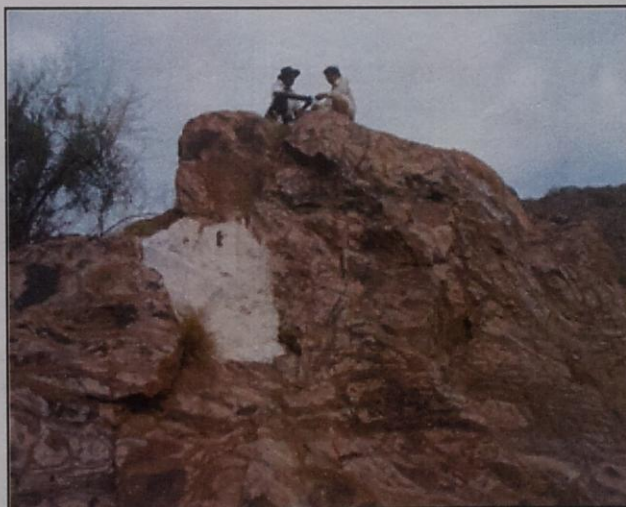
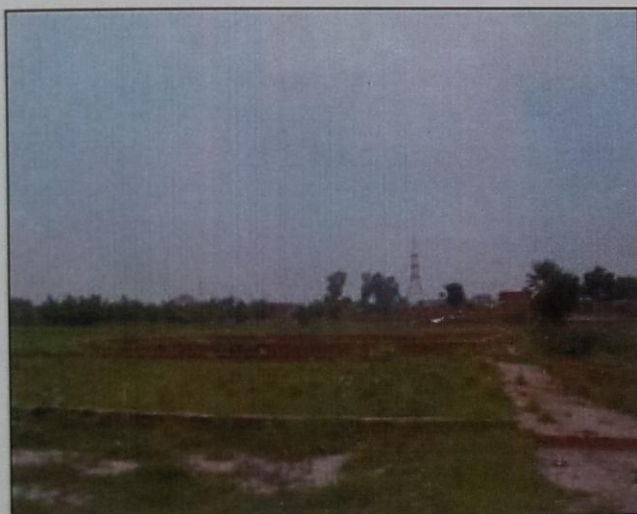


CHINIOT AND RAJOA IRON ORE AND ASSOCIATED METALLIC MINERALS
PROSPECT, CHINIOT DISTRICT, THE PUNJAB, PAKISTAN



GOVERNMENT OF THE PUNJAB
MINES AND MINERALS DEPARTMENT



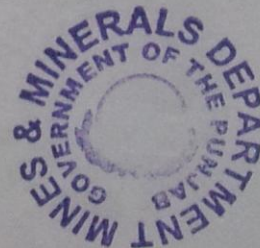
A REPORT ON THE FORMAT OF CANADIAN NATIONAL INSTRUMENT 43-101

Written by:

Fuzail Siddiqui PhD, P. Geo.

Islamabad, Pakistan

3 December, 2011



Item No. 3: SUMMARY

1. The purpose of this report is to critically review all available past data/information on the 'Chiniot and Rajoa iron ore and associated metallic minerals prospect' and compile the findings in the format of Canadian NI 43-101. This report is to be part of the documents to be provided to potential investors.

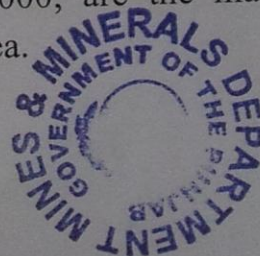
2. The Project area is located just south of Chiniot city in the Punjab Province of Pakistan between Latitude $31^{\circ}39'21''$ to $31^{\circ}43'16''$ and Longitude $72^{\circ}57'44''$ to $73^{\circ}0'30''$. The size of the Project area is approximately 28 km^2 but the actual area, to be granted to approved investor/s for further exploration/exploitation, is yet to be decided.

3. Direct evidence of Chiniot mineralization was first reported by the Geological Survey of Pakistan (GSP) in 1989 after close spaced geophysical exploration followed by core drilling. Rajoa mineralization is located about 4 km south of the Chiniot mineralization and was first reported by RDC International (RDC) in 2000.

4. Topographically the area is an alluvial plain. The alluvium directly rest on a buried northwest-southeast trending ridge of Precambrian shield rocks that hosts iron and associated metals mineralization. Thickness of alluvium, overlying the mineralized basement rocks, varies approximately from 70 to 200 m.

5. The first indication of a subsurface magnetic body in Chiniot area came to light over forty years ago as an aeromagnetic anomaly detected during oil and gas exploration. Since then geophysical, geological, drilling, metallurgical, hydrogeological and related investigations have been conducted in the project area, culminating in compilation of a prefeasibility report in 2000.

6. Five core drill holes by GSP and 9 core drill holes by the Punjab Mineral Development Corporation (PUNJMIN) are the source of almost the entire direct knowledge about the Chiniot mineralization. For Rajoa, 3 holes were drilled by RDC and one of the holes hit lean iron mineralization. Successive reports from GSP and PUNJMIN, over the period 1989 to 2000, are the main sources of past exploration data/information on the Project area.



7. PUNJMIN commissioned a prefeasibility study by an independent Consultant company and the Consultant's report (RDC 2000) is the most comprehensive source of information relied upon by the writer of this report.

8. The Precambrian basement rocks consist of a pile of submarine volcanic and interbedded sedimentary rocks, that have undergone low grade metamorphism and tilting, and now strike northwest-southeast and dip steeply southwest. The mineralizations are generally stratiform and are mainly hosted by the volcanics.

9. The following dimensions have been estimated for the mineralization in the Chiniot prospect: i) strike length 700 m, ii) true thickness 200 m and iii) down dip dimension 330-400 m. The dimensions of the Rajoa mineralization have yet to be estimated.

10. Historical estimate of tonnage of iron mineralization at Chiniot is 109.83 million tonnes at an arbitrary cut-off grade of 30% Fe_2O_3 . This estimate is yet to be refined by further exploration drilling and to be expressed in accordance with internationally accepted definitions of resources and reserves.

11. Since June 2011 the writer was engaged by the Government of the Punjab Mines and Mineral Department (referred to as Sponsor) to provide geoscientific and project management consultancy services to solicit investment in order to advance the subject mineralization/s to Feasibility Study stage.

12. This report is part of the writer's mandate as a 'Qualified Person' (QP) to critically review available past exploration data/information and to compile an information disclosure report on the Canadian NI43-101 format.

13. As to personal field visits by the QP, the writer was taken on a conducted tour of the project area and noted that old concrete drilling platforms still existed in the alluvial plains above the reported mineralizations at Chiniot and Rajoa. An exposure of the Precambrian rocks in Chiniot city (the Chiniot Hill) was visited and abundant fracture filling and veining of iron oxide minerals was observed that testifies to the iron enrichment of Precambrian rocks of the project area.



14. Through personal effort of the writer, supported by the Sponsor and PUNJMIN geological personnel, much of the over a decade old drill cores were located at PUNJMIN coal mine site at Padhrar on 29 November 2011. There has not been enough time to tally the actual cores versus recorded logs, so the writer has relied on the descriptions in past literature. Search for the cores of the five drill holes by GSP, continues at the time of issue of this report.

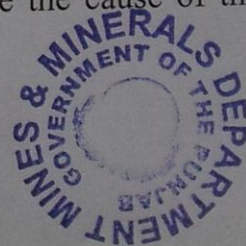
15. Drilling has revealed three mineralization zones at Chiniot: 1) hematite zone on top 2) hematite-magnetite zone in the middle and 3) sulphide zone, that is still open ended in depth. Several attempts at investigating the gold potential of the mineralization have not led to encouraging results.

16. Rajoa prospect is at an early stage of exploration and drill evidence, similar to the type of mineralization found at Chiniot, is still lacking. The magnetic signature at Rajoa is stronger than that at Chiniot but this may well be due to greater concentration of magnetite and not necessarily due to greater total iron (hematite+magnetite) at Rajoa. As the Chiniot mineralization is stratiform, the nearby Rajoa mineralization and the area between Chiniot and Rajoa merits further investigation.

17. For planning any future drilling program, it is recommended that the spatial variation of past assays be used to determine the geostatistical characteristics of the Chiniot mineralization. If the assay and locational data is found amenable to geostatistical analysis, then future drill spacing can be planned accordingly and resource/reserve estimation may be done more reliably.

18. So far, all the drilling has been done vertically. As the mineralization at Chiniot is steeply dipping it is recommended that inclined holes be drilled, at angle as near perpendicular to bedding/layering as practicable, in order to maximise coring/sampling of the entire geological/mineralized succession while minimizing core drilling length.

19. Now that the old core has been located it is noted that certain lengths of core from the sulphide zone appear cupriferous as evidenced by bluish green alteration/efflorescence. If copper is indeed proved to be the cause of the bluish



green staining then, it is recommended that the entire core be re-inspected to locate, sample and analyse all such stained core for the determination of base and precious metals contents. In view of persistent evidence of copper in the sulphide zone an evaluation of the base metal potential, below the iron mineralization cap, must be an essential component of any future drilling program at Chiniot.

20. In the RDC core sampling, lean/barren layers, within well mineralized layers, were omitted from sampling. However, it should be kept in mind that if a non-selective mining method, such as block caving, is used in any future mining operation then these lean/barren layers will cause dilution of the grade of the iron ore produced.

21. However, it may be possible to separate such diluting material from the run of the mine ore by introducing an early heavy media separation step immediately after primary crushing and washing away of the slimes. This option should be investigated for early and relatively inexpensive beneficiation of grade of run of the mine ore.

22. After careful consideration of all evidence in past reports and brief personal observations of core, the writer finds the Chiniot deposit to be of merit and worthy of further expenditure for fuller resource assessment, including the full assessment of base metal potential, to the Feasibility Study stage. Although the size of the deposit is relatively small, of particular importance is the proximity of the deposit to several industrial cities of the Punjab that are ready market as major consumers of iron/steel and base metals.

