.0
Geometric Mean	2.85	71.8
Variance	0.57	935.2
Standard Deviation	0.75	30.6
Coeff. Of Variation	0.26	0.39
Skewness	0.25	0.46
Kurtosis	3.76	3.07

Figure 14.1: Histogram of Gold Assays

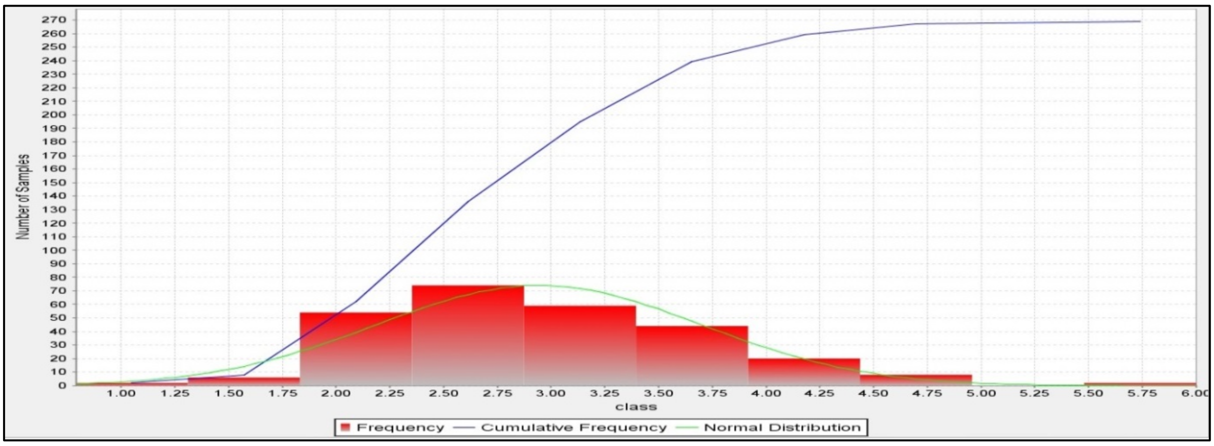
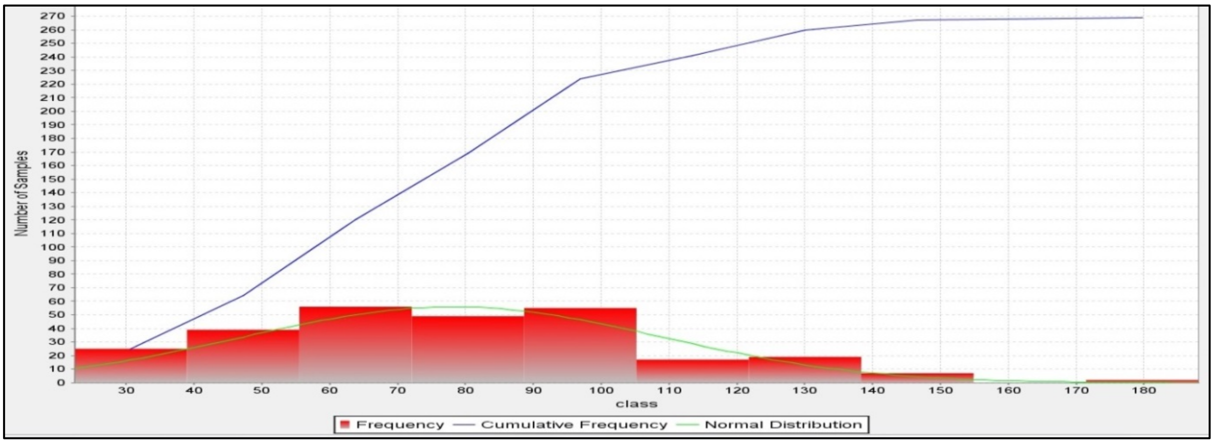


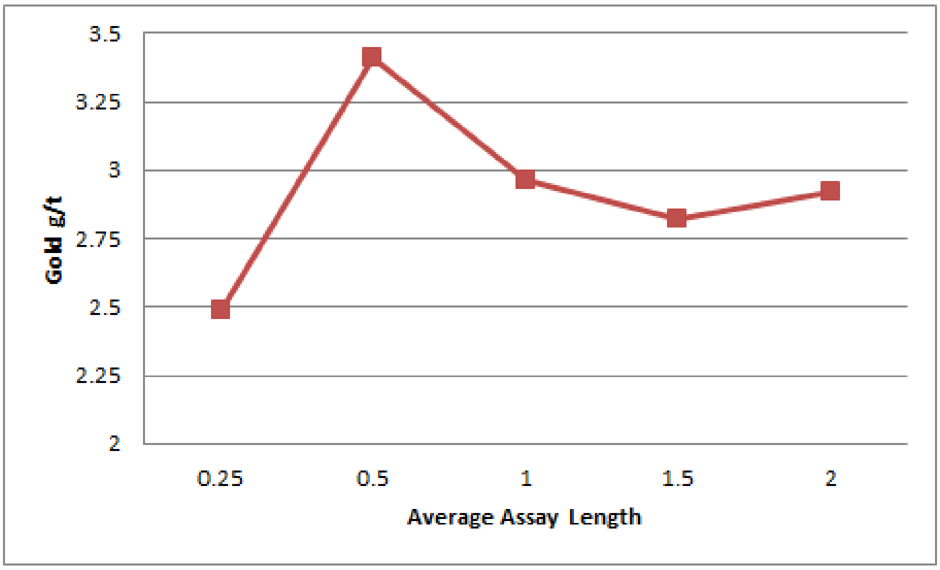
Figure 14.2: Histogram of Silver Assays



14.5 COMPOSITING

The 1990 data used a nominal 2.0 metre assay length with a total of 168 samples. A total of 101 samples, 1.0 metre in length were collected in 2014. Intuitively, even with a small data set, the sample length was anticipated to show little relationship to grade in the Mexico Mine tailings deposit. That hypothesis was tested and showed that at sample lengths between 1 and 2 metres the grades were very consistent. See Figure 14.3.

Figure 14.3: Plot of Average Sample Length versus Average Gold Assay Value



Summary statistics of the lengths showed a mean length of 1.46 metres and a median of 1.69 metres. For the purposes of estimation, a composite length of 1.5 metres was selected. Compositing by length from the collar created 279 composites for modeling. The compositing would help reduce the effect of any high values in short sample lengths.

The basic statistics for the composites are shown in Table 14.2 below. There was no impact on the Mean gold grade and slight improvements on the Variance, Standard Deviation and Coefficient of Variation.

Table 14.2: Composite Statistics

	Using a 1.5 m composite	
Variable	**Au g/t**	**Ag g/t**
Number	279	279
Minimum	1.00	22.87
Maximum	6.00	153.00
Mean	2.94	81.21
Variance	0.49	783.71
St. Dev.	0.70	27.99
Coeff. Of Variation	0.24	0.34

Figures 14.4 and 14.5 show the gold and silver histograms with the cumulative frequency and normal distributions overlaid.

Figure 14.4: Histogram of Gold Composites

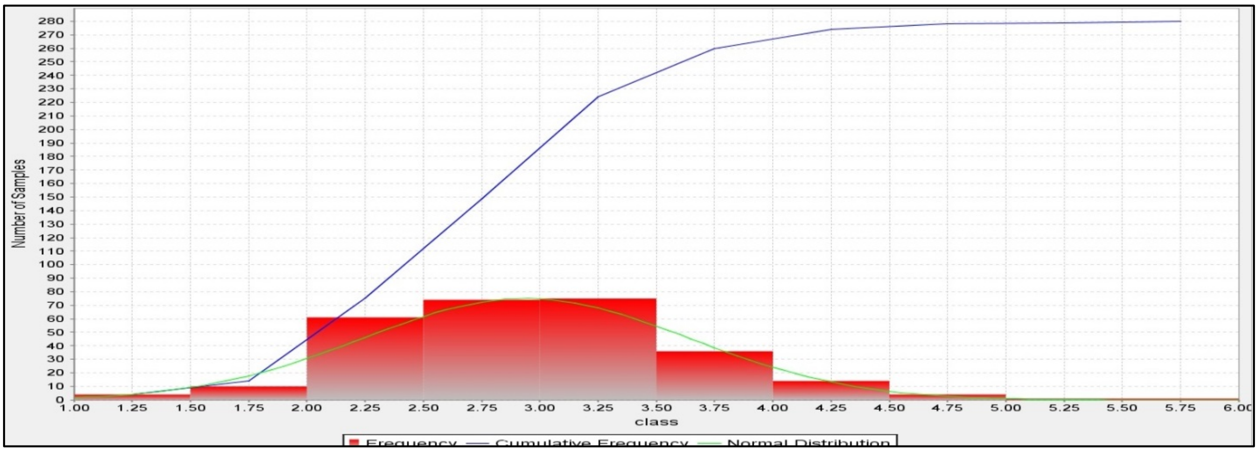
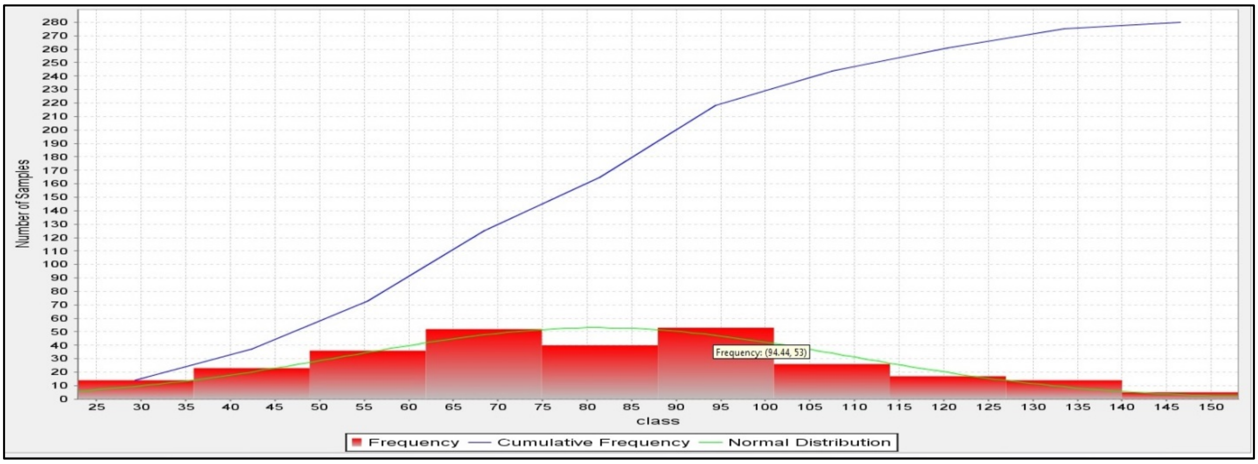


Figure 14.5: Histogram of Silver Composites



14.6 EVALUATION OF OUTLIERS

The author considered four ways to treat high grade samples:

- Cap the raw assay grade;
- Composite the assays and apply a cap;
- Composite the assays and do not cap; or
- Composite the assays and limit the range influence to two blocks only (20m).

Capping the gold and silver values at the 97.5th percentile was considered and only 10 composites would be affected. Given the homogeneity of the data, the author chose to utilize 1.5 metre composites with no capping or limiting of the range of influence.

14.7 VARIOGRAPHY

Spatial continuity of both gold and silver values was evaluated with variograms created with GEMKRIGE in Geovia GEMS software Version 6.6. The anisotropy was assessed using Azimuth, Dip, and Azimuth (ADA) rotation (Table 14.3). Given the small data set to work with, the variography is not as robust as would be preferred. The deposit is not large and the maximum distance between samples was 66 metres. Most drill holes and trenches are approximately 40 to 50 metres apart.

Sixteen directional variograms at 22.5^{o} increments were created at a zero degree dip. A down-hole linear variogram was also created to cross-check the z-range. Spherical models were fitted for both gold and silver. Gold tended to favour an E-W orientation which the authors believe is an artefact of the tailings flow down the stream channel from the process building. Silver is more erratic and may represent silver mobility during tailings deposition and/or later oxidation. Figures 14.6 and 14.7 show the principal azimuth fitted models for gold and silver respectively.

Table 14.3: Variogram Parameters (ADA)

Metal	Principal Azimuth	Dip	Interm. Azimuth	Co	C_1	C_2	X range (m)	Y range (m)	Z range (m)
Au	123^{o}	0^{o}	33^{o}	0.0005	0.462	0.0309	124.9	51.3	43.8
Ag	123^{o}	0^{o}	33^{o}	0.0264	0.475	0.5000	55.4	19.9	10.7

Figure 14.6: Gold Variogram – Principal Axis

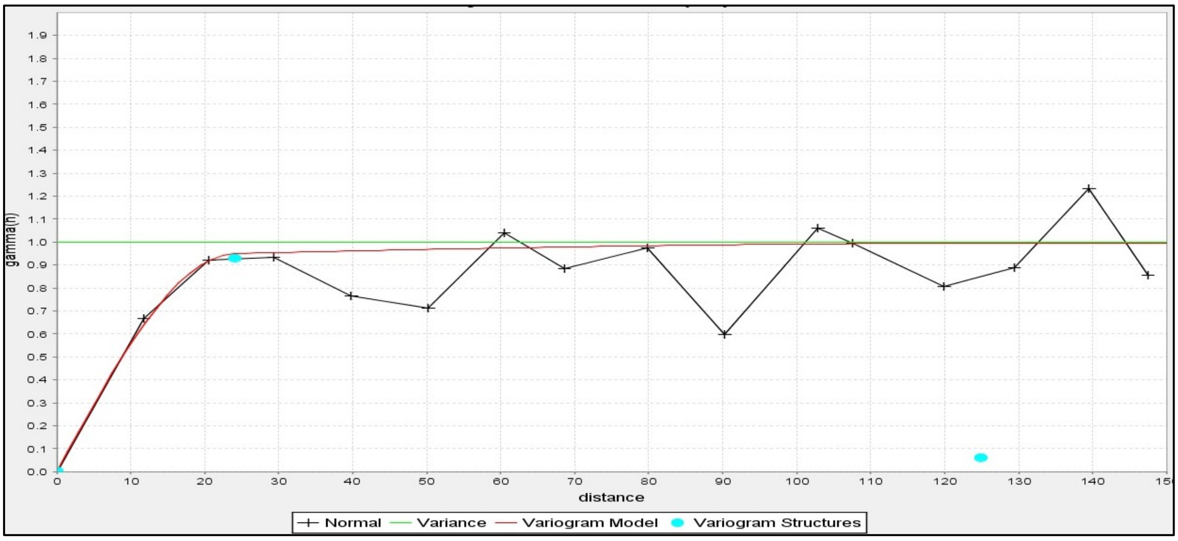
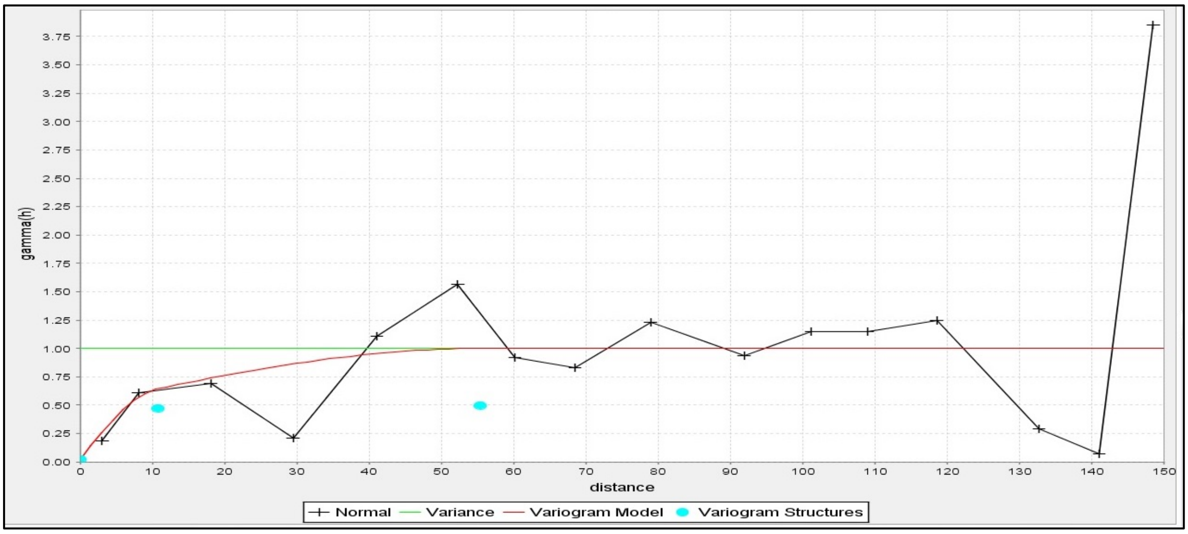


Figure 14.7: Silver Variogram – Principal Axis

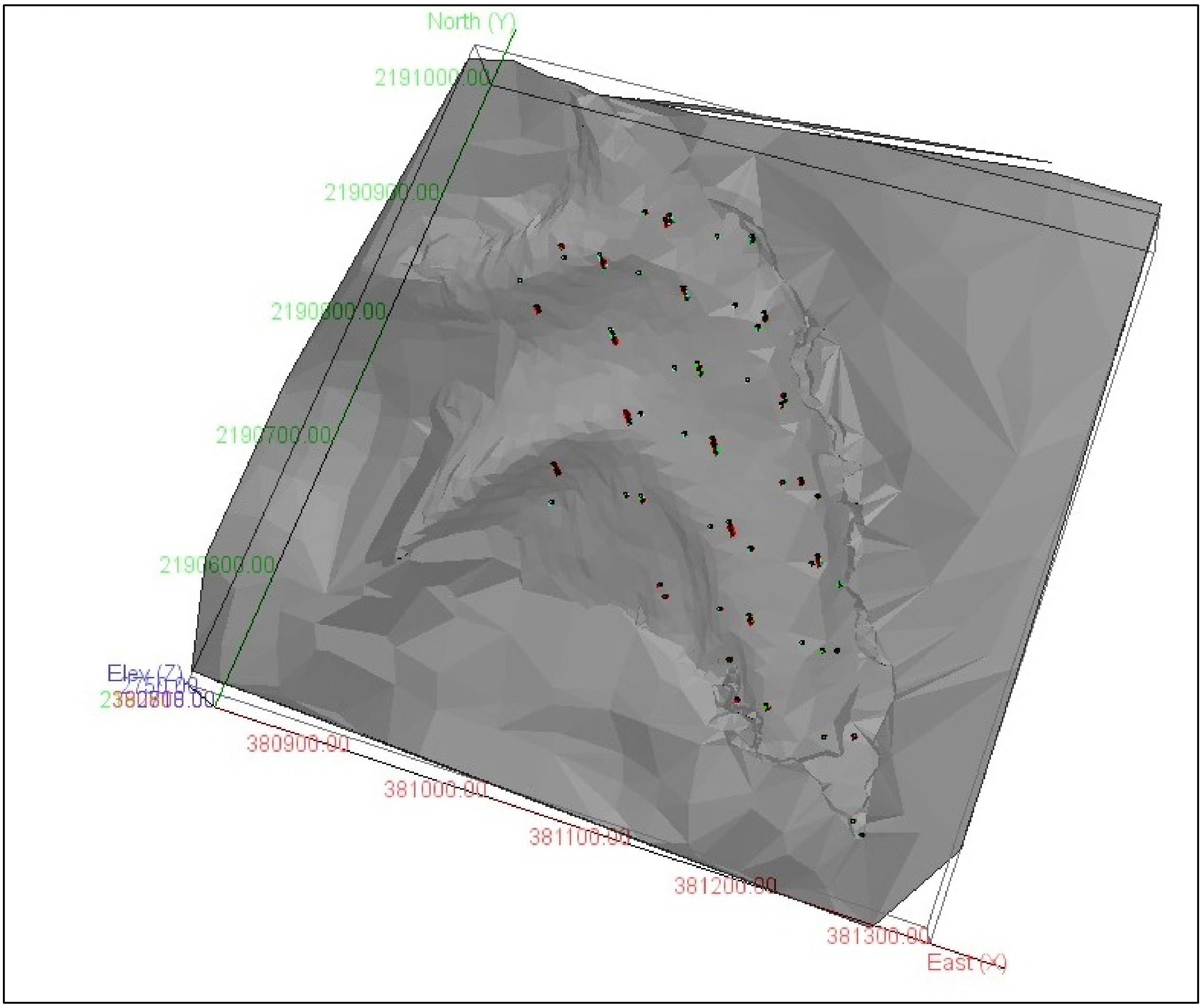


14.8 SOLID BODY MODELING

Tuun utilized a 1931 survey map with hand-contoured 2 metre topographic contours that also had early tailings discharge contours. The map was digitized and adjusted to the NAD27 Zone 14 datum. Overall coordinate adjustments were on the order of 12.9 m to the east, 1.7 m to the north and 9.4 m upwards. The digitized map fit well with the known locations of the filter building and railway.

A base surface was then created in GEMS and compared to the corrected 1990 Luisman holes and found to correlate well with the 1990 drill-hole depths to the bottom of the tailings deposit. This topography (Figure 14.8) honours original stream channels and is considered acceptable for the current resource estimation.

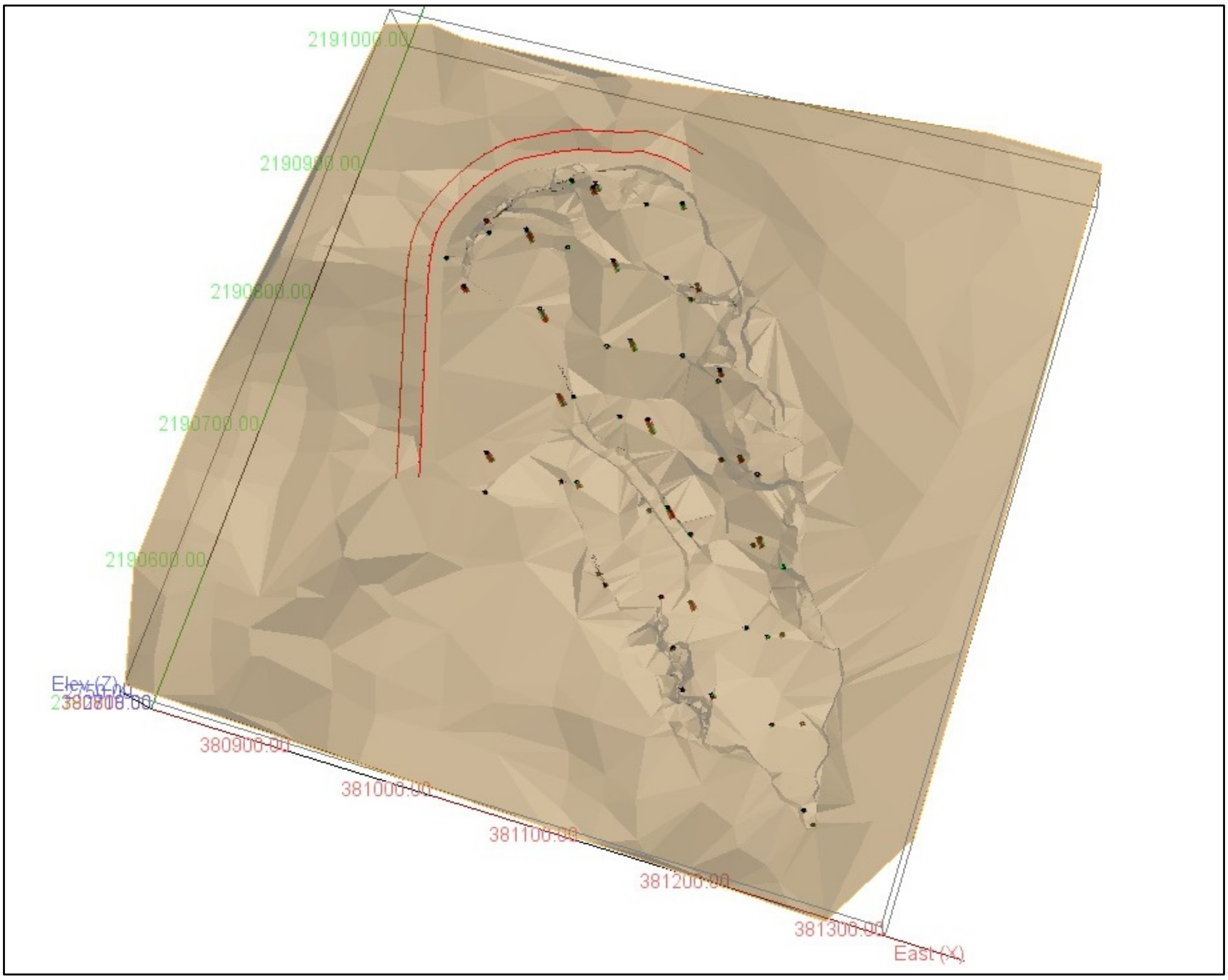
Figure 14.8: Pre-tailings Deposition Topography – showing 1990 drill holes



The upper surface of the tailings had been surveyed in 1990 but had sustained some change over the past 23 years including a highway and a new rodeo grounds built in 1993 along the north and west sides of the deposit. Surface run-off has created some irregular stream channels and gulleys, internal piping and the loss of some material volume. In addition, approximately ten train-car loads of material had been removed from the south end ("load-out area") for testing as a concrete additive. This area is now being used as a soccer field.

To ensure that volume losses and surface changes were properly accounted for, the survey team located the auger and sample trenches, and also surveyed surface features. The Luisman data was corrected to the new datum and supplied as point form and DXF files. The GEOVIA GEMS software or the General Engine Management Systems Ltd. (GEMS) was used to create the upper topographic surface (Figure 14.9). The highway to the northwest of the tailings is shown in red.

Figure 14.9: Current Tailings Deposit Topography



The intersection of the two surfaces was used to create a three dimensional or 3D solid. Recognizing that the solid actually underlies the existing highway, it needed to be clipped to closely represent accessible tailings for a potential mining operation.

An arbitrary offset distance of 30 metres was selected and used for trimming the solid (Figure 14.10). Figure 14.11 shows the final clipped solid used for developing the rock, density and grade models.

Figure 14.10: Tailings Solid with Offset Trim-line to protect Highway

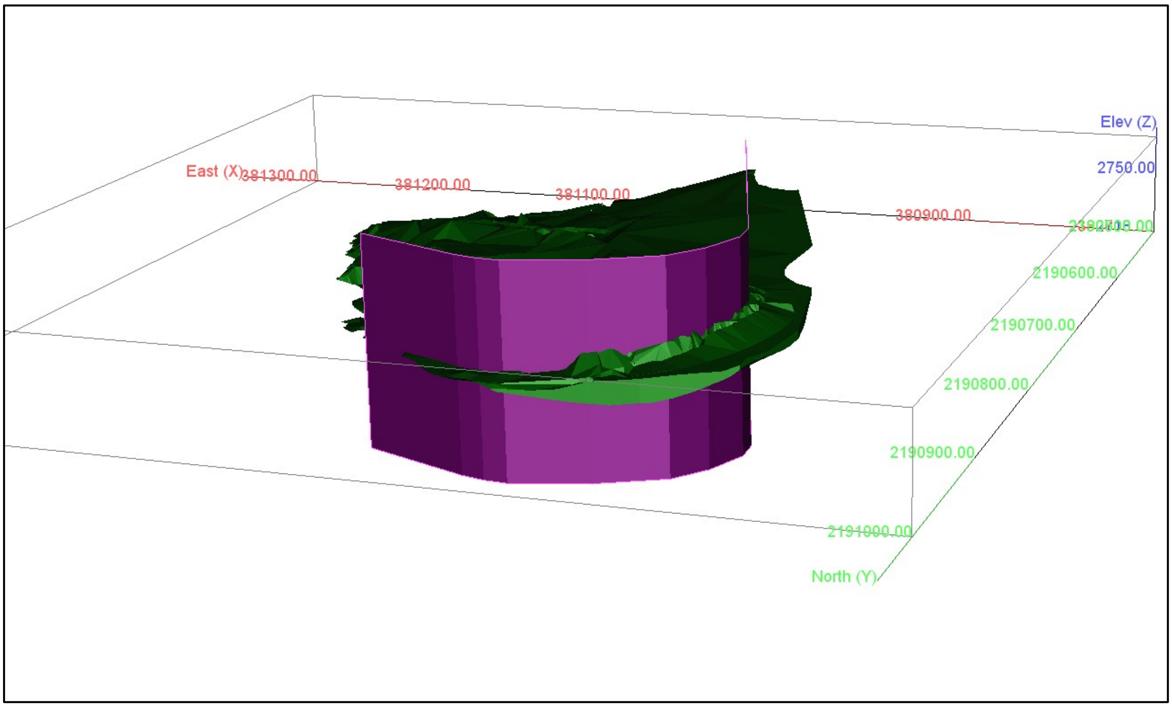
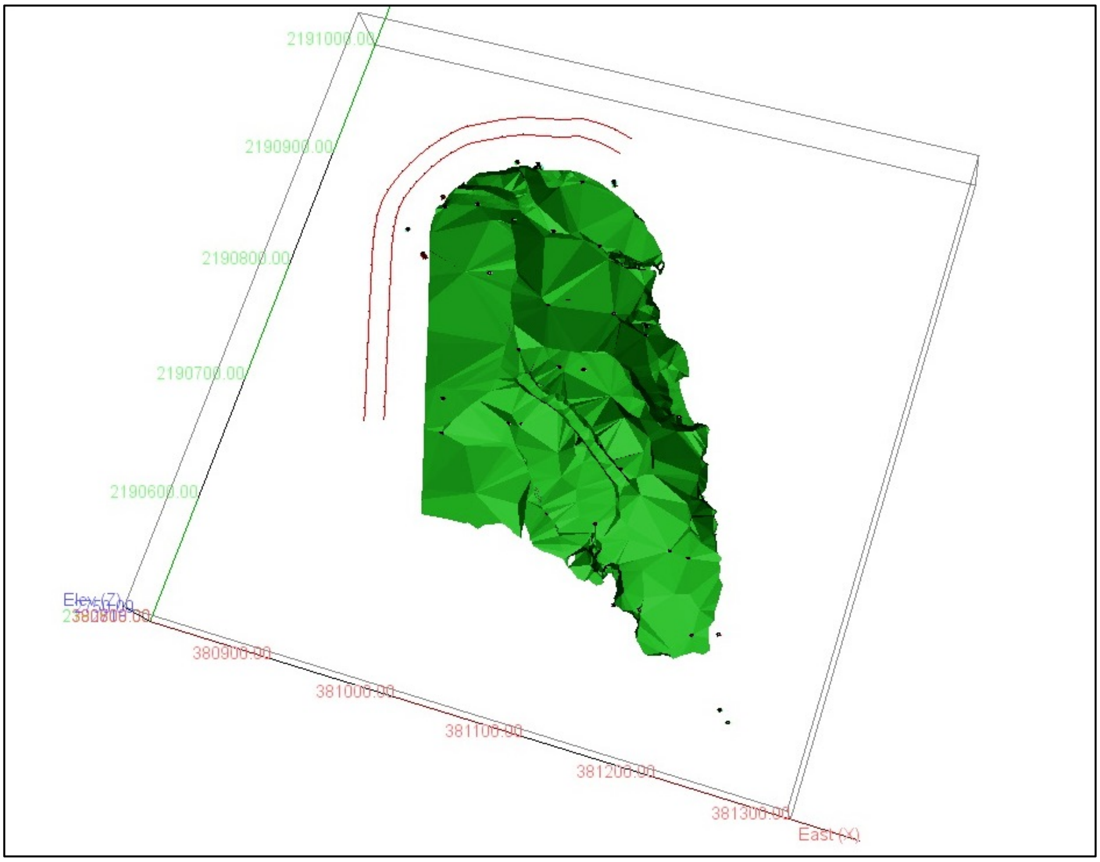


Figure 14.11: Final Tailings Solid for Modeling (showing highway)



14.9 BULK DENSITY ESTIMATION

Mountain States Mineral Enterprises commented upon the 1.3 density used by the Cooperativa Minera Dos Estrellas as being conservative with 1.4 being more reasonable. In 1990, Minera Mexico Michoacán drilled 22 holes and their calculations also used a density of 1.3 with an estimated moisture content of 21%.

Today, the moisture content is assumed to be in the 10-15% range with the more dense material in the compacted core of the tailings dump. It was recognized by the authors that the auger and trench sample program would only test the upper 3 metre crust and the lower 5 to 10 metre base of the tailings deposit and that it likely would not be fully representative of the overall tailings deposit.

A literature search and discussions with processing experts suggest that a dry bulk density of approximately 1.6 would be a reasonable estimate for tailings that have continued to dewater and settle for over 60 years. Candente Gold has not completed any dry bulk density sampling at the time of writing but plans to do so during the next sampling program.

For the purposes of this resource estimate a conservative dry bulk density value of 1.5 has been applied to all tailings blocks.

14.10 BLOCK MODEL CONSTRUCTION AND GRADE ESTIMATION

Personal experience plus discussions with Candente Gold staff and mining colleagues pointed to a block size selection that would be a reasonable approximation of a selective mining unit ("SMU") for a small truck-excavator mining fleet. The block model parameters are summarized in Table 14.4.

Table 14.4: Block Model Parameters

	Easting	Northing	Elevation(m)
Minimum	380800	2190500	2720
Maximum	381300	2191000	2770
Block Size	10	10	2
No. Blocks	50	50	26

The surfaces and solids were used to create rock, density and two percentage block models. The rock codes used for modeling are shown in Table 14.5.

Table 14.5: Block Model Rock Codes

Rock Type	Rock Code	Dry Bulk Density
Air	0	0
Tailings	120	1.5
Overburden	10	2.2

Given the variography that shows a fairly long range for both gold and silver values, block model grades were estimated in one pass using Ordinary Kriging (OK) with a minimum of two and a maximum of twelve samples. Figure 14.12 shows the anisotropy and orientation of the search ellipse in plan-view while Figure 14.13 shows it in section view. The search ellipses are tabulated in Table 14.6.

Table 14.6: Search Ellipses for Gold and Silver

Metal	Orientation Angle	X range	Y range	Z range
Gold	123 Az	125	52	45
Silver	123 Az	100	50	65

Figure 14.12: Gold Search Ellipse in Plan View

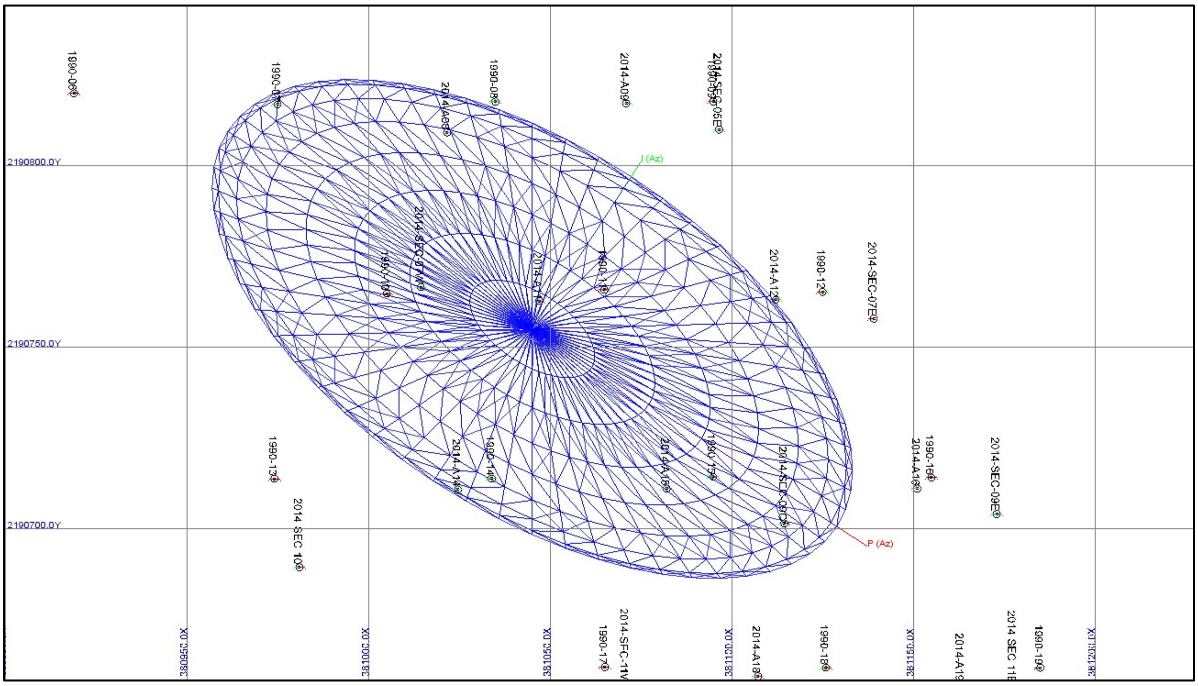
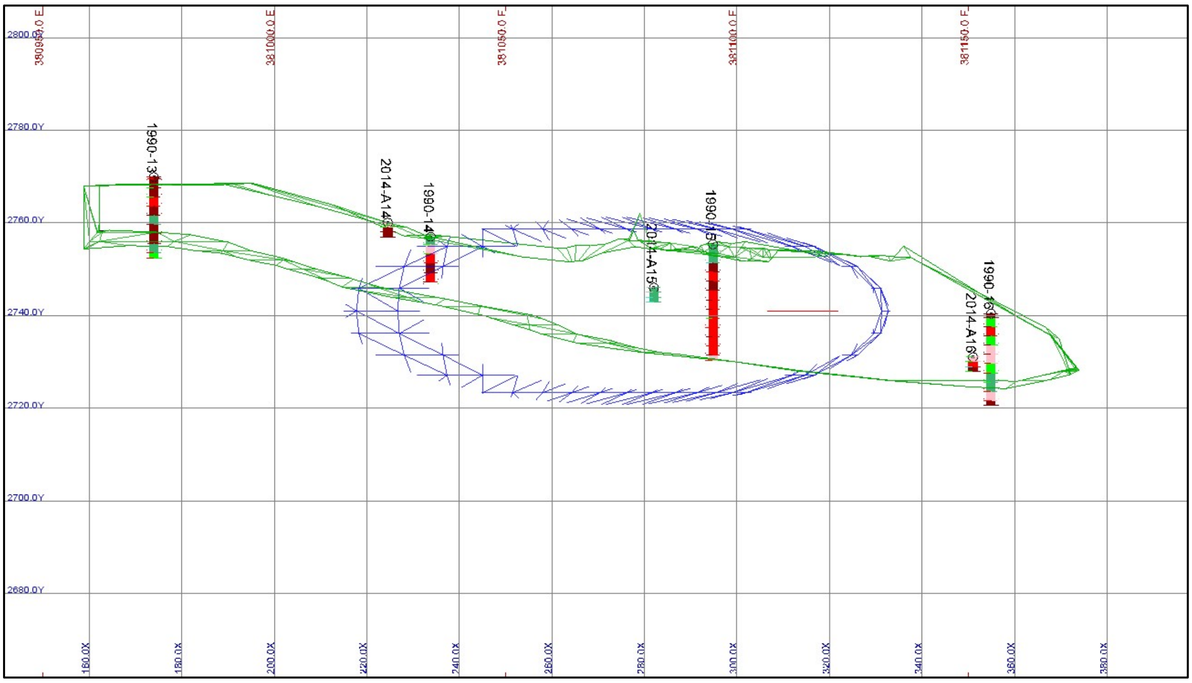


Figure 14.13: Gold Search Ellipse in Section View



14.11 MINERAL RESOURCE STATEMENT

The mineral resource statement has been prepared under the CIM Definition Standards for Mineral Resources and Mineral Reserves (CIM Council adopted Standards and Guidelines updated on May 10, 2014) which defines:

"A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction.

The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling."

The block model and mineral resource for the El Oro Tailings Deposit has been classified as ***Inferred*** due to the lack of comprehensive bulk density testing data or new deeper infill sample holes.

"An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity."

The guideline commentary also clarifies that *the phrase **"reasonable prospects for economic extraction"** implies a judgment by the Qualified Person in respect of the technical and economic factors likely to influence the prospect of economic extraction. A Mineral Resource is an inventory of mineralization that under realistically assumed and justifiable technical and economic conditions might become economically extractable."*

This Inferred Mineral Resource is based on source data, plans and sections developed over 20 years ago after the diamond drilling campaign. The information was reviewed and all work believed to have been executed in a professional manner based on the standards of care of the time. The work provided useful support in guiding the 2014 follow-up sampling campaign.

In Tuun's opinion, the existing sample data is considered to be adequate for an Inferred Mineral Resource Estimate. Any uncertainty in the grade estimate is mitigated by the relatively high confidence in the horizontal continuity and homogeneity of the material.

Tuun considers that the Mexico Mine tailings deposit will be amenable to extraction by a small excavator and truck fleet. Minimal dilution may occur along the tailings/overburden interface but for the most part the mining assumptions are reasonable. Given the homogeneity of the grade distribution and the fact that all tails would be mined, no economic pit shell optimization was deemed necessary.

Tailings reprocessing is anticipated to consist of an agitated cyanide leaching circuit followed by gold and silver recovery in a Merrill Crowe module. A literature search and discussions with metallurgical professionals were the baseline for the metal recoveries.

Since both silver and gold add value to the deposit, a gold equivalent model was constructed. The parameters used for gold equivalent and cut-off grade calculations are summarized in Table 14.7. All prices are 12-month rolling averages as of May 31, 2014.

Table 14.7: Estimation Parameters

Parameter	Value	Unit
Gold Price	1304.92	US$ per ounce
Silver Price	20.67	US$ per ounce
Mining Cost	7.00	US$ per tonne
Processing Cost	27.00	US$ per tonne
Gold Recovery	50%	
Silver Recovery	50%	
G & A	11.00	US$ per tonne

The gold equivalent model was based on:

AuEq = Au + (Ag * ((Ag price * Ag Recovery) / (Au price * Au Recovery))

The following calculation was used to determine the cut-off grade:

*COG = (Mining Costs + Processing Costs+ G&A Costs) / [(Au Price)/31.1035 * %Rec * %Dilution]*

Thus the cut-off calculation is:

*COG = (7.00+27.00 + 11.00) / [(1304.92/31.1035*50%*95%) = 2.26 g/t => **USE 2.50 g/t AuEq***

Tuun has estimated the resource in accordance with CIM Best Practices and disclosed under NI 43-101. The mineral resource was estimated using the Ordinary Kriging (OK) method on uncapped composited 1.5m grades.

The El Oro Tailings Deposit is estimated to contain 1.27M tonnes at a grade of 2.94 grams per tonne gold and 75.12 grams per tonne silver at a gold equivalent cut-off of 2.25 grams per tonne gold equivalent. The effective date is July 8th, 2014. See Table 14-8.

This project may or may not be materially affected by scrutiny into environmental, permitting, legal, title, taxation, social, political, marketing or other relevant issues in addition to a down-grading in quantity and grade with further drilling.

Table 14.8: Inferred Resource Estimate-dated July 8, 2014

Classification	Tonnes*	Cut-off AuEq g/t	Au g/t	Ag g/t	Ounces Au	Ounces Ag
Inferred	1,267,400	2.50	2.94	75.12	119,900	3,061,200

*Note: * Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the accuracy of the estimate which has been based on the 12-month rolling averages for gold and silver price as of May 31, 2014. Recoveries of 50% have been assumed for each metal for the calculation of the gold-equivalent cut-off grade.*

14.12 MODEL VALIDATION AND SENSITIVITY

The Inferred Mineral Resource Estimate is relatively insensitive to the reporting cut-off grade due to the high metal values still entrained in the Mexico Mine tailings. Changing the cut-off would have minimal impact on the concept of mining and processing of all the tailings. Table 14.9 shows tonnages within several grade ranges and it can be seen that all resources lie above the calculated cut-off grade of 2.50 grams per tonne gold equivalent.

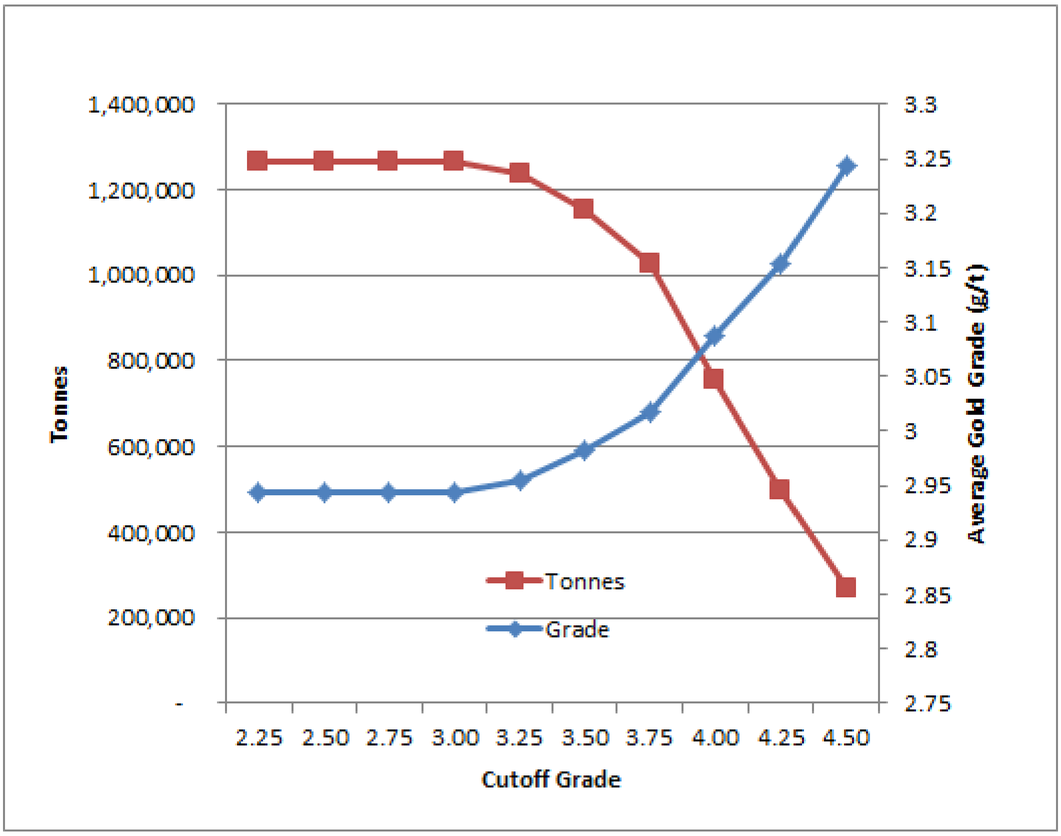
The reader must be cautioned that the figures presented should not be misconstrued with a Mineral Resource Statement. They are presented only to show the sensitivity of the block model estimates to the selection of the cut-off grade.

Table 14.9: Resources by Grade Cut-off

Cut-off Grade AuEq	Tonnes	Gold (g/t)	Silver (g/t)
>2.25 g/t	1,267,000	2.943	75.12
>2.50 g/t	1,267,000	2.943	75.12
>2.75 g/t	1,267,000	2.943	75.12
>3.00 g/t	1,263,700	2.944	75.23
>3.25 g/t	1,236,300	2.955	75.91
>3.50 g/t	1,152,000	2.982	77.81
>3.75 g/t	1,025,000	3.017	80.16
>4.00 g/t	754,000	3.087	84.76
>4.25 g/t	497,200	3.154	90.26
>4.50 g/t	269,700	3.243	96.32

Figure 14.14 shows the sensitivity as Grade-Tonnage curves for the Inferred Mineral Resource.

Figure 14.14: Grade Tonnage Curve



The block model was validated by visual inspections of composites versus block modeled grades on both sections and levels. The colour scheme for plotting is shown in Figure 14.15.

Figure 14.15: Gold Grade Legend (g/t gold)

Figure 14.16: Section 870N (equivalent to Luisman Section #3) Representative Figures-grid 20x20m

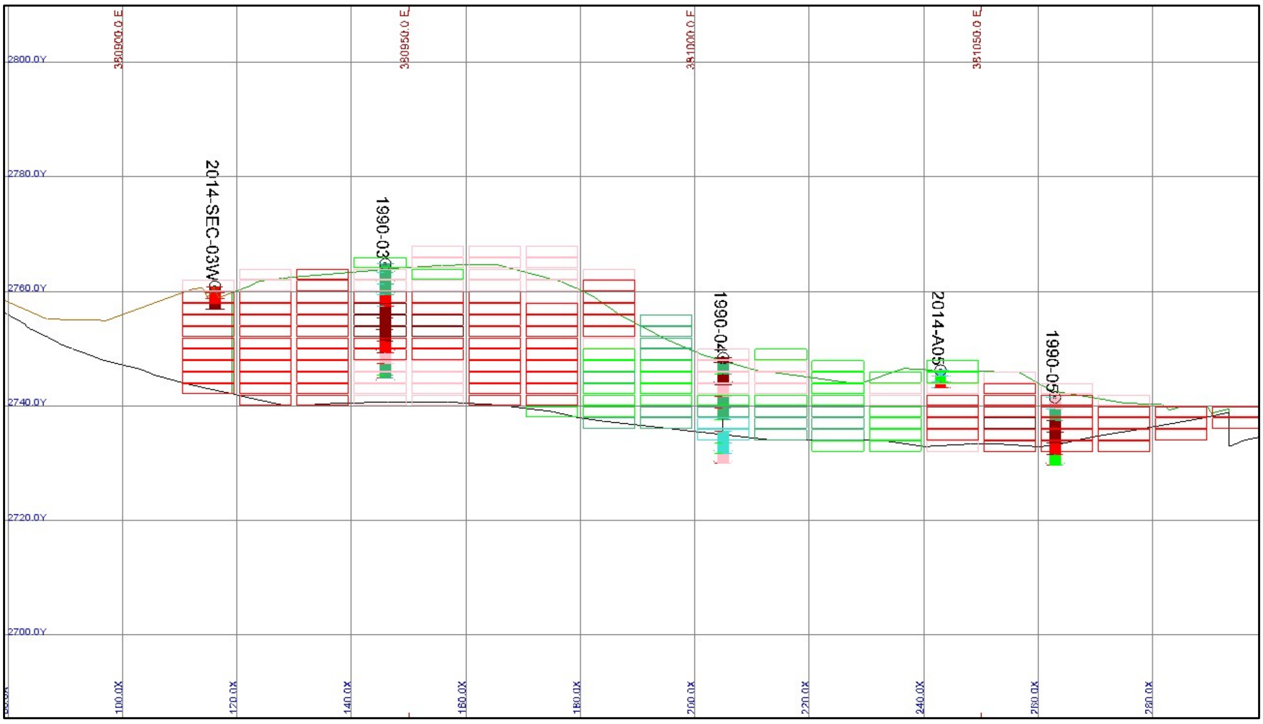


Figure 14.17: Section 760N (equivalent to Luisman Section #7) Representative Figures-grid 20x20m

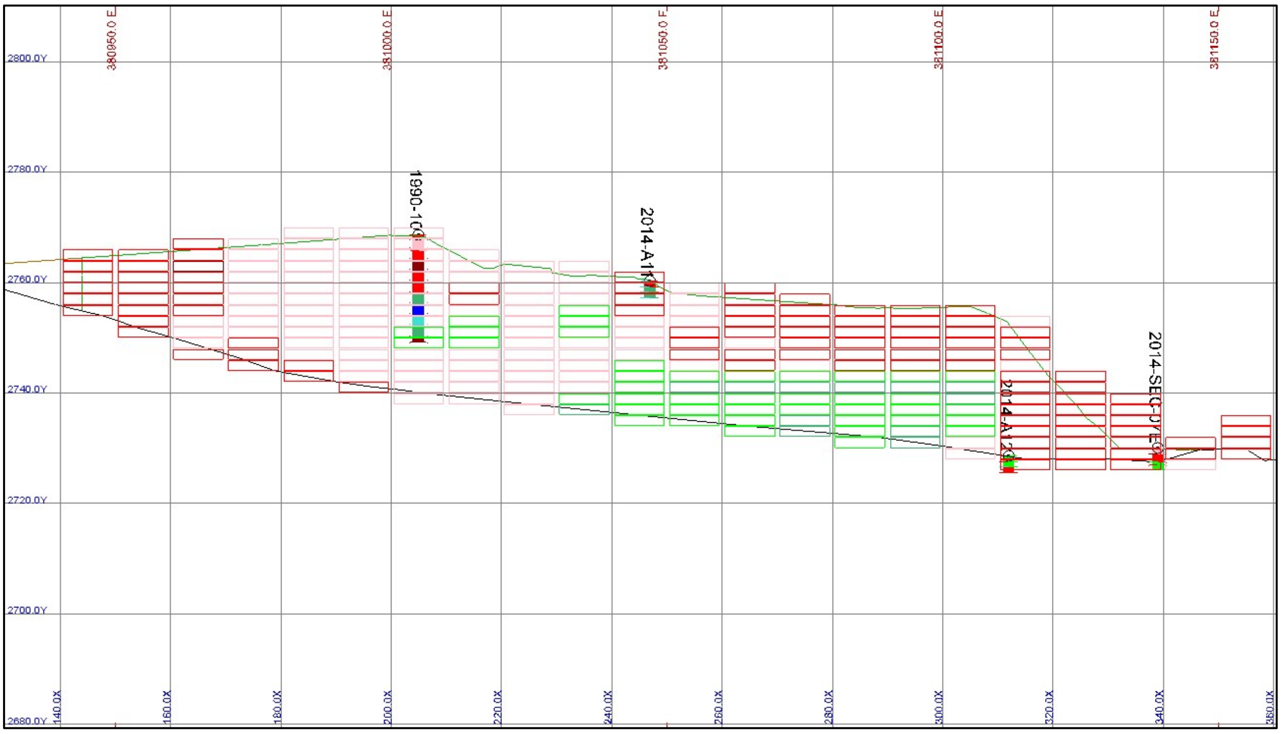


Figure 14.18: Level Plan 2754m Elevation (Representative Plans)-grid 50x50m

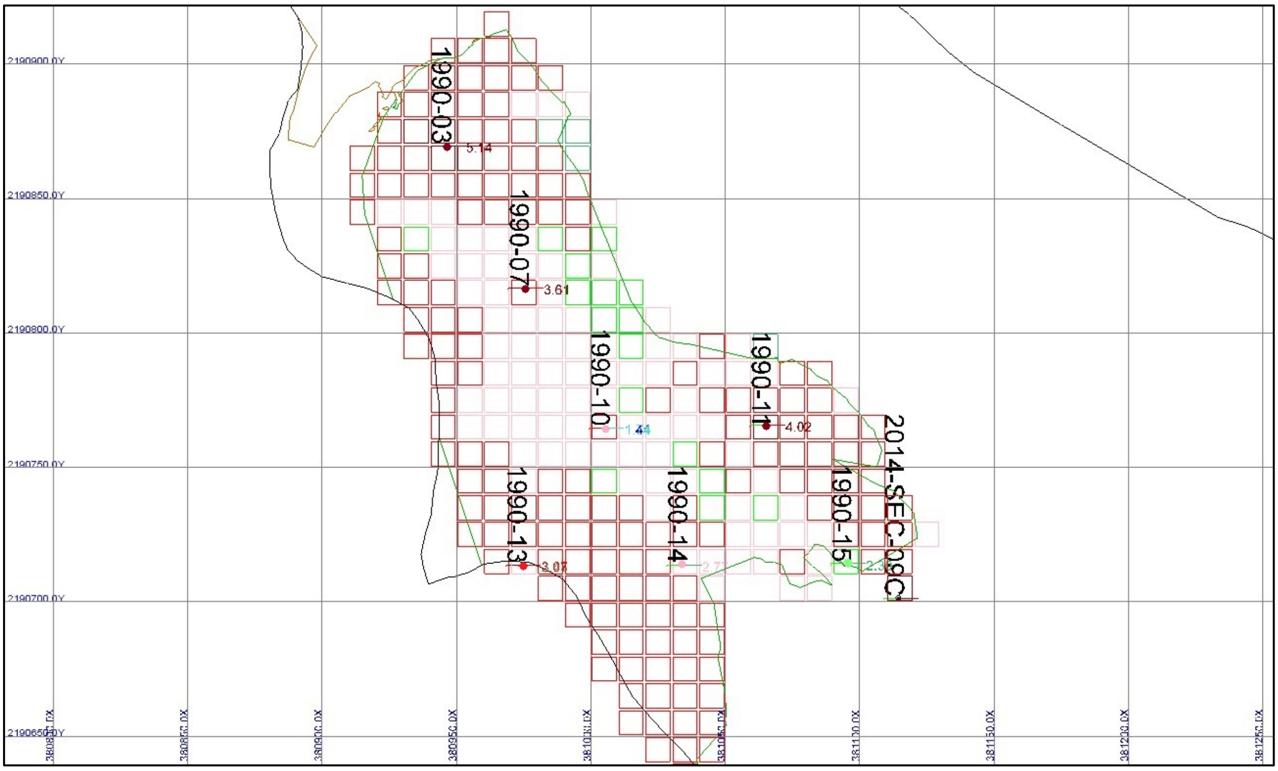


Figure 14.19: Level Plan 2744m Elevation (Representative Plans)-grid 50x50m

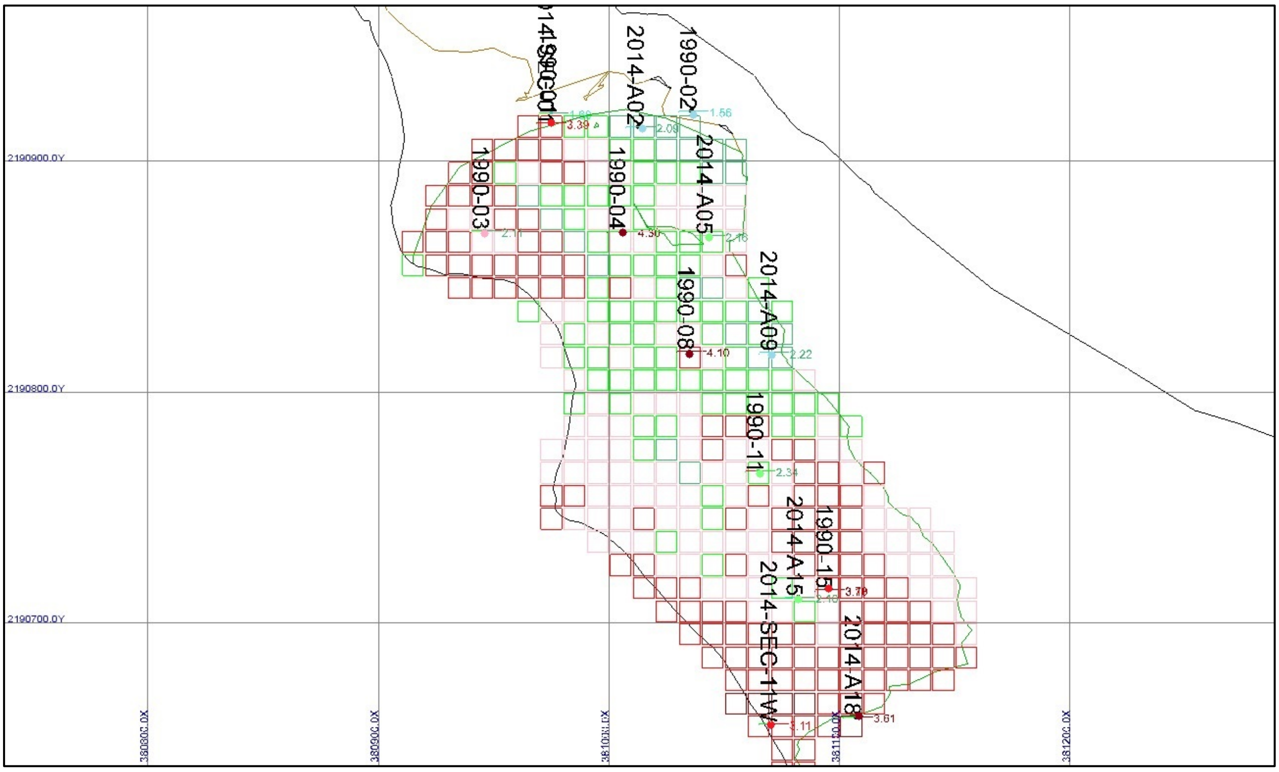
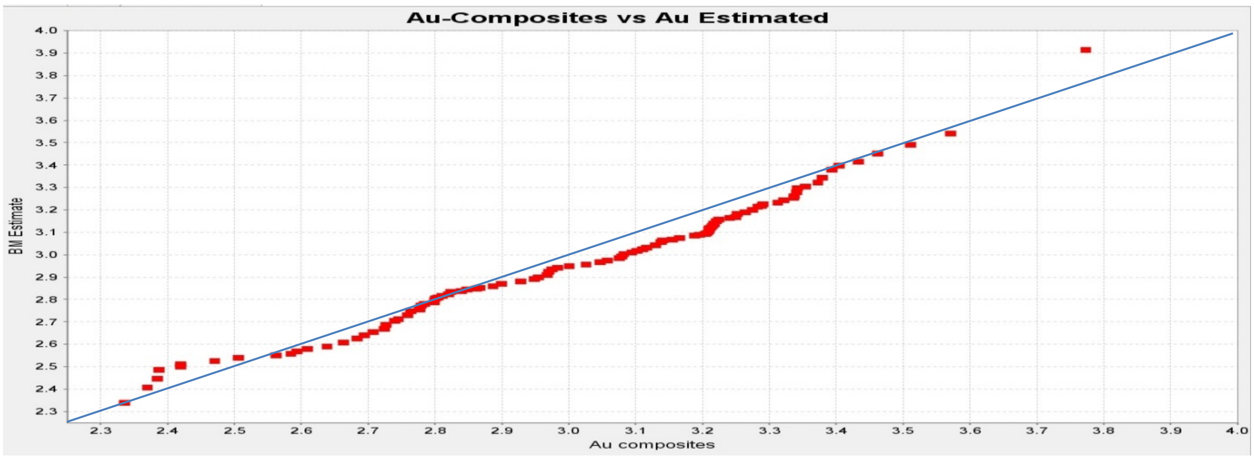


Figure 14.20: Block Model Estimate versus Composite Grade Q-Q Plot



In addition, the grade estimation was validated by comparing Inverse Distance Squared (IDS) and Inverse Distance Cubed (ID3) estimates to the OK run as tabulated in Table 14.10. There was no change in gold values at the second decimal place. The change in silver values was approximately 6% and therefore the Ordinary Kriging (OK) estimation can be considered valid.

Table 14.10 Comparative Results of Alternative Estimation Methods

Estimation Method	Au g/t	Ag g/t
IDS	2.94	80.49
ID3	2.94	80.02
OK	2.94	75.12

15.0 MINERAL RESERVE ESTIMATES

There are currently no mineral reserve estimates on the property.

16.0 MINING METHODS

This section is not relevant to this disclosure.

17.0 RECOVERY METHODS

This section is not relevant to this disclosure.

18.0 PROJECT INFRASTRUCTURE

This section is not relevant to this disclosure.

19.0 MARKET STUDIES AND CONTRACTS

This section is not relevant to this disclosure.

20.0 ENVIRONMENTAL STUDIES, PERMITTING, SOCIAL OR AND COMMUNITY IMPACT

20.1 HISTORICAL ENVIRONMENTAL IMPACT AND STUDIES

Neither of the authors of the Technical Report nor the Company knows of any environmental liabilities related to the El Oro Property or the Mexico Mine tailings site.

To the authors knowledge, no environmental baseline studies specific to individual portions of the Property exist, outside of, a recent EPA Report completed on the Mexico Mine tailings to facilitate the drill permit for 2014 by Alejandro Nieto Caraveo.

The property has been previously disturbed by extensive historical operations defined in Section 6.0. The El Oro district has been mined since 1529 when the Spanish first discovered the outcropping veins in the Tlalpujahua area. There are several historic waste dumps and tailings sites and other pre-existing environmental impacts on the property. In the El Oro Agreement with Goldcorp Mexico, no environmental liabilities were disclosed to the Company, and the Company is not aware of any environmental liabilities related to the El Oro Property. In 2002, Placer Dome Ltd. ("Placer") completed an environmental review that stated that there were no liabilities at that time.

Under Mexican environmental law, all historic work (mines/tailings/waste dumps) performed prior to 1988 are exempt and therefore are not the responsibility of the current concession holder(s). Candente Resources Corp and Canaco obtained the Option in 2006 and then transferred the Option into Minera CCM. In April of 2009, the Company purchased Minera CCM from Candente Copper and Canaco.

Neither Minera CCM nor the Company have performed any mining activities that have included extraction and/or processing of ores or other material or storage of waste material from mining activities on the El Oro Property. The Company and Minera CCM are not aware of any mining activities by others (other than exploration activities) on the El Oro Property since 1988. There is currently a private individual that intermittently mines a part of the Borda Vein in Tlalpujahua mining district on one of the internal licences not held by Minera CCM.

20.1.1 Environmental Setting

In the El Oro and Tlalpujahua Mining Districts, the number of endemic species is very considerable, and their abundance is favoured by the diversity of geological substrates. According to Rzedowski 1988, the project area is located in the Southern Floristic Province of Serranías. In this province Pinus and Quercus forests predominate.

The vegetation of the area has changed significantly as a result of anthropogenic activities such as mining and urban development resulting in a few isolated remaining forests comprised of conifers, which are dominated by the Genera's *Pinus* and *Quercus.*

In the Charter Land Use and Vegetation of the "*Instituto Nacional de Geografia e Informatica (INEGI),* the El Oro project area falls under the classification of "not applicable" however; the border areas are vegetated by oak-pine forest, pine-oak forests and grasslands. The oak-pine forest classification are dominated by oak (Quercus spp.) and minor pine (Pinus spp) which are typically smaller in size and height than the pine-oak forest classification where pine species dominate over oak species. Induced grasslands arise when the original vegetation is removed.

Table 20.1: Plant Species Identified in the El Oro Study Area

Family	Genera	Species	Author	Biological Form	Complete Name	Use
ASTERACEAE	Baccharis	conferta	Kunth	Arbusto	Escobilla y hierba del carbonero	
ASTERACEAE	Cirstum	sp.		Hierba		
ASTERACEAE	Eupatorium	pazcuarensts		Hierba	Aromito blanco	
ASTERACEAE	Heterosperma	pinnatum	Cav.	Hierba	Janlla	
ASTERACEAE	Stevia	aff. Ovata		Hierba		
BUDDLEJACEAE	Buddleja	cordata	Kunth	Arbol	Tepozán blanco	Medicinal
CAPRIFOLIACEAE	Symfhoricarpos	microphyllus	Kunth	Arbusto	Perlillas, Perlitas	
COMMELINACEAE	Commelina	coelestis		Hierba	Hierba del pollo	Medicinal
FAGACEAE	Quercus	aff. aristata		Arbol	Encino	
FAGACEAE	Quercus	laurina	Humb & Bonpl	Arbol	Encino blanco	
LAMIACEAE	Salvia	sp.		Hierba	chía	
LAMIACEAE	Stachya	sp.		Hierba		
LYTHRACEAE	Cuphea	aequipetala	Cav.	Hierba	Alcáncer y hierba del cancer	Medicinal
OXALIDACEAE	Oxalis	aff. nelsonii		Hierba	Agritos	Medicinal
PINACEAE	Pinus	pseudostrobus	Lindl.	Árbol	Pino blanco	
POACEAE	sp.			Hierba		
PTERIDACEAE	sp.			Helecho		
ROSACEAE	Crataegus	mexicana	Moc. & Sessé ex. DC.	Arbol	Tejocote	Comestible Medicinal
ROSACEAE	Prunus	serotina	(Cav.) Mav Vaugh	Arbol	Capulín	Comestible Medicinal
SCROPHULARIACEAE	Casrilleja	aff. tenmflora		Hierba	cola de borrego	
SCROPHULARIACEAE	Penstemon	roseus	(Cerv. Ex Sweet) G. Don	Hierba	Jarritos	Ornamental

Table 20.2: Vertebrate Species Identified in the El Oro Study Area

Nombre científico	Nombre completo	NOM	END	EST
CLASE REPTILIA				
Sceloporus sp.	Lagartija	N	E	
Pithuophis sp.	Alicante	A	E	
CLASE MAMALIA				
Didelphis virginiana	Tlacuache	N	N	
Bassariscus astutus	Cacomixtle	N	N	
Spermophilus variegatus	Ardillon	N	N	
Mus musculus	Ratón de casa	N	N	
Peromyscus maniculatus	Ratón	N	N	
Sylvilagus floridamus	Conejo Castellano	N	N	
Sylvilagus cunicularis	Conejo de monte	N	N	
Mephiris macroura	Zorrillo Listado	N	N	
CLASE AVES				
Cathartes aura	Zopilote aura	N	N	R
Columba livia	Paloma doméstica	N	N	R
Columbiana inca	Tortola	N	N	R
Zenaida asiática	Paloma aliblanca	N	N	R
Zenaida macroura	Paloma Huilota	N	N	R
Amazilia violiceps	Colibrí corona violeta	N	N	R
Cynanthus latorostris	Colibrí picoganchudo	N	N	R
Empidonax occidentalis	Colibrí	N	N	R
Pyrocephalus rubimus	Mosquero	N	N	R
Hirvando rustica	Mosquero cardenal	N	N	R
Poecile sciateri	Golondrina	N	N	M
Psaltriparia minimus	Carbonero mexicano	N	N	R
Campylorhynchus brunneicapilus	Sastrecillo	N	N	R
Campylorhynchus gularis	Matraca del desierto	N	N	R
Catherpes mexicanus	Chivirin barranquero	N	N	R
Thryomanes bewickii	Saltapared	N	N	R
Thryomanes maculipectus	Troglodita pechimanchado	N	N	R
Regulus calendula	Reyezuelo	N	N	R
Polioptila caerulea	Perlita	N	N	R
Turdus assimilis	Zorzal gorjiblanco	N	N	R
Mimus polygiouos	Cenzontle	N	N	R
Toxostoma curvirosuo	Cuitlacoche pico curvo	N	N	R

Vermivora colata	Chipe de virginia	N	N	R
Pipilo fuscus	Toqui pardo	N	N	T
Spizeila atrogularis	Gorrión barba negra	N	N	R
Spizella passerina	Gorrión ceja blanca	N	N	R
Quiscalus mexicanus	Zamate mexicano	N	N	R
Carpodocua mexicanus	Pinzón mexicano	N	N	R
Carduelis psaluria	Jilguero dominico	N	N	R
Passer domesticus	Gorrión común	N	N	R
NOM-059-SEMARNAT-2001. N=No listada en la NOM, A=Amenazada				
Endemismo. N=No endémico, E=Endémico				
Estacionalidad, solo se menciona para aves. M=Migratoria, R=Residente T= Transitoria				

According to the Municipal Development Plan 2003, other tree species found in the El Oro region include: Ocote *(ocarpa Pinus)*; oak *(Quercus ilex);* fir *(Abies religiosa);* cedar *(Cepressus arizonica Greene;* ash *(Frexinus uhdei);* aile *(Alnus acuminata);* eucalyptus *(Eucalyptus globulus Labill);* Tepozan *(Baddleia cordata);* weeping willow *(Salix Babylonian);* oak *(Quercus steal);* thunder *(Ligustru japanicum);* and casuarinas (*cause equisetifolia).*

Other plant species in the region include:

- medicinal herbs, which are mainly used to relieve or mitigate any disease as well as for use in local drinks like the traditional drink of Gold "the goat" (feverfew, sage, arnica, ewe, lemon verbena, estafiate , rosemary, rue, tabaquillo, peshto, epazote dog, pericón, cancer herb, lemon balm, chamomile, you mount, wormwood, horehound, prodigious, peppermint, doradilla, jocoquera).
- cacti and fungi, which are mainly used as a food use and even for making beverages (nopalillo, agave cactus and various species).

The El Oro area is dominated by wildlife as referenced from the MIA as listed above (Table 20.2). This information was corroborated from databases of the *Comisión Nacional Para el Conocimiento y Uso de la Diversidad (Conabio)*. In addition, during the fieldwork the presence of the above mentioned species was validated by direct or indirect observations and interviews with the locals.

20.2 CURRENT AND FUTURE ENVIRONMENTAL PERMITTING

The Drill Permit to proceed with the next phase of the Mexico Mine tailings assessment program is in place should the Company choose to drill for metallurgical samples and potentially upgrade the mineral resource.

Several additional permits and authorizations will be required for the potential future operation, recovery and reclamation of the Mexico Mine Tailings Project and will be included in a detailed EIA or *Evaluación de Impacto Ambiental* under the *Ley General del Equilibrio Ecológico y la Protección al Ambiente ("LGEEPA"),* Article 28 (General Law of Ecological Equilibrium and Environmental Protection) as required by the *Ministerio of Recursos Naturales ("SEMARNAT").* Prior to this EIA, an authorization regarding environmental impact matters is required by the SEMARNAT.

Additional surface tenures will likely be required for the re-location of any tailings to the areas outside of the current surface tenure rights.

20.2.1 Current Permits for the Mexico Mine Tailings

The Company is currently in compliance with Norma-120 MEX. In 2011, a new requirement added to Norma 120-MEX is the "Environmental Impact Study" ("EIS") for direct exploration activities including underground, trenching, and drilling. A requirement for the proposed exploration work at the Mexico Mine tailings to include drilling for a potential mineral resource upgrade included the securement of a new environmental permit as required by Norma-120 MEX-SEMARNAT-2011.

The EIS Report included: the geology of the area; the duration of the program; the potential drill collar locations (although an adjustment of collar locations must be submitted prior to drilling); the drill rig description; the road access; the drill additive types; the sampling methodology; the investment costs of the program; the description of the forest; the wildlife; the weather; the water sources; the proximity to population centers; the land use; and the municipality planning regulations. The rationale for the development study was based on new regulations imposed on NOM-120-SEMARNAT-2011. In addition, a study matrix was designed to track the degree of environmental impact in the affected area of the proposed tailings drilling. Finally a detailed action plan was designed for the prevention and mitigation of potential environmental impacts. Candente Gold received the report on May 2, 2014.

On May 6th, 2014 environmental consultant Lic. Alejandro Nieto presented his report findings to SEMARNAT on May 6, 2014 in Toluca Estado de Mexico met with SEMARNAT to discuss his preventative Environmental Impact Study ("EIS") dated May 2, 2014 on the proposed drill program of the Mexico Mine Tailings at El Oro. On June 20, 2014 the Preventive Environmental Impact Study and the Environmental Government Office ("SEMARNAT") awarded Minera CCM Jales, a subsidiary of Candente Gold under the Operative Job No., DFMARNAT/2443/2014, stating that the authority approves and permits the drilling of the Mexico Mine tailings deposit. The permit states that at this stage of exploration the following actions must be enforced:

a) There will be NO CHANGE in land use;

b) There will be NO removal of vegetation;

c) There will be NO USE of explosives;

d) There will be NO new road construction;

e) The forest will be protected;

f) There will be NO hunting and NO trapping;

g) There will be NO abandonment of equipment

h) Sole use of substances related to drill activity as listed in the report

The length of the permit is for 6 months and will expire on December 20, 2014. The permit requires full compliance with current environmental standards and requires mitigation and environmental restoration defined in the Environmental Impact Study dated May 2, 2014. The permit requires that the authorities are notified at the start and end of the drill program and requires submittal of an activity report by Candente Gold that defines compliance with Terms and Conditions set out in the access permit.

The monitoring program must be presented to the Ministry within six months of receiving the conditional authorization. Once the Ministry has assessed the monitoring program, Candente Gold is required to deliver progress reports semi-annually for a period of at least five years.

Once Candente Gold decides to proceed with the actual Mexico Mine Tailings Recovery Operation ("TRO"), the Company must also obtain proper authorization from the Ministry for "Change of Land Use" as well as the corresponding "Change of Use for Forested Ground to Mining Infrastructure" and submit to the *Manifesto de Impacto Ambiental* ("MIA") prior to the start of the Program.

It is important to note that the current "conditional authorization" can be cancelled for many reasons, the most common of which is due to the improper disposal of liquid or solid waste (hazardous or non-hazardous).

20.2.2 Applicable Legislation

In order to remain in compliance with current permits for the El Oro Property and the Mexico Mine tailings the following applicable Official Mexican Standards for the El Oro Property and the Mexico Mine Tailings Project must be complied with:

- Official Mexican Standard *"Norma Oficial Mexicana NOM-120-SEMARNAT- 1997"* amended in 2011 which establishes environmental protection specifications for mining activities in dry and temperate climate regions.

In the future, if Candente Gold ("Minera CCM Jales") proceeds to the reprocessing and reclamation of the mine tailings, after completion of the current tailings validation work then additional, Official Mexican Standards regarding change in land use and mining will be required as follows:

- Official Mexican Standard *"Norma Oficial Mexicana NOM-141-SEMARNAT-2002"* which establishes the requirement for tailings characterization and specifications and criteria for site preparation, design, construction, operation and post-operation reclamation.
- Official Mexican Standard *"Norma Oficial Mexicana NOM-157-SEMARNAT-2009"* which establishes the elements and procedures to implement management plans for mining waste.
- Official Mexican Standard *"Norma Oficial Mexicana NOM-059-SEMARNAT-2001"* which regulates the environmental protection of Mexico's native species of wild flora and fauna and specifications for their inclusion, exclusion or change-list of species at risk (Table 20.1 and Table 20.2)
- Official Mexican Standard ¨Norma Oficial Mexicana NOM-011-CNA-2000¨, which determines the average annual volume of run-off in the basin upstream of the site of interest. There are many more Official Mexican Standards under NOM (http://www.mexlaws.com/completelist.htm) that may be required to proceed through to the actual tailings reclamation and recovery program.

20.3 ENVIRONMENTAL MONITORING AND REPORTING

The following discussion describes Candente's Environmental Quality Monitoring Program or "*Programa de Seguimiento de la Calidad Ambiental"*.

The Company has developed a *Bitácora de Complimientos* (one for Mexico State and one for Michoacán State). The *Bitácora de Complimientos* outlines "how" the Company is developing its exploration activities and "how" these activities will remain in accordance with Norma-120. These documents are not filed with SEMARNAT and no additional documents are required to remain in compliance with Norma-120. This type of document is prepared according to the NOM-120-SEMARNAT-2011, the objective of it is that companies follow up actions to avoid environmental impacts to the site where exploration activity is developed, and the report contains:

The name of the project, location of the project, started and ending dates, location of the exploration activities, environmental characteristics of the exploration site, explanation of the exploration work program, type of machinery or heavy equipment that will be used in the exploration site, explanation of the use of substances and solutions for the development of the exploration program, preventive actions to avoid contamination of exploration sites, corrective actions in case of environmental pollution events occurred, and lists the reclamation actions. The *conditional authorization* sets out the requirement for environmental monitoring and reporting, on a semi-annual basis for a minimum of five years. Details were provided in the previous section.

According to the applicable Official Mexican Laws, rules and environmental regulations Candente will be responsible for:

- the re-location and containment of sub-products of the tailings
- the creation of a greenspace similar to the approximate surface area of the tailings as a reserve for trees which will never be used for another purpose
- the reforestation and maintenance of this new green space
- will perform a program of recovery and environmental restoration in the area of the tailings with the funds secured in a posted bond exceeding the evaluation of the potential environmental damage for reclamation and future monitoring

20.4 ENVIRONMENTAL MANAGEMENT

Under the Mexican environmental legislation, “Brownfields or Site Recycling” looks at the environmental liabilities *(pasivos ambientales)* as per Articles 68, 69 and 70 of the *Ley General Para La Prevención y Gestión Integral de Residuos (“LGPyGIR”)* or General Law for the Prevention and Comprehensive Management of Waste. It is based on the “polluter pay” principal, according to the LGEEPA, and the LGPyGIR. The Federal Government coordinates with both the provincial and municipal authorities to manage the environmental liabilities, whether the sites are orphaned or not. The LGPyGIR requires complete clean-up of contaminated sites.

20.5 WATER MANAGEMENT

Fresh water could be supplied from a drilled well and surface water appears to be abundant within the town during rainy season in the summer months. Additional water could also be obtained from underground workings although the water quality is unknown. A detailed discussion on water source will be provided during further studies on the economic viability of the mine tailings.

20.6 MEXICO MINE TAILINGS MANAGEMENT

Further testwork on drill samples collected across the tailings pile including metallurgical testwork is required for grade and resource upgrade estimation to further access the economic potential of reclaiming and reprocessing the Mexico Mine tailings deposit. On June 12th, 2013, the Company signed an agreement with the municipality of El Oro de Hidalgo, Mexico (“the Tailings Agreement”) that provides the Company with exploration and processing rights to the tailings deposits. The deposits are easily accessible, located immediately adjacent to existing road access as well as power and water services, and once reclaimed the area would be available for the town’s future development. The first stage

(Phase I) of the Agreement allows the Company a one year period to carry out the necessary testwork to ascertain recoveries and the potential economic viability of a tailings reclamation and reprocessing operation, for contributions of US$25,000 upon signing the Agreement and monthly contributions of US$3,000 starting 30 days after signing the Agreement. The contributions will be used to fund social projects. If Candente Gold decides to enter into the processing and the reclamation phase (Phase II) then an 8% Net Profits Interest ("NPI") will be paid to the municipality during the period of operation. If during any months of processing there is no NPI due, then a monthly contribution of US$3,000 will be made *(Candente Gold Corp, NR025 dated June 13th, 2013).* The Company is presently in discussions with the authorities of the municipality and the Director of Mining & Development for the State regarding both a Tourism Agreement between Minera Jales and the Municipality and an extension to the Phase 1 Tailings Exploration Phase as defined in the Tailings Work Contract and summarized in Section 4.4.

20.7 MINE TAILINGS DRILL PROGRAM AND RECLAMATION

An updated tailings drilling program report will be required at the close of the next Phase of drilling to potentially upgrade the Mineral Resource Estimate. This report needs to include:

- justification for the closure of the operations due to technical, environmental and/or legal aspects
- objectives and how they were met
- photo evidence and details of the environmental situation prior to the closure of the drill program
- schedule of activities
- the progressive reclamation of the site
- the reclamation and re-vegetation of the surface disturbances (drill sites) wherever practical
- a cost estimate for the work required to reclaim the land
- a plan for on-going and post-closure monitoring and reporting at the reclaimed tailings site

20.8 SOCIO-ECONOMIC AND COMMUNITY CONSIDERATIONS

The implementation of an effective community engagement program is fundamental to the successfully environmental permitting of mining projects worldwide. Candente Gold Corp. has been active in community engagement since 2006 their first year in the area. Various community consultations have occurred with respect to the Mexico Mine tailings project.

As a result of these meetings the following advantages were highlighted:

- Tailings are located near existing infrastructure in the town site of El Oro
- Environmental benefit and value to the community by the removal of the hazardous and unsightly old tailings pile
- Economic benefit and value to the community in access to reclaimed real estate and potential for future development
- Potentially profitable project for community and company by recovery of precious metals contained in the tailings
- Potential multi-year mine life with a value in employment opportunities to communities

As a result of these meetings the following potential disadvantages were highlighted:

- A environmental baseline/sensitivity study will be carried out to assess the amount and types of potential contaminants that may be produced and the complexity of the procedures required to control them
- An upgrading of existing roads and/or bridges may be required. All of the above affect total costs of this reclamation/reprocessing program.

Candente Gold has contributed to the community of El Oro as follows:

- Implementation of the program on food and health with Candente Gold's partner ¨Save the Children Mexico¨. This project is expected to be expanded to benefit more people in the communities of El Oro when practical
- Strategic alliances with other NGO's that specialize in needs identified by the citizens of the area. Candente Gold's continued support for local social institutions of social responsibility where practical.

Figure 20.1: Mexico Mine Tailings - Erosional Cuts (near BNO-12)

Figure 20.2: Mexico Mine Tailings-Auger Hole 2014-A19 (looking WNW)

21. 0 CAPITAL AND OPERATING EXPENSES

This section is not relevant to this disclosure.

22. 0 ECONOMIC ANALYSIS

This section is not relevant to this disclosure.

23. 0 ADJACENT PROPERTIES

Candente Gold controls the entire El Oro - Tlalpujahua Mining districts apart from limited small internal claims of which two are under option to Oro Mining Ltd. and the other to a private Mexican owner.

Recently, *Exploraciones Mineras Parreñas (Peñoles)* have acquired a new concession named Santo Niño 1 in the south-western corner of the Candente Gold block of claims to the north of the San Francisco de Reyes area. Industrial Minera Mexico ("IMMSA") has a claim block (Tlalpujahua) adjacent to and south of the Candente Gold block of ground (Figure 4.2).

Angangueo is located 25 kilometres southwest ("SSW") of the El Oro - Tlalpujahua District. The entire Angangueo district is owned by Industrial Minera Mexico (IMMSA). Access to the mining area is via the paved road called Tlalpujahua- Angangueo - Maravatio, Michoacán. Since 1800 to 1940 several companies and small miners and prospectors have developed and produced gold and silver from the district.

The Angangueo Mine is comprised of mineralization hosted in igneous rocks including polymetallic veins that are irregular and lenticular in shape. The productive minerals include pyrargyrite, proustite, argentiferous galena, sphalerite, chalcopyrite, tetrahedrite, pyrite, marcasite and arsenopyrite. The company called Grupo Mexico is planning on reactivating this district this year with an initial investment of 200 million dollars.

The Tizapa Mine is a Kuroko type deposit and is located 85 kilometres to the SW of the El Oro Property (Figure 23.1).

The La Guitarra gold-silver mine is located 105 kilometres from the El Oro Property and is comprised of low sulphidation epithermal quartz veins with gold and silver.

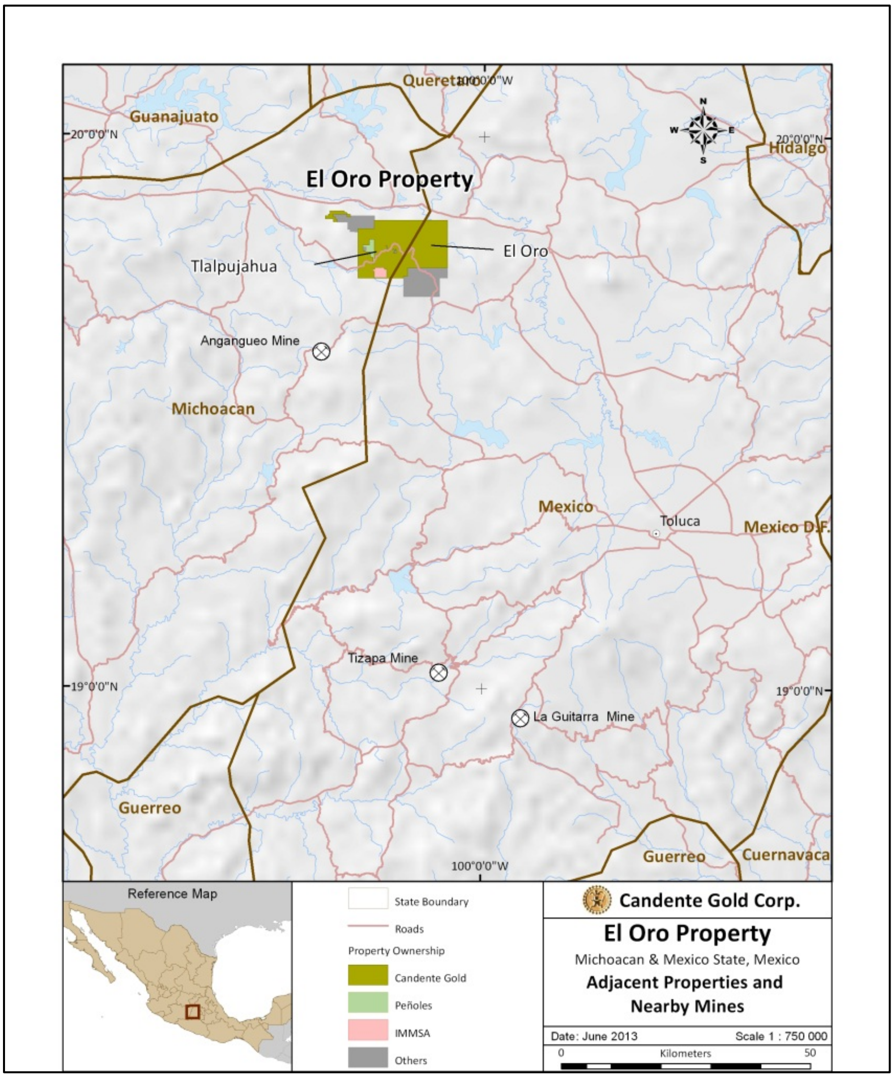


Figure 23.1: Adjacent Properties

24.0 OTHER RELEVANT DATA AND INFORMATION

Not applicable to this disclosure.

25.0 INTERPRETATION AND CONCLUSIONS

25.1 GEOLOGY AND MINERALIZATION

The vein deposits of the El Oro and Tlalpujahua Districts ("El Oro-Tlalpujahua") have produced gold and silver for more than 150 years. Host rocks are Cretaceous or older shales and siltstones. Evidence for episodic hydrothermal activity driven by a strong spatial association with shallow felsic to intermediate intrusions suggests a genetic connection between magmatism and epithermal mineralization. Silver-rich gold veins, gold-rich silver veins and silver-rich base metal veins are a common theme in the districts. The older gold-rich sulphidic veins are dominated by pyrite-marcasite with lesser tetrahedrite and silver-sulphides. The younger silver-rich veins consist of primarily pyrargyrite with lesser acanthite, proustite, tetrahedrite, galena and sphalerite. Locally silver-rich hematite-specularite-amethystine quartz veins are also present.

25.2 MINE TAILINGS IN THE MUNICIPALITY OF EL ORO DE HIDALGO

A total of 17.37 Ha of historic mine tailings sourced as follows: 7.37 ha from the Mexico Mine tailings; 5.4 Ha from the Esperanza Mine tailings; 3.75 Ha from the El Oro Mining & Railway Mine tailings; and 0.75 Ha lie within the municipality of El Oro de Hidalgo under a June 2013 agreement with Minera CCM El Oro Jales S.A. de C.V. for the Reclamation and Reprocessing of mine tailings in the municipality. The Mexico Mine tailings have a current mineral resource estimate discussed in Section 14.0 and Section 25.3.

25.3 MEXICO MINE TAILINGS SAMPLING AND RESOURCE ESTIMATE

A portion of the historic 1990 assay data reported previously has been verified by appropriate methods by Candente Gold. Candente Gold has confirmed the accuracy of the recorded information and the data appears consistent with current analytical and geological standards. Candente Gold has collected the samples using Industry Standard sampling techniques; QA/QC quality of assays; and specific gravity determinations. Quality control measures and data verification procedures were completed both at the lab and internally by Candente Gold.

The mineral resource discussed in Section 14.0 is considered a reasonable representation of the El Oro Mexico Mine Tailings Project at the current level of sampling. The estimate follows the guidelines of the CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices". The tailings resource database provided by Candente Gold consists of 52 sample records comprised of 22 DDH, 17 auger holes, and 13 trenches totalling 392.92 metres and containing a total of 269 assays for both gold and silver. The diamond drill hole data predated the 1991 implementation of the NI 43-101 and has been supplemented by a 2014 program of auger holes that partially twinned some of the deeper historic drill holes. The auger drilling confirmed the validity of the drill holes for use in this resource estimate. The trenches sampled deeper gulleys and accessible cliff faces (vertical trenches) to provide greater spatial testing of the deposit. The 2014 samples were collected from the upper 3 to 4 metres and in some areas the lower 5 to 10 metres respectively. The sampling program resulted in a reasonable estimation of the grade of the tailings pile as a whole, however did not verify grade continuity.

The El Oro Mexico Mine Tailings Deposit is estimated to contain an Inferred Mineral Resource of 1.27M tonnes at a grade of 2.94 grams per tonne gold and 75.12 grams per tonne silver at a gold equivalent cut-off of 2.50 grams per tonne gold equivalent. The effective date of this estimate is July 8th, 2014 (Table 14.8). The mineral resource was estimated using the Ordinary Kriging ("OK") method on uncapped composited 1.5 metre grades.

25.4 MINERAL PROCESSING AND METALLURGICAL TESTWORK

No current mineral processing or metallurgical testwork is underway at this time, although detailed mineral processing and metallurgical testwork is recommended in the proposed drilling as defined in Table 26.1.

Several different metallurgical facilities have completed comprehensive testwork on the Mexico Mine tailings between 1951 and 1990 in an attempt to identify the most effective tailings treatments to achieve the highest overall metal recoveries at the lowest costs.

Conclusions of the various studies are as follows:

1. The most profitable process to achieve the best metal recoveries from the tailings sample provided appears to be by "Direct Cyanidation by Agitation".
2. It is not very advantageous to further roast the ore.
3. The coarser fractions may be lower in grade and interfere with the cyanidation process. It was recommended to classify the material to an equivalent size fraction to 100 mesh size and conduct cyanidation before that size fraction.
4. It is important to disaggregate the clumps that affected the cyanidation.
5. Disaggregation of the clumps/conglomerates could be conducted by conditioning the material for a 24 hour period and then proceed to the material classification to completely disaggregate the clumps.
6. Tailings material could be processed as described above with potential economics.

26.0 RECOMMENDATIONS

26.1 INTRODUCTION

The authors' recommendations are itemized below. The recommendations cover a wide variety of common concerns noted by the author's regarding security at the mine tailings site, on-going QA/QC and environmental factors. Immediate future work includes a Preliminary Economic Assessment ("PEA") and additional drilling both for metallurgical testing and upgrading the level of confidence of the resource estimation.

26.2 GEOLOGY

26.2.1 Database Management

The authors recommend that all data pertaining to the Mexico Mine tailings be kept in a single MASTER database. The database should be managed by a qualified database manager. A single database of current and historical Mexico Mine tailings data was created for this NI 43-101 update. Unique codes for the tailings database were created for this current mineral resource estimate on the Mexico Mine tailings.

26.2.2 Tailings Drilling and Interpretation

All future overburden/tailings drill logs should give a clear and complete accurate description of the *weathering, compaction, void space, humidity content, vegetation content, colour, texture* encountered in each drill hole. The logs must also meet the requirements of all members of the exploration team including geologists, engineers and managers. This is best accomplished by recording information in four basic formats: in a coded form (with 2 or 3 letter codes) which is readily entered into a computer database; in written form with detail sufficient for geological compilation and other technical studies; and in graphic form for easy visualization.

26.2.3 Survey Data

Down-hole survey data was not collected for the tailings data verification auger drill program. The auger holes were vertical and were a maximum of 3.0 metres in depth. For the resource drilling the authors recommend a vertical collar (-90) at surface and either an EZ-Shot or alternative down hole survey instrument to capture the bottom of all holes estimated to be between 3 to 27 metres depth.

26.2.4 Specific Gravity Analysis

During the next drill stage the authors recommend that regularly-spaced SG measurements of material be collected to provide a well-distributed series of data-points throughout the tailings pile. All specific gravity analyses of the tailings should be completed at the lab due to the unstable clay, fine sand sized tailings material and the need to coat them in wax prior to analyses.

26.2.5 Dry Bulk Density Analysis

During the next drill stage the authors' recommend that regularly-spaced bulk density measurements of material be collected to provide a well-distributed series of data-points throughout the mine tailings pile. The term *"dry bulk density"* specifies that the moisture content of the voids is assumed to be zero. Dry bulk densities are used in tonnage calculations for resource and reserve estimates because assay results (contained metal per unit volume) assume zero moisture content. Therefore, when the dry bulk density is multiplied by volume, a tonnage value is obtained which may then be multiplied by grade to give the total metal content. Candente Gold has not completed any dry bulk density estimations but plans to do so during the proposed resource upgrade drill and sampling program.

For the purposes of this resource estimate a conservative dry bulk density value of 1.5 has been applied to all tailings blocks. The authors recommend that a current bulk density number be obtained during the next drill stage by weighing a known volume in the field (1.0m^3) then re-weighing the samples when dried at the lab for a current humidity estimate. Historic estimations varied from 22% to 10% humidity. The authors believe that a current humidity range of 10-12% represents the current state of the mine tailings.

26.2.6 QA/QC Sampling

Assays are the most critical data generated in any exploration project. There must be a high level of confidence in the *quality and accuracy of the assays* to justify the capital expenditure during development. The best way to ensure confidence in the assay data is through a carefully designed and monitored program of assay quality control (QA/QC) and data verification. In addition, a good quality control program includes the monitoring of the accuracy, precision and detection limits.

The authors recommend that QA/QC samples (duplicates, standards and blanks) be included in all drilling and channel sampling completed on the property according to the Mineral Industry Best Practices and be actively monitored as the program evolves.

26.3 MEXICO MINE TAILINGS METALLURGICAL STUDIES

Further metallurgical testwork from representative drill samples from the tailings deposit is required by Candente Gold such that optimal recoveries can be achieved, particle size and mineralogical characteristics can be defined and process details and reagent consumption levels can be estimated.

It is recommended that future samples be sent to a reliable metallurgical test lab with expertise in metallurgy. The follow-up testwork should include cyanidation in bottle roll tests and in column leach tests using detailed classifications of plus +100 mesh screen sizes and doing the experimentation with the minus -100 mesh screen sizes. Some grinding tests should also be conducted.

26.4 MEXICO MINE TAILINGS RESOURCE DRILLING

A current sample population of the historic 1990 assay data reported previously has been verified by appropriate methods by Candente Gold. Candente Gold has confirmed the accuracy of the recorded information and the data is consistent with current analytical and geological standards. Candente Gold has collected the samples using Industry Standard sampling techniques; QA/QC quality of assays; and specific gravity determinations.

For increased confidence and a potential upgrade to the current mineral resource discussed in Section 14.0 of this report, the concept of drilling for the next stage of resource assessment should be considered. At present, approximately 82% of the 1990 drill holes (upper 3.0 metres) of the tailings pile have been tested with a hand-auger re-drilling. The new survey defined a *"topography shift"* resulting in some offset on the estimated 1990 holes locations from the 2014 auger-hole locations (Section 9.2.4). Drilling at the known locations of the historic 1979 and 1950 historic holes would be questionable, as an accurate location of these holes are not known outside of Candente Gold digitally capturing points from historic maps with UTM coordinates.

The sampling program resulted in a reasonable assumption of the grade of the tailings pile as a whole, however did not verify grade continuity to level of confidence required for an Indicated Resource category. The authors recommend that the next program focus on an *infill drill program.* The newly proposed infill holes, coupled with the 1990 data, and the current 2014 auger/channel data would be a good basis for a *potential resource upgrade*. The proposed program is as follows:

- A 25 collar drill program is recommended to infill on an approximate 75 metre hole-spacing (Table 26.1). The subsequent 25 collar drill program will provide additional verification of the grade continuity at depth.
- Five additional holes should be designated as metallurgical holes to provide additional samples for metallurgical testwork. The metallurgical testwork program will determine optimal recoveries; confirm the process details and reagent consumption levels for the on-going engineering analyses.
- A suitable drill rig should be considered (sonic drilling is recommended for unconsolidated material with variable moisture content) depending on availability, or a man-portable overburden rig like the Sandvik 1000.
- The new dataset will be comprised of: the new infill drill data totalling approximately 450 m; the 1990 drill data totalling 297.64 m; and the auger/vertical channel data totalling 101 m is a good basis for a potential resource upgrade.

- In addition, a carefully monitored QA/QC sampling program should continue according to industry standard procedures for a minimum of one standard, blank or duplicate to be inserted in the sample stream every 20 samples and at least one each per drill-hole. These QA/AQC standards are separate from those that the laboratory will apply internally.

Field support, camp costs and travel as well as costs associated with community relations, land maintenance, legal fees associated administrative activities are not included in the budgets defined in Table 26.2 but should be considered in any future budgets.

Table 26.1: Proposed Resource Estimate and Metallurgical Testwork Holes

Hole ID	East	UTME	North	UTMN	Elev	Elevation	Length	Azim	Dip	Section	Comment
IR-01	380931	380927.672	2190868	2190865.171	2755	2763.063	19.9	0	-90	870N	Between BNO-3 and Sec3W
IR-02	380974	380955.657	2190816	2190813.048	2769	2768.944	21.5	0	-90	820N	Twin of BNO-7
IR-03	381005	380987.371	2190765	2190758.651	2765	2768.274	19.3	0	-90	760N	Twin of BNO-10
IR-04	381065	381042.957	2190766	2190758.121	2759	2760.534	27.8	0	-90	770N	Twin of BNO-11
IR-05	380974	380957.842	2190714	2190707.439	2770	2768.156	17.6	0	-90	710N	Twin of BNO-13
IR-06	381095	381074.964	2190714	2190706.954	2755	2756.078	25.0	0	-90	710N	Twin of BNO-15
IR-07	381155	381137.019	2190714	2190708.267	2740	2751.968	19.7	0	-90	710N	Twin of BNO-16
IR-08	380970	380963.545	2190900	2190896.223	2753	2758.228	24.0	0	-90	900N	Infill on 900N
IR-09	380950	380946.971	2190840	2190837.62	2758	2766.455	25	0	-90	840N	move E 25m?
IR-10	381015	381009.876	2190850	2190844.128	2741	2753.906	17	0	-90	850N	Infill Hole
IR-11	380935	380932.061	2190790	2190787.721	2758	2770.163	14	0	-90	790N	Infill Hole
IR-12	381107	381098.837	2190790	2190789.906	2725	2743.629	9	0	-90	790N	Infill Hole
IR-13	380960	380955.392	2190750	2190748.042	2761	2768.312	25	0	-90	750N	Infill Hole
IR-14	381000	380994.261	2190800	2190796.681	2750	2768.224	21	0	-90	800N	Infill Hole
IR-15	381025	381019.027	2190740	2190736.284	2752	2762.962	25	0	-90	740N	Infill Hole
IR-16	381105	381097.586	2190744	2190741.973	2742	2754.584	25	0	-90	740N	Infill Hole
IR-17	380990	380985.131	2190690	2190686.919	2753	2765.554	8	0	-90	690N	Infill Hole
IR-18	381050	381046.993	2190690	2190692.348	2743	2756.079	12	0	-90	690N	Infill Hole
IR-19	381135	381128.477	2190690	2190689.791	2730	2747.211	18	0	-90	640N	Infill Hole
IR-20	381095	381085.478	2190640	2190635.251	2732	2744.308		0	-90	640N	Hole cancelled
IR-21	381165	381160.792	2190640	2190635.956	2724	2735.246	15	0	-90		Infill on 640N
IR-22	381125	381117.71	2190590	2190586.326	2754	2734.757	14	0	-90		S/B on tails based on 1931 topo
IR-23	381126		2190662				18	0	-90	660N	TWIN of BNO-18
IR-24	381060	381058.28	2190850	2190846.223	2732	2748.616	14	0	-90	850N	Infill Hole
IR-25	381035	381029.086	2190900	2190895.171	2746	2744.823	18	0	-90	900N	Infill Hole
Met-01	381000		2190894		2745		12	0	-90	890N	Processing/Metallurgical Tests
Met-02	381007		2190837		2753		15	0	-90	840N	Processing/Metallurgical Tests
Met-03	381053		2190790		2755		22	0	-90	790N	Processing/Metallurgical Tests
Met-04	381065		2190734		2756		25	0	-90	730N	Processing/Metallurgical Tests
Met-05	381092		2190682		2748		17	0	-90	680N	Processing/Metallurgical Tests

26.5 ENGINEERING STUDIES

In April of 2014, JDS completed a *High Level Study* based on limited information and certain assumptions which were made given the data available at that time. The study focussed on the mineral potential of the project rather than an informed economic assessment.

Given the current Inferred Mineral Resource now available, the viability of the project should be evaluated by completing a Preliminary Economic Assessment (“PEA”). This study will provide a more informed economic assessment with the establishment of a mining method and a mineral processing method. The study should include a financial analysis based on engineering, geological, operating, economic and social factors.

26.6 ENVIRONMENTAL FACTORS

Government agencies should be consulted prior to the permitting process to determine if current permits for the Mexico Mine tailings can be revised. Candente Gold should continue with monitoring of all activities in the El Oro-Tlalpuhajua Mining Districts to maintain the support of the local communities.

26.7 PROPOSED BUDGET

Proposed exploration programs include a proposed budget that has been broken into several phases of exploration:

<u>Budget Tailings Assessment and Economic Study (Table 26.2)</u>

Initial Preliminary Economic Assessment (“PEA”):

- A Preliminary Economic Assessment based on the Inferred Mineral Resource Estimate

Phase I: Drilling and Resource Upgrade and Initial Metallurgical Testwork

- the first part of the *Tailings Assessment and Economic Study* should include drilling 450 metres in 25 holes to gain increased confidence in the tonnes and grade of the tailings Inferred Mineral Resource Estimate (Section 14.0).
- the second part of the study should include 5 additional drill holes (100 metres) designated as metallurgical holes for continued testwork to determine particle size distribution, detailed mineralogy followed by initial bottle roll testwork to assess gold-silver extraction and recovery.

Phase II: Further Detailed Metallurgical Testwork and Update the PEA

- Pending favorable results in Phase I, proceed to Phase II-Detailed metallurgical testwork to include completion of a second round of metallurgical drill holes (160 metres in 8 drill holes), sampling on 5 metre sample intervals followed by detailed sample analyses for a sample head grade analyses testwork for particle characterization, mineralogy and grind-recovery analyses as well as an Updated PEA using recoveries established in Phase II.

Table 26.2: Budget Estimation for the Resource Drilling and Metallurgical Testwork

Costs in USD$	Unit cost	Units	COST	SUB-TOTAL
Initial Preliminary Economic Assessment ("PEA") Inferred Resource Estimate			**$85,000**	
Sub-total Initial PEA				**$85,000**
Phase I-Drilling for Resource Upgrade				
25 holes (350m) includes mob-demob	2500	25	$62,500	
Logistics/QA-QC/Monitoring/Management	750	7	$5,250	
Helpers	50	15	$750	
Sample Prep and Analyses (sampled at 1m intervals for 450 samples)	15	450	$6,750	
Analyses (FA gold, ICP-MS 51 element)	50	450	$22,500	
Determination of Specific Gravity	15	90	$1,350	
Determination of Bulk Density (field collection and analysis)			$3,000	$102,100
Sub-total Phase I-Drilling				**$102,100**
Site Visit/Block Model Update/Resource Estimate Upgrade				
Program design/Site visit by Resource author	1200	7	$8,400	
Creation of Block Model for Indicated Resource Estimate	1200	5	$6,000	
Sign off to certify validity of information via NI43-101 (co-authored)	1200	3	$3,600	
NI 43-101 Primary Author	750	7	$5,250	
GIS map creation for NI43-101 report update and follow-up program	600	5	$3,000	
Sub-total (Site Visit/Block Model Update/Resource Estimate Upgrade)				**$26,250**
Phase I-Metallurgical Work-I (5 holes, 25m depth, 5m intervals for 25 samples)				
5 holes 20 m average depth (100m)	2500	5	$12,500	
Sample Preparation and Analyses to determine Head Grade	250	25	$6,250	
Milling Testwork (particle size determination)	100	50	$5,000	
NC Bottle Roll Tests (including assays)	1000	50	$50,000	
Sub-total Phase I-Metallurgical Testwork				**$73,750**
Phase II-Metallurgical testwork (8 holes, 25 m depth, sampled at 5m intervals for 40 samples)				
8 holes 20m average depth (160m)	2500	8	$20,000	
Sample Preparation and Analyses to determine Head Grade	250	50	$12,500	
Milling Testwork (particle size determination)	100	100	$10,000	
NC Bottle Roll Tests (including assays)	1000	100	$100,000	$142,500
Updated Preliminary Economic Assessment ("PEA")				**$50,000**
SUB-TOTAL (before contingency)				**$479,600**
Budget Contingency of 15% on $479,600			**$71,940**	
TOTAL (Phase I and Phase II)				**$551,540**

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APPENDIX B NEW AUGER HOLE ASSAY DATA-TAILINGS

APPENDIX B - 2014 Auger Hole Assay Data - Tailings

SiteID	Sano	From_m	To_m	Interval_m	SmpDep_m	Au_ppm	Ag_ppm	Al_pct	As_ppm	B_ppm	Ba_ppm	Be_ppm	Bi_ppm	Ca_pct	Cd_ppm	Ce_ppm	Co_ppm	Cr_ppm
2014-A1	6501					-0.005	0.07	2.75	1	-10	110	0.52	0.01	0.24	0.03	20	6.4	17
2014-A1	6502	0	1	1	0-1m	4.28	73	0.26	40.1	-10	20	0.53	0.12	3.99	1.5	11.5	3.2	5
2014-A1	6503	1	2	1	1-2m	3.07	65.4	0.24	37.5	-10	20	0.59	0.1	2.73	0.8	11.45	3.4	5
2014-A1	6504	2	3	1	2-3m	3.26	59.3	0.2	34.6	-10	20	0.48	0.14	2.36	0.58	8.82	2.6	5
2014-A10					NoSamp													
2014-A11	6522	0	1	1	0-1m	3.23	46	0.27	43	-10	20	0.57	0.11	3.14	0.68	13.4	3.4	7
2014-A11	6523	1	2	1	1-2m	2.11	34.7	0.29	44	-10	20	0.56	0.11	3.27	0.71	12.95	3.5	9
2014-A11	6524	2	3	1	2-3m	2.45	40.8	0.29	44.6	-10	20	0.58	0.13	3.5	0.7	12.7	3.4	10
2014-A12	6525	0	1	1	0-1m	2.58	80.5	0.26	41.9	-10	20	0.49	0.11	3.31	0.74	11.75	3.7	7
2014-A12	6526	1	2	1	1-2m	2.56	30.8	0.29	46	-10	20	0.6	0.16	3.13	0.67	13.25	3.7	11
2014-A12	6527	2	3	1	2-3m	3.26	84.1	0.32	45.9	-10	20	0.56	0.14	3.54	1.05	12.7	3.9	10
2014-A13					NoSamp													
2014-A14	6532	0	1	1	0-1m	2.97	65.8	0.25	41.8	-10	20	0.49	0.11	2.87	0.67	10.8	3.2	8
2014-A14	6533	1	2	1	1-2m	3.99	188	0.26	44.7	-10	20	0.55	0.16	2.88	0.69	11.8	3.7	7
2014-A14	6534	2	3	1	2-3m	3.73	125	0.23	38.9	-10	20	0.49	0.13	2.9	0.73	10.55	3.1	6
2014-A15	6528	0	1	1	0-1m	2.07	23.9	0.24	37.8	-10	20	0.52	0.09	2.61	0.62	12.75	3	7
2014-A15	6529	1	2	1	1-2m	2.15	31	0.25	42.4	-10	20	0.54	0.11	2.81	0.76	12.9	3	7
2014-A15	6530					1.535	82.3	0.56	73.7	-10	190	0.31	4.3	1.75	1.21	17.2	10.3	13
2014-A15	6531	2	3	1	2-3m	2.26	33.5	0.3	47	-10	20	0.63	0.12	3.46	0.75	14.8	3.4	7
2014-A16	6535	0	1	1	0-1m	2.81	59.4	0.24	40.8	-10	20	0.51	0.1	2.75	0.67	12	3.1	6
2014-A16	6536	1	2	1	1-2m	3.13	43	0.27	43.9	-10	20	0.54	0.15	3.03	0.66	12.15	3.5	8
2014-A16	6537	2	3	1	2-3m	3.97	73.3	0.33	47.5	-10	20	0.63	0.17	3.83	0.62	13.75	5.1	11
2014-A17					NoSamp													
2014-A18	6538	0	1	1	0-1m	3.1	49.7	0.29	47.3	-10	20	0.59	0.12	3.13	0.75	12.6	3.7	10
2014-A18	6539	1	2	1	1-2m	4.62	115	0.32	51.3	-10	20	0.58	0.14	3.21	1.04	13.55	3.8	9
2014-A18	6540	2	3	1	2-3m	3.18	61.7	0.26	45.6	-10	20	0.59	0.23	2.78	0.72	13.15	3.5	8
2014-A19	6541					-0.005	0.16	1.84	0.8	-10	70	0.36	0.01	0.39	0.02	19.95	5.2	16
2014-A19	6542	0	1	1	0-1m	2.9	39.1	0.29	46.2	-10	20	0.54	0.12	3.16	0.66	13.2	3.5	8
2014-A19	6543	1	2	1	1-2m	2.43	32	0.3	44.3	-10	20	0.58	0.13	3.15	0.64	13.1	3.5	10
2014-A19	6544	2	3	1	2-3m	3.5	66.6	0.27	47.7	-10	20	0.61	0.15	2.99	0.75	13.15	3.8	9
2014-A2	6505	0	1	1	0-1m	1.925	62.3	0.34	53.1	-10	10	0.48	0.07	6.13	2.85	9.01	4.6	5
2014-A2	6506	1	2	1	1-2m	2.42	22.4	0.27	37.5	-10	20	0.55	0.09	3.06	0.97	11.5	3.2	7
2014-A2	6507	2	3	1	2-3m	1.87	25.5	0.27	39.5	-10	20	0.59	0.1	3.05	0.78	13	3.4	7
2014-A20	6545	0	1	1	0-1m	3.38	99	0.22	37.2	10	20	0.48	0.28	2.46	0.73	10.05	2.9	5
2014-A20	6546	1	2	1	1-2m	3.61	89.8	0.21	37.9	-10	20	0.43	0.25	1.93	0.59	9.29	2.6	4
2014-A20	6547	2	2.5	0.5	2-2.5m	3.12	93.4	0.25	37.9	-10	20	0.46	0.23	1.88	0.59	10.2	3	5
2014-A20	6548					-0.005	0.12	2.76	0.7	-10	100	0.47	0.03	0.25	0.03	25.5	7.1	16
2014-A21	6549	0	1	1	0-1m	3.27	55.9	0.23	41.8	-10	20	0.51	0.2	2.23	0.54	10.35	3.2	5
2014-A21	6550					1.535	80.6	0.55	68.5	-10	200	0.26	4.46	1.69	1.12	16.4	9.1	13
2014-A21	6551	1	2	1	1-2m	2.74	65.2	0.21	40.9	-10	20	0.5	0.1	1.39	0.49	9.97	2.9	5
2014-A21	6552	2	3	1	2-3m	2.08	64.5	0.18	34.1	-10	10	0.47	0.08	1.44	0.5	8.51	3.3	4
2014-A22	6553	0	1	1	0-1m	2.68	68.8	0.19	38.3	-10	10	0.48	0.16	1.42	0.48	8.25	3.1	4
2014-A22	6554	1	1.2	0.2	1-1.2m	2.13	52.9	0.23	33.3	-10	20	0.52	0.11	1.44	0.51	8.54	3.4	6
2014-A3	6508	0	0.24	0.24	0-0.24cm	2.21	29.1	0.7	33.6	-10	40	0.59	0.1	2.61	0.65	13.5	3.7	9
2014-A4	6509	0.24	0.5	0.5	0.24 to 0.50	2.6	38.7	0.54	37.2	-10	40	0.58	0.11	2.95	0.62	13.35	3.8	7
2014-A4	6510					1.56	83.4	0.58	65.5	-10	220	0.31	4.71	1.78	1.2	17.1	9.7	13
2014-A4	6511	0	0.6	0.6	0-0.60cm	2.53	37.5	0.54	38.9	-10	40	0.6	0.11	2.95	0.67	13.55	3.8	8
2014-A5	6512	0	1	1	0-1m	1.92	23.2	0.25	40.4	-10	20	0.49	0.07	3.33	1.13	10.05	3.2	6
2014-A5	6513	1	2	1	1-2m	2.64	28.4	0.26	38.3	-10	20	0.56	0.1	3.14	0.7	11.95	3.1	7
2014-A5	6514	2	3	1	2-3m	3.1	33	0.27	40.5	-10	20	0.56	0.13	3.32	0.66	11.65	3.2	8
2014-A6					NoSamp													
2014-A7					NoSamp													
2014-A8	6515	0	1	1	0-1m	2.21	23.2	0.26	34.5	-10	20	0.51	0.09	2.66	0.61	11.8	2.9	6
2014-A8	6516	1	2	1	1-2m	2.57	36.2	0.3	41.5	-10	20	0.58	0.1	3.51	0.73	12.95	3.2	8
2014-A8	6517	2	3	1	2-3m	2.14	34.1	0.31	43.3	-10	20	0.66	0.11	3.21	0.65	12.9	3.5	8
2014-A9	6518	0	1	1	0-1m	2.06	23	0.27	34.8	-10	20	0.58	0.1	3.27	0.68	12.95	3.2	6
2014-A9	6519	1	2	1	1-2m	1.98	22.6	0.27	36.8	-10	20	0.6	0.11	3.14	0.69	12.55	3.2	8
2014-A9	6520					-0.005	0.06	2.24	0.4	-10	110	0.4	0.01	0.35	0.02	15.95	5.1	16
2014-A9	6521	2	3	1	2-3m	2.34	39.8	0.26	39.7	-10	20	0.54	0.1	3.23	0.93	12.35	3.3	7
2014-SEC 1-CHAN	6579	0	1	1		3.42	98.1	0.25	38	-10	20	0.58	0.15	3.32	0.86	12.2	3.4	5
2014-SEC 1-CHAN	6580					-0.005	0.64	2.32	0.7	-10	130	0.44	0.02	0.31	0.03	19.95	5.6	17
2014-SEC 1-CHAN	6581	1	2	1		3.53	69.4	0.32	40.6	-10	20	0.58	0.15	4.06	1.17	12.6	4.3	6
2014-SEC 1-CHAN	6582	2	3	1		3.32	58.6	0.27	38	10	20	0.53	0.12	3.73	1.12	12.25	3.4	5
2014-SEC 1-CHAN	6583	3	4	1		3.5	101	0.41	42.7	10	20	0.58	0.18	5.19	1.49	15.4	4.4	7

APPENDIX B - 2014 Auger Hole Assay Data - Tailings

SiteID	Sano	Cs_ppm	Cu_ppm	Fe_pct	Ga_ppm	Ge_ppm	Hf_ppm	Hg_ppm	In_ppm	K_pct	La_ppm	Li_ppm	Mg_pct	Mn_ppm	Mo_ppm	Na_pct	Nb_ppm	Ni_ppm	P_ppm	Pb_ppm	Rb_ppm	Re_ppm
2014-A1	6501	0.07	5.2	1.89	5.62	0.06	0.93	0.03	0.011	0.08	9.3	3.3	0.09	275	0.06	0.08	-0.05	4.9	320	3.3	1.9	-0.001
2014-A1	6502	1.31	60.7	1.21	0.86	0.07	0.03	0.66	0.016	0.06	6.4	5.2	0.12	413	0.62	-0.01	-0.05	11.2	270	250	3.5	0.004
2014-A1	6503	1.15	34	1.23	0.85	0.07	0.03	0.53	0.015	0.05	6.4	5	0.12	390	0.53	0.01	-0.05	10.8	290	171	3.1	0.002
2014-A1	6504	0.95	34.4	1.04	0.72	0.07	0.03	0.51	0.012	0.04	4.9	3.9	0.1	322	0.55	-0.01	-0.05	9.4	240	218	2.8	0.002
2014-A10																						
2014-A11	6522	1.34	39.4	1.33	0.93	0.05	0.02	0.43	0.016	0.05	7.3	6.6	0.13	323	0.6	-0.01	-0.05	12.7	320	82	3.5	0.004
2014-A11	6523	1.36	40.2	1.29	0.96	0.05	0.03	0.42	0.019	0.06	7.1	7.2	0.14	326	0.59	-0.01	-0.05	13.9	320	71.3	3.6	0.003
2014-A11	6524	1.38	36.7	1.34	0.97	-0.05	0.03	0.52	0.019	0.06	6.9	7.3	0.14	358	0.65	-0.01	-0.05	13.1	330	75.9	3.8	0.003
2014-A12	6525	1.27	57.9	1.27	0.88	0.05	0.02	0.44	0.015	0.05	6.2	6.4	0.13	312	0.7	-0.01	-0.05	14.9	310	64.5	3.5	0.004
2014-A12	6526	1.48	30	1.34	1.02	-0.05	0.03	0.58	0.017	0.06	7.1	7.4	0.14	368	0.63	0.01	-0.05	13.2	320	78.6	4.1	0.003
2014-A12	6527	1.44	49.3	1.37	1.1	0.06	0.04	0.69	0.018	0.06	6.7	8.1	0.16	370	0.6	0.01	-0.05	13.6	300	110	3.7	0.003
2014-A13																						
2014-A14	6532	1.31	44.7	1.21	0.85	0.06	0.03	0.6	0.017	0.06	5.8	6.7	0.16	314	0.73	0.02	-0.05	13.1	280	80	3.5	0.005
2014-A14	6533	1.28	143.5	1.22	0.9	0.06	0.03	0.62	0.016	0.05	6.4	6.3	0.15	384	0.72	0.01	-0.05	17.9	280	178	3.5	0.002
2014-A14	6534	1.14	116.5	1.11	0.79	0.06	0.03	0.33	0.016	0.05	5.6	4.8	0.13	361	0.56	0.01	-0.05	13.6	250	186.5	3.2	0.002
2014-A15	6528	1.11	27.8	1.24	0.84	-0.05	0.02	0.28	0.016	0.06	6.9	6.4	0.11	287	0.54	-0.01	-0.05	10.8	300	71.4	3.1	0.004
2014-A15	6529	1.23	33.1	1.28	0.85	0.06	0.02	0.32	0.019	0.06	7.1	6.2	0.11	308	0.57	-0.01	-0.05	12.5	320	61.3	3.9	0.004
2014-A15	6530	2.18	3200	2.41	2.05	-0.05	0.08	4.72	0.032	0.23	8.9	7.9	0.21	402	68.1	0.02	0.12	16.1	390	131.5	11.1	0.02
2014-A15	6531	1.39	39.2	1.46	1.02	0.05	0.03	0.31	0.02	0.07	8.1	8	0.14	346	0.74	-0.01	-0.05	13.8	360	67.6	4.4	0.004
2014-A16	6535	1.13	28	1.2	0.8	0.05	0.02	0.49	0.016	0.06	6.5	5.6	0.13	324	0.6	0.01	-0.05	10.5	290	137.5	3.5	0.003
2014-A16	6536	1.25	31.9	1.28	0.94	-0.05	0.03	0.54	0.016	0.06	6.6	7	0.16	308	0.64	0.03	-0.05	12.4	300	83.8	3.7	0.003
2014-A16	6537	1.5	62.5	1.43	1.14	0.06	0.03	0.61	0.017	0.06	7.3	9.1	0.22	365	0.58	0.05	-0.05	16.5	330	101	4.2	0.003
2014-A17																						
2014-A18	6538	1.37	54	1.37	0.97	0.05	0.03	0.5	0.017	0.06	6.9	7	0.15	361	0.98	-0.01	-0.05	14.6	310	76	3.8	0.006
2014-A18	6539	1.51	57.1	1.49	1.06	0.06	0.03	0.59	0.018	0.06	7.3	7.6	0.18	420	0.78	0.01	-0.05	14.2	320	98.8	3.9	0.004
2014-A18	6540	1.28	46.5	1.27	0.89	0.05	0.03	0.57	0.017	0.06	7.1	6.4	0.15	385	0.88	0.07	-0.05	12.9	300	87.6	3.6	0.004
2014-A19	6541	0.08	4.6	1.67	4.27	0.06	0.8	0.03	0.011	0.06	10.8	1.7	0.09	210	0.08	0.13	0.05	5.2	450	1.9	1.5	-0.001
2014-A19	6542	1.42	46.6	1.34	0.95	-0.05	0.02	0.35	0.017	0.06	7.2	6.8	0.14	303	0.74	-0.01	-0.05	14	330	55.7	3.8	0.004
2014-A19	6543	1.4	29.5	1.35	0.99	-0.05	0.03	0.4	0.018	0.06	7.1	7.4	0.15	337	0.79	-0.01	-0.05	13.3	320	69	3.8	0.004
2014-A19	6544	1.34	31.5	1.31	0.96	-0.05	0.03	0.62	0.018	0.06	7	7.4	0.16	357	0.81	0.03	-0.05	13.2	300	105	3.8	0.006
2014-A2	6505	1.21	56.5	2.44	1.08	0.05	0.02	0.19	0.016	0.05	4.9	8	0.14	653	0.82	-0.01	-0.05	12.6	310	205	3	0.004
2014-A2	6506	1.24	22	1.45	0.92	0.05	0.03	0.4	0.015	0.06	6.5	6.1	0.11	362	0.53	-0.01	-0.05	9.4	310	93.4	3.8	0.004
2014-A2	6507	1.32	34	1.41	0.95	-0.05	0.03	0.4	0.014	0.06	7.3	7.1	0.12	323	0.51	-0.01	-0.05	10.2	340	74.5	4.2	0.003
2014-A20	6545	0.96	62.9	1.09	0.76	0.05	0.02	0.51	0.02	0.04	5.4	4.2	0.1	323	0.43	-0.01	-0.05	12.6	230	244	2.8	0.003
2014-A20	6546	0.97	40.2	1.01	0.72	0.06	0.02	0.8	0.013	0.05	4.9	4.2	0.09	257	0.4	-0.01	-0.05	10.3	220	239	2.9	0.004
2014-A20	6547	1.17	70.9	1.02	0.83	0.05	0.03	0.88	0.012	0.05	5.7	4.4	0.1	259	0.43	-0.01	-0.05	11.5	220	227	4.2	0.003
2014-A20	6548	0.11	5.1	1.92	6.15	0.07	0.92	0.04	0.016	0.11	12.6	2.4	0.09	307	0.08	0.07	-0.05	5.6	240	2.2	3	-0.001
2014-A21	6549	1.09	61.6	1.13	0.76	0.05	0.02	0.42	0.013	0.05	5.6	4.9	0.1	299	0.91	-0.01	-0.05	11.1	260	182	3.2	0.005
2014-A21	6550	2.05	3100	2.32	1.95	-0.05	0.08	4.58	0.03	0.22	8.4	7	0.2	395	64.2	0.02	0.12	14.9	390	139.5	10.3	0.019
2014-A21	6551	1.06	43.6	1.02	0.76	0.05	0.02	0.83	0.012	0.05	5.3	4.7	0.09	260	0.67	-0.01	-0.05	11	240	172	3	0.005
2014-A21	6552	0.96	22.8	0.92	0.69	-0.05	0.02	0.9	0.012	0.04	4.2	4.4	0.08	254	0.74	0.04	-0.05	8.7	220	130.5	2.7	0.004
2014-A22	6553	0.96	67.5	0.95	0.73	-0.05	0.02	0.52	0.013	0.04	4.2	3.8	0.09	253	0.54	0.01	-0.05	12.3	220	163.5	2.8	0.002
2014-A22	6554	1.08	34.5	0.91	0.81	-0.05	0.04	0.83	0.014	0.04	4.4	4.4	0.12	262	0.56	0.03	-0.05	9.2	200	169.5	2.9	0.002
2014-A3	6508	1.18	33.3	1.4	1.9	0.05	0.05	0.36	0.016	0.07	7.6	6.8	0.11	304	0.67	-0.01	0.12	11.2	310	72.9	4	0.004
2014-A4	6509	1.27	37	1.41	1.56	0.05	0.05	0.44	0.015	0.08	7.6	7	0.13	321	0.59	-0.01	0.07	12	320	67.3	3.8	0.004
2014-A4	6510	2.24	3130	2.45	2.11	-0.05	0.09	4.77	0.034	0.24	9	7.9	0.21	409	66	0.03	0.12	15.3	400	143.5	10.6	0.018
2014-A4	6511	1.29	39.6	1.43	1.64	0.05	0.06	0.42	0.016	0.07	7.6	7.1	0.13	334	0.68	-0.01	0.07	12.5	320	73.1	4	0.004
2014-A5	6512	1.13	30.8	1.55	0.87	-0.05	0.02	0.5	0.012	0.05	5.6	5.6	0.1	381	0.52	-0.01	-0.05	10.1	280	119.5	3.2	0.002
2014-A5	6513	1.29	39.7	1.33	0.91	0.05	0.03	0.36	0.015	0.06	6.8	6.6	0.12	320	0.54	-0.01	-0.05	12.6	320	69.5	3.8	0.003
2014-A5	6514	1.3	36.7	1.34	0.95	0.06	0.03	0.48	0.014	0.06	6.5	6.8	0.13	338	0.55	-0.01	-0.05	12.8	320	79.8	3.7	0.003
2014-A6																						
2014-A7																						
2014-A8	6515	1.12	28.7	1.22	0.91	-0.05	0.03	0.27	0.012	0.05	6.7	6.1	0.11	291	0.54	-0.01	-0.05	10.2	290	60.8	3.4	0.005
2014-A8	6516	1.33	41.1	1.46	1	0.05	0.03	0.26	0.017	0.07	7.3	7.5	0.14	335	0.63	-0.01	-0.05	13.7	350	71	4.2	0.004
2014-A8	6517	1.48	39.1	1.43	1.06	0.05	0.03	0.35	0.016	0.06	7.2	8.2	0.16	342	0.67	-0.01	-0.05	13.5	360	71	3.9	0.005
2014-A9	6518	1.26	32.5	1.34	0.91	0.06	0.02	0.25	0.015	0.06	7.3	7.1	0.13	336	0.59	-0.01	-0.05	11	330	78.7	3.6	0.005
2014-A9	6519	1.26	27.3	1.35	0.94	0.05	0.03	0.26	0.016	0.06	7	7.7	0.13	330	0.59	-0.01	-0.05	11	330	75.3	3.9	0.004
2014-A9	6520	0.07	5	1.73	5.03	0.08	0.95	0.02	0.011	0.06	8.5	1.7	0.09	193	0.11	0.13	-0.05	5.4	340	2	1.4	-0.001
2014-A9	6521	1.28	31.8	1.38	0.88	0.05	0.03	0.27	0.013	0.07	7	6.6	0.14	322	0.72	0.02	-0.05	11.8	330	61.8	4	0.004
2014-SEC 1-CHAN	6579	1.12	38	1.16	0.88	0.05	0.03	0.58	0.017	0.05	6.3	5.7	0.13	409	0.62	0.01	-0.05	10.1	270	196.5	2.9	0.002
2014-SEC 1-CHAN	6580	0.09	4.4	1.76	5.52	0.09	1.05	0.03	0.011	0.06	10.3	1.8	0.09	224	0.12	0.11	-0.05	5.8	340	3.3	1.7	-0.001
2014-SEC 1-CHAN	6581	1.37	48.7	1.36	1.05	0.06	0.04	0.5	0.013	0.06	6.4	7.5	0.16	437	0.8	0.01	-0.05	12.4	320	162.5	3.5	0.004
2014-SEC 1-CHAN	6582	1.26	39.2	1.25	0.88	0.05	0.03	0.6	0.016	0.05	6.4	5.9	0.14	427	0.65	0.01	-0.05	10.7	290	223	3.1	0.003
2014-SEC 1-CHAN	6583	1.66	62.3	1.44	1.36	0.07	0.04	0.56	0.016	0.08	7.8	9.3	0.21	444	0.88	0.04	-0.05	13.5	350	208	3.9	0.006

APPENDIX B - 2014 Auger Hole Assay Data - Tailings

SiteID	Sano	S_pct	Sb_ppm	Sc_ppm	Se_ppm	Sn_ppm	Sr_ppm	Ta_ppm	Te_ppm	Th_ppm	Ti_pct	Tl_ppm	U_ppm	V_ppm	W_ppm	Y_ppm	Zn_ppm	Zr_ppm	Source
2014-A1	6501	-0.01	0.09	5.6	0.5	0.2	72.8	-0.01	-0.01	2.1	0.112	0.13	0.21	13	-0.05	8.83	40	27.9	GU14075833 .csv
2014-A1	6502	0.12	37.9	1.1	17.7	1	121.5	-0.01	0.1	1.2	-0.005	0.34	0.34	15	0.14	5.66	477	1.2	GU14075833 .csv
2014-A1	6503	0.11	34.1	1.1	11.8	0.6	80.1	-0.01	0.12	1.1	-0.005	0.32	0.36	17	0.13	5.12	343	1.3	GU14075833 .csv
2014-A1	6504	0.13	34.4	0.8	18.3	0.5	65.6	-0.01	0.13	0.9	-0.005	0.26	0.26	14	0.12	4.11	287	1.1	GU14075833 .csv
2014-A10																			
2014-A11	6522	0.07	21.6	1.2	8.9	0.6	90.7	-0.01	0.11	1.1	-0.005	0.31	0.36	19	0.15	6.33	243	1.1	GU14075833 .csv
2014-A11	6523	0.11	20	1.2	11.4	0.6	89.2	-0.01	0.13	1.1	-0.005	0.3	0.37	21	0.15	6.33	254	1.2	GU14075833 .csv
2014-A11	6524	0.13	25.3	1.2	11.2	0.6	98.3	-0.01	0.16	1.2	-0.005	0.33	0.38	19	0.18	6.05	295	1.3	GU14075833 .csv
2014-A12	6525	0.15	19.6	1.1	13.6	0.6	94.5	-0.01	0.1	1	-0.005	0.3	0.37	18	0.15	5.92	285	1	GU14075833 .csv
2014-A12	6526	0.16	24.1	1.2	10.2	0.7	87	-0.01	0.16	1.2	-0.005	0.35	0.43	20	0.19	6.33	304	1.3	GU14075833 .csv
2014-A12	6527	0.18	28.7	1.3	13	0.9	101.5	-0.01	0.1	1.1	-0.005	0.31	0.46	18	0.16	6.17	321	1.4	GU14075833 .csv
2014-A13																			
2014-A14	6532	0.33	25.5	1	14.4	0.6	79.3	-0.01	0.13	1	-0.005	0.31	0.56	16	0.16	4.95	297	1.2	GU14075833 .csv
2014-A14	6533	0.25	29.3	1.1	22.9	0.5	80.3	-0.01	0.13	1.2	-0.005	0.35	0.56	18	0.14	5.82	284	1.2	GU14075833 .csv
2014-A14	6534	0.23	37.5	1	14.2	0.5	86.7	-0.01	0.14	1	-0.005	0.29	0.39	15	0.14	4.81	344	1.2	GU14075833 .csv
2014-A15	6528	0.07	16.85	1	6.6	0.6	73	-0.01	0.1	1.1	-0.005	0.25	0.33	16	0.13	5.88	223	1	GU14075833 .csv
2014-A15	6529	0.16	19.5	1.1	9.7	0.6	76.1	-0.01	0.12	1.1	-0.005	0.28	0.41	17	0.12	6.32	256	1.1	GU14075833 .csv
2014-A15	6530	1.33	172	1.6	0.6	0.7	203	-0.01	9.68	1.8	0.016	0.14	0.74	18	2.47	5.42	149	3.4	GU14075833 .csv
2014-A15	6531	0.18	20.1	1.3	9.4	0.6	100.5	-0.01	0.12	1.3	-0.005	0.32	0.45	19	0.14	7.28	261	1.2	GU14075833 .csv
2014-A16	6535	0.18	27.7	1	10.7	0.5	78	-0.01	0.11	1.1	-0.005	0.29	0.43	15	0.12	5.32	272	1	GU14075833 .csv
2014-A16	6536	0.24	25.2	1.1	10.7	0.7	86.8	-0.01	0.1	1.1	-0.005	0.33	0.49	17	0.13	5.54	274	1.2	GU14075833 .csv
2014-A16	6537	0.23	26.3	1.4	15.2	0.7	109	-0.01	0.1	1.3	-0.005	0.38	0.73	21	0.2	6.87	288	1.4	GU14075833 .csv
2014-A17																			
2014-A18	6538	0.16	27.5	1.2	12.8	0.6	84.9	-0.01	0.13	1.1	-0.005	0.35	0.42	19	0.19	5.99	311	1.2	GU14075833 .csv
2014-A18	6539	0.14	35	1.3	17.7	0.8	84	-0.01	0.12	1.2	-0.005	0.37	0.51	20	0.16	6.41	314	1.3	GU14075833 .csv
2014-A18	6540	0.15	29.9	1.1	12.7	0.6	76.4	-0.01	0.12	1.3	-0.005	0.35	0.48	18	0.16	5.98	252	1.2	GU14075833 .csv
2014-A19	6541	0.01	0.13	5.4	0.4	0.2	84.3	-0.01	0.01	2.2	0.105	0.05	0.13	13	-0.05	9.71	32	30.5	GU14075833 .csv
2014-A19	6542	0.12	22.5	1.2	9	0.6	91.9	-0.01	0.12	1.1	-0.005	0.29	0.4	19	0.16	6.31	256	1.2	GU14075833 .csv
2014-A19	6543	0.14	21.4	1.2	7	0.6	90.3	-0.01	0.16	1.2	-0.005	0.32	0.43	21	0.17	6.09	281	1.2	GU14075833 .csv
2014-A19	6544	0.22	28.5	1.2	10	0.8	87.9	-0.01	0.13	1.3	-0.005	0.34	0.56	18	0.18	6.48	285	1.3	GU14075833 .csv
2014-A2	6505	0.56	15.15	1.4	8	2.1	188	-0.01	0.09	0.7	-0.005	0.19	0.28	16	0.12	6.19	522	0.9	GU14075833 .csv
2014-A2	6506	0.21	17.05	1.1	6.8	0.7	85.1	-0.01	0.12	1.1	-0.005	0.28	0.32	18	0.14	5.49	322	1.1	GU14075833 .csv
2014-A2	6507	0.12	16.8	1.2	4.5	0.7	86.9	-0.01	0.1	1.1	-0.005	0.28	0.4	18	0.12	5.97	261	1.1	GU14075833 .csv
2014-A20	6545	0.09	33	0.9	15.8	0.6	61.6	-0.01	0.16	0.9	-0.005	0.22	0.27	14	0.12	4.46	395	1.1	GU14075833 .csv
2014-A20	6546	0.15	32.3	0.8	15.7	0.5	49.6	-0.01	0.14	0.9	-0.005	0.21	0.28	13	0.08	3.95	269	1	GU14075833 .csv
2014-A20	6547	0.15	31.3	0.8	15	0.5	51	-0.01	0.12	1	-0.005	0.22	0.29	14	0.09	4.14	251	1.5	GU14075833 .csv
2014-A20	6548	0.01	0.1	6	-0.2	0.2	87.2	-0.01	0.01	2.4	0.114	0.17	0.17	13	-0.05	8.57	28	32.6	GU14075833 .csv
2014-A21	6549	0.19	26.3	0.9	13	0.5	56	-0.01	0.14	0.9	-0.005	0.25	0.33	16	0.15	4.58	272	1	GU14075833 .csv
2014-A21	6550	1.29	166.5	1.5	0.5	0.7	197.5	-0.01	8.92	1.7	0.015	0.12	0.68	17	1.37	5.08	141	3.2	GU14075833 .csv
2014-A21	6551	0.17	24.5	0.8	13.2	0.4	39.6	-0.01	0.15	0.9	-0.005	0.28	0.47	16	0.13	4.3	369	1	GU14075833 .csv
2014-A21	6552	0.22	24.8	0.7	8.2	0.4	40.3	-0.01	0.14	0.7	-0.005	0.23	0.35	13	0.12	3.68	528	0.8	GU14075833 .csv
2014-A22	6553	0.23	26.1	0.8	12.2	0.4	39.1	-0.01	0.15	0.8	-0.005	0.27	0.3	14	0.13	3.81	340	1	GU14075833 .csv
2014-A22	6554	0.17	30.8	0.9	9.2	0.5	46	-0.01	0.11	0.8	-0.005	0.27	0.39	15	0.15	3.96	623	1.6	GU14075833 .csv
2014-A3	6508	0.05	15.3	1.6	8.3	0.8	80.3	-0.01	0.1	1.2	0.008	0.25	0.35	19	0.11	6.11	234	2.9	GU14075833 .csv
2014-A4	6509	0.06	17.55	1.5	9.5	0.7	86.3	-0.01	0.1	1.2	0.006	0.29	0.4	19	0.13	6.11	267	2.6	GU14075833 .csv
2014-A4	6510	1.33	176.5	1.6	0.7	1.4	206	-0.01	9.66	1.9	0.016	0.13	0.69	18	1.79	5.31	150	3.4	GU14075833 .csv
2014-A4	6511	0.08	18.7	1.5	9.4	0.7	87.7	-0.01	0.11	1.3	0.006	0.32	0.41	19	0.14	6.29	266	2.8	GU14075833 .csv
2014-A5	6512	0.17	15.85	1.1	5.5	1.3	95.9	-0.01	0.11	0.9	-0.005	0.25	0.29	17	0.46	5.05	308	0.9	GU14075833 .csv
2014-A5	6513	0.15	17.85	1.2	10.3	0.7	87.1	-0.01	0.09	1.1	-0.005	0.3	0.36	18	0.14	5.74	259	1.2	GU14075833 .csv
2014-A5	6514	0.13	20.5	1.2	12	0.7	93.8	-0.01	0.11	1.1	-0.005	0.33	0.36	18	0.15	5.68	240	1.2	GU14075833 .csv
2014-A6																			
2014-A7																			
2014-A8	6515	0.06	16.55	1.1	6	0.6	77	-0.01	0.09	1	-0.005	0.25	0.33	17	0.12	5.31	209	1.3	GU14075833 .csv
2014-A8	6516	0.16	19	1.3	11.1	0.7	97.2	-0.01	0.1	1.2	-0.005	0.3	0.43	19	0.13	6.24	256	1.2	GU14075833 .csv
2014-A8	6517	0.15	18.65	1.3	10.3	0.7	94.2	-0.01	0.11	1.2	-0.005	0.34	0.46	21	0.17	6.22	239	1.3	GU14075833 .csv
2014-A9	6518	0.11	15.6	1.2	7.7	0.7	92.5	-0.01	0.11	1.2	-0.005	0.28	0.36	17	0.21	5.88	263	1	GU14075833 .csv
2014-A9	6519	0.17	16.5	1.2	8.2	0.6	93.1	-0.01	0.11	1.2	-0.005	0.28	0.44	17	0.13	6.24	231	1.1	GU14075833 .csv
2014-A9	6520	-0.01	0.07	5	0.3	0.2	102	-0.01	-0.01	1.9	0.102	0.04	0.12	14	-0.05	6.96	28	28.8	GU14075833 .csv
2014-A9	6521	0.2	19.55	1.2	9.8	0.6	92.5	-0.01	0.09	1.1	-0.005	0.28	0.61	18	0.13	5.84	304	1.2	GU14075833 .csv
2014-SEC 1-CHAN	6579	0.11	40.3	1	12.4	0.5	97.2	-0.01	0.13	1.1	-0.005	0.3	0.41	15	0.13	5.2	330	1.2	GU14075833 .csv
2014-SEC 1-CHAN	6580	0.01	0.35	5.2	0.5	0.2	107.5	-0.01	0.02	2.3	0.102	0.07	0.15	15	-0.05	7.28	28	37	GU14075833 .csv
2014-SEC 1-CHAN	6581	0.36	29.3	1.2	13.5	0.8	118.5	-0.01	0.12	1.3	-0.005	0.36	0.5	18	0.16	6.02	341	1.5	GU14075833 .csv
2014-SEC 1-CHAN	6582	0.15	31.2	1	11	0.9	106.5	-0.01	0.11	1.2	-0.005	0.35	0.43	17	0.13	5.37	456	1.3	GU14075833 .csv
2014-SEC 1-CHAN	6583	0.22	33.3	1.5	13.1	0.8	157	-0.01	0.11	1.4	-0.005	0.35	0.55	18	0.13	7.22	410	1.8	GU14075833 .csv

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SiteID	Sano	From_m	To_m	Interval_m	SmpDep_m	Au_ppm	Ag_ppm	Al_pct	As_ppm	B_ppm	Ba_ppm	Be_ppm	Bi_ppm	Ca_pct	Cd_ppm	Ce_ppm	Co_ppm	Cr_ppm
2014-SEC 1-CHAN	6584	4	5	1		4.69	99	0.41	40.2	10	20	0.64	0.14	5.72	2.07	14.8	4.5	6
2014-SEC 1-CHAN	6585	5	6	1		3.59	76.1	0.33	42	-10	20	0.59	0.17	4.37	1.24	13.7	4	6
2014-SEC 1-CHAN	6586	6	7	1		3.76	81.1	0.33	44.6	-10	20	0.63	0.19	3.95	1.29	14.8	4.1	7
2014-SEC 1-CHAN	6587	7	8	1		2.84	61.8	0.37	48.1	-10	20	0.64	0.15	4.12	0.88	15.75	4.4	10
2014-SEC 1-CHAN	6588	8	9	1		3.1	82	0.33	46.5	-10	20	0.62	0.15	3.77	1.04	13.5	4	8
2014-SEC 1-CHAN	6589	9	10	1		3.14	75.3	0.38	47.4	-10	20	0.71	0.17	4.09	1.92	14.3	4.7	9
	6555					-0.005	0.12	1.89	0.7	-10	80	0.36	0.01	0.39	0.02	21	4.9	15
2014-SEC 3E-CHAN	6556	0	1	1		3.17	81.2	0.27	38.4	30	10	0.45	0.22	3.13	1.04	9.01	5.5	4
2014-SEC 3E-CHAN	6557	1	2	1		3.26	94.5	0.22	42.4	10	10	0.48	0.15	1.37	0.54	9.86	4.7	4
2014-SEC 3E-CHAN	6558	2	3	1		3.08	61	0.2	43.5	20	10	0.49	0.13	1.18	0.58	9.81	3.8	4
2014-SEC 3E-CHAN	6559	3	4	1		3.74	140	0.33	42.9	10	20	0.58	0.18	3.96	1.42	12.15	4.1	6
2014-SEC 3W-CHAN	6594					-0.005	0.04	2.82	0.6	-10	110	0.61	0.16	0.23	0.07	23.6	6.9	12
2014-SEC 3W-CHAN	6595	0	1	1		3.66	50.5	0.28	44.7	-10	20	0.63	0.16	2.99	0.71	14.7	3.6	7
2014-SEC 3W-CHAN	6596	1	2	1		4.81	80	0.34	46.8	-10	20	0.66	0.16	3.75	0.66	15.2	4.4	9
2014-SEC 3W-CHAN	6597	2	3	1		2.84	45.7	0.27	42.6	-10	10	0.59	0.15	2.76	0.69	12.3	4.4	8
2014-SEC 3W-CHAN	6598	3	4	1		2.63	43.4	0.28	42.1	-10	20	0.61	0.13	3.12	0.71	12.6	3.5	8
2014-SEC 3W-CHAN	6599	4	4.7	0.7		2.67	40.6	0.29	41.6	-10	20	0.58	0.11	3.42	0.67	12.65	4.3	7
2014-SEC 3W-CHAN	6623	1	2	1		4.85	70.4	0.33	45.7	-10	20	0.62	0.15	3.7	0.64	15.2	4.1	10
2014-SEC 5E-CHAN	6560	0	1	1		2.01	38.1	0.17	39	-10	10	0.5	0.1	1.25	0.51	8.61	3.5	2
2014-SEC 5E-CHAN	6561	1	2	1		2.53	60.8	0.19	41.4	-10	10	0.5	0.26	1.45	0.53	9.36	3.2	3
2014-SEC 5E-CHAN	6562	2	2.7	0.7		3.47	85.4	0.21	38.1	-10	10	0.53	0.21	3.35	0.77	9.19	3.2	4
2014-SEC 5E-CHAN	6563					-0.005	0.36	2.42	0.6	-10	120	0.5	0.07	0.24	0.04	24	6.7	14
2014-SEC 4W-CHAN	6590					1.56	80.2	0.55	65.9	-10	230	0.31	5.16	1.75	1.23	19.1	9.9	12
2014-SEC 4W-CHAN	6591	0	1	1		2.1	42.2	0.17	35.5	10	10	0.53	0.2	1.21	0.54	8.3	5.1	2
2014-SEC 4W-CHAN	6592	1	2	1		2.15	47.2	0.17	34.3	10	10	0.44	0.43	1.07	0.44	8.09	3.7	3
2014-SEC 4W-CHAN	6593	2	3	1		2.82	56.9	0.21	42.6	10	20	0.52	0.11	1.31	0.53	9.92	3.4	3
2014-SEC 4W-CHAN	6622	1	2	1		2.21	38.2	0.16	32.4	10	10	0.43	0.4	1.01	0.44	7.57	3.4	2
2014-SEC 7E-CHAN	6564	0	1	1		2.88	177	0.18	38.4	10	10	0.59	0.09	1.15	1.06	7.69	5.8	3
2014-SEC 7E-CHAN	6565	1	2	1		3.27	59.7	0.17	37.5	10	10	0.59	0.09	1.37	0.66	8.22	4.1	2
2014-SEC 7E-CHAN	6566	2	2.5	0.5		3.11	53.5	0.2	33.7	10	10	0.52	0.09	1.62	0.57	9.75	11.3	3
2014-SEC 7E-CHAN	6567	2.5	3	0.5		2.74	76.6	0.2	35.1	10	10	0.58	0.1	1.57	0.58	9.55	7.9	3
2014-SEC 7E-CHAN	6568	3	4	1		2.73	64.5	0.17	35.7	10	10	0.56	0.1	1.37	0.74	9.08	9.6	2
2014-SEC 7W-CHAN	6617	0	1	1		2.59	48.8	0.29	44.8	-10	20	0.59	0.14	3.07	0.73	13.3	3.6	8
2014-SEC 7W-CHAN	6618	1	2	1		2.92	55.3	0.28	41.6	-10	20	0.56	0.14	2.81	0.68	12.9	3.6	8
2014-SEC 7W-CHAN	6619	1	2	1		2.89	56.6	0.29	43.1	-10	20	0.59	0.14	2.91	0.69	13.15	3.6	9
2014-SEC 7W-CHAN	6620	2	2.5	0.5		3.57	73.9	0.23	41	-10	10	0.59	0.22	2.57	0.67	11.95	3.5	5
2014-Sec 9E-Chan	6569	0	1	1		2.52	59.6	0.18	35.3	-10	10	0.56	0.09	1.44	0.54	7.98	7.3	3
2014-Sec 9E-Chan	6570					1.58	82.8	0.56	67.5	-10	200	0.3	4.64	1.75	1.24	18.85	10	13
2014-Sec 9E-Chan	6571	1	2	1		2.3	61.3	0.18	35.1	-10	10	0.54	0.09	1.41	0.59	9.2	13.8	3
2014-Sec 9E-Chan	6572	2	3	1		2.7	61.8	0.19	33.6	-10	10	0.5	0.1	1.72	0.56	9.3	7.8	3
2014-Sec 9E-Chan	6573	3	4	1		2.29	54.8	0.19	34.8	-10	10	0.49	0.3	1.45	0.5	8.71	9.6	3
2014-Sec 9E-Chan	6574	4	5	1		2.49	52.6	0.19	38.1	10	10	0.54	0.42	1.19	0.53	9.66	6.8	3
2014-Sec 10-Chan	6600	0	1	1		3.01	48.8	0.78	38.5	10	60	0.59	0.29	3.38	3.26	11.95	4.7	10
2014-Sec 10-Chan	6601	1	1.7	0.7		2.98	46.6	0.52	46.8	-10	50	0.54	0.24	3.9	2.49	12.4	4.6	10
2014-Sec 10-Chan	6621	0	1	1		2.99	44.6	0.74	37.2	10	60	0.56	0.26	3.42	2.86	10.9	4.6	10
2014-Sec 9C-Chan	6611					-0.005	0.25	2.43	0.7	-10	90	0.51	0.04	0.35	0.02	21.1	5.6	16
2014-Sec 9C-Chan	6612	0	1	1		4.27	73.5	0.3	45.7	-10	10	0.61	0.17	3.34	0.65	14.65	3.6	8
2014-Sec 9C-Chan	6613	0	1	1		4.32	71.6	0.3	44.6	-10	10	0.64	0.16	3.4	0.64	14.6	3.6	8
2014-Sec 9C-Chan	6614	1	2	1		4.22	52.9	0.31	42.6	-10	10	0.6	0.19	3.77	0.66	13.55	3.5	8
2014-Sec 9C-Chan	6615	2	3	1		2.36	29.6	0.25	39.6	-10	20	0.62	0.12	3	0.71	13.45	3.1	6
2014-Sec 9C-Chan	6616	3	4	1		2.31	23.8	0.29	37.9	-10	20	0.61	0.11	3.27	0.79	13.5	3.3	6
2014-Sec 11E-Chan	6575					-0.005	0.31	1.76	0.6	-10	70	0.41	0.02	0.35	0.03	22.2	5	15
2014-Sec 11E-Chan	6576	0	1	1		2.51	54.3	0.2	40.8	-10	20	0.54	0.11	1.19	0.53	10.35	3.4	3
2014-Sec 11E-Chan	6577	1	2	1		2.9	53.7	0.21	42.9	-10	20	0.55	0.17	1.39	0.54	10.8	6.4	4
2014-Sec 11E-Chan	6578	2	3	1		3.58	87.5	0.2	39.5	-10	20	0.48	0.26	2.09	0.65	10	4	4
2014-Sec 11W-Chan	6602					-0.005	0.13	2.09	0.6	-10	90	0.42	0.03	0.4	0.02	20.3	5.2	15
2014-Sec 11W-Chan	6603	0	1	1		3.42	88.8	0.3	41.5	-10	20	0.68	0.56	3.26	0.76	13.9	3.8	6
2014-Sec 11W-Chan	6604	1	1.6	0.6		3.11	44	0.34	41.5	-10	20	0.64	0.18	2.91	0.67	14.45	3.7	7
2014-Sec 12-Chan	6605	0	1	1		4.67	107	0.3	43	-10	20	0.61	0.24	3.18	0.99	13.5	5	7
2014-Sec 12-Chan	6606	1	2	1		4.24	56	0.3	44.3	-10	20	0.65	0.15	3.43	0.65	13.2	3.9	9
2014-Sec 12-Chan	6607	2	3	1		2.5	41.2	0.27	41.2	-10	20	0.57	0.13	2.96	0.73	12.05	5.1	8
2014-Sec 12-Chan	6608	3	4	1		2.04	33.8	0.29	41.1	-10	20	0.59	0.13	3.55	0.73	13	3.7	9
2014-Sec 12-Chan	6609	4	5	1		2.39	29.2	0.3	41.6	-10	20	0.54	0.13	3.38	0.75	13.6	4.5	7
2014-Sec 12-Chan	6610					1.595	78	0.56	65.3	10	170	0.31	4.31	1.76	1.18	18.6	10.1	12

APPENDIX B - 2014 Auger Hole Assay Data - Tailings

SiteID	Sano	Cs_ppm	Cu_ppm	Fe_pct	Ga_ppm	Ge_ppm	Hf_ppm	Hg_ppm	In_ppm	K_pct	La_ppm	Li_ppm	Mg_pct	Mn_ppm	Mo_ppm	Na_pct	Nb_ppm	Ni_ppm	P_ppm	Pb_ppm	Rb_ppm	Re_ppm
2014-SEC 1-CHAN	6584	1.71	96.6	1.51	1.27	0.07	0.04	0.51	0.022	0.08	7.5	9.8	0.19	491	1.1	0.02	-0.05	13.6	350	181.5	3.7	0.006
2014-SEC 1-CHAN	6585	1.54	44.3	1.39	1.11	0.07	0.04	0.59	0.016	0.06	7	8.2	0.16	422	0.91	0.01	-0.05	12.4	320	139.5	3.8	0.005
2014-SEC 1-CHAN	6586	1.51	50	1.42	1.12	0.06	0.04	0.5	0.016	0.06	7.7	7.9	0.16	433	0.8	0.01	-0.05	13.1	330	128	3.8	0.004
2014-SEC 1-CHAN	6587	1.69	38.6	1.55	1.27	0.07	0.04	0.51	0.019	0.06	8.2	9.9	0.19	423	0.88	0.01	-0.05	13.7	360	111	4.2	0.006
2014-SEC 1-CHAN	6588	1.51	44.7	1.42	1.14	0.05	0.03	0.69	0.018	0.06	6.9	8.7	0.17	386	0.91	0.01	-0.05	13.7	320	113	3.8	0.005
2014-SEC 1-CHAN	6589	1.88	73.4	1.59	1.3	0.06	0.04	0.72	0.014	0.07	7.3	9.2	0.19	502	1.26	0.01	-0.05	15.6	360	218	4.3	0.008
	6555	0.08	4.9	1.63	4.23	0.07	0.81	0.03	0.013	0.07	9.8	1.6	0.1	214	0.18	0.13	0.07	5.3	440	2	1.7	-0.001
2014-SEC 3E-CHAN	6556	1.07	63.8	1.14	0.92	0.06	0.03	0.71	0.012	0.06	4.5	6.1	0.15	333	0.75	0.1	-0.05	11.7	250	191	2.8	0.004
2014-SEC 3E-CHAN	6557	0.99	51.5	1.06	0.81	0.07	0.02	0.47	0.014	0.06	5.4	5.2	0.12	276	0.57	0.09	-0.05	11.3	240	165	2.8	0.004
2014-SEC 3E-CHAN	6558	1.01	48.9	1.08	0.81	0.08	0.02	0.65	0.016	0.06	5.1	5	0.12	276	0.7	0.08	-0.05	13.1	240	168.5	2.8	0.004
2014-SEC 3E-CHAN	6559	1.38	72	1.46	1.09	0.1	0.04	0.46	0.021	0.06	6.3	7.5	0.16	436	0.89	0.01	-0.05	15.9	330	194.5	3.6	0.007
2014-SEC 3W-CHAN	6594	0.24	5.7	2.15	6.71	0.07	0.7	0.04	0.068	0.07	11.3	2.7	0.09	244	0.2	0.08	-0.05	7.1	150	4.4	3.1	-0.001
2014-SEC 3W-CHAN	6595	1.4	34	1.42	1.03	0.07	0.04	0.55	0.02	0.07	8	7.8	0.18	390	0.62	0.03	-0.05	11.2	310	72.9	3.6	0.005
2014-SEC 3W-CHAN	6596	1.56	51	1.55	1.18	0.08	0.03	0.46	0.019	0.08	8	10.5	0.21	387	0.67	0.06	-0.05	13.7	340	73.3	3.9	0.005
2014-SEC 3W-CHAN	6597	1.38	44.7	1.28	0.96	0.06	0.03	0.61	0.015	0.06	6.6	8.1	0.16	329	0.76	0.06	-0.05	13.6	280	76.6	3.6	0.004
2014-SEC 3W-CHAN	6598	1.43	41.2	1.36	0.98	0.06	0.03	0.49	0.018	0.06	6.9	7.3	0.14	329	0.8	-0.01	-0.05	13.5	310	75.5	3.8	0.004
2014-SEC 3W-CHAN	6599	1.48	36.8	1.36	1	0.06	0.03	0.36	0.015	0.06	6.9	7.7	0.15	319	0.65	-0.01	-0.05	12.4	320	64	3.7	0.004
2014-SEC 3W-CHAN	6623	1.58	52	1.52	1.16	0.07	0.03	0.44	0.019	0.07	8.2	10.4	0.21	387	0.61	0.04	-0.05	13.3	330	69.3	3.9	0.005
2014-SEC 5E-CHAN	6560	0.91	27.6	0.98	0.69	0.05	-0.02	0.65	0.014	0.04	4.5	4	0.06	269	0.61	-0.01	-0.05	9	240	199	2.4	0.003
2014-SEC 5E-CHAN	6561	1.01	48.7	0.99	0.76	0.06	-0.02	0.79	0.013	0.05	4.8	4.3	0.08	267	0.52	-0.01	-0.05	10.6	240	164	2.8	0.005
2014-SEC 5E-CHAN	6562	1.05	66.5	1.07	0.79	0.07	-0.02	0.52	0.014	0.05	4.7	5.3	0.11	337	0.57	-0.01	-0.05	11.9	250	194.5	2.8	0.005
2014-SEC 5E-CHAN	6563	0.13	4.5	1.89	5.94	0.08	0.91	0.04	0.025	0.08	13.4	2.5	0.08	276	0.15	0.08	-0.05	5.7	280	3.5	2.3	0.001
2014-SEC 4W-CHAN	6590	2.33	3140	2.37	2.11	-0.05	0.09	4.53	0.03	0.23	9.4	8.1	0.21	395	71.2	0.02	0.14	16.1	390	139.5	10.5	0.022
2014-SEC 4W-CHAN	6591	0.96	50.2	0.84	0.7	0.1	0.02	0.69	0.016	0.05	4.3	3.6	0.08	208	1.69	0.08	-0.05	9.7	240	154.5	2.6	0.008
2014-SEC 4W-CHAN	6592	0.97	55	0.83	0.73	0.08	0.02	0.86	0.014	0.05	4.2	3.9	0.09	226	0.44	0.06	-0.05	10.7	220	161.5	2.7	0.005
2014-SEC 4W-CHAN	6593	1.12	46	1.02	0.83	0.06	0.03	0.78	0.012	0.05	5.2	4.8	0.09	266	0.33	-0.01	-0.05	9.8	240	186.5	3.1	0.002
2014-SEC 4W-CHAN	6622	0.99	54.4	0.8	0.65	0.06	0.02	0.95	0.011	0.04	4.1	3.7	0.08	212	0.44	0.05	-0.05	9.3	210	154	2.6	0.004
2014-SEC 7E-CHAN	6564	0.82	93.4	1.12	0.77	0.23	0.03	0.95	0.014	0.04	4.1	4.5	0.08	278	2.44	0.05	-0.05	21.9	240	177	2.1	0.008
2014-SEC 7E-CHAN	6565	0.88	35	1.07	0.75	0.07	0.02	0.82	0.013	0.04	4.3	4.8	0.08	253	1.7	0.05	-0.05	17.2	220	155	2.2	0.011
2014-SEC 7E-CHAN	6566	0.87	28.4	1.01	0.79	0.06	0.02	0.69	0.013	0.05	5	5.8	0.09	245	1.01	0.2	-0.05	9	260	96.9	2.4	0.049
2014-SEC 7E-CHAN	6567	0.98	19.1	1.05	0.79	0.06	0.02	0.82	0.014	0.04	5	5.7	0.1	236	0.93	0.13	-0.05	8.1	250	76.4	2.5	0.01
2014-SEC 7E-CHAN	6568	0.92	24	0.97	0.75	0.08	0.02	0.69	0.015	0.05	4.8	5	0.08	265	0.8	0.13	-0.05	8.6	240	167	2.4	0.01
2014-SEC 7W-CHAN	6617	1.57	40	1.39	1.02	0.06	0.03	0.5	0.018	0.06	7.2	7.4	0.14	324	0.7	-0.01	-0.05	12.6	320	76.1	4	0.004
2014-SEC 7W-CHAN	6618	1.47	44.9	1.31	1.03	0.05	0.03	0.66	0.017	0.05	7	7.5	0.15	331	0.67	-0.01	-0.05	13.1	290	77.4	3.9	0.003
2014-SEC 7W-CHAN	6619	1.46	47.1	1.37	1.03	0.06	0.03	0.64	0.017	0.06	7.1	7.7	0.16	344	0.68	-0.01	-0.05	13.4	310	78.3	3.8	0.003
2014-SEC 7W-CHAN	6620	1.19	52	1.19	0.86	0.06	0.02	0.59	0.02	0.05	6.4	5.7	0.12	342	0.52	-0.01	-0.05	12.9	260	140.5	3.2	0.003
2014-Sec 9E-Chan	6569	0.97	23	1.03	0.72	0.05	0.02	0.86	0.011	0.04	4.1	4.9	0.08	261	0.94	0.05	-0.05	7.9	200	153	2.4	0.004
2014-Sec 9E-Chan	6570	2.31	3150	2.38	2.17	-0.05	0.08	4.63	0.036	0.23	9.5	8.2	0.21	411	68.4	0.02	0.13	16.2	400	128.5	10.5	0.018
2014-Sec 9E-Chan	6571	1.03	39.6	1	0.74	0.06	0.02	1.05	0.01	0.06	4.8	6.4	0.09	248	1.59	0.15	-0.05	10.8	230	104.5	2.4	0.018
2014-Sec 9E-Chan	6572	0.95	52	1.02	0.77	0.08	0.02	0.86	0.013	0.05	4.8	6	0.09	252	1.17	0.11	-0.05	11.7	220	139.5	2.4	0.009
2014-Sec 9E-Chan	6573	0.95	41	0.95	0.76	0.05	0.02	0.84	0.014	0.06	4.5	5.3	0.1	235	0.66	0.14	-0.05	9.7	250	171	2.6	0.008
2014-Sec 9E-Chan	6574	0.99	46.9	1.03	0.79	0.06	0.03	0.79	0.012	0.06	5	4.8	0.1	264	0.73	0.13	-0.05	10.6	270	185.5	2.8	0.006
2014-Sec 10-Chan	6600	1.28	61.3	1.89	2.22	0.11	0.13	2.3	0.016	0.08	6.3	6.6	0.17	320	0.82	0.05	0.19	11.7	320	409	4.5	0.006
2014-Sec 10-Chan	6601	1.37	53	1.99	1.57	0.07	0.04	2.46	0.021	0.07	6.6	6.7	0.14	376	0.67	0.01	0.12	12.3	340	366	4.2	0.004
2014-Sec 10-Chan	6621	1.21	55.4	1.82	2.09	0.12	0.13	2.13	0.015	0.07	5.9	6.3	0.16	307	0.74	0.05	0.16	11	300	383	4.3	0.004
2014-Sec 9C-Chan	6611	0.11	11.4	1.77	5.34	0.08	1.12	0.05	0.015	0.08	10.3	2	0.11	223	0.3	0.12	0.07	5.2	400	2.4	2.1	-0.001
2014-Sec 9C-Chan	6612	1.53	55.2	1.45	1.08	0.07	0.03	0.5	0.017	0.06	7.9	8.7	0.18	379	0.58	-0.01	-0.05	14.5	300	93.7	3.8	0.003
2014-Sec 9C-Chan	6613	1.48	54.2	1.47	1.07	0.06	0.03	0.5	0.019	0.06	7.8	9	0.19	384	0.54	-0.01	-0.05	14.4	300	93.7	3.7	0.003
2014-Sec 9C-Chan	6614	1.44	49.2	1.43	1.06	0.06	0.03	0.48	0.017	0.07	7.3	8.6	0.18	348	0.61	0.01	-0.05	14.6	310	94.1	3.8	0.003
2014-Sec 9C-Chan	6615	1.31	28.1	1.34	0.9	0.05	0.03	0.28	0.021	0.07	7.4	6.6	0.12	303	0.53	0.01	-0.05	10.8	320	66.2	3.7	0.003
2014-Sec 9C-Chan	6616	1.39	33.7	1.46	0.98	0.05	0.03	0.27	0.019	0.06	7.3	7.8	0.14	355	0.64	-0.01	-0.05	11.7	330	78.2	3.9	0.008
2014-Sec 11E-Chan	6575	0.09	4.8	1.54	4.27	0.07	0.94	0.03	0.009	0.07	10.3	1.6	0.09	218	0.08	0.1	0.05	4.8	440	3	1.8	0.001
2014-Sec 11E-Chan	6576	1.02	35.9	1.04	0.82	0.07	0.03	0.69	0.011	0.05	5.3	4.5	0.09	286	0.56	0.04	-0.05	10.3	250	178	2.9	0.007
2014-Sec 11E-Chan	6577	1.12	57.3	1.08	0.81	0.09	0.03	0.69	0.014	0.05	5.5	5.6	0.1	294	0.61	0.18	-0.05	13.2	250	176.5	3	0.014
2014-Sec 11E-Chan	6578	1.01	53	1.07	0.79	0.08	0.03	0.6	0.01	0.05	5.2	4.7	0.1	300	0.59	0.06	-0.05	13.9	230	213	2.9	0.009
2014-Sec 11W-Chan	6602	0.11	4.4	1.76	4.73	0.08	0.96	0.03	0.011	0.06	10	1.9	0.1	206	0.13	0.14	0.05	5.3	380	2.9	1.7	-0.001
2014-Sec 11W-Chan	6603	1.43	62.9	1.32	1.06	0.05	0.03	0.89	0.019	0.05	7.6	6.7	0.15	398	0.6	-0.01	-0.05	13.3	300	101.5	4	0.006
2014-Sec 11W-Chan	6604	1.53	33.6	1.29	1.16	0.06	0.02	0.53	0.018	0.06	7.8	6.8	0.14	351	0.64	-0.01	0.06	11.5	290	76.3	4.7	0.003
2014-Sec 12-Chan	6605	1.42	66.8	1.44	1.02	0.07	0.03	0.55	0.02	0.06	7.3	7.9	0.18	413	0.7	0.12	-0.05	12.9	300	108.5	3.6	0.004
2014-Sec 12-Chan	6606	1.49	53.1	1.42	1.03	0.06	0.04	0.57	0.017	0.06	7	9	0.19	387	0.88	0.07	-0.05	13.3	330	66	3.9	0.004
2014-Sec 12-Chan	6607	1.4	41.6	1.32	0.95	0.05	0.03	0.48	0.017	0.06	6.4	8.1	0.16	345	0.7	0.09	-0.05	12.6	300	69.5	3.6	0.006
2014-Sec 12-Chan	6608	1.5	48	1.36	0.99	0.05	0.03	0.37	0.018	0.06	7	7.9	0.16	340	0.61	0.01	-0.05	14.3	310	86.9	3.8	0.004
2014-Sec 12-Chan	6609	1.5	42.9	1.41	1.02	0.05	0.03	0.42	0.015	0.05	7.5	7.5	0.15	318	0.67	-0.01	-0.05	14	320	76.6	3.8	0.005
2014-Sec 12-Chan	6610	2.43	3200	2.43	2.15	-0.05	0.08	4.65	0.034	0.23	9.6	8.3	0.22	398	68.3	0.03	0.15	15.8	380	130.5	10.7	0.017

APPENDIX B - 2014 Auger Hole Assay Data - Tailings

SiteID	Sano	S_pct	Sb_ppm	Sc_ppm	Se_ppm	Sn_ppm	Sr_ppm	Ta_ppm	Te_ppm	Th_ppm	Ti_pct	Tl_ppm	U_ppm	V_ppm	W_ppm	Y_ppm	Zn_ppm	Zr_ppm	Source
2014-SEC 1-CHAN	6584	0.22	31	1.6	13.6	1.2	208	-0.01	0.15	1.5	-0.005	0.29	0.56	17	0.14	8.05	498	1.7	GU14075833 .csv
2014-SEC 1-CHAN	6585	0.25	27	1.3	12.9	0.9	128	-0.01	0.09	1.4	-0.005	0.36	0.47	19	0.16	6.47	364	1.5	GU14075833 .csv
2014-SEC 1-CHAN	6586	0.12	28.4	1.3	10.5	1	105	-0.01	0.11	1.4	-0.005	0.35	0.45	19	0.16	6.44	330	1.5	GU14075833 .csv
2014-SEC 1-CHAN	6587	0.13	24	1.5	10.3	1	117.5	-0.01	0.1	1.5	-0.005	0.42	0.51	22	0.23	6.71	290	1.5	GU14075833 .csv
2014-SEC 1-CHAN	6588	0.21	28.9	1.2	12.3	1.1	104	-0.01	0.13	1.2	-0.005	0.34	0.5	19	0.15	5.76	319	1.4	GU14075833 .csv
2014-SEC 1-CHAN	6589	0.22	25.7	1.4	13.1	1.2	125.5	-0.01	0.1	1.3	-0.005	0.4	0.66	22	0.2	6.54	381	1.6	GU14075833 .csv
	6555	0.01	0.11	4.6	0.2	0.2	84.1	-0.01	0.01	2.2	0.102	0.05	0.12	16	0.14	8.68	27	32.7	GU14075833 .csv
2014-SEC 3E-CHAN	6556	0.41	26.2	1	19.1	0.8	88.4	-0.01	0.13	0.8	-0.005	0.23	0.49	16	0.12	4.67	314	1.3	GU14075833 .csv
2014-SEC 3E-CHAN	6557	0.23	24	0.9	21.8	0.5	38.8	-0.01	0.14	1	-0.005	0.26	0.44	16	0.11	4.38	278	1	GU14075833 .csv
2014-SEC 3E-CHAN	6558	0.2	23.5	0.8	17.7	0.4	30.3	-0.01	0.16	1	-0.005	0.29	0.41	16	0.15	4.2	279	1.1	GU14075833 .csv
2014-SEC 3E-CHAN	6559	0.22	30.6	1.2	22.7	1	107	-0.01	0.14	1.2	-0.005	0.28	0.55	19	0.16	5.76	310	1.6	GU14075833 .csv
2014-SEC 3W-CHAN	6594	0.01	0.14	6.4	0.4	0.6	84.7	-0.01	0.01	2.6	0.073	0.18	0.26	20	-0.05	8.78	32	24.3	GU14075833 .csv
2014-SEC 3W-CHAN	6595	0.15	29.9	1.2	12	0.7	75	-0.01	0.11	1.5	-0.005	0.4	0.61	17	0.16	6.27	280	1.5	GU14075833 .csv
2014-SEC 3W-CHAN	6596	0.17	27.6	1.4	20.7	0.8	100.5	-0.01	0.1	1.6	-0.005	0.38	0.69	20	0.22	6.76	280	1.9	GU14075833 .csv
2014-SEC 3W-CHAN	6597	0.2	30.3	1.1	15.6	0.7	76.5	-0.01	0.1	1.3	-0.005	0.35	0.68	17	0.19	5.44	275	1.2	GU14075833 .csv
2014-SEC 3W-CHAN	6598	0.16	24.4	1.1	10.2	0.6	87.6	-0.01	0.11	1.3	-0.005	0.37	0.57	19	0.18	5.77	322	1.2	GU14075833 .csv
2014-SEC 3W-CHAN	6599	0.13	21.9	1.1	8.3	0.6	90.9	-0.01	0.1	1.2	-0.005	0.35	0.44	19	0.17	5.93	272	1.1	GU14075833 .csv
2014-SEC 3W-CHAN	6623	0.16	26	1.4	18.6	0.9	99.2	-0.01	0.08	1.6	-0.005	0.39	0.63	20	0.21	6.59	266	1.4	GU14075833 .csv
2014-SEC 5E-CHAN	6560	0.15	25.2	0.7	11.1	0.5	33.9	-0.01	0.16	0.8	-0.005	0.27	0.37	15	0.12	3.63	355	0.7	GU14075833 .csv
2014-SEC 5E-CHAN	6561	0.25	25	0.7	11.8	0.5	35.3	-0.01	0.15	0.9	-0.005	0.3	0.4	14	0.13	4.03	253	0.7	GU14075833 .csv
2014-SEC 5E-CHAN	6562	0.76	35.2	0.9	14.5	0.7	79.3	-0.01	0.13	1	-0.005	0.29	0.44	14	0.13	4.61	301	0.8	GU14075833 .csv
2014-SEC 5E-CHAN	6563	0.01	0.34	5.8	0.6	0.3	93.2	-0.01	0.01	2.3	0.088	0.17	0.21	19	-0.05	8.61	28	29.7	GU14075833 .csv
2014-SEC 4W-CHAN	6590	1.3	163	1.5	0.9	0.7	202	-0.01	9.39	2.1	0.016	0.16	0.82	18	1.42	5.39	141	3.5	GU14075833 .csv
2014-SEC 4W-CHAN	6591	0.29	25.1	0.6	32.8	0.5	35.4	-0.01	0.15	0.8	-0.005	0.24	0.49	15	0.18	3.4	377	0.9	GU14075833 .csv
2014-SEC 4W-CHAN	6592	0.23	22.6	0.6	22.1	0.5	30	-0.01	0.13	0.8	-0.005	0.26	0.56	14	0.11	3.42	255	0.9	GU14075833 .csv
2014-SEC 4W-CHAN	6593	0.23	23.2	0.8	10.3	0.5	31.6	-0.01	0.16	1	-0.005	0.28	0.41	15	0.1	4.22	265	1.1	GU14075833 .csv
2014-SEC 4W-CHAN	6622	0.24	24.5	0.6	17.7	0.6	28.1	-0.01	0.1	0.8	-0.005	0.27	0.45	14	0.11	3.24	256	0.9	GU14075833 .csv
2014-SEC 7E-CHAN	6564	0.27	30.6	0.8	79.3	0.6	29.1	-0.01	0.17	0.8	-0.005	0.23	0.38	17	0.28	3.85	790	1	GU14075833 .csv
2014-SEC 7E-CHAN	6565	0.25	26.6	0.7	18.5	0.4	33	-0.01	0.14	0.8	-0.005	0.25	0.34	15	0.18	3.85	615	0.9	GU14075833 .csv
2014-SEC 7E-CHAN	6566	0.22	23.8	0.8	12.4	0.4	40.7	-0.01	0.13	0.9	-0.005	0.23	0.41	14	0.16	4.3	639	0.9	GU14075833 .csv
2014-SEC 7E-CHAN	6567	0.23	26.1	0.8	12	0.4	39.7	-0.01	0.14	0.9	-0.005	0.26	0.49	14	0.13	4.28	614	0.9	GU14075833 .csv
2014-SEC 7E-CHAN	6568	0.24	28	0.7	23.4	0.6	41	-0.01	0.13	0.9	-0.005	0.26	0.54	14	0.16	3.8	608	0.9	GU14075833 .csv
2014-SEC 7W-CHAN	6617	0.14	28.4	1.2	10.8	0.7	86.3	-0.01	0.11	1.3	-0.005	0.37	0.41	19	0.18	5.93	306	1.3	GU14075833 .csv
2014-SEC 7W-CHAN	6618	0.12	32.6	1.1	11.1	0.7	76	-0.01	0.1	1.3	-0.005	0.36	0.45	18	0.18	5.52	255	1.2	GU14075833 .csv
2014-SEC 7W-CHAN	6619	0.14	30.5	1.2	11.2	0.8	78.4	-0.01	0.1	1.3	-0.005	0.36	0.48	18	0.2	5.61	274	1.3	GU14075833 .csv
2014-SEC 7W-CHAN	6620	0.11	37.5	1	13	0.8	62.5	-0.01	0.11	1.2	-0.005	0.34	0.38	16	0.16	5.03	283	1.1	GU14075833 .csv
2014-Sec 9E-Chan	6569	0.31	24.1	0.7	11	0.5	36.3	-0.01	0.13	0.8	-0.005	0.31	0.38	16	0.15	3.77	627	0.9	GU14075833 .csv
2014-Sec 9E-Chan	6570	1.29	164	1.5	0.6	0.7	204	-0.01	9.6	2	0.016	0.15	0.79	18	1.5	5.41	145	3.5	GU14075833 .csv
2014-Sec 9E-Chan	6571	0.29	24	0.8	14	0.4	34.9	-0.01	0.14	0.9	-0.005	0.28	0.37	14	0.16	3.96	641	0.9	GU14075833 .csv
2014-Sec 9E-Chan	6572	0.26	23.5	0.8	26.3	0.4	38.9	-0.01	0.13	0.9	-0.005	0.29	0.46	15	0.15	3.99	585	0.9	GU14075833 .csv
2014-Sec 9E-Chan	6573	0.28	25.3	0.7	10.9	0.4	36.6	-0.01	0.13	0.8	-0.005	0.27	0.52	14	0.11	3.98	310	1	GU14075833 .csv
2014-Sec 9E-Chan	6574	0.25	24.7	0.8	10.5	0.6	30.1	-0.01	0.14	1	-0.005	0.3	0.64	15	0.11	4.25	255	1.1	GU14075833 .csv
2014-Sec 10-Chan	6600	0.38	48.7	1.9	34	47.6	95.3	-0.01	0.08	1.4	0.015	0.29	0.51	21	0.35	5.76	774	6.5	GU14075833 .csv
2014-Sec 10-Chan	6601	0.14	48.4	1.4	13.9	33.8	106	-0.01	0.09	1.2	0.008	0.3	0.37	21	0.3	5.79	1080	2.6	GU14075833 .csv
2014-Sec 10-Chan	6621	0.47	46	1.8	37.4	42.9	94	-0.01	0.08	1.3	0.014	0.27	0.48	21	0.39	5.42	766	6	GU14075833 .csv
2014-Sec 9C-Chan	6611	0.01	0.54	5	0.4	0.2	88.4	-0.01	0.02	2.6	0.106	0.06	0.13	19	0.06	7.82	25	36.2	GU14075833 .csv
2014-Sec 9C-Chan	6612	0.13	33.3	1.3	14.4	0.6	90.1	-0.01	0.1	1.5	-0.005	0.39	0.5	19	0.2	6.32	249	1.3	GU14075833 .csv
2014-Sec 9C-Chan	6613	0.11	31.2	1.2	15.4	0.7	89.6	-0.01	0.09	1.5	-0.005	0.43	0.55	20	0.21	6.26	255	1.2	GU14075833 .csv
2014-Sec 9C-Chan	6614	0.17	31.4	1.2	12.8	0.8	106.5	-0.01	0.08	1.4	-0.005	0.36	0.54	18	0.15	6.04	256	1.2	GU14075833 .csv
2014-Sec 9C-Chan	6615	0.19	20.8	1.1	8.1	0.8	83.8	-0.01	0.11	1.3	-0.005	0.29	0.6	17	0.15	5.91	309	1.1	GU14075833 .csv
2014-Sec 9C-Chan	6616	0.24	18.2	1.2	7.9	0.7	89.2	-0.01	0.09	1.4	-0.005	0.28	0.44	18	0.17	6.13	246	1.1	GU14075833 .csv
2014-Sec 11E-Chan	6575	-0.01	0.25	4.7	0.5	0.2	75.3	-0.01	0.01	2.6	0.094	0.05	0.14	16	0.05	7.67	27	35.4	GU14075833 .csv
2014-Sec 11E-Chan	6576	0.16	22.4	0.9	11.6	0.5	31.5	-0.01	0.12	1	-0.005	0.28	0.43	16	0.14	4.24	241	1.3	GU14075833 .csv
2014-Sec 11E-Chan	6577	0.26	23.1	0.9	20.1	0.5	36.6	-0.01	0.16	1.1	-0.005	0.33	0.59	16	0.13	4.5	221	1.2	GU14075833 .csv
2014-Sec 11E-Chan	6578	0.17	35.6	0.8	15.8	0.4	54.4	-0.01	0.15	1	-0.005	0.28	0.57	14	0.11	4.22	261	1.2	GU14075833 .csv
2014-Sec 11W-Chan	6602	0.01	0.16	4.9	0.6	0.3	90.6	-0.01	-0.01	2.2	0.097	0.07	0.13	16	-0.05	8.01	29	33.7	GU14075833 .csv
2014-Sec 11W-Chan	6603	0.14	31.8	1.2	8	0.6	88	-0.01	0.13	1.4	-0.005	0.34	0.42	19	0.15	5.91	356	1.2	GU14075833 .csv
2014-Sec 11W-Chan	6604	0.18	27.4	1.2	9.8	0.6	70.6	-0.01	0.09	1.5	-0.005	0.37	0.39	18	0.18	5.98	307	1.2	GU14075833 .csv
2014-Sec 12-Chan	6605	0.2	34.2	1.2	17.2	0.8	81.9	-0.01	0.13	1.4	-0.005	0.38	0.77	18	0.22	6.03	298	1.4	GU14075833 .csv
2014-Sec 12-Chan	6606	0.28	27	1.3	11.9	0.6	89.3	-0.01	0.1	1.4	-0.005	0.42	0.89	20	0.21	6.23	334	1.3	GU14075833 .csv
2014-Sec 12-Chan	6607	0.23	27.5	1.1	9.4	0.6	81.5	-0.01	0.13	1.2	-0.005	0.34	0.69	18	0.18	5.62	311	1.2	GU14075833 .csv
2014-Sec 12-Chan	6608	0.19	25	1.2	8.8	0.7	97.7	-0.01	0.14	1.3	-0.005	0.34	0.52	20	0.19	6	279	1.2	GU14075833 .csv
2014-Sec 12-Chan	6609	0.12	21.2	1.2	8.1	0.8	90.4	-0.01	0.1	1.3	-0.005	0.37	0.41	20	0.18	6.1	307	1.2	GU14075833 .csv
2014-Sec 12-Chan	6610	1.31	176.5	1.5	0.5	0.7	197	-0.01	9.56	2.2	0.015	0.13	0.76	17	1.47	5.6	144	3.4	GU14075833 .csv

APPENDIX A   HISTORIC DRILLHOLE ASSAY DATA-TAILINGS

BARRENOS	MUESTRAS	INTERVALO A PROFUNDIDAD		LONGITUD DE MUESTRAS	RECUPERACION	PESO HUMEDO	PESO SECO	% HUMEDAD	% HUMEDAD PROMEDIO	Granulometria en % (100,150 y 200 Mallas				LEY g/ton		PROMEDIO		SOBRANTES (Kg)	SOBRANTE (acumulado)
		FROM	TO							>100	<110 >150	<150 >200	>200	Au	Ag	Au	Ag		
1990 #1	1	0.000	0.640	0.64	0.38	0.580	0.470	18.96		5.26	17.54	45.61	31.58	2.82	90			0.285	0.285
1990 #1	2	0.640	2.640	2.00	0.85	1.225	1.050	14.28	15.41	11.90	19.84	53.97	14.28	1.50	58	1.82	66	0.630	0.915
1990 #1	3	2.640	4.640	2.00	1.20	1.780	1.455	18.25	16.64	15.14	37.61	41.74	5.50	1.93	59	1.87	63	0.090	2.005
1990 #1	4	4.640	6.640	2.00	0.96	1.430	1.100	23.07	18.57	3.77	41.19	47.80	7.23	1.91	65	1.88	63	0.795	2.800
1990 #1	5	6.640	8.640	2.00	1.10	1.970	1.490	24.36	19.91	2.30	36.41	52.07	9.22	2.65	71	2.06	65	0.085	3.885
1990 #1	6	8.640	10.640	2.00	2.00	3.100	2.295	25.96	21.05	2.41	44.88	46.39	6.32	2.15	59	2.08	64	0.660	5.545
1990 #1	7	10.640	12.090	1.45	1.05	1.140	0.880	22.80	21.26	2.26	29.41	56.56	11.77	2.18	62	2.09	64	0.663	6.208
1990 #2	1	0.000	0.302	0.30	0.11	0.175	0.135	22.85		4.17	4.17	58.33	33.33	1.3	61			0.060	0.060
1990 #2	2	0.302	2.302	2.00	0.73	0.980	0.785	19.89	20.28	8.08	18.18	57.58	16.66	1.62	42	1.58	44	0.495	0.555
1990 #2	3	2.302	4.302	2.00	0.84	1.270	0.995	21.65	20.92	6.12	34.69	48.98	10.20	2.65	45	2.08	45	0.735	1.290
1990 #2	4	4.302	6.302	2.00	1.36	1.990	1.500	24.62	22.09	5.83	29.60	53.81	10.76	2.15	59	2.1	49	1.115	2.405
1990 #2	5	6.302	8.302	2.00	1.74	2.750	1.920	30.18	24.04	4.96	32.98	54.26	7.80	1.85	54	2.04	50	1.410	3.815
1990 #2	6	8.302	9.022	0.72	0.72	1.115	0.825	26.00	24.2	5.79	29.75	53.72	10.74	3.5	53	2.16	51	0.605	4.420
1990 #3	1	0.00	1.44	1.44	1.03	1.340	1.110	17.16		8.59	28.83	51.53	11.04	2.11	45			0.815	0.815
1990 #3	2	1.44	3.44	2.00	1.28	1.595	1.355	15.05	15.93	17.35	33.67	43.88	5.10	2.35	42	2.25	43	0.980	1.795
1990 #3	3	3.44	5.44	2.00	1.16	1.945	1.660	14.65	15.46	5.62	26.91	57.43	10.04	2.42	43	2.31	43	1.245	3.040
1990 #3	4	5.44	7.44	2.00	1.38	2.145	1.825	14.92	15.31	6.34	32.84	52.61	8.21	3.15	49	2.54	45	1.340	4.380
1990 #3	5	7.44	9.44	2.00	1.39	2.175	1.795	17.47	15.77	9.81	36.23	46.41	7.55	4.25	101	2.90	57	1.325	5.705
1990 #3	6	9.44	11.44	2.00	1.51	2.465	1.955	20.69	16.63	7.62	37.83	48.39	6.16	5.51	102	3.36	65	1.705	7.410
1990 #3	7	11.44	13.44	2.00	1.69	2.810	2.165	22.95	17.57	7.00	25.00	58.00	10.00	4.02	95	3.45	69	1.900	9.310
1990 #3	8	13.44	15.44	2.00	1.95	3.060	3.365	22.71	18.24	4.54	28.41	56.82	10.23	3.41	129	3.45	77	2.070	11.380
1990 #3	9	15.44	17.44	2.00	1.71	2.910	2.390	17.87	18.19	5.66	29.25	56.60	8.49	2.79	81	3.37	77	1.995	13.375
1990 #3	10	17.44	19.44	2.00	1.64	2.850	2.235	21.58	18.54	4.95	25.74	60.40	8.91	2.35	65	3.27	76	1.960	15.335
1990 #3	11	19.44	19.89	0.45	0.40	0.710	0.575	19.01	18.55	4.76	23.81	61.91	9.52	2.11	79	3.24	76	0.420	15.755
1990 #4	1	0.000	0.760	0.76	0.08	0.090	0.075	16.67						4.50	121			0.000	0.000
1990 #4	2	0.760	2.760	2.00	0.73	1.030	0.825	19.90	19.10	6.45	27.42	58.07	8.06	2.20	58	2.83	75	0.620	0.620
1990 #4	3	2.760	4.760	2.00	0.74	1.125	0.905	19.55	19.24	12.23	25.18	56.84	5.75	4.30	123	3.45	95	0.695	1.315
1990 #4	4	4.760	6.760	2.00	0.67	0.940	0.795	15.42	18.11	5.88	26.89	58.83	8.40	2.85	90	3.27	94	0.595	1.910
1990 #4	5	6.760	8.760	2.00	0.62	0.930	0.780	16.13	17.66	5.22	34.78	54.78	5.22	2.40	98	3.07	95	0.575	2.485
1990 #4	6	8.760	10.760	2.00	1.08	1.925	1.335	30.65	20.07	4.92	25.41	62.29	7.38	2.00	60	2.87	88	1.325	3.810
1990 #4	7	10.760	12.760	2.00	1.87	2.800	2.125	24.11	20.70	3.13	21.87	64.58	10.42	0.79	75	2.55	86	1.995	5.805
1990 #4	8	12.760	14.760	2.00	1.67	2.950	2.240	24.07	21.16	1.89	33.02	58.49	6.60	1.85	71	2.45	84	2.075	7.880
1990 #4	9	14.760	16.760	2.00	1.61	3.215	2.355	26.75	21.83	1.87	22.43	65.42	10.28	1.65	73	2.36	83	2.180	10.060
1990 #4	10	16.760	18.380	1.62	0.58	1.080	0.825	23.61	21.98	3.28	31.97	58.20	6.55	2.77	83	2.39	83	0.610	10.670
1990 #5	1	0.00	2.00	2.00	0.70	1.040	0.865	16.83		10.32	30.16	53.96	5.56	2.75	48			0.630	0.630
1990 #5	2	2.00	4.00	2.00	0.90	1.315	1.070	18.63	17.73	7.01	32.48	54.78	5.73	2.45	130	2.6	89	0.785	1.415
1990 #5	3	4.00	6.00	2.00	0.81	1.150	0.900	21.74	19.07	7.41	38.52	50.37	3.70	3.75	153	2.98	110	0.675	2.090
1990 #5	4	6.00	8.00	2.00	1.34	2.130	1.640	23.00	20.05	9.60	46.40	40.00	4.00	3.61	121	3.14	113	0.625	2.715
1990 #5	5	8.00	10.00	2.00	1.45	2.470	1.880	23.89	20.82	6.83	40.37	47.83	4.97	3.42	125	3.2	115	0.805	3.520
1990 #5	6	10.00	11.88	1.88	1.68	3.060	2.310	24.51	21.4	5.05	31.31	57.58	6.06	2.62	83	3.1	110	2.005	5.525
1990 #6	1	0.000	0.891	0.89	0.44	0.780	0.610	21.79		6.59	27.48	58.24	7.69	3.85	91			0.455	0.455
1990 #6	2	0.891	2.891	2.00	0.77	1.345	1.070	20.45	20.86	11.29	27.42	56.99	4.30	3.81	101	3.82	98	0.930	1.380
1990 #6	3	2.891	4.891	2.00	1.28	2.290	1.730	24.45	22.33	5.20	18.18	63.63	12.99	4.05	142	3.92	116	1.495	2.880
1990 #6	4	4.891	6.891	2.00	1.36	2.340	1.780	23.93	22.79	5.33	32.00	57.33	5.34	3.60	116	3.82	116	1.535	4.415
1990 #6	5	6.891	8.141	1.25	0.70	1.265	1.060	16.20	21.78	4.30	27.96	60.22	7.52	3.75	98	3.81	113	0.930	5.345
1990 #7	1	0.000	1.552	1.55	0.39	0.665	0.540	18.80		17.81	20.55	53.42	8.22	2.75	70			0.365	0.365
1990 #7	2	1.552	3.552	2.00	0.32	0.525	0.415	20.95	20.01	7.32	19.51	63.41	9.76	3.50	79	3.17	75	0.205	0.570
1990 #7	3	3.552	5.552	2.00	0.53	0.740	0.580	21.62	20.59	14.49	18.84	55.08	11.59	2.45	67	2.91	72	0.345	0.915
1990 #7	4	5.552	7.552	2.00	0.58	0.200	0.120	40.00	25.73	10.42	41.67	41.67	6.24	1.42	35	2.52	62	0.000	0.915
1990 #7	5	7.552	9.552	2.00	0.58	0.760	0.605	20.39	24.61	10.00	20.00	61.43	8.57	2.15	48	2.44	59	0.350	1.265
1990 #7	6	9.552	11.552	2.00	0.86	1.540	1.260	18.18	23.5	10.19	24.07	58.33	7.41	2.50	57	2.45	59	1.075	2.340
1990 #7	7	11.552	13.552	2.00	1.00	1.855	1.515	18.33	22.73	10.14	21.74	59.42	8.70	3.49	105	2.6	66	1.315	3.655
1990 #7	8	13.552	15.552	2.00	0.87	1.575	1.300	17.46	22.06	7.21	22.52	59.46	10.81	3.61	112	2.73	72	1.115	4.770
1990 #7	9	15.552	17.552	2.00	0.77	1.430	1.175	17.83	21.58	5.94	25.74	60.40	7.92	3.05	91	2.77	74	1.015	5.785
1990 #7	10	17.552	19.552	2.00	1.18	2.165	1.750	19.17	21.33	3.95	19.74	64.47	11.84	3.08	98	2.8	76	1.540	7.325
1990 #7	11	19.552	21.482	1.93	1.15	2.225	1.850	16.85	20.93	9.20	35.63	49.42	5.75	3.00	89	2.82	77	1.710	9.035
1990 #8	1	0.000	0.345	0.35	0.27	0.420	0.355	15.48		13.89	41.67	36.11	8.33	2.35	58			0.180	0.180
1990 #8	2	0.345	2.345	2.00	1.37	2.370	1.885	20.46	19.73	12.84	33.95	44.95	8.26	2.25	62	2.27	61	1.655	1.835
1990 #8	3	2.345	4.345	2.00	1.35	2.405	1.885	21.62	20.6	11.11	30.30	50.51	8.08	2.85	85	2.53	72	1.655	3.500
1990 #8	4	4.345	6.345	2.00	1.12	2.040	1.635	19.85	20.36	12.32	31.16	50.00	6.52	4.10	125	3.03	89	1.410	4.910
1990 #8	5	6.345	8.345	2.00	1.61	2.890	2.215	23.36	21.08	4.80	37.60	52.00	5.60	3.25	122	3.08	97	1.940	6.850
1990 #8	6	8.345	10.345	2.00	1.59	2.830	2.140	24.38	21.72	5.96	52.32	35.10	6.62	2.50	106	2.97	99	1.860	8.710
1990 #8	7	10.345	12.345	2.00	1.70	3.080	2.360	23.38	21.99	4.86	35.92	48.54	10.68	2.52	72	2.90	94	2.090	10.800
1990 #8	8	12.345	14.345	2.00	1.08	3.350	2.630	21.49	21.92	7.76	34.49	51.72	6.03	2.41	61	2.83	90	2.335	13.135
1990 #8	9	14.345	16.345	2.00	1.10	3.420	2.570	24.85	22.28	5.74	40.16	47.54	6.56	2.35	58	2.77	86	2.400	15.535

BARRENOS	MUESTRAS	INTERVALO A PROFUNIDAD		LONGITUD DE MUESTRAS	RECUPERACION	PESO HUMEDO	PESO SECO	% HUMEDAD	% HUMEDAD PROMEDIO	Granulometria en % (100,150 y 200 Mallas				LEY g/ton		PROMEDIO		SOBRANTES (Kg)	SOBRANTE (acumulado)
		FROM	TO							>100	<110 >150	<150 >200	>200	Au	Ag	Au	Ag		
1990 #8	10	16.345	18.085	1.74	0.85	2.670	1.275	52.25	25.16	4.76	35.24	50.48	9.52	2.50	81	2.74	85	1.100	16.635
1990 #9	1	0.000	0.198	0.20	0.19	0.245	0.215	12.24		4.76	9.52	66.67	19.05	2.10	92				
1990 #9	2	0.198	2.198	2.00	1.04	17.000	1.395	17.94	17.43	15.69	38.24	36.27	9.80	2.51	82	2.47	83	1.040	1.040
1990 #9	3	2.198	4.198	2.00	1.50	2.720	2.125	21.87	19.54	5.07	42.76	44.20	7.97	2.50	98	2.49	90	1.830	2.870
1990 #9	4	4.198	6.198	2.00	2.00	3.710	2.815	24.12	21.02	5.00	28.33	55.00	11.67	2.45	69	2.47	83	2.445	5.315
1990 #9	5	6.198	8.198	2.00	1.92	3.150	2.375	24.60	21.89	6.00	39.00	49.00	6.00	2.71	97	2.53	87	2.100	7.415
1990 #9	6	8.198	10.198	2.00	1.58	2.005	1.415	29.43	23.37	5.79	38.02	49.59	6.60	3.00	94	2.62	88	1.230	8.645
1990 #9	7	10.198	11.698	1.50	1.35	1.845	1.425	22.76	23.29	7.09	33.07	49.61	10.23	3.05	95	2.68	89	1.250	9.895
1990 #10	1	0.000	0.756	0.76	0.76	0.920	0.725	21.19		7.83	31.30	54.78	6.09	3.12	92			0.575	0.575
1990 #10	2	0.756	2.756	2.00	1.13	2.015	1.620	19.60	20.04	14.71	32.35	48.53	4.41	2.9	75	2.96	80	0.340	0.915
1990 #10	3	2.756	4.756	2.00	1.11	2.000	1.635	18.25	19.28	13.19	23.61	56.95	6.25	3.45	91	3.17	84	0.720	1.635
1990 #10	4	4.756	6.756	2.00	0.96	1.755	1.440	17.95	18.89	19.84	33.06	40.49	6.61	4.5	147	3.56	103	0.605	2.240
1990 #10	5	6.756	8.756	2.00	0.98	1.820	1.530	15.93	18.21	11.54	49.23	34.61	4.62	3.25	126	3.49	108	0.650	2.890
1990 #10	6	8.756	10.756	2.00	1.05	1.860	1.560	16.13	17.83	15.22	34.06	44.20	6.52	3.31	108	3.46	108	0.690	3.580
1990 #10	7	10.756	12.756	2.00	1.00	1.850	1.570	15.13	17.4	11.81	30.56	50.68	6.95	2.12	90	3.25	105	0.720	4.300
1990 #10	8	12.756	14.756	2.00	1.14	2.530	2.090	17.39	17.4	8.52	39.77	47.73	3.98	1.35	92	2.99	103	0.880	5.180
1990 #10	9	14.756	16.756	2.00	1.48	2.750	2.240	18.54	17.54	10.00	29.00	50.00	11.00	1.75	55	2.84	98	0.500	5.680
1990 #10	10	16.756	18.756	2.00	1.56	2.900	2.325	19.83	17.78	6.86	29.41	53.92	9.81	2.25	102	2.78	98	0.510	6.190
1990 #10	11	18.756	19.326	0.57	0.57	1.110	0.875	21.17	17.88	9.16	29.77	54.20	6.87	3.98	152	2.81	100	0.655	6.845
1990 #11	1	0.000	0.347	0.35	0.11	0.120	0.090	25.00		20.83	29.17	41.67	8.33	4	90			0.000	0.000
1990 #11	2	0.347	2.347	2.00	1.18	1.800	1.440	20.00	20.74	6.40	28.80	58.40	6.40	2.9	56	3.06	61	1.230	1.230
1990 #11	3	2.347	4.347	2.00	0.76	1.235	1.020	17.41	19.21	12.42	32.03	49.67	5.88	4	87	3.49	73	0.765	1.995
1990 #11	4	4.347	6.347	2.00	0.75	1.275	1.065	16.47	18.34	16.25	31.25	48.13	4.37	4.25	136	3.73	93	0.800	2.795
1990 #11	5	6.347	8.347	2.00	0.86	1.420	1.175	17.25	18.08	10.34	24.14	56.32	9.20	4	127	3.8	101	0.875	3.670
1990 #11	6	8.347	10.347	2.00	1.36	2.255	1.760	21.95	18.83	5.33	24.00	60.00	10.67	3	124	3.64	105	1.520	5.190
1990 #11	7	10.347	12.347	2.00	0.97	1.540	1.265	17.86	18.67	14.81	40.21	41.27	3.71	3.5	109	3.62	106	0.945	6.135
1990 #11	8	12.347	14.347	2.00	0.88	1.390	1.125	19.06	18.73	11.05	41.86	44.19	2.90	2.4	74	3.45	102	0.860	6.995
1990 #11	9	14.347	16.347	2.00	1.18	1.900	1.550	18.42	18.69	8.33	31.82	53.79	6.06	2.26	73	3.3	98	1.370	8.365
1990 #11	10	16.347	18.347	2.00	1.23	2.040	1.680	17.65	18.58	12.41	45.52	37.93	4.14	2.3	86	3.19	97	1.475	9.840
1990 #11	11	18.347	20.347	2.00	0.99	1.560	1.300	16.67	18.39	15.79	41.23	39.47	3.51	2.63	103	3.14	97	1.125	10.965
1990 #11	12	20.347	22.347	2.00	1.34	2.390	1.960	17.99	18.35	11.73	37.04	47.53	3.70	2.6	93	3.09	97	1.695	12.660
1990 #11	13	22.347	24.347	2.00	2.00	4.050	3.175	21.60	18.62	7.38	32.89	48.99	10.74	2	77	3	95	2.950	15.610
1990 #11	14	24.347	26.347	2.00	1.10	2.040	1.515	25.73	19.16	9.09	31.06	53.79	6.06	1.9	62	2.92	93	1.330	16.940
1990 #11	15	26.347	27.347	2.00	0.50	1.017	0.810	20.35	19.22	11.20	39.20	45.60	4.00	2.28	74	2.88	92	0.625	17.565
1990 #12	1	0.000	1.913	1.913	1.29	2.145	1.670	22.14		5.06	40.51	48.73	5.70	2.5	97			1.565	1.565
1990 #12	2	1.913	3.913	2.00	1.09	1.785	1.355	24.09	23.14	6.92	30.77	51.54	10.77	3	92	2.76	94	1.305	2.870
1990 #12	3	3.913	5.913	2.00	1.70	2.775	2.065	25.58	23.96	5.38	31.18	53.76	9.68	3.75	89	3.09	93	2.000	4.870
1990 #12	4	5.913	7.913	2.00	1.50	2.435	1.810	25.67	24.39	7.14	30.62	54.08	8.16	3.85	106	3.28	96	1.720	6.590
1990 #12	5	7.913	9.593	1.68	1.63	2.520	1.925	23.61	24.26	15.12	43.02	37.21	4.65	4	92	3.41	95	1.810	8.400
1990 #13	1	0.000	0.258	0.258	0.20	0.258	0.245	14.03		8.70	43.48	45.48	4.34	3.8	88			0.115	0.115
1990 #13	2	0.258	2.258	2.00	0.58	0.680	0.660	2.94	4.21	5.26	50.53	41.05	3.16	3.5	57	3.53	60	0.475	0.590
1990 #13	3	2.258	4.258	2.00	0.39	0.770	0.570	25.97	14.43	6.10	42.68	45.12	6.10	3.75	67	3.64	64	0.410	1.000
1990 #13	4	4.258	6.258	2.00	0.68	1.090	0.910	16.51	15.09	6.62	46.32	44.12	2.94	3.15	84	3.48	70	0.680	1.680
1990 #13	5	6.258	8.258	2.00	1.24	1.790	1.680	6.14	12.93	13.19	48.61	36.12	2.08	3.8	118	3.56	82	1.455	3.135
1990 #13	6	8.258	10.258	2.00	1.53	2.660	2.010	24.44	15.17	12.64	27.59	51.72	8.05	2.3	140	3.31	93	1.770	4.905
1990 #13	7	10.258	12.258	2.00	1.82	3.030	2.170	28.38	17.33	8.33	26.04	57.30	8.33	3.5	138	3.34	100	1.870	6.775
1990 #13	8	12.258	14.258	2.00	0.72	1.370	0.915	33.21	19.55	5.84	32.85	54.74	6.57	3.73	124	3.4	104	0.685	7.460
1990 #13	9	14.258	16.258	2.00	1.95	3.470	2.610	24.78	20.2	9.43	23.58	57.55	9.44	2.4	94	3.27	102	2.210	9.670
1990 #13	10	16.258	17.598	1.34	1.04	1.840	1.420	22.83	20.4	4.07	31.71	52.84	11.38	2.6	92	3.23	102	1.240	10.910
1990 #14	1	0.000	1.691	1.69	0.63	1.105	0.810	26.70		13.93	43.44	40.16	2.47	2.25	57			0.610	0.610
1990 #14	2	1.691	3.691	2.00	0.91	1.540	1.220	20.78	23.49	14.44	23.33	55.56	6.67	2.85	73	2.57	66	0.450	1.060
1990 #14	3	3.691	5.691	2.00	0.69	1.230	1.010	17.89	21.52	13.42	46.98	36.91	2.69	3.3	86	2.83	73	0.745	1.805
1990 #14	4	5.691	7.691	2.00	1.16	2.070	1.595	22.95	21.89	11.48	26.23	52.45	9.84	4.67	130	3.31	88	1.395	3.200
1990 #14	5	7.691	9.691	2.00	1.43	2.610	1.990	23.75	22.28	9.09	33.88	49.59	7.44	3.45	129	3.34	96	1.740	4.940
1990 #14	6	9.691	9.751	0.06	0.06	0.130	0.105	19.23	22.26	21.05	26.32	42.11	10.52	2.5	114	3.33	96	0.000	4.940
1990 #15	1	0.000	2.000	2.00	0.52	0.915	0.720	21.31		11.43	30.48	49.53	8.56	2.3	58			0.525	0.525
1990 #15	2	2.000	4.000	2.00	0.49	0.860	0.750	12.79	17.05	5.41	33.33	54.95	6.31	2.32	42	2.31	50	0.555	1.080
1990 #15	3	4.000	6.000	2.00	0.48	0.815	0.655	19.63	17.91	12.00	29.00	52.00	7.00	4.42	95	3.01	65	0.500	1.580
1990 #15	4	6.000	8.000	2.00	0.46	0.910	0.775	14.83	17.14	12.07	25.86	53.45	8.62	3.1	125	3.03	80	0.580	2.160
1990 #15	5	8.000	10.000	2.00	0.47	0.805	0.675	16.15	16.94	11.22	27.55	52.04	9.19	4.12	108	3.25	86	0.490	2.650
1990 #15	6	10.000	12.000	2.00	1.04	1.840	1.440	21.74	17.74	6.54	28.97	56.08	8.41	3.1	141	3.23	95	1.050	3.700
1990 #15	7	12.000	14.000	2.00	1.24	2.200	1.710	22.27	18.39	2.86	31.43	58.57	7.14	3.12	135	3.21	101	1.480	5.180
1990 #15	8	14.000	16.000	2.00	1.06	1.960	1.535	21.68	18.8	5.22	37.31	50.75	6.72	3.4	74	3.23	97	1.345	6.525
1990 #15	9	16.000	18.000	2.00	0.81	1.445	1.180	18.34	18.75	8.65	31.73	52.89	6.73	3.1	75	3.22	95	0.890	7.415
1990 #15	10	18.000	20.000	2.00	1.27	2.225	1.785	19.77	18.85	8.44	33.77	51.95	5.84	3.08	105	3.21	96	1.550	8.965

BARRENOS	MUESTRAS	INTERVALO A PROFUNIDAD		LONGITUD DE MUESTRAS	RECUPERACION	PESO HUMEDO	PESO SECO	% HUMEDAD	% HUMEDAD PROMEDIO	Granulometria en % (100,150 y 200 Mallas				LEY g/ton		PROMEDIO		SOBRANTES (Kg)	SOBRANTE (acumulado)
		FROM	TO							>100	<110 >150	<150 >200	>200	Au	Ag	Au	Ag		
1990 #15	11	20.000	22.000	2.00	1.17	2.105	1.665	20.90	19.04	7.14	30.95	57.94	3.97	3.05	95	3.19	96	1.235	10.200
1990 #15	12	22.000	24.000	2.00	1.32	2.435	1.945	20.12	19.13	7.36	38.65	50.92	3.07	3.1	100	3.18	96	1.655	11.855
1990 #15	13	24.000	25.040	1.04	1.04	1.670	1.290	22.75	19.28	6.77	45.31	44.27	3.65	2.9	79	3.17	95	0.960	12.815
1990 #16	1	0.000	0.792	0.792	0.05	0.100	0.070	30.00		7.14	71.43	14.29	7.14	3.75	114			0.000	0.000
1990 #16	2	0.792	2.792	2.00	0.78	1.205	0.970	19.50	22.48	8.45	38.03	47.89	5.63	2.73	139	3.02	132	0.710	0.710
1990 #16	3	2.792	4.792	2.00	0.86	1.345	1.100	18.22	20.7	9.82	40.49	46.01	3.68	3.02	111	3.02	123	0.815	1.525
1990 #16	4	4.792	6.792	2.00	0.97	1.540	1.250	18.83	20.15	8.65	35.38	50.00	5.77	2.5	102	2.87	117	0.520	2.045
1990 #16	5	6.792	8.792	2.00	1.38	2.230	1.700	23.77	20.97	11.76	46.22	39.50	2.52	2.9	112	2.87	116	1.480	3.525
1990 #16	6	8.792	10.792	2.00	1.38	2.150	1.680	21.86	21.14	12.51	25.83	53.33	8.33	2.75	85	2.85	110	1.285	4.810
1990 #16	7	10.792	12.792	2.00	1.62	2.790	2.165	22.40	21.33	9.52	34.92	50.00	5.56	2.72	84	2.83	106	1.920	6.730
1990 #16	8	12.792	14.792	2.00	0.835	2.255	1.775	21.29	21.33	8.50	41.82	45.10	4.58	2	69	2.72	101	1.555	8.285
1990 #16	9	14.792	16.792	2.00	1.65	2.820	2.185	22.52	21.47	7.87	47.19	41.57	3.37	2.25	85	2.66	99	1.925	10.210
1990 #16	10	16.792	18.792	2.00	1.10	2.060	1.540	25.24	21.87	10.14	50.00	36.96	2.90	2.75	82	2.67	97	1.345	11.555
1990 #16	11	18.792	19.692	0.90	0.90	1.460	1.100	24.66	22	8.70	50.30	36.65	4.35	6	112	2.82	98	0.805	12.360
19990 #17	1	0.000	1.170	1.17	0.515	0.895	0.710	20.67	20.67	10.48	39.05	45.71	4.76	3.65	90	3.65	90	0.525	0.525
1990 #18	1	0.000	1.771	1.77	0.535	0.890	0.740	16.85		11.21	34.58	45.79	8.42	3.18	50			0.535	0.535
1990 #18	2	1.771	3.771	2.00	0.59	1.100	0.935	15.00	15.87	13.24	42.65	41.18	2.93	2.45	60	2.79	55	0.680	1.215
1990 #18	3	3.771	5.771	2.00	0.68	1.065	0.890	16.43	16.06	9.16	38.93	46.57	5.34	4.1	100	3.25	71	0.655	1.870
1990 #18	4	5.771	7.771	2.00	0.86	1.510	1.180	21.85	17.55	3.60	30.63	56.76	9.01	4.7	126	3.62	85	1.040	2.910
1990 #18	5	7.771	9.771	2.00	1.21	1.920	1.490	22.40	18.54	3.20	33.60	55.20	8.00	3.67	105	3.63	89	1.285	4.195
1990 #18	6	9.771	11.771	2.00	1.50	2.640	1.950	26.14	19.83	4.79	37.73	52.69	4.79	2.7	89	3.47	89	1.710	5.905
1990 #18	7	11.771	13.771	2.00	0.91	1.455	1.080	25.77	20.7	3.18	40.13	51.69	5.10	3	87	3.4	89	0.785	6.690
1990 #18	8	13.771	15.771	2.00	1.87	3.275	2.465	24.73	21.21	1.65	41.33	52.89	4.13	2.69	86	3.31	88	2.310	9.000
1990 #18	9	15.771	17.771	1.35	0.90	1.580	1.165	26.27	21.61	2.33	37.98	53.49	6.20	2.8	80	3.27	88	0.865	9.865
1990 #19	1	0.000	0.156	0.156	0.115	0.160	0.120	25.00		8.33	25.00	58.34	8.33	2.9	100			0.000	0.000
1990 #19	2	0.156	2.156	2.00	0.35	0.505	0.380	24.75	24.77	13.89	33.33	50.00	2.78	2.93	75	2.93	77	0.180	0.180
1990 #19	3	2.156	4.156	2.00	1.11	1.660	1.270	23.49	24.15	3.03	35.35	55.56	6.06	2.45	73	2.7	75	0.965	1.145
1990 #19	4	4.156	5.696	1.54	1.46	2.070	1.570	24.15	24.15	4.28	45.00	46.43	4.29	2.5	71	2.64	74	1.395	2.540
1990 #20	1	0.000	0.166	0.166	0.04	0.075	0.060	20.00						2	54			0.000	0.000
1990 #20	2	0.166	2.166	2.00	0.47	0.965	0.790	18.13	18.27	4.17	45.00	45.83	5.00	2.7	61	2.65	60	0.600	0.600
1990 #20	3	2.166	4.166	2.00	0.60	1.015	0.840	17.24	17.78	5.51	44.09	46.46	3.94	2.65	63	2.65	62	0.635	1.235
1990 #20	4	4.166	6.166	2.00	0.63	1.120	0.930	16.96	17.51	6.48	43.88	45.32	4.32	3.1	90	2.79	71	0.695	1.930
1990 #20	5	6.166	8.166	2.00	0.87	1.440	1.210	15.97	17.13	4.81	39.42	50.00	5.77	3.43	103	2.95	79	1.045	2.975
1990 #20	6	8.166	9.001	0.835	0.28	0.535	0.450	15.89	17.02	6.82	36.36	47.73	9.09	3.45	174	3	88	0.220	3.195
1990 #21	1	0.000	1.571	1.57	0.44	0.710	0.535	24.65		2.60	40.26	49.35	7.79	2.82	78			0.385	0.385
1990 #21	2	1.571	3.571	2.00	0.94	1.550	1.290	16.77	20.64	2.25	37.08	53.93	6.74	3.3	115	3.09	99	1.045	1.430
1990 #21	3	3.571	4.271	0.70	0.12	0.190	0.155	18.42	19.94	18.75	25.00	43.75	12.50	3.43	134	3.14	104	0.000	1.430
1990 #22	1	0.000	0.900	0.90	0.30	0.315	0.250	20.63	20.63	1.79	17.86	53.56	26.79	2.5	70.0	2.5	70.0	0.056	0.056

APPENDIX C CERTIFICATES OF QUALIFICATIONS

CERTIFICATE OF NADIA CAIRA, P.GEO.

To Accompany the Report entitled: "National Instrument 43-101 Technical Report on the El Oro Property, Mexico" with an effective date of July 8th, 2014, an issue date of August 25th, 2014. This report post-dates the National Instrument 43-101 Technical Report on the El Oro Project, Mexico dated November 30th, 2013.

I, Nadia Caira, P. Geo., do hereby certify that:

1. This certificate applies to the co-authored report entitled "National Instrument 43-101F1 Technical Report on the El Oro Property, Mexico" with an effective date of July 8th, 2014 under World Metals Inc.'s consultation company as President.

2. I am the President of World Metals Inc. (formerly of Argonaut Gold Odyssey Inc.) with an office situated at 5711 Back Valley Road, 100 Mile House, B.C., Canada, V0K 2E1;

3. I am a graduate of the University of British Columbia with a Bachelor's Degree in Geological Sciences obtained in 1981;

4. I am a Registered Professional Geologist with the Association of Professional Engineers and Geoscientists of British Columbia since 2001 (Reg. 19970); and a former member of the Association of Professional Engineers, Geoscientists and Geophysicist Association(APEGGA) since 1991; member Society of Economic Geologists (Reg. 119415); a member of the Canadian Institute of Mining and Metallurgy (Reg. 151751); a member of the Geological Association of America (Reg. 9168295);

5. I have worked continuously worldwide as a geologist, since my graduation in 1981 including extended tenures with Hunter Dickinson Group as site manager, B.C. and Mexico; Newcrest Mining Group, Australia as District Geologist, Southeast Asia; Teck Cominco, site manager Central Asia; and since 2001, I have consulted for several junior and mid-tier mining companies in Mexico, Greenland, South and Central America, Mainland Asia, Southeast Asia, Central Asia, United States and Canada;

6. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined by NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101;

7. I state that, as the date of the certificate, to the best of my qualified knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading; and I have no personal knowledge, as of the date of this certificate, of any material fact or material change which is not reflected in this Technical Report;

8. I am independent of the issuer as defined in section 1.5 of NI 43-101;

9. I have read the National Instrument NI 43-101 and the June 30th, 2011 Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form; and I have read the CIM Standards for Mineral Resources and Mineral Reserves dated and the May 10, 2014 amended CIM Definition Standards.

Signing Date: August 25th, 2014

Aug 25, 14

Nadia Caira, P. Geo. (Reg. 19970)

CONSULTING

CERTIFICATE OF ALLAN REEVES, P.GEO.

I, Allan Reeves do hereby certify that:

1. This certificate applies to the technical report titled "National Instrument 43-101F1 Technical Report on the El Oro Property, Mexico", with an effective date of July 8th, 2014 prepared for Candente Gold Corporation;

2. I am President of Tuun Consulting Inc. with an office at 4109 43B Ave., Leduc, Alberta, T9E 4T8;

3. I am a graduate of the University of Waterloo with a BSc. in 1989. I have practiced my profession continuously since 1991;

4. I am a Registered Professional Geologist (#58763) with the Association of Professional Engineers and Geoscientists of Alberta, a Registered Engineering Technologist – Mining (#44263) and a Project Management Professional (PMI#943540). All registrations are currently in good standing;

5. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101. I am independent of the Issuer and related companies applying all of the tests in Section 1.5 of the National Instrument 43-101;

6. I have not visited the El Oro Project site;

7. I am responsible for and/or shared responsibility for Sections 11.0, 12.0, 14.0, 25.0 and 26.0;

8. I have not had any prior involvement with the property;

9. As of the date of this certificate, to the best of my knowledge, information and belief, this technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading;

10. I have read NI 43-101, and the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

Effective Date: July 8th, 2014
Signing Date: August 25th , 2014

"Signed and Sealed"

Allan Reeves

Allan Reeves, P.Geo., R.E.T., PMP

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