

CABRAL GOLD INC.

**TECHNICAL REPORT
ON THE CUIÚ CUIÚ PROJECT,
MINERAL RESOURCE ESTIMATE,
PARÁ STATE,
NORTH-CENTRAL BRAZIL**

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Table of Abbreviations

Abbreviation	Term
AA	Atomic Absorption
Ag	Silver
As	Arsenic
Au	Gold
AuEq	Gold equivalent
BTW	B-sized, thin wall drill rods, larger core with B-sized rods
CAPEX	Capital Expenditure
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
COG	Cut-off grade
CSMAT	Controlled Source Audio-Magnetotelluric Tensor
Cu	Copper
CuEq	Copper equivalent
DNPM	Brazilian National Department of Mineral Production
EIA	Environmental Impact Assessment
EM (VLF)	Electromagnetic, very low frequency
Ga	Billion years
GPS	Satellite-based global position system
ICP	Inductively Coupled Plasma
ID ²	Inverse Distance Squared
IP	Induced polarization
IRR	Internal Rate of Return
LME	London Metal Exchange
LOM	Life of mine
Ma	Million years
Mo	Molybdenum
NSR	Net Smelter Return royalty
OK	Ordinary Kriging
PAH	Pincock Allen & Holt
Pb	Lead
PEA	Preliminary Economic Assessment
PFS	Prefeasibility Study
PGM	Platinum group minerals
QA/QC	Quality assurance/Quality control
RMR	Rock mass rating
ROM	Run of mine
RQD	Rock Quality Designation
SG	Supergene
SG	Specific Gravity
SO _x	Sulphur oxides
UTM	Universal Transverse Mercator (coordinate system)
XRF	X-ray fusion

Units of Measure

Abbreviation	Unit
USD	American Dollar
R\$	Brazilian Real (currency)
CAD	Canadian Dollar
°C	Centigrade
cm	Centimetre
m ³	Cubic metre
m ³ /s	Cubic metres per second
D	Day
°	Degree
ft	Foot/feet
g	Gram
g/L	Gram/litre
g/t	Gram/tonne
h	Hour
h/yr	Hours per Year
kg	Kilogram
kg/t	Kilogram per tonne
km	Kilometre
kPa	Kilopascal
L	Litre
L/s	Litre per second
m	Metre
m/h	Metre per hour
m/s	Metre per second
t	Metric tonne
t/h	Metric tonne per hour
t/d	Metric tonnes per day
µm	Microgram
mg	Milligram
mg/L	Milligram per litre
mm	Millimetre
M	Million
Moz	Million ounces
Mt	Million tonnes
Mt/a	Million tonnes per annum
ppb	Parts per billion
ppm	Parts per million
%	Percent
R\$	Real (Brazilian currency)
S	Second
T	Short ton
m ²	Square metres
koz	Thousand ounces
t/a	Tonnes per Annum
t/d	Tonnes per Day
oz	Troy ounce
WI	Work index
yr	Year

The conclusions and recommendations in this report reflect the authors' best judgment in light of the information available to them at the time of writing. The authors reserve the right, but will not be obliged, to revise this report and conclusions if additional information becomes known to them subsequent to the date of this report. Use of this report acknowledges acceptance of the foregoing conditions.

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1.0 SUMMARY

1.1 SCOPE

At the request of Dr. Alan Carter, President and Chief Executive Officer of Cabral Gold Inc. (Cabral), Micon International Limited (Micon) has undertaken an independent technical review of the mineral exploration completed on the Cuiú Cuiú gold property in the Tapajós region of Pará State, North-Central Brazil for Cabral. The Cuiú Cuiú project was formerly controlled by Magellan Minerals Ltd. (Magellan) which completed a mineral resource estimate and Technical Report under Canadian National Instrument (NI) 43-101 dated April 19, 2011 and filed on SEDAR on April 21, 2011. The estimate was prepared by Pincock Allen & Holt (PAH).

Since the completion of the 2011 mineral resource estimate, approximately 22,000 m of additional drilling on several targets is reported to have been performed by Magellan. This drilling and its results are described in this report.

In 2017, following the acquisition of the Cuiú Cuiú project, Cabral contracted Micon to incorporate the new drilling into new mineral resource estimates of Central and Moreira Gomes and to estimate the mineral resources of Central North and Jerimum de Baixo. The new Cuiú Cuiú Mineral Resource estimate is discussed in this report.

In this new report for Cabral, the project's 2011 mineral resources are presented as historic mineral resources as described in NI 43-101. They should no longer be considered current as they are superseded by the mineral resource estimate discussed here-in.

1.2 GENERAL

The Cuiú Cuiú gold project consists of several shear zone-hosted gold deposits that occur within granitic rocks of the Cuiú Cuiú Complex (2,015 Ma), in the Tapajós Region of northern Brazil. This region was the site of a major gold rush by artisanal miners from the late 1970s until the late 1990s which, according to the Brazilian Department of Mineral Production (DNPM) had a total historical production of between 20 and 30 million ounces of gold. Cuiú Cuiú is one of the earliest garimpos in the province active with the arrival of the first garimpeiros in 1958.

The area at Cuiú Cuiú which has been subject to most of the exploration efforts by Magellan is approximately 5,500 ha (11 km by 5 km) in size, out of a total of 44,163 ha of exploration permits in the Cuiú Cuiú area which were owned 100% by Magellan at the time of the previous technical report (McMahon, 2011). Cabral currently has 71,792.93 ha in all areas. The Cuiú Cuiú claim group consists of 33,298.56 ha of exploration licences and exploration and exploitation licence applications.

From 2006 to 2012, Magellan carried out an exploration program over the Cuiú Cuiú property, which included mapping, a structural interpretation, soil sampling, rock sampling,

airborne geophysics, ground magnetic surveys, ground IP surveys, power auger drilling and diamond core drilling.

In 2010, Magellan engaged PAH to complete the resource estimate and technical report for the Central and Moreira Gomes deposits on the Cuiú Cuiú property.

1.3 GEOLOGY AND MINERALIZATION

The Tapajós region is hosted within the Brazilian Shield, which is Archean to Proterozoic in age and extends from western Bolivia through Brazil to Guyana and Venezuela. The Tapajós Mineral Province (TMP) occurs specifically within the Tapajós-Parima terrane. This terrane stretches from the Alta Floresta gold district in northern Mato Grosso state, through the TMP in western Pará state, and continues on the north side of the Amazon River through Roraima state towards Guyana. The region is characterized by Paleo-proterozoic magmatism. The basement is comprised of granite-gneisses of the Cuiú Cuiú Complex (2.02 Ga), and is intruded by the later Parauari suite (1.89 Ga), and the Maloquinha suite (1.88 Ga), the latter part of the Irri Irri volcano-plutonic suite.

The Cuiú Cuiú project is mostly underlain by granitic to dioritic plutons and granite-gneiss of Early Palaeoproterozoic (Trans-Amazonian) age. The gold deposits at Cuiú Cuiú are stockwork/sheeted vein and veinlet mineralized bodies hosted in granitic rocks (Cuiú Cuiú complex) which are cut by fine grained andesitic dykes, and by later aplitic/pegmatitic dykes. Gold mineralization is localized within shear zones which are in turn controlled by a large-scale northwest-southeast striking lineament (the so-called Tocantinzinho trend), probably a crustal scale shear. The dimensions of the Central and Moreira Gomes deposits that had been sufficiently outlined by core drilling for mineral resource estimates in 2011 are as follows:

- Central extends over a strike length of at least 800 m in a northwest-southeast direction, and is 50 to 70 m wide, with a maximum known vertical depth of 450 m.
- Moreira Gomes extends over a strike length of 1,200 m east-west, is 30 to 50 m wide, and has a vertical depth of 400 m.

Both zones remained open along strike and at depth in 2011.

1.4 EXPLORATION

Since beginning work on the Cuiú Cuiú project in 2005, Magellan employed a multi-faceted approach to exploring the property. This has included mapping, a structural interpretation, soil sampling, rock sampling, airborne geophysics, ground magnetic surveys, ground IP surveys, power auger drilling and diamond drilling. The samples are briefly summarised in Table 1.1 below.

Table 1.1
Cuiú Cuiú Gold Project - Sampling Summary by Year

Year	Rock	Soil	Auger Drilling		Diamond Drilling			
			Holes	Samples	Holes	Drilled (m)	Samples	Sampled (m)
2005	104	143	-	-	-	-	-	-
2006	529	4,808	-	-	10	2,753.51	1,430	2,646.81
2007	133	2,131	-	-	20	4,209.18	2,297	3,933.91
2008	103	-	88	1,032	15	3,765.14	1,921	3,126.81
2009	-	-	121	2,019	9	1,742.95	1,225	1,734.68
2010	-	2,892	28	520	50	13,486.55	9,163	13,420.23
2011	-	-	-	-	64	20,849.52	11,968	18,045.35
2012	-	-	-	-	8	1,218.53	828	1,218.98
Total	869	9,974	237	3,571	176	48,025.38	28,832	44,126.77

A total of 48,025.38 m of diamond drill core, in 176 exploration holes has been drilled between 2006 and 2012. The Cuiú Cuiú diamond drill holes are summarized by year in Table 1.1 (above) and by target in Table 1.2 below.

Table 1.2
Cuiú Cuiú Gold Project - Diamond Drilling Summary by Target

Deposit	Holes Drilled	Metres Drilled
Central	61	17,939.77
Moreira Gomes	42	11,195.61
Pau da Merenda	11	2,593.52
Jerimum de Cima	13	3,195.77
Jerimum de Baixo	17	4,002.16
Babi	7	2,394.18
Central North	10	3,470.34
Central SE	5	1,684.80
Guarim	2	330.70
Ivo	4	478.15
Ratinho	4	740.38
Total	176	48,025.38

Seventy-two diamond drill holes, totalling over 22,000 m, have been drilled at Cuiú Cuiú since the end of 2010, the cut-off date for the most recent mineral resource estimate generated by PAH in 2011. Micon had previously recommended that a new mineral resource estimate be generated, incorporating the post 2010 drilling,

1.5 MINERAL RESOURCES

Following the completion of a mineral resource estimate by PAH in 2010, Magellan drilled 72 diamond drill holes totalling 22,068 m. Follow-up and step-out holes were drilled on the Central, Moreira Gomes, Babi, Jerimum de Baixo and Jerimum de Cima targets. New drill targets, Central North, Central SE, Guarim, Ivo and Ratinho were also tested.

In 2017, following the acquisition of the Cuiú Cuiú project, Cabral contracted Micon to incorporate the new drilling into mineral resource estimates of Central and Moreira Gomes and to estimate the mineral resources of Central North and Jerimum de Baixo. The new Cuiú Cuiú Mineral Resource estimate is summarized below in Table 1.3. The near surface resources are constrained by optimized ultimate open-pit shells and reported at a cut-off grade of 0.35 g/t Au. Resources below the pit shells and deemed potentially mineable by underground methods, are reported at a cut-off grade of 1.3 g/t Au.

Table 1.3
Cuiú Cuiú Mineral Resource Estimate

	Resource Class	Cut-off Au (g/t)	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Open-Pit Deposit					
Central	Indicated	0.35	5,886	0.90	171
Total	Indicated	0.35	5,886	0.90	171
Central	Inferred	0.35	7,206	0.98	228
Moreira Gomes	Inferred	0.35	6,713	1.36	293
Central North	Inferred	0.35	160	0.66	3
Jerimum de Baixo	Inferred	0.35	1,993	0.81	52
Total	Inferred	0.35	16,072	1.11	576
Underground Deposit					
Central	Inferred	1.30	1,460	1.84	86
Moreira Gomes	Inferred	1.30	1,876	1.77	107
Central North	Inferred	1.30	11	1.45	1
Jerimum de Baixo	Inferred	1.30	100	1.90	6
Total	Inferred	1.30	3,448	1.80	200
Total Deposit					
Total	Indicated	-	5,886	0.90	171
Total	Inferred	-	19,520	1.24	776

1.6 METALLURGY

The preliminary testwork completed to date by RDI on oxide and primary samples of Central zone and Moreira Gomez zone mineralization suggest that good gold recoveries can be expected by using conventional free-milling process technologies.

Preliminary gravity separation test results indicate that some of the gold in all composites was liberated and could potentially be recovered using a standard gravity circuit.

The cyanide leach test recoveries at a relatively coarse grind (P_{80} of 149 μm) were between 93% and 95% for the Central zone composites and 88% to 90% for the Moreira Gomez zone composites. At a finer grind (P_{80} of 74 μm), the gold recoveries were between 95% and 97% for the Central zone composites and 94% to 97% for the Moreira Gomez zone composites.

1.7 INTERPRETATION AND CONCLUSIONS

The Cuiú Cuiú property is the site of significant artisanal gold production from saprolitic rocks near surface.

Previous drilling by Magellan has demonstrated the presence of deeper gold mineralization of potential economic importance in several zones on the property and a mineral resource was estimated which is presented herein as an historic resource as defined in NI 43-101.

Adequate work has been completed to justify further exploration of the property.

1.7.1 Geology and Database

The QP identified a number of issues with the current Cuiú Cuiú diamond drill hole database, consisting mainly of logical and data entry errors. All of these issues were corrected to the QP's satisfaction.

1.7.2 Metallurgy

The preliminary metallurgical testwork completed to date on oxide and primary samples of Central zone and Moreira Gomez zone mineralization suggest that good gold recoveries can be expected by using conventional free-milling process technologies.

Preliminary gravity separation test results suggest that some of the gold in all composites was liberated and could potentially be recovered using a standard gravity circuit.

1.8 RECOMMENDATIONS

1.8.1 Geology and Database

It is recommended that the density data be sorted by weathering horizon since, in tropical environments; weathering has a great effect on density. It is also recommended that future drill programs include regular collection of samples for bulk density measurement.

1.8.2 Metallurgy

Additional metallurgical testwork is recommended to optimize the process flowsheet and to test samples from other areas within the Cuiú Cuiú property. Testwork to be considered includes:

- Mineralogical investigations.
- Gold and silver deportment studies.
- Multi element chemical analyses of representative samples.

- Comminution and hardness testing.
- Additional gravity testing.
- Flotation amenability testing
- Cyanide leach optimization testing.
- Preliminary geochemical analyses of testwork tailings samples.

1.8.3 Recommended Program of Work

Cabral has proposed a two-phase program of exploration on the Cuiú Cuiú project, along with an associated budget.

Phase 1 consists of a new mineral resource estimate using the additional 22,000 m of drilling completed since the 2011 estimate (McMahon, 2011). As well, a field program of geological mapping, trenching and expansion of the soil sampling grid is proposed in order to assist in the generation of new drill targets.

Phase 2 consists of a program of geophysics to refine the drill targets followed by an 8,000 m drill program. Advice will be sought from a consulting geophysicist as to which types of geophysical programs to complete. Induced polarization and CSAMT are being considered.

The two program phases are set out in Table 1.4 and Table 1.5 below.

Table 1.4
Cabral Budget - Phase 1

Activity	Unit Cost	Units	Total (CAD)
Re-estimate mineral resource	100,000	1	100,000
Trenching	200/hr	400	80,000
Mapping/geology	600/day	250	150,000
Field workers/soil sampling	300/day	300	90,000
Food/supplies	120/day	360	43,200
Geochemical analysis	70/sample	2500	175,000
Flights to Cuiú	1,650/trip	25	41,250
Vehicles	75,000/each	1	75,000
ATVs	10,000/each	2	20,000
Fuel for vehicles	1.85/L	5000	9,250
Transport of personnel	1200/trip	15	18,000
Logistical Support	5,000/month	12	60,000
Computers, etc.			12,000
Contingency		10%	87,370
Total			961,070

**Table 1.5
Cabral Budget - Phase 2**

Activity	Unit Cost	Units	Total (CAD)
Drilling	230/m	8,000	1,840,000
Geophysical survey(s)	600,000	1	600,000
Logging/geology	600/day	500	300,000
Field workers (five)	500/day	500	250,000
Food/supplies	200/day	500	100,000
Geochemical analysis	70/sample	6000	420,000
Flights to Cuiú	1650/trip	60	99,000
Vehicles	75,000/truck	1	75,000
ATVs	10,000/each	3	30,000
Fuel for vehicles	1.85/L	15,000	27,750
Transport of personnel	1,200/trip	40	48,000
Logistical Support	5,000/month	12	60,000
Contingency		10%	384,975
Total			4,234,725

The QP has reviewed the proposed program of work and budget and finds it to be reasonable and justified in light of the observations made in this report. The QP recommends that Cabral conducts the planned activities subject to availability of funding and any other matters which may cause the objectives to be altered in the normal course of business activities.

2.0 INTRODUCTION

2.1 TERMS OF REFERENCE

At the request of Dr. Alan Carter, President and Chief Executive Officer of Cabral Gold Inc. (Cabral), Micon International Limited (Micon) has undertaken an independent technical review of the mineral exploration completed on the Cuiú Cuiú gold property in the Tapajós region of Pará State, North-Central Brazil for Cabral. The Cuiú Cuiú project was formerly controlled by Magellan Minerals Ltd. (Magellan) which completed a mineral resource estimate and a Technical Report under Canadian National Instrument (NI) 43-101 dated April 19, 2011 and filed on SEDAR on April 21, 2011. The estimate was prepared by Pincock Allen & Holt (PAH).

Since the completion of the 2011 mineral resource estimate, approximately 22,000 m of additional drilling on several targets is reported to have been performed by Magellan. This drilling and its results will be described in this report.

In 2017, following the acquisition of the Cuiú Cuiú project, Cabral contracted Micon to incorporate the new drilling into mineral resource estimates of Central and Moreira Gomes and to estimate the mineral resources of Central North and Jerimum de Baixo. The new Cuiú Cuiú Mineral Resource estimate is discussed in this report.

In this new report for Cabral, the project's 2011 mineral resources are presented as historic mineral resources as described in NI 43-101. They should no longer be considered current as they are superseded by the new mineral resource estimate discussed here-in.

Micon and the consultants who prepared this report do not have any material interest in Cabral or any related entities. The relationship between Micon and Cabral is solely a professional association between client and independent consultant. This report is prepared in return for fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this report.

The requirements of electronic document filing on SEDAR necessitate the submission of this report as an unlocked, editable PDF (portable document format) file. Micon accepts no responsibility for any changes made to the file after it leaves its control.

2.2 INFORMATION SOURCES

Micon was given access to electronic data and previous reports compiled by Cabral. Many of the illustrations in this report are reproduced from those documents.

2.3 QUALIFIED PERSONS, SITE VISITS AND AREAS OF RESPONSIBILITY

The primary authors of this report and Qualified Persons are:

- Thomas C. Stubens, P.Eng., Senior Geologist.

- B. Terrence Hennessey, P.Geo., Vice President and Senior Geologist.
- Richard Gowans, P.Eng., President and Principal Metallurgist

Micon's site visit to the Cuiú Cuiú property was conducted between February 7 and 9, 2017 by Thomas Stubens. The property was accessed by charter aircraft on February 8, 2017. The QP visited the Central, Moreira Gomes and Jerimum de Baixo target areas where exposures of mineralization were viewed in artisanal workings. Drill set-up locations were also viewed followed by a visit to the core storage building to inspect the core and reject storage. The core from several typical diamond drill holes was reviewed to assess the quality of drilling, core recovery and sampling and to view the lithologic, alteration and structural controls of the mineralization.

2.4 UNITS AND ABBREVIATIONS

All currency amounts are stated in Canadian (CAD) or US dollars (USD) as indicated. Quantities are generally stated in metric units, the standard Canadian and international practice, including metric tons (tonnes, t) and kilograms (kg) for weight, kilometres (km) or metres (m) for distance, hectares (ha) for area. Wherever applicable, Imperial units have been converted to Système International d'Unités (SI) units for reporting consistency. Precious metal grades may be expressed in grams (g) or grams per tonne (g/t), parts per million (ppm) or parts per billion (ppb) and their quantities may also be reported in troy ounces (ounces, oz), a common practice in the mining industry. A list of abbreviations is provided in the Table of Contents section.

2.5 ACKNOWLEDGMENT

Micon is pleased to acknowledge the helpful cooperation of Cabral personnel, all of whom made any and all data requested available and responded openly to all questions, queries and requests for material.

3.0 RELIANCE ON OTHER EXPERTS

A description of the properties, and ownership thereof, is provided in Section 4 of this report for general information purposes only as required by NI 43-101.

The QPs have not reviewed any of the documents or agreements under which Cabral holds title to the Cuiú Cuiú project or the underlying mineral concessions and offers no opinion as to the validity of the mineral titles claimed.

Cabral has supplied Micon with the PAH technical report for Magellan (McMahon, 2011) which describes the property as well as various e-mails updating the agreement status in McMahon, (2011) and a spreadsheet (Magellan_Claims_06_Sept_2017.xls) outlining the current claim status. The e-mails also clarified the information regarding royalties.

The QPs have relied on the property descriptions and claim status spreadsheet for completion of Section 4 of this report. The QPs have also relied on information regarding royalties provided by Cabral.

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 LOCATION

The Cuiú Cuiú gold project is located within the Amazon Basin of Brazil, at an approximate latitude of 5.92°S and longitude 56.56°W (UTM-SAD69 coordinates 9,344,890 N, 547,930 E.). The property is located in the municipality of Itaituba, in Pará State, 1,440 km north-northwest of Brasilia, 2,200 km north-northwest of São Paulo, and 1,035 km southwest of the Atlantic coast port city of Belém (see Figure 4.1 and Figure 4.2).

Elevation on the property ranges between 90 m and 300 m above sea level. Cuiú Cuiú has rolling topography with some moderately incised streams and northwest-trending ridges which rise up to 100 m above low-lying valleys (see Figure 4.3).

4.2 MINERAL CLAIMS

The Cuiú Cuiú Project consists of 36 exploration licences and five applications totaling 71,792.93 ha (see Table 4.1). The three main targets outlined by drilling lie in the Exploration Licences 850.615/2004 and 850.047/2005 (see Figure 4.4).

In Brazil, priority is given to licence applications on a “first come, first served” basis. The application must follow a DNPM (National Department of Mineral Production) format and must include a plan or map with the coordinates of the claim. Once the DNPM has evaluated an application, it is sent to Brasilia for publication, known as being awarded the “alvará de pesquisa” or exploration permit (licence as shown in Table 4.1). The term of the exploration permit can be checked in the DNPM official web page.

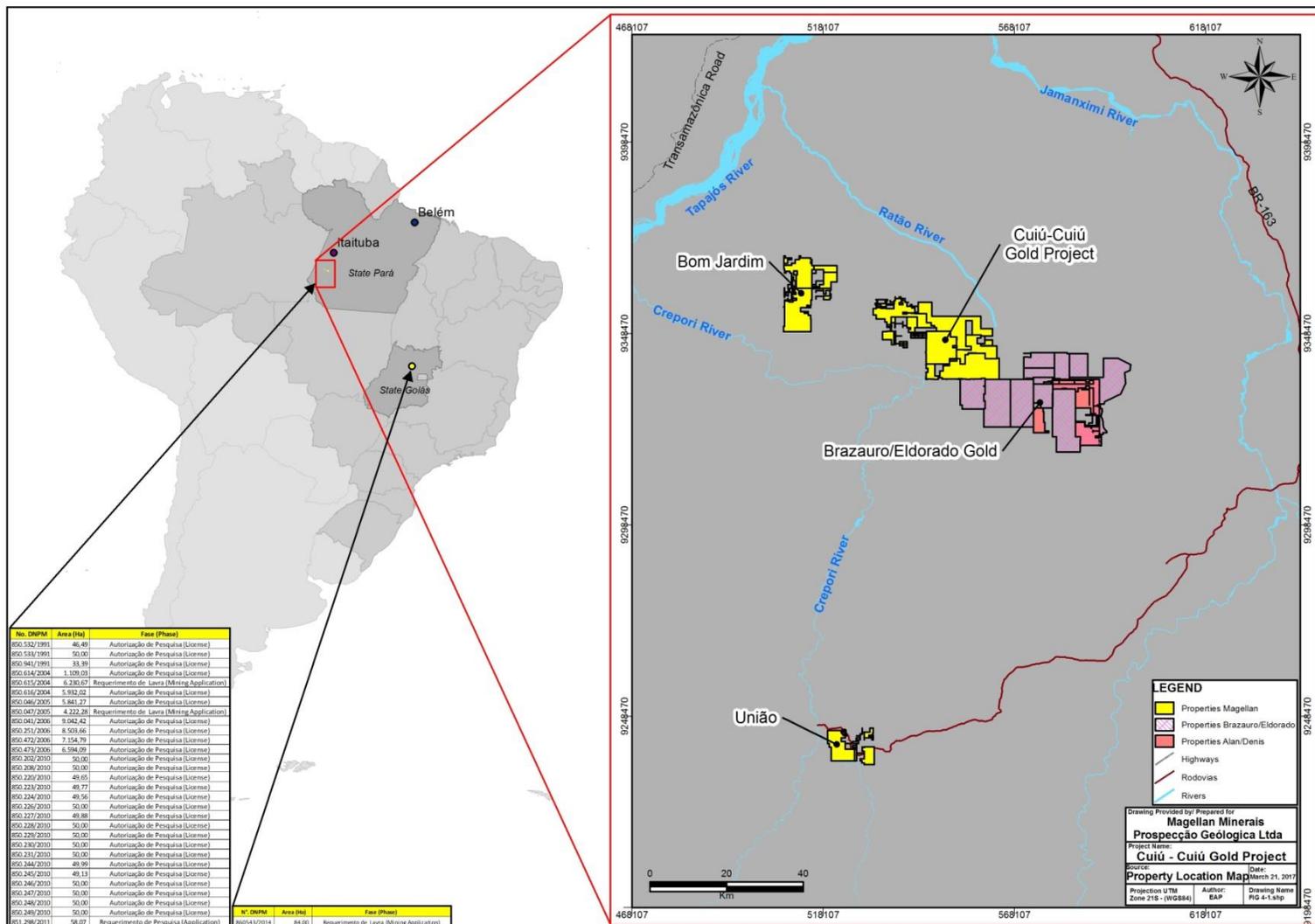
The Gazette date shown in Table 4.1 is the date of granting of the licence, usually 1 to 4 years after application. Three years from the date the licence is granted, a first report outlining work completed must be submitted to the DNPM. If accepted, another 3-year term is granted. After the 6-year time frame a final report must be submitted. After the 6-year final report an application for an exploitation licence must be submitted in order to keep the concession.

Table 4.1
Cuiú Cuiú Property Exploration Permits and Applications

DNPM No.	Area (ha)	Licence No.	Gazette Date	Garimpo/ (Target)	Preliminary Report	Final Report	Mining Application Plan	Phase	Substance	Comments
Goias State										
860.543/2014	84.00			Niquelandia - GO			27/05/2014	Mining Application	Gold	
Para State										
850.616/2004	5,932.02	4822	09/06/2014	União	10/04/2017	09/06/2017		Licence	Gold	
850.532/1991	46.49	8598	01/08/2008	União	10/05/2011			Licence	Gold	Preliminary Report Presented
850.533/1991	50.00	7350	14/07/2008	União	10/05/2011			Licence	Gold	Preliminary Report Presented
850.941/1991	33.39	7351	14/07/2008	União	10/05/2011			Licence	Gold	Preliminary Report Presented
850.277/2003	6,717.50	13734	30/11/2009	Porquinho	13/09/2012			Licence	Gold	Preliminary Report Denied - Appeal Filed 18/09/2013
851.298/2011	58.07			Bom Jardim				Application	Gold	
850.472/2006	7,154.79	8535	02/09/2013	Bom Jardim	04/07/2016	02/09/2016		Licence	Gold	Preliminary Report Presented - Preliminary Report Denied Appeal Filed 05/12/2016
850.473/2006	6,594.09	15207	03/10/2011	Bom Jardim	04/08/2014	03/10/2014		Licence	Gold	Preliminary Report Presented
850.397/2017	201.39			Cuiú Cuiú				Application	Gold	
850.398/2017	1,400.08			Cuiú Cuiú				Application	Gold	
850.399/2017	2,390.57			Cuiú Cuiú				Application	Gold	
850.041/2006	9,042.42	8534	02/09/2013	Cuiú Cuiú	04/07/2016	02/09/2016		Licence	Gold	Preliminary Report Presented - Preliminary Report Denied Appeal Filed 05/12/2016
850.046/2017	1,828.62	4396	06/06/2017	Cuiú Cuiú	06/06/2020	06/06/2023		Licence	Gold	
850.139/2017	9,995.40			Cuiú Cuiú				Application	Gold	
850.251/2006	8,503.66	9686	03/09/2010	North Cuiú		03/09/2013		Licence	Gold	Preliminary Report Presented 05/07/2013
850.614/2004	1,109.03	4821	09/06/2014	Carneirinho	10/04/2017	09/06/2017		Licence	Gold	
850.202/2010	50.00	15216	16/09/2015	Cuiú Cuiú		16/09/2018		Licence	Gold	Licence Extension Term

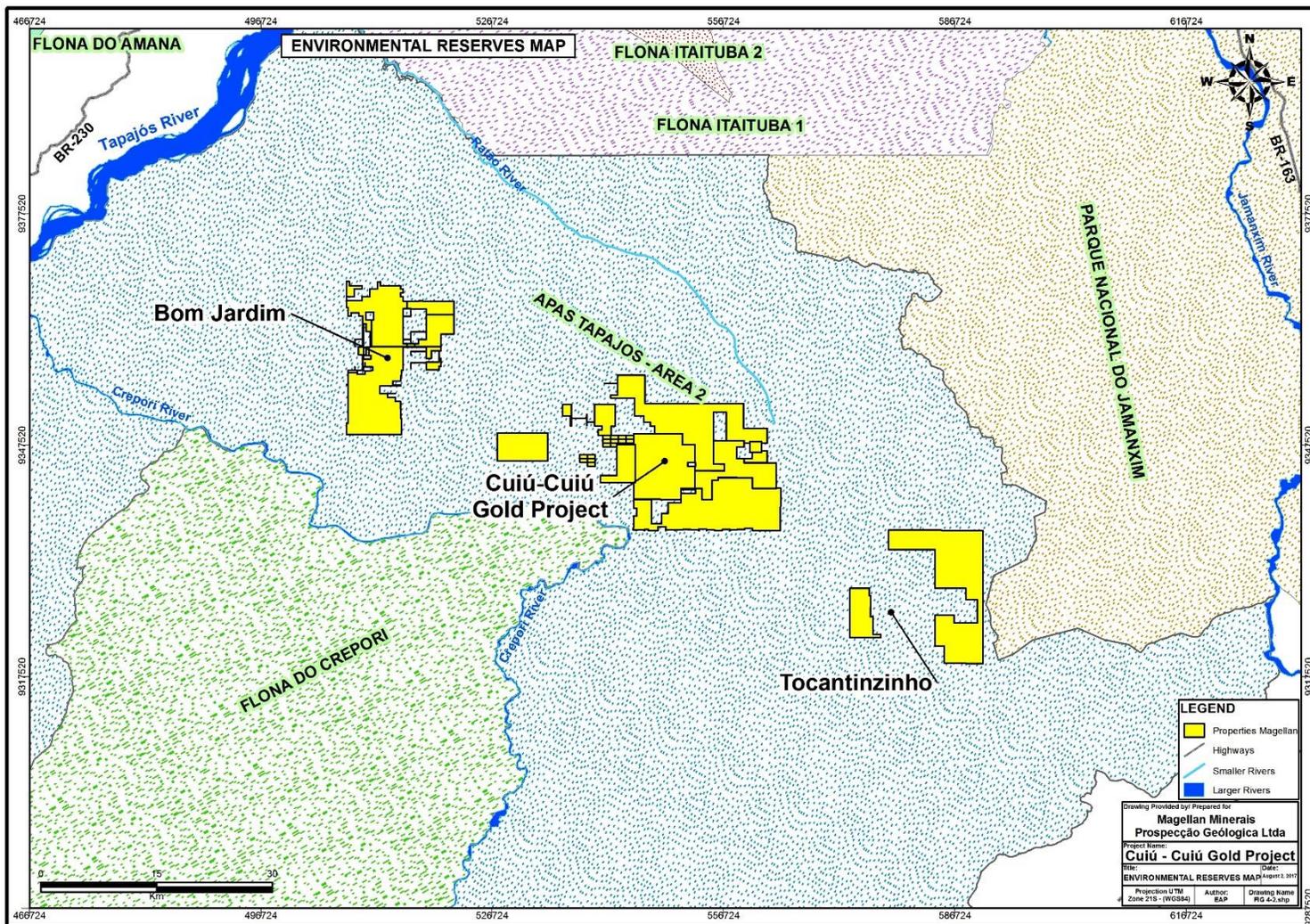
DNPM No.	Area (ha)	Licence No.	Gazette Date	Garimpo/ (Target)	Preliminary Report	Final Report	Mining Application Plan	Phase	Substance	Comments
850.208/2010	50.00	15777	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.220/2010	49.65	15789	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.223/2010	49.77	15792	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.224/2010	49.56	15793	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.226/2010	50.00	15795	16/09/2015	Cuiú Cuiú		16/09/2018		Licence	Gold	Licence Extension Term
850.227/2010	49.88	15796	16/09/2015	Cuiú Cuiú		16/09/2018		Licence	Gold	Licence Extension Term
850.228/2010	50.00	15797	16/09/2015	Cuiú Cuiú		16/09/2018		Licence	Gold	Licence Extension Term
850.229/2010	50.00	15798	16/09/2015	Cuiú Cuiú		16/09/2018		Licence	Gold	Licence Extension Term
850.230/2010	50.00	15799	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.231/2010	50.00	15800	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.244/2010	49.99	15813	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.245/2010	49.13	15814	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.246/2010	50.00	15815	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.247/2010	50.00	15816	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.248/2010	50.00	15817	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.249/2010	50.00	15818	30/08/2016	Cuiú Cuiú		30/08/2019		Licence	Gold	Licence Extension Term
850.615/2004	6,230.67	11129	28/10/2010	Cuiú Cuiú		25/10/2013	27/10/2016	Mining Application	Gold	Final Report Approved 12/11/2015 - Mining Application 27/10/2016
850.047/2005	3,572.76	8544	28/10/2010	Mineiro		25/10/2013	27/10/2016	Mining Application	Gold	Final Report Approved 12/11/2015 - Mining Application 27/10/2016
Total ha	71,792.93									

Figure 4.1
Property Location Map



Source: Cabral, 2017.

Figure 4.2
Environmental Reserves Map



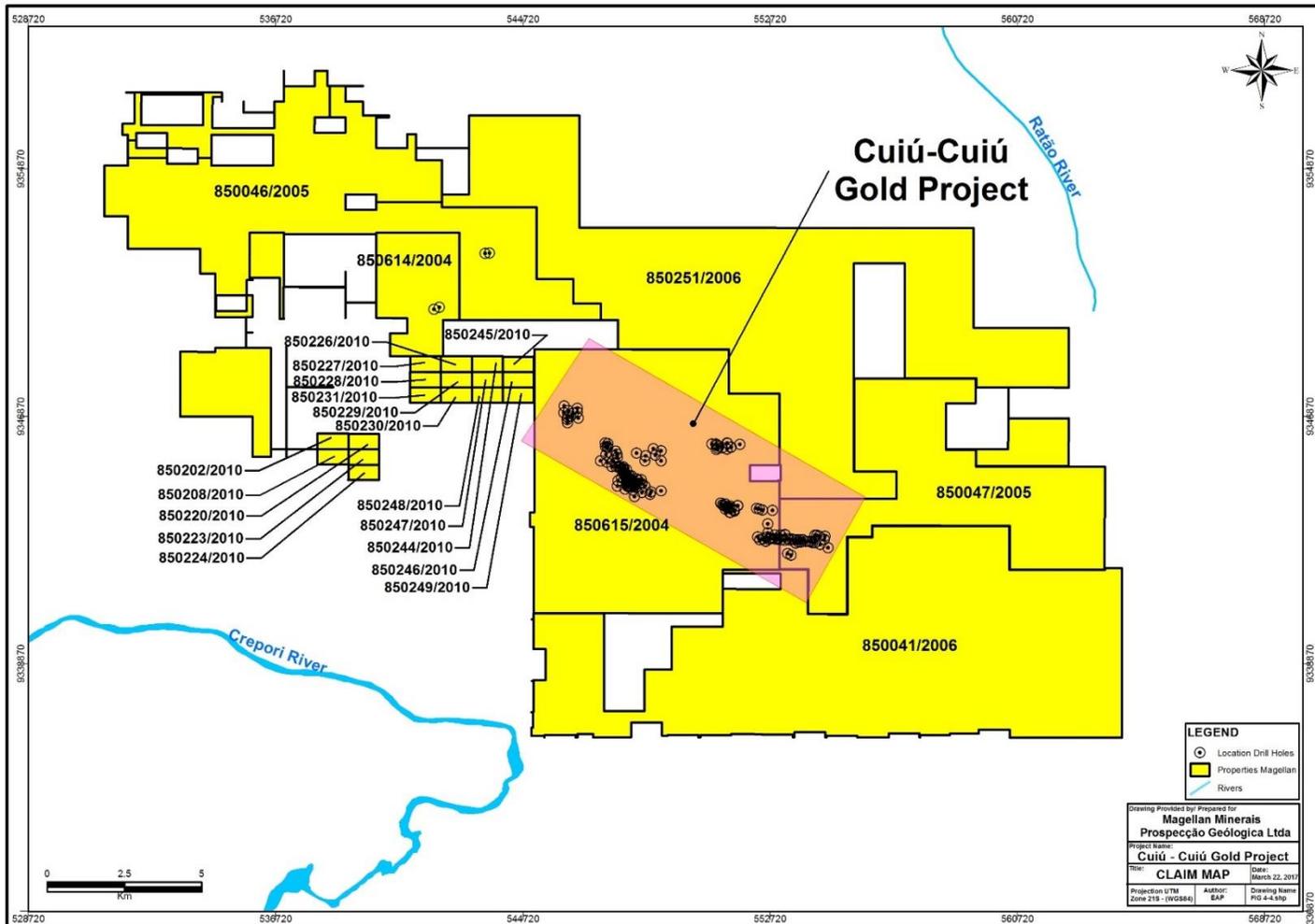
Source: Cabral, 2017.

Figure 4.3
Aerial View of Property



Source: McMahon, 2011.

Figure 4.4
Cuiú Cuiú Claim Map



Source: Cabral, 2017.

In McMahon (2011), PAH reports that at the Cuiú Cuiú gold project, all the limits of the licences held at that time were checked using handheld GPS, and all of the exploration program was carried out within the property limits.

The QPs are unable to comment with authority on the certainty and timing of the granting or renewal of the exploration license applications. It is not anticipated that the failure to grant the licenses will have a significant impact on the recommended exploration program.

The QPs are also unable to comment with authority on the certainty and timing of the granting of the two mining applications.

Cabral reports that, with respect to the certainty of licenses being granted, it also finds it to be a difficult question to answer. It notes that Magellan has conducted all necessary work programs and supplied all required paperwork, and payment of taxes etc. that are required for license renewal. Cabral reports that it holds a high degree of confidence that these licenses will either be published or renewed in the near term.

With respect to the Mining Applications on 850.047/2005 and 850.615/2004 Cabral reports that both have had their Final Reports Approved and the Economic Feasibility Study (PAE) has been submitted to the DNPM and is awaiting analysis.

Additionally, Cabral notes that within the scope of the New Mining Code of Brasil it is now possible to continue exploration after submission of the Final Report. A letter advising the DNPM of continuation of exploration has been registered, as required by the code, and, as such, any delays in the processing of the Mining Application will not affect the planned exploration programs.

The EIA-RIMA background environmental study will commence in October, 2017 and involves a minimum of 1 year of data collection before an application for the environmental license can be filed. As such Cabral envisages approximately 18 months before the full mining licenses will be granted for these two areas. Any new data and resource estimate can be added to the PAE as a complementary report (R. McKnight, personal communication, October, 2017).

The QPs are not aware of any other significant risks which might affect title or the right to perform work on the property.

4.2.1 Exploration Rights and Obligations

The following is a description of Cabral's rights and obligations with respect to its exploration activities at Cuiú Cuiú once the Business Combination has closed.

Rights:

- To perform the work necessary to define the deposits within the maximum allowable term of the licence, which is three years. It can be extended for no longer than another equal period, at DNPM's discretion and in full compliance with the conditions stipulated by the Brazil Mining Code.
- To negotiate the deed. The holder may grant or transfer the claims before the approval of the final report of exploration work, only requiring the prior consent of DNPM.
- To relinquish the title, without detriment to meeting the obligation arising from the Mining Code.

Obligations:

- To start exploration work no later than 60 days after the licence has been published in the official gazette and to not stop or interrupt work, without due reason, for more than three months running or 120 non-consecutive days.
- To perform exploration work under the responsibility of a geologist or mining engineer legally qualified in Brazil.
- To inform DNPM of the occurrence of any other mineral substance not included in the licence agreement, as well as the start or resumption of the exploration work and any possible interruptions.
- To perform the exploration work and to submit to DNPM, before the expiration of the licence or its extension, a detailed report on the exploration work carried out.
- To pay the Federal Government annual fees according to Table 4.2 below.

**Table 4.2
Federal Government Annual Fees**

Period	Annual Fees (R\$/ha)
First 3 years	2.02
Second 3 years	3.06

4.3 AGREEMENTS

4.3.1 Previous Agreements

At the time of the QP's site visit there was a limited number of garimpeiros (artisanal miners) living within the Licence areas and mining oxidized surface material (saprolite) on the claims. They do not have any Permissão de Lavra Garimpeira (PLG), which are small scale mining licences, nor do they have legal rights over the surface area.

In 2006, Magellan negotiated an agreement with the local garimpeiros at Cuiú Cuiú, to explore and mine their properties. This agreement included annual payments during a period of five years.

In November 2010, a five-year renewal of the contract was signed, with a 25% increase in the annual payment. The surface access contract terminated in 2015 and Magellan was in arrears for two years of payments. Cabral reports that it has reached an agreement with the community to pay the two years in arrears, plus the payments for 2016 and 2017 in exchange for no increase in the annual payments. These payments are approximately R\$192,500 per annum which is approximately USD61,000/yr. at current exchange rates.

4.3.2 Cabral Agreements

As at 30 September 2015, the management of Magellan were owed a total of approximately CAD2.4m relating to loans provided to the company, unpaid remuneration and unreimbursed expenditures incurred on behalf of Magellan. Magellan management proposed that CAD500,000 of these liabilities be addressed through an exchange for the company's interest in Magellan Brazil (MNM Brazil), a wholly owned subsidiary of Magellan.

Magellan had three Brazilian subsidiary companies: MNM Brazil, Chapleau Brazil (wholly owned subsidiary of Chapleau Resources Limited which, in turn, was a wholly owned subsidiary of Magellan and Pocone Gold Mineração Limitada (PGM) in which Magellan Brazil held a 35% interest).

MNM Brazil held the following assets:

- Cuiú Cuiú.
- Bom Jardim.
- União.
- Agua Azul: written off in full in 2014.
- Porquinho: written off in full in 2013.

A new, private BC registered company ("Newco") was formed and acquired 100% of Magellan's shares of MNM Brazil. This company later was renamed Cabral.

Consideration for the interest in MNM Brazil was CAD500,000 in the form of unpaid liabilities due to certain members of management (all of whom are Insiders) who have chosen to participate in this transaction.

Newco took over all liabilities of MNM Brazil. However, prior to the transaction closing, all staff of MNM Brazil were terminated resulting in an estimated cost of CAD280,000 that was paid for by Magellan. There is a 1% net smelter return (NSR) royalty on Cuiú Cuiú held by Sandstorm Gold Ltd and a 0.5% NSR held by Anfield Gold Ltd. These commitments were retained by MNM Brazil and will be assumed by Cabral.

On May 10, 2017, San Angelo, Cabral and 1116669 B.C. Ltd. (a wholly-owned subsidiary of San Angelo) entered into an amended and restated business combination agreement, which was amended August 11, 2017 and August 30, 2017 (the “Business Combination Agreement”). Pursuant to the Business Combination Agreement, San Angelo will acquire Cabral by way of a three-cornered amalgamation. Cabral will amalgamate with 1116669 B.C. Ltd. to form Cabral Gold B.C. Inc., which will be a wholly-owned subsidiary of San Angelo. San Angelo will complete a 1:5 consolidation of its common shares concurrently with closing of the Business Combination, and shareholders of Cabral will receive 0.18 of one post-consolidation common share of San Angelo for each one common share of Cabral held.

The Business Combination will be a reverse takeover of San Angelo by Cabral pursuant to the policies of the TSX Venture Exchange. Upon completion of the Business Combination, San Angelo will be the “Resulting Issuer” as defined in the policies of the TSX Venture Exchange and will carry on the business of Cabral. The Business Combination will result in San Angelo acquiring Cabral and control of the Cuiú Cuiú project.

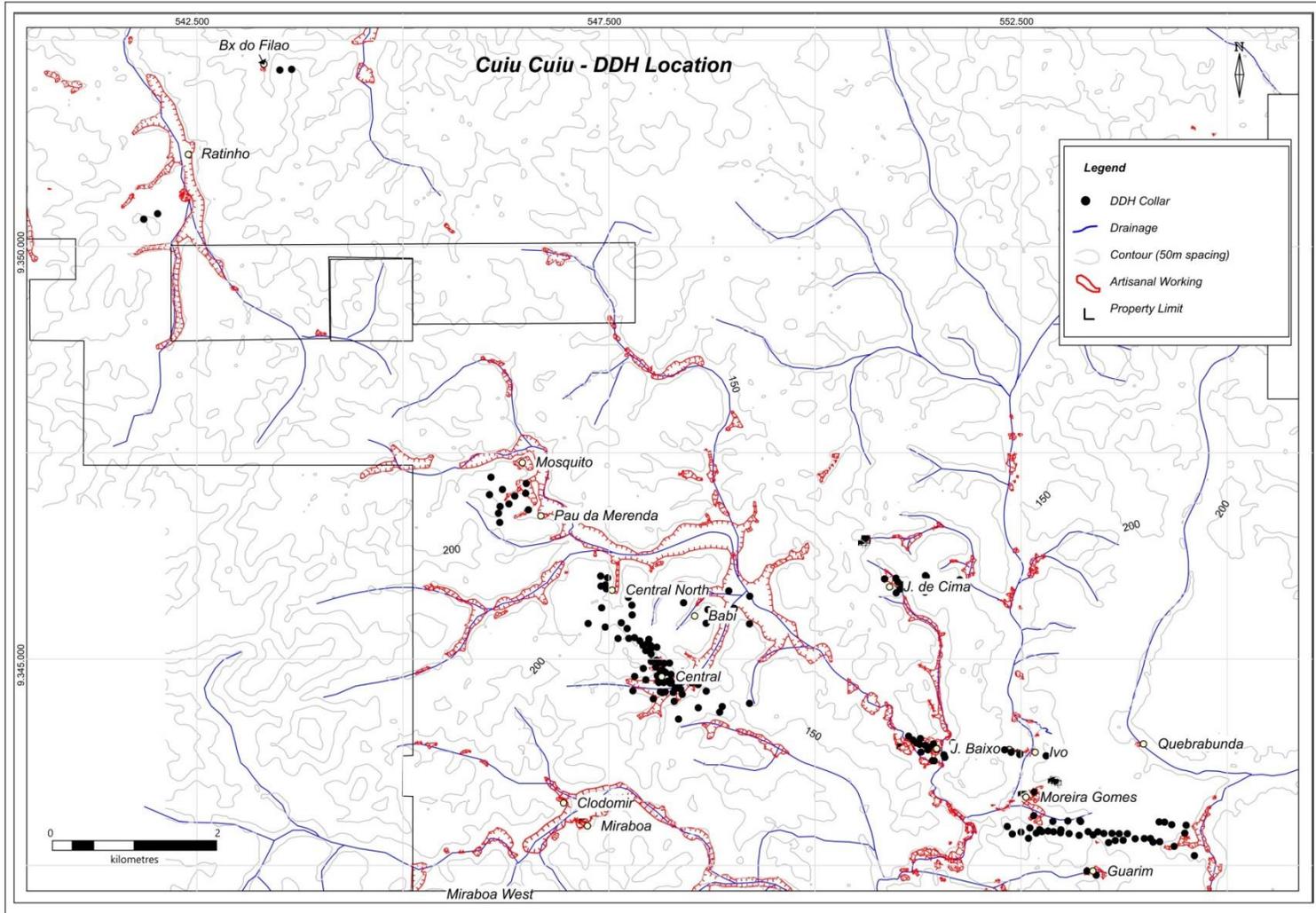
4.4 SURFACE RIGHTS

Surface rights in Brazil are not associated with title to either a mining lease or an exploration claim and must be negotiated with the landowner. A landowner’s right to participate in the profit of a mine is documented in Article 11, letter b, from the Federal Mining Code. The text reads as follows: “The participation will be 50 percent of what is payable to the States, Municipalities, and Administrative Organism, as a Financial Compensation for the exploitation of a mineral resource.” The Financial Compensation (CFEM) is calculated from the mineral sales value, minus taxes, transport costs, and insurances. The percentage of this “Financial Compensation” varies with the mineral; in the case of gold it is 1%.

4.5 GENERAL DESCRIPTION OF THE PROPERTY

At the Cuiú Cuiú project, the area of most intense exploration by Magellan covers approximately 9 km by 5 km (4,500 ha) and consists of nine main targets (as shown in the DDH Location Map as Figure 4.5).

Figure 4.5
Location of Exploration Targets



Source: Cabral, 2017.

The exploration drilling completed by Magellan since 2006 was focused on six of these targets and most of the PAH technical report refers to three of these zones: Central, Jerimum de Baixo, and Moreira Gomes (McMahon, 2011). The drilling completed since the 2011 PAH mineral resource estimate has focused on the previously drilled areas, mostly on extensions of what was drilled, particularly Central North, Jerimum de Baixo, Jerimum de Cima and the east and west extensions of Moreira Gomes. Several new targets: Guarim, Ivo and Ratinho were also tested by diamond drilling in 2011 and 2012.

The remaining exploration area surrounding the Cuiú Cuiú project has been subject to limited exploration, such as airborne geophysical magnetic, gradiometric and radiometric surveys, some regional mapping and soil surveys.

4.6 ENVIRONMENTAL REGULATIONS

Federal law 6938/1981 outlines the environmental policy and the requirements of environmental permits for any activity with contaminant potential or involved with natural resources.

Environmental permits are divided into three stages/categories:

- Preliminary Permit (LP, Licença Previa): this permit deals with the selection of the best place for developing the activity.
- Installation Permit (LI, Licença de Instalação): this permit deals with the construction of the project, according to a previously approved technical project description.
- Operating Permit (LO, Licença de Operação): this permit allows commencement of mining activities.

The government environmental organization has a six-month period to approve or deny the permit, from the time of the application.

If the permit requires an environmental study (EIA/RIMA) where a public audience (public consultation) is required, this approval period may extend to 12 months. In the case of the Pará State, this period is not legislated.

The National Environmental Council (CONAMA) has established a list of activities, which need to be presented for a previous EPIA/RIMA. Mining activity is included in that list. Generally, a public audience is required.

The environmental permit needs to be renewed within a 1 to 5-year period, depending on the conditions included by regulatory agency in the permit.

The Cuiú Cuiú project was granted an Operation Permit (Licença de Operação) which allows for the conduct of exploration activity. This permit was to be renewed in August, 2012. This permit must be renewed by Cabral but is considered to be a formality upon granting of the exploitation licence.

Much of the Tapajós Region has been environmentally classified into six categories:

- REBIO and RESEX: Biological study areas. Mining is prohibited.
- Indigenous Lands: Areas under tribal jurisdiction. Mining can occur with special tribal permission.
- PARNA: National Park. Mining is prohibited.
- FLONA: Permits mining activities with restricted environmental conditions.
- APA: The least restrictive environmental classification. Allows exploration activities and mining.

The Cuiú Cuiú project, all the property falls in the APA TAPAJÓS-Area 2 (shown in Figure 4.2 above).

4.7 ENVIRONMENTAL LIABILITIES

Known environmental liabilities at the Cuiú Cuiú project are mostly the result of artisanal mining activities. These include shallow water-filled pits from which saprolitic materials were extracted, mainly by hydraulic mining methods (see Figure 4.6).

Figure 4.6
Artisanal Mine Workings Using Hydraulic Mining



Source: McMahon, 2011.

Most of the Magellan exploration program was restricted to areas already disturbed by the artisanal miners. Even though artisanal miners are known to have used mercury amalgamation for gold recovery, no traces of this element were found in the water sampling carried out by Magellan.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 ACCESSIBILITY

The Cuiú Cuiú project is located approximately 195 km south-southwest of Itaituba, a town on the Tapajós River. The Tapajós is a major southern tributary of the Amazon River. Itaituba is located 1,000 km west-southwest of Belém. Regional airlines service the Belém-Itaituba route (a 3.5 h trip).

There is a 15-km long road from Cuiú Cuiú village to Porto Seguro where boats can dock. The Transgarimpeiro road lies 60 km to the south of the project, and highway BR-163, which connects the city of Cuiaba (Mato Grosso State) with the city of Santarem (Pará State), lies 90 km east of the property.

In late 2015 local garimpeiros completed a 103 km long, dry season track that connects Cuiú Cuiú to the Agua Branca garimpo to the southeast. Agua Branca is itself accessible from the BR-163 via a gravel road approximately 80 km in length. In dry weather, one can complete the 450 km drive from Cuiú Cuiú to Itaituba in approximately 12 hours.

There are small, single engine charter flights from Itaituba to the project, which takes about 50 minutes. The project has a 1,000-m long unpaved airstrip.

In general, rivers provide better local access than roads, especially in the rainy season.

Eldorado Gold Corporation has announced that it intends to spend USD35.0 million in capital on its Tocantinzinho project during 2017. The focus will be primarily on completing construction of the access road to site (now complete), permitting, basic engineering and general site costs. The Tocantinzinho concession group is located adjacent to and southeast of the Cuiú Cuiú project (see Figure 5.1 for Tocantinzinho project location).

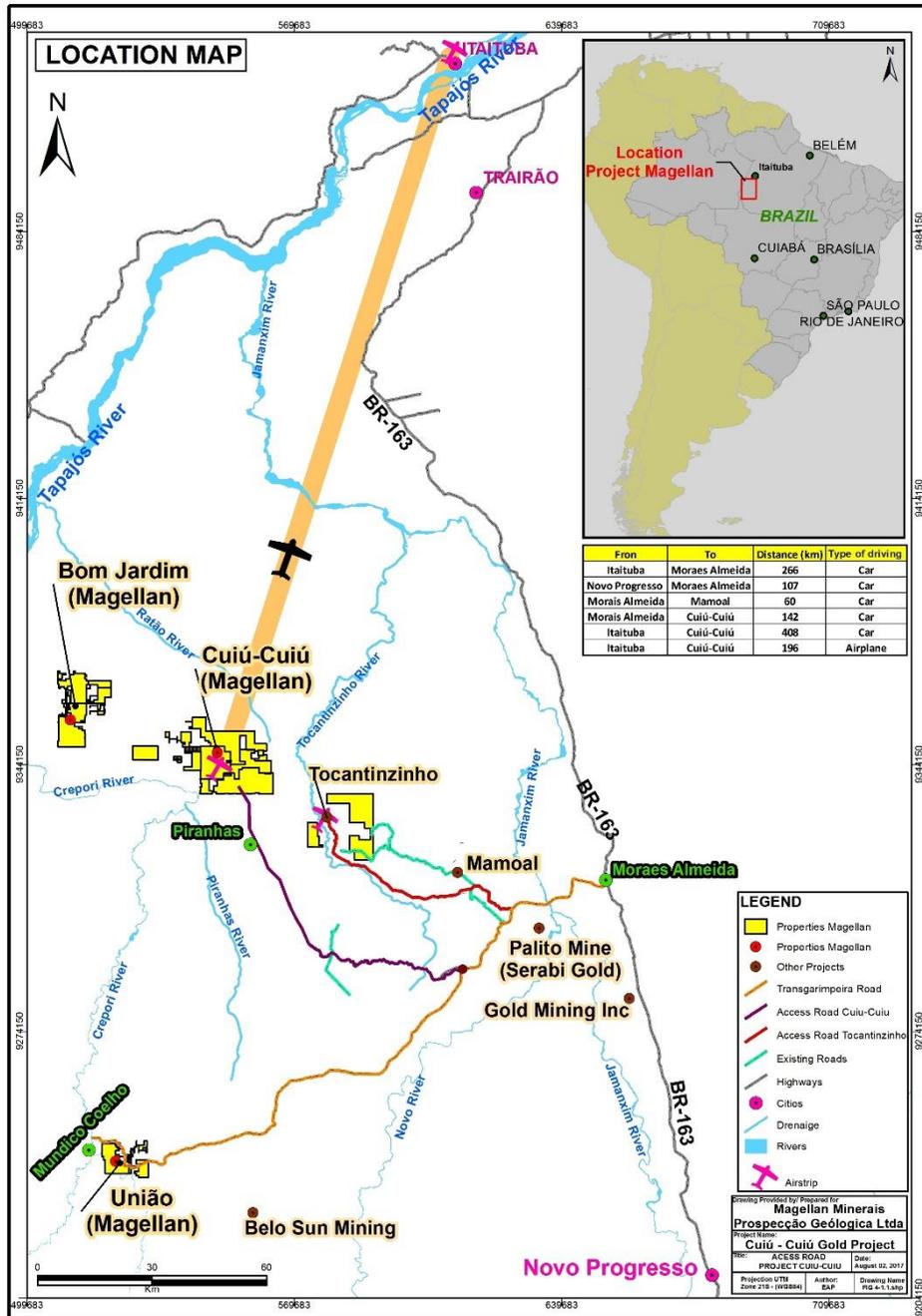
5.2 CLIMATE

The Cuiú Cuiú project is located within the Amazon Basin where the dry season normally begins around late May and continues through to November, although there are intermittent rains from June to November. Temperatures vary between a minimum of 17°C in June to a maximum of 44°C in January with average annual temperatures of 26°C. Temperatures are typically cooler in the high jungle where humidity is also constantly higher throughout the year. Average annual precipitation is between 1,500 mm and 2,000 mm. Although rainfall is heavy between February and May, exploration work can be carried out on the project all year round.

5.3 LOCAL RESOURCES AND INFRASTRUCTURE

The company's camp is located in the village of Cuiú Cuiú on the project site. The village consists of 75 houses and in 2010 had a population of 177 inhabitants (Figure 5.1). Power for the village and for the project is provided by a diesel generator.

Figure 5.1
Cuiú Cuiú Project Site Access by Air



Source: Cabral, 2017.

The nearby projects and/or mines of União, Toncantinzinho, Belo Sun Mining, Gold Mining Inc. and Palito are shown on Figure 5.1.

In 2010 the village had the following services:

- One primary school.
- Four public telephones.
- Two churches.
- One small restaurant.
- Four bars.
- Four grocery stores.

The water supply for the village comes from a nearby stream, Agua Azul (Blue Water).

The closest town to Cuiú Cuiú with social services, banking, postal services, health services, and regular air services to major cities, is Itaituba, with a population of approximately 97,700 inhabitants in 2011.

Fuel and other supplies are currently brought in by road. Minor supplies for the camp are brought in by small aircraft from Itaituba.

Transportation around the area is done using local tractors capable of hauling heavy equipment. Magellan used eight ATVs for travelling around the property. The camp had internet and telephone services, a capacity for 20 people, and a core shed with capacity to store 55,000 m of core.

5.4 PHYSIOGRAPHY AND FLORA

The Cuiú Cuiú project is situated approximately at 200 m above sea level, with a maximum elevation of 330 m and a minimum of 75 m. Cuiú Cuiú has a weakly incised topography forming north-northwest-trending ridges on most parts of the property. The river valleys flow strongly during the wet season and are low during the months of June to October. Vegetation over 75% of the area is jungle (some of it secondary growth), with trees reaching a height of 30 m in some places. The rest of the area has been cleared, mainly by artisanal workings (garimpos) or for small farms (see Figure 5.2).

Figure 5.2
Camp Facilities



Source: McMahon, 2011.

Figure 5.3
Local Physiography



Source: McMahon, 2011.

6.0 HISTORY

6.1 REGIONAL MINING HISTORY

The Tapajós Gold Province was the site of a major gold rush by artisanal miners from the late 1970s until the late 1990s and has recorded historical production of at least 10 million ounces, with actual production estimated to be approximately 30 million ounces to date (McMahon, 2011). Although gold is reported to have been first discovered in 1747, there has been continuous production in the area since 1958. Over a quarter of a million garimpeiros were recovering well over a million ounces per year as part of the largest gold rush in history during the 1980s to early 1990s, (there were over 1 million active miners in northern Brazil) with peak gold production from 1988 to 1990.

Artisanal mine workings are shown in Figure 6.1.

Figure 6.1
Artisanal Mine Workings



Source: McMahon, 2011.

The Tapajós Province is still active, with over 30,000 artisanal workers and a current estimated production of well over 200,000 ounces per year. Alluvial deposits were exploited to near exhaustion, and then miners turned to mining the laterite/saprolite by hydraulic methods. Occasionally, primary veins and stockworks are mined when practical.

6.2 LOCAL MINING HISTORY

The Cuiú Cuiú area was first worked in 1958. The construction of the village itself started in the middle 1970s. It is said that during the period 1976 to 1992 up to 86 flights per day arrived in the village, and over 5,000 people lived in the area (McMahon, 2011).

The only known modern exploration conducted in the property was by Rio Tinto plc and TVX Gold Inc., during the 1990s. TVX drilled 13 holes near the Jerimum de Baixo target.

Altoro Gold Corp. mapped the Central and Jerimum pits between 1997 and 1999.

Exploration conducted by Magellan will be discussed below.

6.3 HISTORIC EXPLORATION

6.3.1 Introduction

The exploration described in this section was completed for Magellan and its Brazilian subsidiary Magellan Brazil. Cabral has acquired Magellan Brazil. As of the effective date of this report no exploration had been completed by Cabral. Some Magellan staff work at, or are available to, Cabral.

Since beginning work on the Cuiú Cuiú project in 2005, Magellan employed a multi-faceted approach to exploring the property. This included soil sampling, Auger drilling, diamond drilling and collecting rock samples where rock was exposed in “Garimpos” or artisanal workings. These sample data are summarised in Table 6.1 below.

Table 6.1
Cuiú Cuiú Gold Project - Sampling Summary by Year

Year	Rock	Soil	Auger Drilling		Diamond Drilling			
			Holes	Samples	Holes	Drilled (m)	Samples	Sample (m)
2005	104	143	-	-	-	-	-	-
2006	529	4,808	-	-	10	2,753.51	1,430	2,646.81
2007	133	2,131	-	-	20	4,209.18	2,297	3,933.91
2008	103	-	88	1,032	15	3,765.14	1,921	3,126.81
2009	-	-	121	2,019	9	1,742.95	1,225	1,734.68
2010	-	2,892	28	520	50	13,486.55	9,163	13,420.23
2011	-	-	-	-	64	20,849.52	11,968	18,045.35
2012	-	-	-	-	8	1,218.53	828	1,218.98
Total	869	9,974	237	3,571	176	48,025.38	28,832	44,126.77

6.3.2 January, 2005 to December, 2005

Work completed in 2005 included:

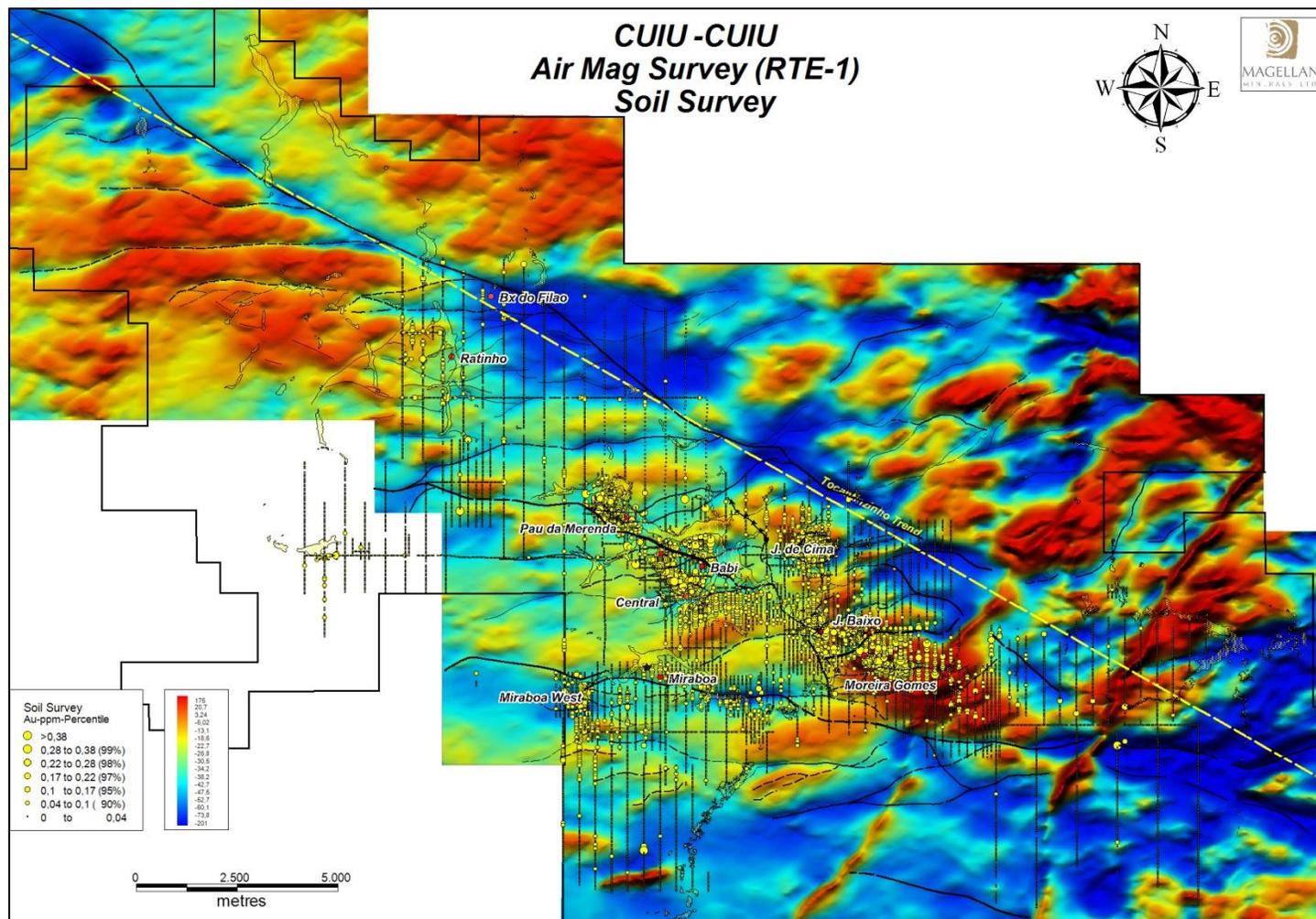
- **Structural Interpretation/Geological Mapping:** A structural map based on an interpretation of Landsat images, followed by geological mapping was carried out, together with a detailed survey of all the garimpos or artisanal workings.
- **Rock Sampling:** Rock samples (104) were collected where possible, as most of the area is covered by vegetation or saprolite. The samples were sent to the SGS Geosol laboratory in Belo Horizonte, Brazil, for preparation and assayed for gold.
- **Soil Sampling:** A soil sampling survey was carried out. A total of 143 soil samples were collected, which were submitted to the SGS Geosol laboratory in Belo Horizonte, Brazil, for preparation and gold assay. The soil sample survey results are shown in Figure 6.2 overlying the aero-magnetic survey.

6.3.3 January, 2006 to December, 2006

Between January, 2006 and December, 2006, Magellan's exploration work included:

- **Rock Sampling:** 259 rock samples were collected, mainly from artisanal workings. The samples were sent to the SGS Geosol laboratory in Belo Horizonte, Brazil, for preparation and assayed for gold.
- **Soil Sampling:** An extensive program of soil sampling was carried out over the Central, Pau da Merenda, Jerimum de Baixo, and Jerimum de Cima zones using a 100 by 25 m sampling grid. In addition, regional soil sampling was carried out with a 500 by 100 m grid. A total of 4,808 soil samples were collected, which were submitted to the SGS Geosol laboratory in Belo Horizonte, Brazil for preparation and gold assay (see Figure 6.2).
- **Drill Core Sampling:** A total of 1,430 samples were collected from 2,753.51 m of BTW diamond drill core, which were sent to SGS Geosol laboratory in Belo Horizonte for sample preparation, followed by gold fire assay.

Figure 6.2
Cuiú Cuiú Soil Sampling



- IP Survey: a 22.75 line-km IP dipole-dipole geophysical survey (50 m spacing) was carried out over the Pau da Merenda, Jerimum de Cima and Jerimum de Baixo. The Moreira Gomes and Central zones were also covered.

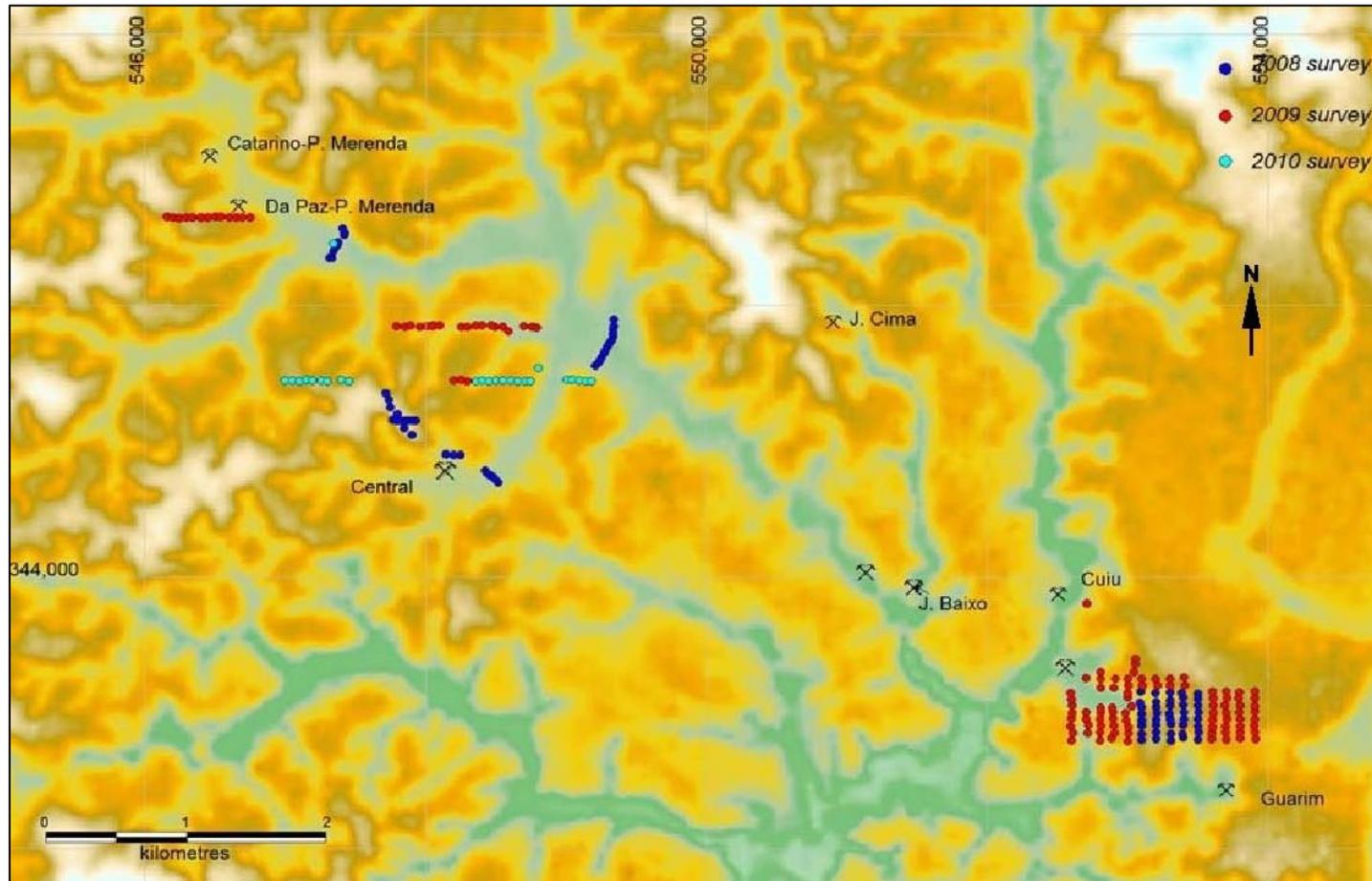
6.3.4 January, 2007 to December, 2007

- Rock Sampling: An additional 133 rock samples were collected from artisanal workings. The samples were sent to SGS Geosol laboratory in Belo Horizonte, Brazil, for preparation and assayed for gold.
- Airborne Magnetic-Radiometric and Gamma Ray Survey: During June, 2007, an airborne magnetic radiometric survey was carried out. The airborne survey covered 3,233 line-km flown along 200-m spaced lines at an altitude of 100 m (Figure 6.2).
- Soil Sampling: The regional soil survey over the property was expanded to the northwest, using a 500 by 100 m grid. A total of 2,131 additional soil samples were collected, which were submitted to the SGS Geosol laboratory in Belo Horizonte, Brazil, for preparation and gold assay.
- Ground Magnetic Survey: During July, 2007, ground magnetic survey work was carried out over the Central and Jerimum de Cima zones at a line spacing of 100 m.
- Drill Core Sampling: A total of 2,297 samples were collected from 4,209.18 m of BTW core, which were sent to the SGS Geosol laboratory in Belo Horizonte for sample preparation, followed by gold assay.

6.3.5 January, 2008 to December, 2008

- Rock Sampling: An additional 103 rock samples were collected. The samples were sent to the SGS Geosol laboratory in Belo Horizonte, Brazil for preparation and assayed for gold.
- Power Auger sampling: A total of 88 power auger holes were drilled at the Central and Moreira Gomes zone, and 1,032 samples were collected and sent to the SGS Geosol laboratory (see Figure 6.3).
- Drill Core Sampling: A total of 1,921 samples were collected from 3,765.4 m of NTW and BTW core, which were sent to SGS Geosol laboratory in Belo Horizonte for sample preparation, followed by gold.

Figure 6.3
Cuiú Cuiú Power Auger Drilling



Source: McMahon, 2011.

6.3.6 January, 2009 to December, 2009

- Drill Core Sampling: A total of 1,225 samples were collected from 1,742.95 m of NTW and BTW core, which were sent to Acme Analytical Laboratories in Chile for sample preparation, followed by gold analysis.
- Power Auger Sampling: A total of 121 power auger holes were drilled at Pau da Merenda, North of Central and Moreira Gomes. 2,019 samples were collected and sent to Acme Analytical Laboratories in Chile for sample preparation, followed by gold analysis (see Figure 6.3).
- Ground magnetic survey: A ground magnetic survey was carried out over the Moreira Gomes and Pau da Merenda zones.

6.3.7 January, 2010 to December, 2010

- Soil Sampling: Soil sampling was carried out to the west of Pau da Merenda, Miraboa, east of Moreira Gomes, and Jerimum de Baixo. The average sample spacing was 200 m by 25 m. A total of 2,892 samples were collected, which were submitted to the Acme Analytical Laboratories in Chile for preparation and gold assay (see Figure 6.1).
- Petrologic Studies: Sixteen thin sections from drill core samples were prepared and reported on by CLM Petrografia LTDA, Rio de Janeiro, Brazil.
- Ground magnetic survey: A ground magnetic survey was carried out over the Jerimum de Baixo zone.
- Power Auger: A total of 28 power auger holes were drilled to the east, and west of Central, and 520 samples were collected and sent to Acme Analytical Laboratories in Chile for sample preparation, followed by gold analysis (see Figure 6.3).
- Drill Core Sampling: A total of 8,502 samples were collected from 12,719 m of NTW and BTW core, which was sent to Acme Analytical Laboratories in Chile for sample preparation, followed by gold analysis.
- Airborne Magnetic - Radiometric and Gamma Ray Survey: A detailed airborne magnetic radiometric survey was carried out. The airborne survey covered 1,264 line-kilometers, and was flown along 50-m spaced lines at an altitude of 100 m.

6.3.8 2011 Exploration Program

In 2011, Magellan drilled 64 diamond drill holes totalling 20,849.52 m. Follow-up and step-out holes were drilled on the Central, Moreira Gomes, Babi, Jerimum de Baixo and Jerimum de Cima zones. New targets, Central North, Central SE and Guarim were also tested.

6.3.9 2012 Exploration Program

In 2012, eight diamond drill holes were completed totalling 1,218.53 m. These holes tested previously undrilled targets at Ivo and Ratinho.

6.3.10 Soil Sampling Procedure

Soil sampling methods used for the almost 10,000 soil samples collected over a period of six years (2005 to 2010) consisted of using a hand auger with a screw-flight to auger down to 70 to 80 cm depth. After the first year Magellan switched to using post-hole diggers rather than hand augers which was found to be much quicker/more efficient. About half a kilogram of soil was collected from the lowest 10 cm of the hole, bagged in a plastic sample bag, assigned a unique sample number with an inserted heavy paper sample tag inside (the company had sample books printed with unique numbers; several tens of thousands of individual sample cards were printed in books of 50). The sample number was written on the outside of the bag as well, and the characteristics of the sample were noted in the sample book. These characteristics included: color, type of soil, amount of clay, whether the sample was wet, any lithic material or sand encountered etc. This information was later introduced into an electronic data base. The bagged samples were stored under supervision at site and periodically batches were sent to SGS and later ACME labs. QA/QC procedures were in place and every 50 samples included two standards, two blanks, and one duplicate.

The only bias that management was aware of at the time is the fact that the drainages comprised alluvial and/or transported material and therefore were not representative of underlying material and, therefore, were not sampled. Only the slopes, hill tops and areas away from drainages were actively sampled. The samples are weathered soil or lateritic material and thought to be representative of the lithology and mineralization below, except where material has been transported.

6.3.11 Rock Sampling Procedure

A total of 869 rock chip samples comprising typical horizontal or vertical channel/chip samples over rare in-situ primary hard rock or saprolitic surfaces were collected by Magellan between 2005 and 2010. This is a very small number in comparison to the soil samples or drill samples due to the paucity of outcrop. They were usually collected over one or two meter intervals and weighed from 1.5 to several kilograms each. Where there was a small exposure or insufficient exposure to get a long sample interval, a random chip sample was collected, taking small amounts of sample from various parts of the outcrop. The characteristics of the sample including lithology, color, hardness, presence of sulfides or Fe/Mn oxides, and UTM coordinates were noted on a sample card and later entered into a data base.

Biases in terms of sampling method were minimized. Often veins (when wide enough) were sampled separately from enclosing host rock, but such practices are normal in mineral exploration.

Again, typical QA/QC procedures were in place, although only standards and duplicates were used, not blanks. No significant problems were found with either laboratory during the 2005 to 2010 period.

6.3.12 Interpretation and Conclusions

The Cuiú Cuiú soil anomaly, shown with the aero-magnetic survey results in Figure 6.2, above, is a continuous, 15 km NW trending soil anomaly, coincident with the "Tocantinzinho trend" (the crustal scale shear controlling most of the important gold occurrences in the TMP) comprising over 9,000 sample points. The main part of the anomaly is over 10 km in length with an average value above 55 ppb and contains half a dozen higher value zones averaging over 100 ppb Au coincident with the main artisanal workings and areas drilled by Magellan. Over 50% of the anomaly has yet to be tested by drilling.

The exploration methods employed by Magellan at Cuiú Cuiú follow a multi-faceted, industry standard approach. The airborne geophysical surveys were carried out by Fugro. The IP survey was conducted by Geodatos do Brasil Ltda. Magellan personnel performed the ground magnetometer surveys.

The soil samples, rock samples and auger hole surveys described above were used to define prospective areas for follow-up diamond drill hole testing. These data are not suitable for use in mineral resource estimation and were not used in the estimation of the mineral resources. Collectively, they are a reasonable, order of magnitude indication of the size and location of areas with potential to host gold mineralization in bedrock.

6.4 HISTORICAL MINERAL RESOURCE ESTIMATES

In 2010 Magellan retained PAH to prepare a mineral resource estimate for the Cuiú Cuiú project. The principal author and qualified person for the estimate was Aaron McMahon, P.G., Senior Geologist at PAH. The estimate was supported by a Technical Report filed on SEDAR (www.sedar.com) by Magellan on April 21, 2011 (McMahon, 2011).

The estimate was prepared using assay results from drill core collected by Magellan. Prior to the estimate a total of 25,955.01 m of diamond drill core, in 104 exploration holes was reported to have been drilled since 2006. Magellan continued drilling after the estimate was completed.

The mineral resource estimate is reported to have been “conducted in accordance with the Standards for Disclosure for Mineral Projects, Form 43-101F1 and Companion Policy 43-101CP dated December 23, 2005” (McMahon, 2011). The resource was classified using “Resource and Reserve definitions are as set forth in Canadian Institute of Mining, Metallurgy and Petroleum, CIM Standards on Mineral Resource and Mineral Reserves - Definitions and Guidelines adopted by CIM Counsel on December 11, 2005” (McMahon, 2011).

The resource estimate was performed using a block model constrained by low (>0.01 g/t Au) and high grade (>0.2 g/t Au) domains. A surface separating oxidized (weathered) and fresh rock was also modelled. For each deposit there were multiple high-grade domains.

Grade domain boundaries were treated as hard for grade interpolation which was performed using Ordinary Kriging. Often, single blocks transcend one or more domain boundaries. PAH assigned various percentage values representing the proportion of a block in a given domain. Blocks were then interpolated with multiple grades for each of the domains in which it resides. The final grade for a block was then calculated as the average interpolated grade weighted by their respective percentage volume values. It is not known whether the assays from the oxidized and fresh rock were treated separately or not.

Due to the sparse distribution of samples throughout the project, the majority of the resources were classified as inferred. However, a small portion of the Central deposit has a sample density that the author felt was sufficient to support indicated resources.

For the reasons set out above, the QP believes that discussion of the historical PAH/Magellan mineral resource estimate is relevant to the present report.

The mineral resources at the Cuiú Cuiú project, as estimated by PAH in 2011, are set out in Table 6.2.

PAH reports that the statement of resources in Table 6.2 is constrained by mineable shapes and cut-off grades to meet the requirement that mineral resources must have reasonable prospects for economic extraction. The mineable shapes are either Lerchs-Grossman pits or conceptual underground stopes. Resources falling within the pits are reported at cut-off grades of 0.3 g/t Au for fresh rock or 0.4 g/t Au for saprolite. Stope shapes only include blocks above a cut-off grade of 1.3 g/t Au. The cut-off grades consider a gold price of USD1,250 per ounce and metallurgical recoveries of 91% for fresh rock and 66% for saprolite.

Table 6.2
Cuiú Cuiú Historical Resource Statement

Zone	Tonnage (x 1,000)	Au Grade (g/t)	Contained Au (koz)
Central	3,400	1.0	100
Moreira Gomes	0	0	0
Total Indicated Resources	3,400	1.0	100
Central	17,000	0.9	500
Moreira Gomes	14,000	1.5	700
Total Inferred Resources	31,000	1.2	1,200

Source: McMahon, 2011.

The mineral resources presented in Table 6.2 above are historical in nature as described in NI 43-101. They were prepared prior to the agreement to acquire the property by Cabral and the Business Combination with San Angelo, and a Qualified Person from Micon has not verified them as current. Furthermore, 72 diamond drill holes, totalling over 22,000 m, have been

drilled at Cuiú Cuiú since the end of 2010, the cut-off date for the most recent mineral resource estimate generated by PAH in 2011. The estimates in Table 6.2 are classified using the categories set out in the Canadian Institute of Mining, Metallurgy and Petroleum's CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines, as required by NI 43-101. However, Cabral is not treating the mineral resources or mineral reserves as current.

The inferred historical resource summarized in Table 6.2 includes 1.9 million tonnes of saprolite with an average grade of 1.5 g/t Au (containing 90 koz of Au) which was not mined by the garimpeiros.

No other, more recent, estimates are known to have been made. The mineral resources have been re-estimated and are presented in this report.

PAH also provided a complete block model inventory at various cut-off grades in order to show sensitivity to cut-off (see Table 6.3).

Table 6.3
Block Model Inventory

Cut-off Grade Au (g/t)	Indicated Blocks			Inferred Blocks		
	Tonnage (x 1000)	Grade Au (g/t)	Contained Metal (oz)	Tonnage (x 1000)	Grade Au (g/t)	Contained Metal (oz)
1	1,000	2.0	66,000	11,000	2.3	830,000
0.9	1,200	1.9	71,000	13,000	2.1	880,000
0.8	1,400	1.7	76,000	15,000	1.9	950,000
0.7	1,600	1.6	82,000	19,000	1.7	1,000,000
0.6	2,000	1.4	89,000	22,000	1.5	1,100,000
0.5	2,400	1.3	97,000	28,000	1.3	1,200,000
0.4	2,900	1.1	100,000	35,000	1.2	1,300,000
0.3	3,500	1.0	110,000	45,000	1.0	1,400,000
0.2	4,500	0.8	120,000	64,000	0.8	1,600,000
0.1	6,200	0.6	130,000	100,000	0.5	1,700,000

Source: McMahon, 2011.

7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 SUMMARY

The following description of the regional geology was drawn mainly from work done by the Brazil Geological Survey. The description of the deposit geology, structural interpretation and geological model was produced from field mapping, core drilling, previous Magellan reports, and other similar occurrences such as Tocantinzinho deposit, which is also located in the Tapajós Mineral Province (TMP).

The Tapajós Region is hosted within the Brazilian Shield, which is Archean to Proterozoic in age and extends from western Bolivia through Brazil to Guyana and Venezuela. The TMP occurs specifically within the Tapajós-Parima terrane, which is one of six terranes or geological provinces recognized within the Brazilian part of the shield. The Tapajós-Parima terrane stretches from the Alta Floresta gold district in northern Mato Grosso state, through the TMP, and continues on the north side of the Amazon River, where granite-hosted gold deposits occur within indigenous reserves in the state of Roraima. The region is characterized by Paleoproterozoic magmatism. The basement is comprised of granite-gneisses of the Cuiú Cuiú Complex of 2015 Ma and is intruded by later the Parauari suite (1.89 Ga), the Maloquinha suite (1.88 Ga) and the latter part of the Irri Irri volcano plutonic suite.

The Cuiú Cuiú project is mostly underlain by granitic to dioritic plutons and granite-gneiss of Early Palaeoproterozoic (Trans-Amazonian) age. Two regional fault systems are identified, with a northwest-southeast trend. One is located to the north, and the second one to the south of the project. The deposit itself occurs in a distinctive structural anomaly, interpreted as a dilational zone, hosted within a large crustal scale shear known as the Tocantinzinho Trend. This shear hosts many of the more important gold deposits and garimpos in the northern part of TMP.

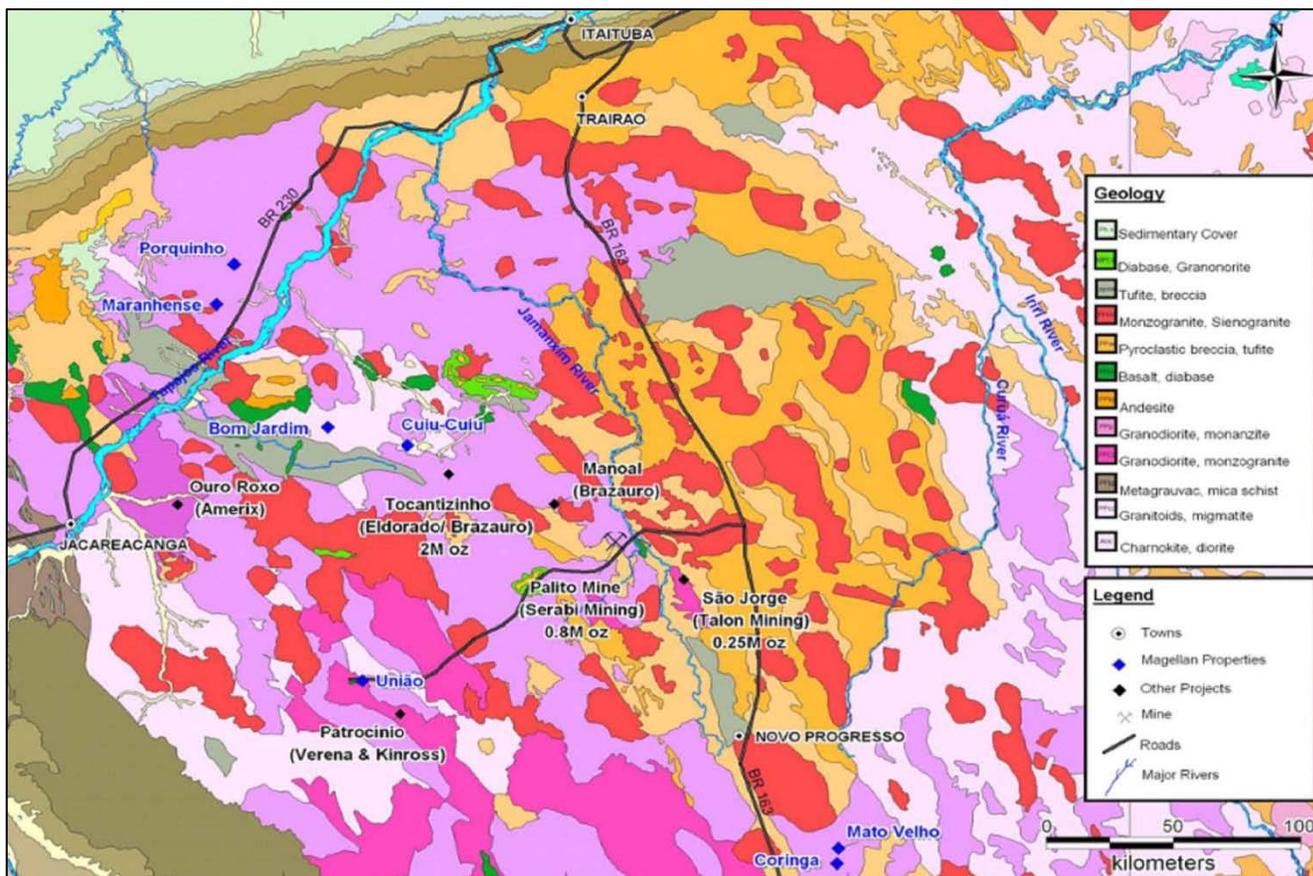
7.2 REGIONAL GEOLOGY

The Cuiú Cuiú project is located in the central part of the Tapajós Gold Province, which in turn is situated in the central part of the Amazon Craton and covers part of the Ventuari-Tapajós and Tapajós-Parima Provinces and is characterized by Proterozoic magmatism (see Figure 7.1).

The basement is mainly formed by granite-gneisses of the Cuiú Cuiú Complex (2015 Ma), while other plutonic rocks are included in the Creporizão suite (1997 Ma), the Parauari suite (1.89 Ga) and the Maloquinha suite (1.88 Ga).

The Creporizão suite includes syenite-granites, monzonite-granites, tonalities and granodiorites, all of which are generally deformed.

Figure 7.1
Regional Geological Map



Source: McMahon, 2011.

The Parauari suite is composed of monzonite-granites and granodiorites, with little or no deformation. A significant majority of the TMP gold deposits are hosted within Parauari intrusives, including Tocantinzinho, Palito, Sao Jorge and Bom Jardim.

The Maloquinha suite is characterized by A-type granites, mainly syenite-granites and alkaline-feldspar granites. The Maloquinha granite is sometimes intrusive into the Parauari Granite. Due to the A-type, alkaline nature of the Maloquinha intrusives and associated volcanic rocks, it has been postulated that this suite possibly represents a failed Proterozoic rift.

Volcanics rocks are distributed throughout the Province and are grouped within the Iriri Group or Uatumã Supergroup. Mafic Rocks from the Ingarana Suite and the Cachoeira Seca Suite are part of the Crepori diabase and associated with many of the mineralized structures in the area.

Regional scale shear zones with a northwest-southeast orientation cut the crystalline units and many of the known gold occurrences are controlled by this tectonic event, such as Sao Jorge, Palito, Tocantinzinho, Coringa, and Mato Velho. Gold occurrences such as Cuiú Cuiú, Tocantinzinho, Mamoad, and Palito, and Sao Jorge are all aligned along this trend.

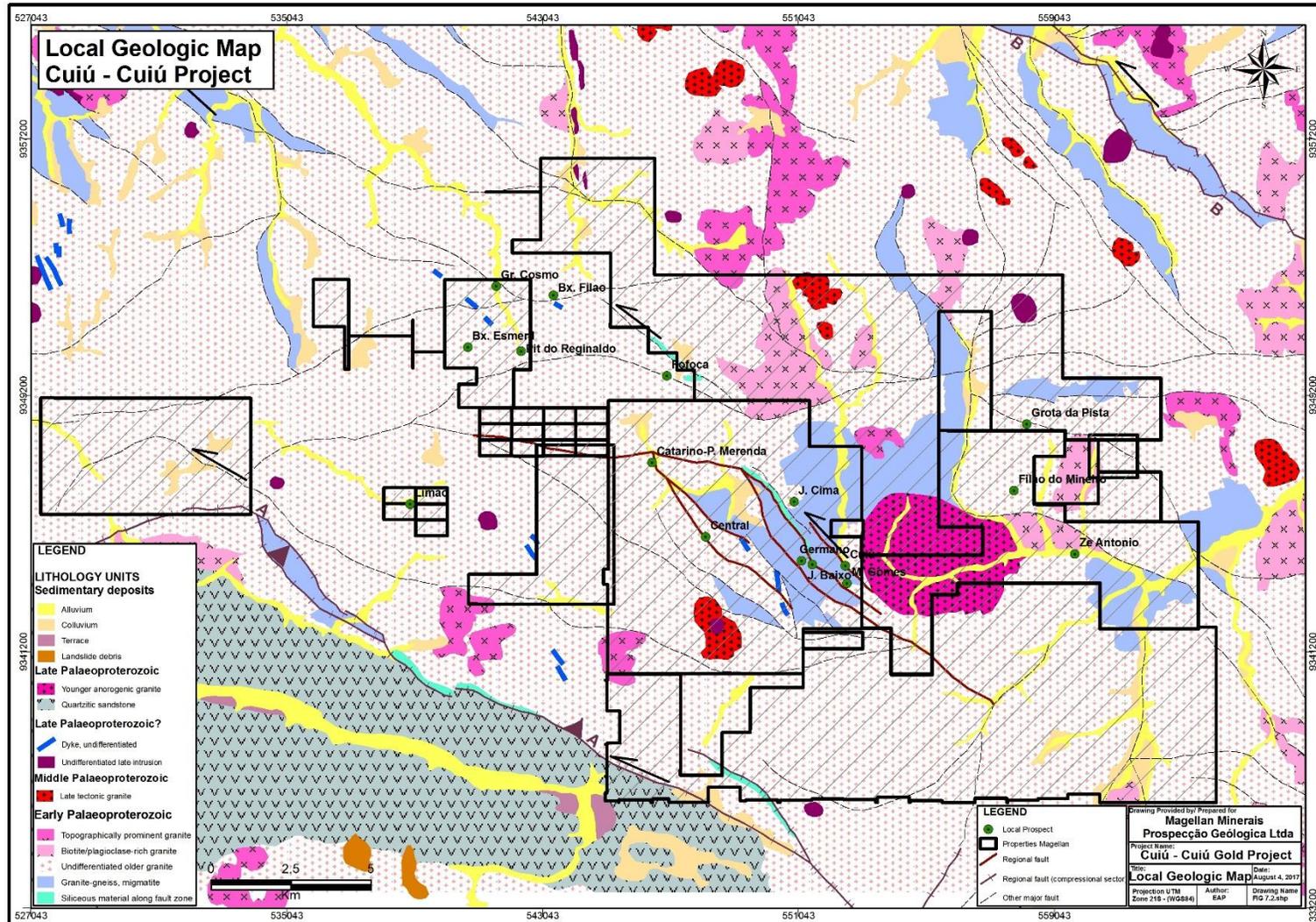
These crystalline units offer many possibilities for gold and base metal mineral deposits and since the alluvial gold rush of the 1980s and 1990s various types of primary mineralization have been identified.

Gold mineralization in the Tapajós is intrusive-related and shear hosted. Native gold occurs in quartz-sulfide ± carbonate veins and veinlets, and to lesser extent associated with disseminated sulfides. Pyrite is by far the dominant sulfide mineral, with subordinate sphalerite, chalcopyrite and galena. Host rocks are coarse, felsic (usually granitic) intrusive cut by fine grained dykes, although a minority of deposits are hosted in sub-volcanic lithologies. Mineralization is frequently well developed on the contact between the dykes and host intrusive, although rare, post-mineral dykes and intrusive bodies occur. It appears the deposits are genetically “intrusive related gold” type (IRG) with similarities to gold deposits in eastern Alaska and the Yukon as opposed to “orogenic/greenstone” types (D. Moore, ProExplo 2011 Lima Peru).

7.3 CUIÚ CUIÚ PROPERTY GEOLOGY

In 2009, a remote sensing interpretation of the Cuiú Cuiú area was carried out by Mike Baker, geological consultant. The study involved the mapping of drainages, regoliths, lithologies and structures, based on air photos, Landsat, satellite radar and high resolution Quickbird imagery. One of the products obtained was an image interpreted geological map showing the principal target areas (see Figure 7.2), as well as a description of geological units in the project area below (McMahon, 2011).

Figure 7.2
Local Geologic Map



Source: Cabral, 2017.

“Younger granites (Late Palaeoproterozoic): One pluton of younger anorogenic granite (unit gr3) is recognized in the northeast of the study area because of its distinctive rounded outline and its interruption of the local structure pattern. According to the published map, this is an alkaline granite of the Malaquinhatype. Less than 10 km east of Cuiú Cuiú there is a circular region of anomalously smooth, deeply weathered terrain with very low drainage density (implying porous material). This feature closely resembles the known Late Palaeoproterozoic granite in the core of the coeval volcanic massif centered just outside the northwest corner of the study area and is therefore mapped as a granite pluton of the same age.”

“Late Palaeoproterozoic volcanics (Iriri Gp.): Unit av consists of rhyolitic volcanics which are thought to be mainly ignimbrite. They form prominent outliers in the northwest corner of the area and are characterized by the presence of pale outcrops visible on the air photos. They are genetically related to the youngest granites. In places they are seen to underlie by darker weathered material (unit bv) which correlates with basaltic and andesite volcanics shown on the published map.”

“Late Palaeoproterozoic sandstone (Buiuçu Fm.): These dense, quartzitic sandstones (units) are equivalent to the Roraima Group of the northern Amazonian craton. They form a gently basinal terrane bounded by a south-facing southern scarp. In the southwest corner of the area there are intrusions (sills?) of dolerite (unit do).”

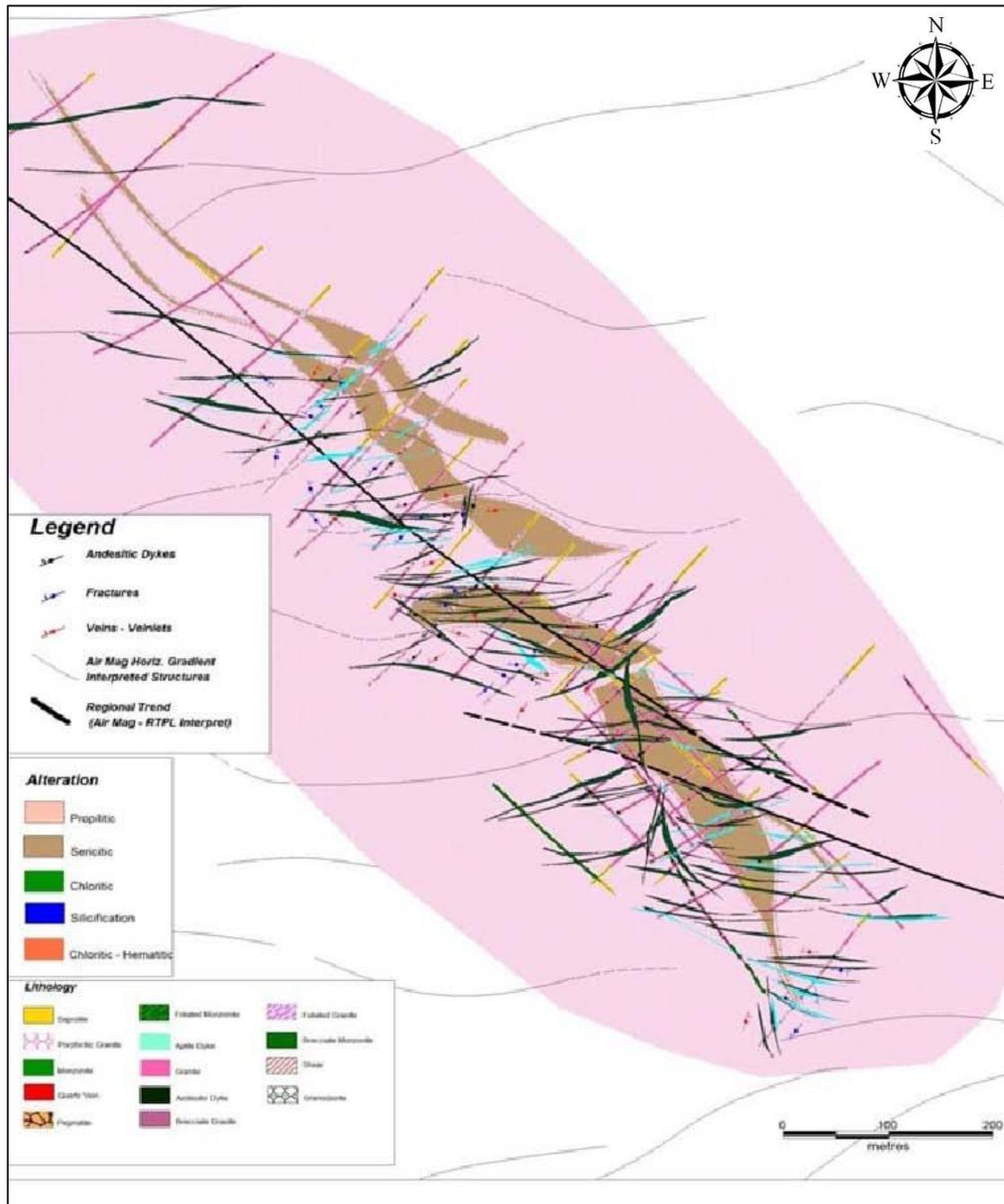
“Late undifferentiated intrusions: Unit i consists of topographically distinct bodies of small to medium size. Some show annular textures on the Landsat imagery or air photos. They appear to post-date the Palaeoproterozoic (Trans-Amazonian) deformation. Most are likely to be of Late Palaeoproterozoic age, but some may be younger.”

“Late tectonics mafic plutons (Ingarana Suite): Middle Proterozoic anorogenic mafic plutons occur in the region but the gabbros within the study area all appear to be affected by at least some of the Trans-Amazonian faulting and are therefore considered to be similar in age to the late tectonic granites. These gabbroic rocks (unit gb2) can be recognized on the air photos and Landsat as they give rise to a smoother, more rounded terrain than the granites.”

“Late tectonics granites: These are interpreted to be of late Trans-Amazonian age as they are affected by at least some of the deformation but clearly post-date the older granites and gneiss. These late tectonic granites (unit gr2) are mostly topographically prominent.”

“Older granites and gneiss: Unit gm is characterized by topographically featureless terrain, which is generally aligned along and bounded by major faults. Such terrain corresponds in part to the Cuiú Cuiú complex shown on published maps. This unit consists of granite-gneiss, migmatite and possibly also amphibolite, lithologies which tend to be more deeply weathered. No evidence of foliation was visible on the air photos or Landsat image. The remainder of the older basement consists of various granites, some of which are foliated. Differences in topography were used to differentiate them. Unit gr+ corresponds to the more prominent hills, some of which show pale outcrops or soil on the air photos, which are underlain by granitoids with weathering resistance such as potassic and/or hornblende-rich granites. Unit gr- is used for the most weathered granites which are likely to be rich in biotite and plagioclase where there are no distinctive topographic characteristics.”

Figure 7.3
Central Zone Simplified Geology



Source: McMahon, 2011.

7.3.2 Moreira Gomes Target - Simplified Geology

The Moreira Gomes target is underlain by the intrusive igneous Cuiú Cuiú complex. The mineralization is mainly hosted in a granodiorite, with no sign of foliation or strong

brecciation, and is strongly magnetic. The mesoscopic description from the petrology report reads “Coarse-grained mottled to spotted pinkish white intrusive rock, magnetic, displaying white crystals of plagioclase, pale pink crystals of microcline, colorless quartz, dark green crystals of chlorite, brownish pink crystals of titanite and yellow crystal of epidote.”

Within the mineralized zone, the granodiorite is strongly altered (sericitization, chloritization and carbonatization), preserving relicts of the original igneous hypidiomorphic granular texture. The original magnetism of the fresh granodiorite is completely lost, and the predominant color is gray-green.

Dike-like bodies appear parallel to the main mineralized structure (east-west, see Figure 7.4 and Figure 7.7). The main composition of these dykes is aplite-pegmatite, and a few of them are chloritized, fine grain andesite.

A felsic dike rock unit is described in some holes (rhyolite). It is not altered and is non-magnetic, with its original porphyritic texture well preserved.

7.4 STRUCTURE

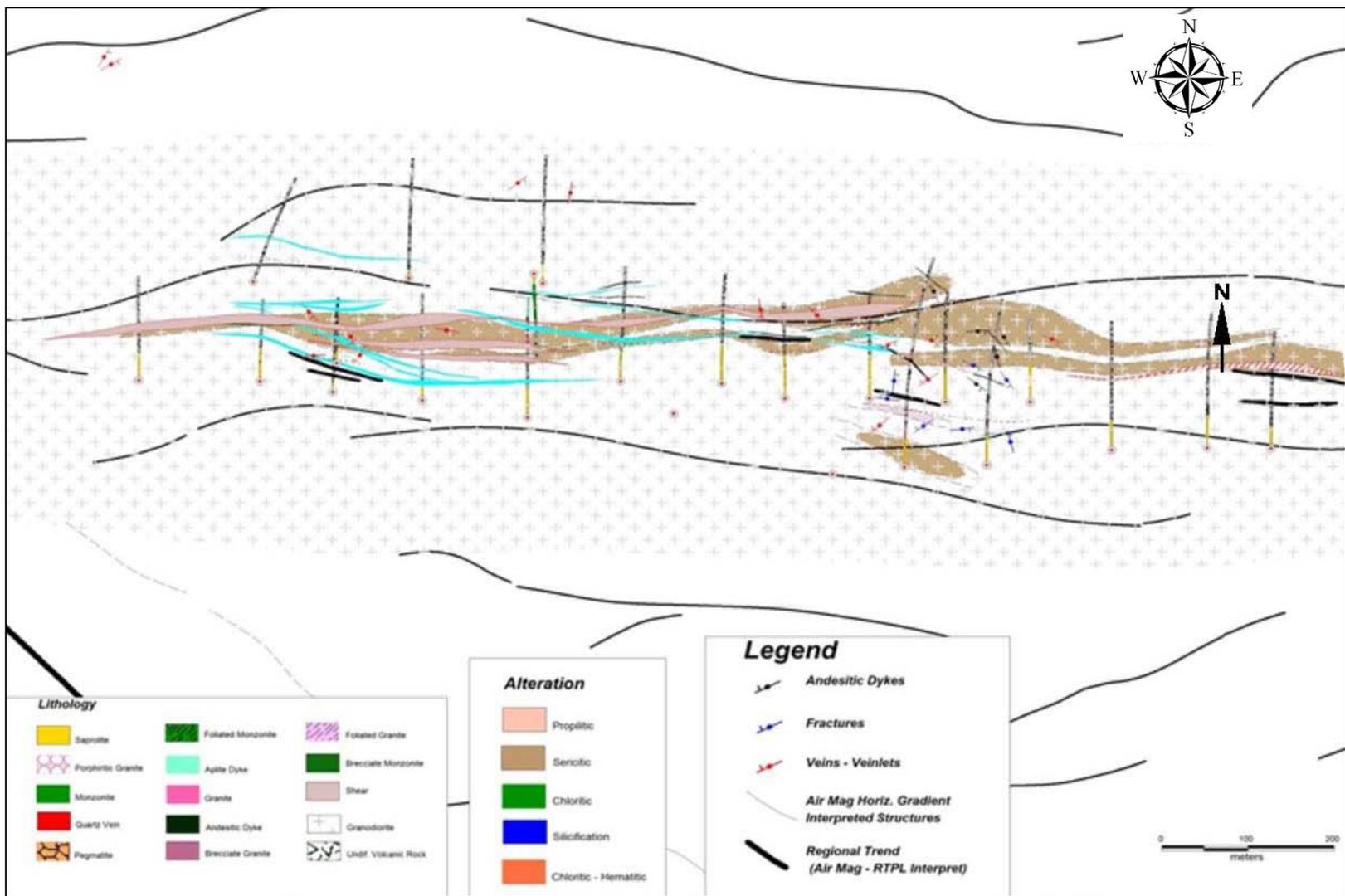
Figure 7.5 shows the main structures identified from the aerial photos and satellite imagery. The Cuiú Cuiú gold project lies between two major faults, identified by Mike Baker (2009), as Fault A (to the southwest of the project), and Fault B (to the northeast). Fault A has a southeast-northwest trend. To the west of the area it changes direction to north-northwest. Elsewhere in the Amazonian craton, fault zones with similar changes in trend tend to be long-lived features of Archean origin. This fault is interpreted as a major strike-slip structure during the ductile phase of the Trans-Amazonic event.

Fault B has a north-northwesterly direction, parallel to Fault A. This fault is interpreted as an early Trans-Amazonian compressional structure, which was reactivated during the late Trans-Amazonian event (see Figure 7.5).

Most of the structures in the main part of the Cuiú Cuiú project are related to the differential movement between the two regional faults. There are a series of left-lateral faults, parallel to Fault B. Some of these terminate in east-northeast trending faults, interpreted as late structures.

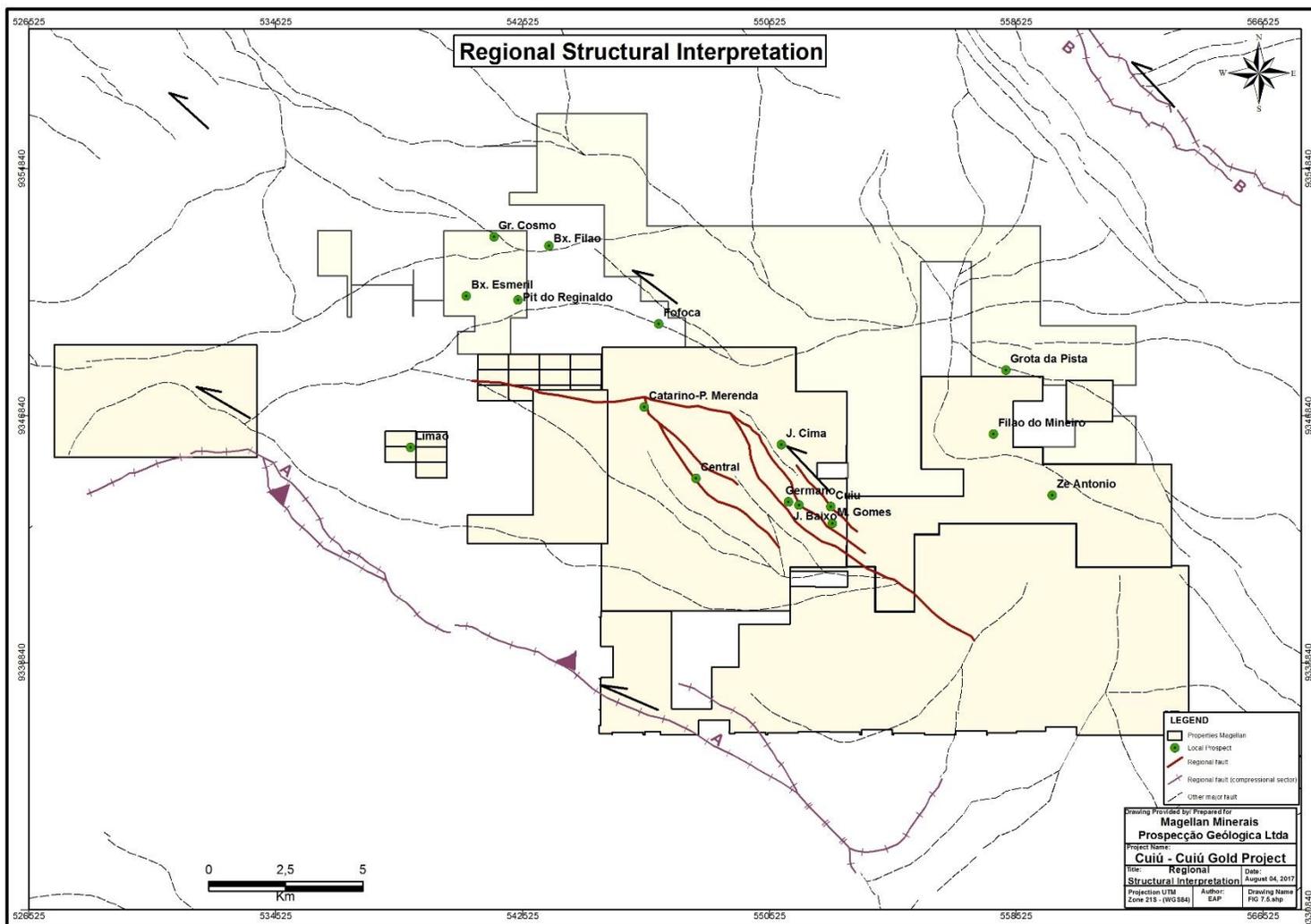
These northwest-trending structures have the geometry of shear zones, whereas internal second or third order faults are oriented east-northeast and are probably extensional in origin.

Figure 7.4
Moreira Gomes Zone Simplified Geology



Source: McMahon, 2011.

Figure 7.5
Regional Structural Interpretation



Source: Cabral, 2017.

7.4.1 Structural Model

Based on a detailed Airborne Magnetic survey (Horizontal Gradient Map) and oriented core measurements, a local interpretation of the structural model and strain field was carried out.

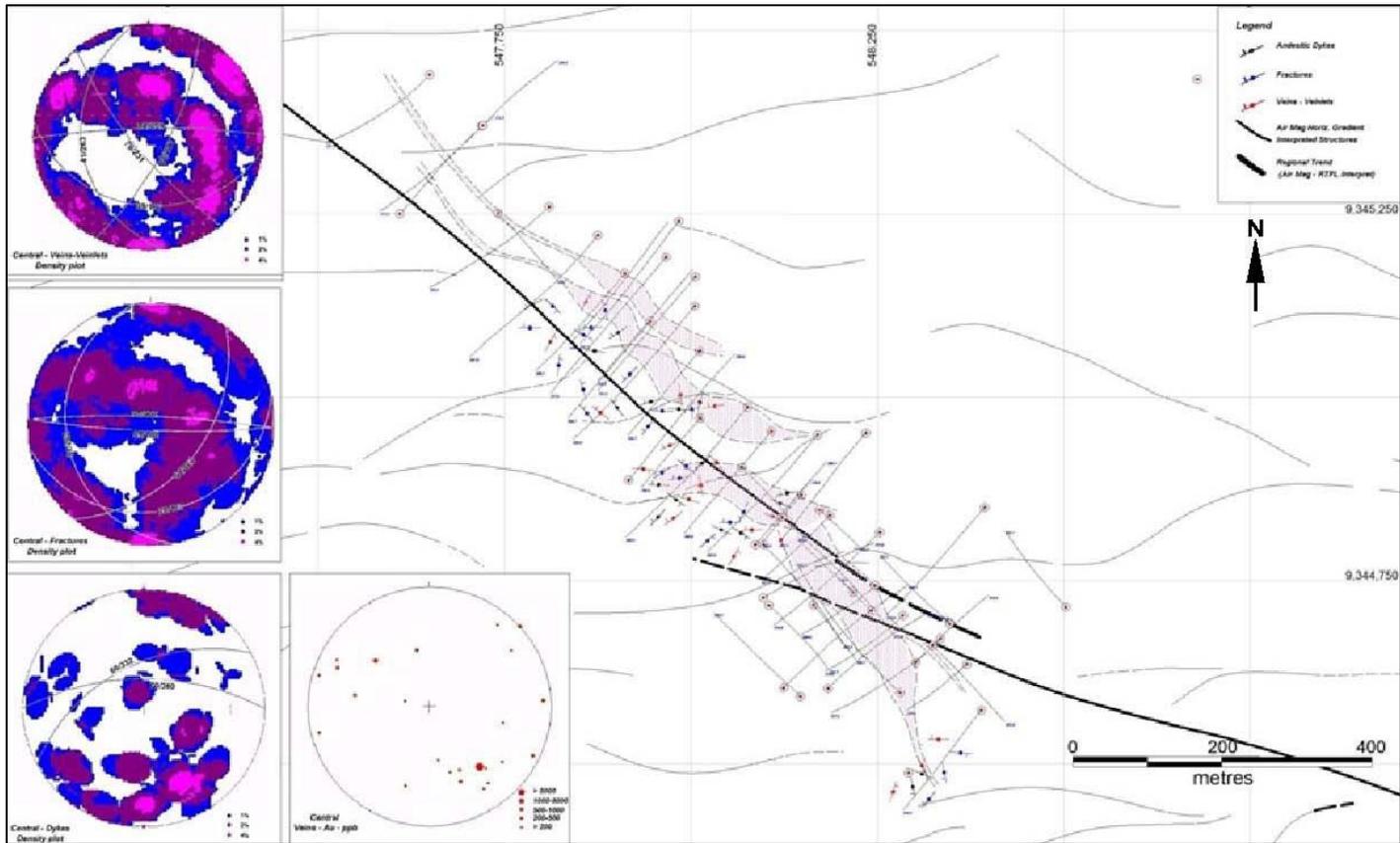
Figure 7.6 and Figure 7.7 show the aeromagnetic lineaments, the mineralized zones, and a summary of the oriented core measurements for the Central, Moreira Gomes, and Jerimum de Baixo targets.

Table 7.1 summarizes the orientation of the different structures.

Table 7.1
Dip and Dip Direction Averages Obtained from Density Plots

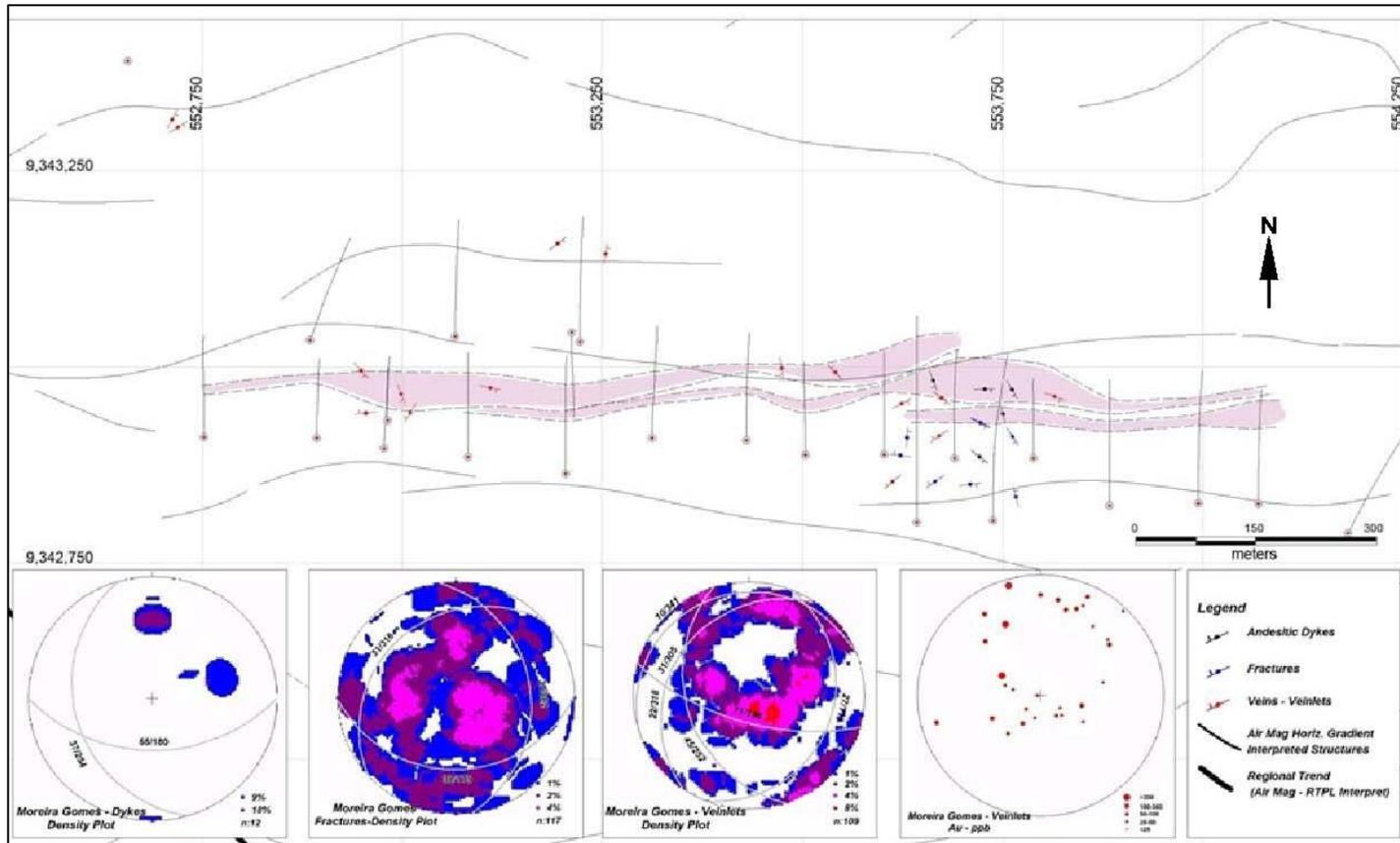
Target	Structure Type	Dip (°)	Dip Direction (°)
Central	Vein/Veinlets	41	263
	Vein/Veinlets	79	231
	Vein/Veinlets	84	359
	Vein/Veinlets	39	187
	Vein/Veinlets	76	117
	Fractures	85	002
	Fractures	85	182
	Fractures	28	167
	Fractures	54	128
	Fractures	31	262
	Dyke	60	332
	Dyke	70	360
	Moreira Gomes	Vein/Veinlets	31
Vein/Veinlets		10	341
Vein/Veinlets		22	318
Vein/Veinlets		45	252
Vein/Veinlets		27	11
Fractures		31	318
Fractures		38	179
Fractures		37	082
Dyke		55	180
Dyke		37	254
Jerimum de Baixo		Vein/Veinlets	86
	Vein/Veinlets	88	000
	Vein/Veinlets	40	119
	Vein/Veinlets	51	179
	Fractures	73	219
	Fractures	83	033
	Fractures	77	063
	Fractures	57	164
	Dyke	83	057
	Dyke	76	193
	Dyke	53	146

Figure 7.6
Central Zone Structural Map



Source: McMahon, 2011.

Figure 7.7
Moreira Gomes Zone Structural Map



Source: McMahon, 2011.

The Central zone seems to be related to differential movements between two major strike-slip faults, with a dextral movement, and is located in tension gashes related to the shear zone.

Moreira Gomes is located in an east-west trending, parallel strike-slip fault, with a sinistral sense of movement. At the Jerimum de Baixo target, the zone is not yet well defined, and more drilling is required. However, the target is located along a major strike-slip sinistral fault. This major lineament is probably the contact between two different lithological units.

7.5 ALTERATION

In a regional context, the Cuiú Cuiú gold project displays large zones of alteration. This indicates that large volumes of hydrothermal fluid were focused within the shear zones.

At the prospect scale, gold mineralization is associated with zones of intense sericite alteration. Petrographic studies (CLM Petrografia, 2010), show that primary plagioclase grains have been extensively altered to sericite. This is clearly seen in core samples as the rock changes to a pale green-brown color (see Figure 7.8). Sericitization occurs as selvages within veins. At Central zone, sericitic alteration becomes more massive, as veins/veinlets become more abundant. The primary alteration minerals are sericite-chlorite-silica, and calcite in veinlets (D. Moore, 2011).

A wider and more distal alteration type is the chlorite-hematite alteration, which can reach up to 15-20 m from the mineralized zone. This alteration type is mentioned in most shear-hosted deposits (Peters S. G., Golding S. D., 1989), and in some cases has been described as potassic alteration, although it is not potassic alteration. This alteration is typified by a strong reddish colouration and is the result of staining by microcrystalline hematite after magnetite alteration (see Figure 7.9).

Figure 7.8
Sericite Altered Plagioclase Crystals



Source: McMahon, 2011.

Figure 7.9
Chlorite-Hematite Alteration



Source: McMahon, 2011.

7.6 MINERALIZATION

7.6.1 Introduction

The Cuiú Cuiú gold deposit is a stockwork/sheeted veinlet body hosted in granitic rocks (Cuiú Cuiú complex), cut by fine-grained andesitic dykes, and by later aplitic/pegmatitic dykes. Gold mineralization is localized in shear zones which in turn are controlled by a large-scale northwest-southeast-striking lineament (the so called Tocantinzinho trend), probably a crustal-scale shear.

The dimensions of the Cuiú Cuiú deposits have been outlined by core drilling. The Central deposit strikes 1,350 m in the northwest-southeast direction, is 150 to 250 m wide, with a vertical depth of 450 m. Moreira Gomes strikes 2,100 m east-west, is up to 200 m wide, with a vertical depth of 400 m. Both zones remain open along strike and at depth. The Central North deposit is located approximately 250 m north of the main Central deposit. It consists of 4 steeply dipping, northwest striking, sub-parallel higher-grade zones surrounded by a low-grade shell. The deposit has a strike length of approximately 450 m, is 150 m wide and has been intersected 300 m below surface. The Jerimum de Baixo deposit consists of 3 steeply dipping, northwest striking, sub-parallel higher-grade zones surrounded by a low-grade shell. The deposit is approximately 650 m long, 150 m wide at its widest point and extends 250 m to depth.

7.6.2 Mineralization Styles

The key feature of both deposits is sheeted quartz-chlorite-calcite veinlets, containing pyrite and accessory base metal sulfides. Veinlets are generally 0.2 to 2.0 cm in width but occasionally are up to 20 cm wide. Chlorite forms ubiquitous selvages to fractures and veins and replaces ferromagnesian grains (see Figure 7.10 and Figure 7.11).

The pyrite content within the zones of stockwork mineralization ranges from 0.5 to 4% in volume, while base metals values (galena, sphalerite and chalcopyrite) average less than 0.2%. Similar to Tocantinzinho, the mineralization at Cuiú Cuiú can be considered “low sulfide,” with overall sulfide content of less than 2%. However, high grade gold zones above 10 g/t Au are associated with elevated levels of both pyrite and base metal sulfides and display significant silicification.

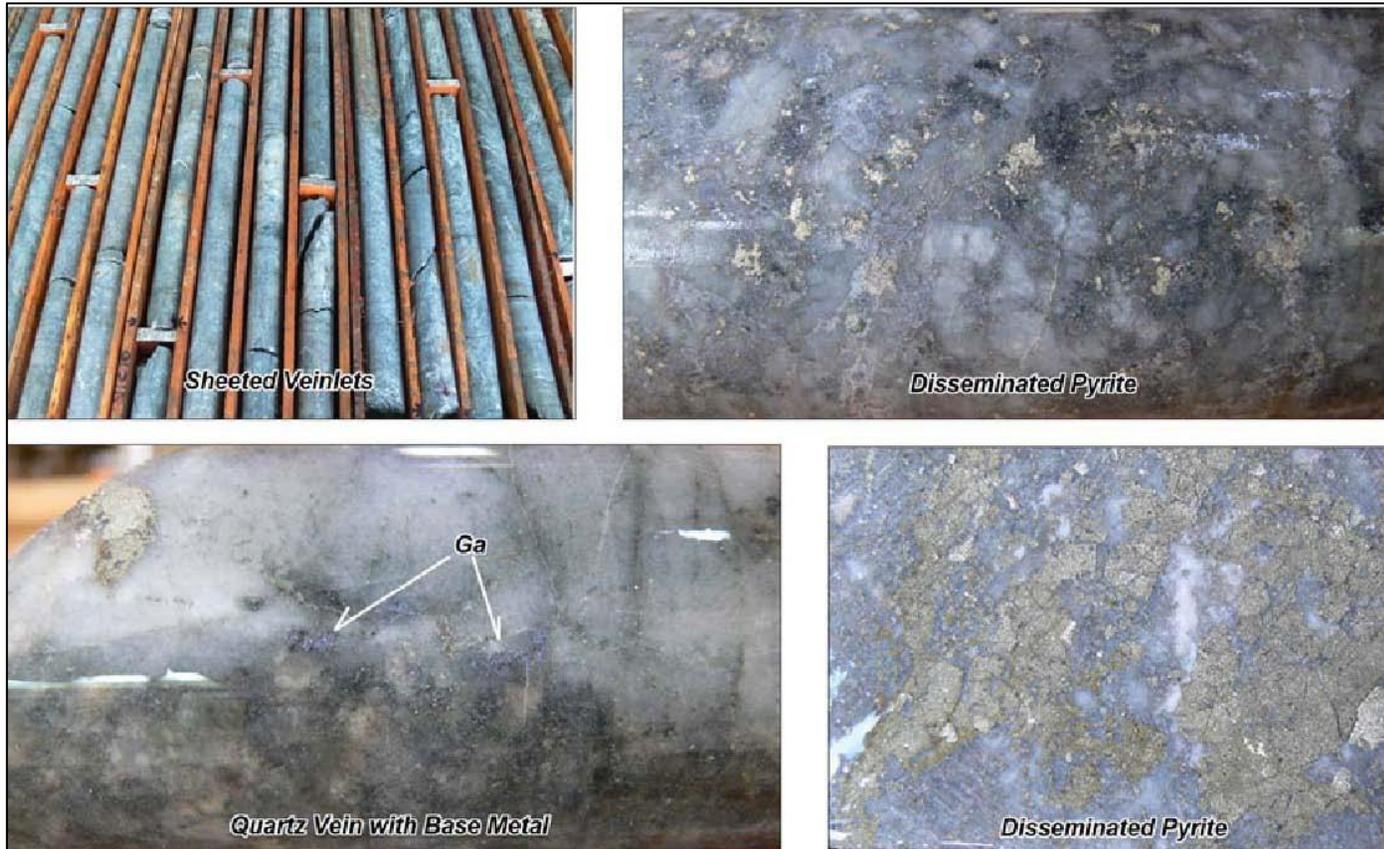
Pyrite is the primary host for native gold, although visible coarse gold is usually associated with base metal sulfides, particularly galena, sphalerite, and chalcopyrite. Rare fluorite, and amethyst are present (cassiterite is noted in petrographic reports). Individual veins exhibit pinch and swell morphologies. Visible gold grains size ranges from 0.1 to 2.0 mm in diameter. There is a positive correlation between the frequency of quartz veins, the percentage of sulfides present and gold grade.

Figure 7.10
Mineralization Styles (1)



Source: McMahon, 2011.

Figure 7.11
Mineralization Styles (2)

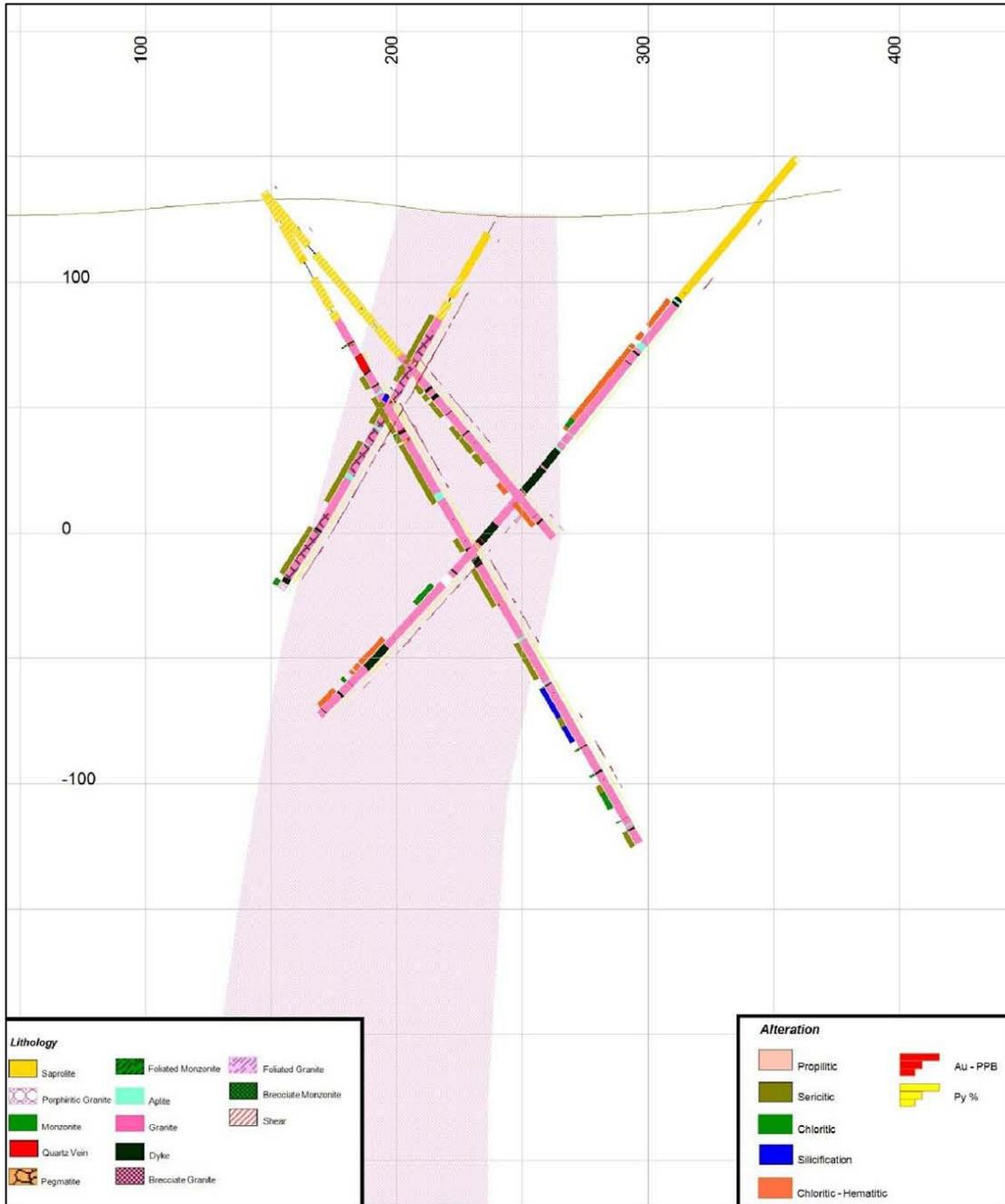


Source: McMahon, 2011.

Gold occurs as the native metal in fracture fillings within pyrite and other sulfides; it occurs on the surfaces of, and in between individual sulfide grains, rarely as inclusions within pyrite. It also occurs as solitary grains up to 1 mm or more in size in quartz-base metal sulfide veins.

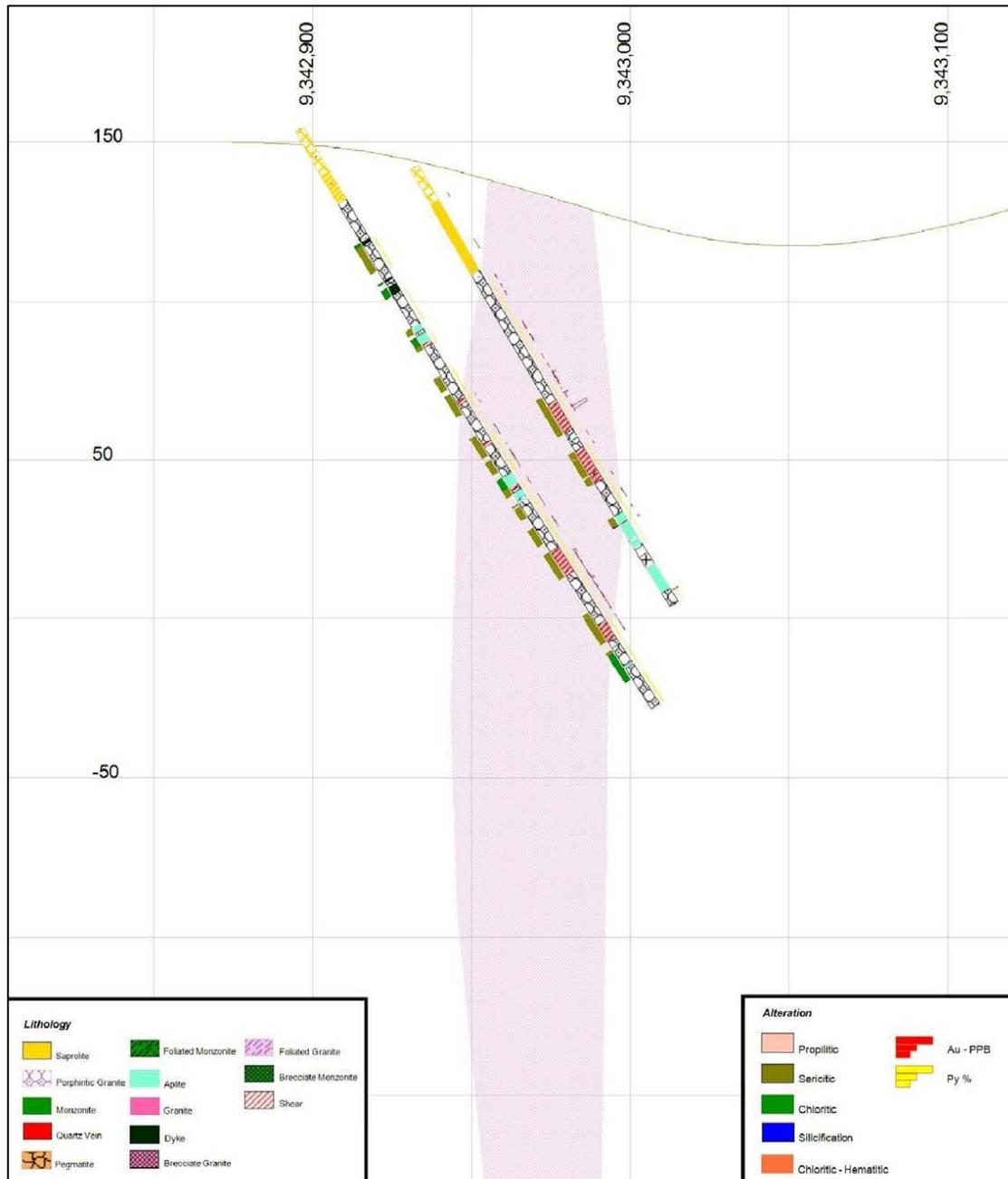
The sheeted veinlets and veins show some preferred orientation. At Central there are four main orientations, north-south, east-west, north-northeast-south-southwest and northwest-southeast. Veinlets dip from 41° to 84°. No preferred orientation of high grade veins is evident in the drilling conducted to date (see Figure 7.12). At Moreira Gomes, there are two main orientations of the veinlets: north-northeast-south-southwest dipping 31° and east-southeast-west-northwest dipping 71°. As at Central, there is no preferred orientation for the high-grade veins (see Figure 7.13).

Figure 7.12
Central Zone Vertical Section



Source: McMahon, 2011. Scale shown on section grid.

Figure 7.13
Moreira Gomes Zone Vertical Section



Source: McMahon, 2011. Scale shown on section grid.

8.0 DEPOSIT TYPES

8.1 SHEAR ZONE HOSTED GOLD DEPOSITS

Shear zone hosted gold deposits are zones of anomalously high strain and form linear mappable units. These linear units occur in generally predictable orientations and are located in certain preferred settings.

In these mappable units, lithologies may be rotated (A), folded (B), dislocated (C), truncated (D), thinned (E), thickened (F), repeated (G) or transposed (H) (see Figure 8.1) (See OGS, 1988).

At the prospect scale, shear zone hosted gold deposits consist of many individual shear zones that are rarely linear and continuous, but which anastomose, bifurcate, or are discontinuous in both vertical and horizontal dimensions.

Many deformation zones are characterized by structures of both ductile and brittle deformation, which may be coeval or occur at different times (see Ramsay, 1980).

These zones generally contain altered rocks, carbonate and hydrous minerals (sericite-biotite), as well as quartz and quartz-carbonate veins (low pressure-temperature conditions). Hematization of feldspars, which imparts a brick red color, is common in altered granitoids and porphyries (McMahon, 2011).

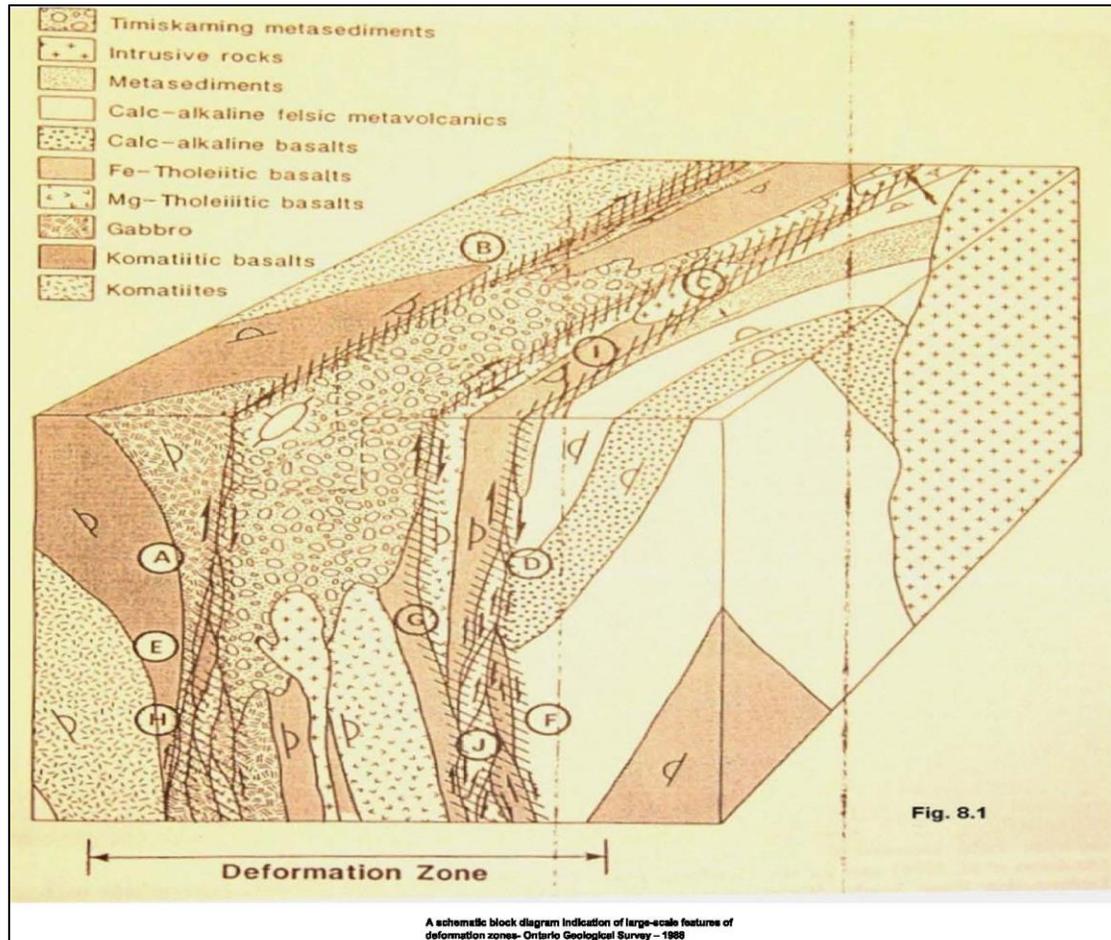
And finally, syn-tectonic to late-tectonic, andesitic to dacitic dykes, as well as aplitic and pegmatitic dykes appear intruding the deformation zones (Wyman and Kerrich, 1986, 1987).

Gold mineralization is hosted by small-scale structures within larger deformation zones. These structures are highly permeable zones, which are preferred sites for mineralization. A change from the brittle to ductile environment occurs with increasing depth.

Gold is associated with large volumes of fluid that have altered the host rock. This fluid, through its influence on the ductile-brittle behaviour of the rocks, will affect the form and distribution of gold bearing structures.

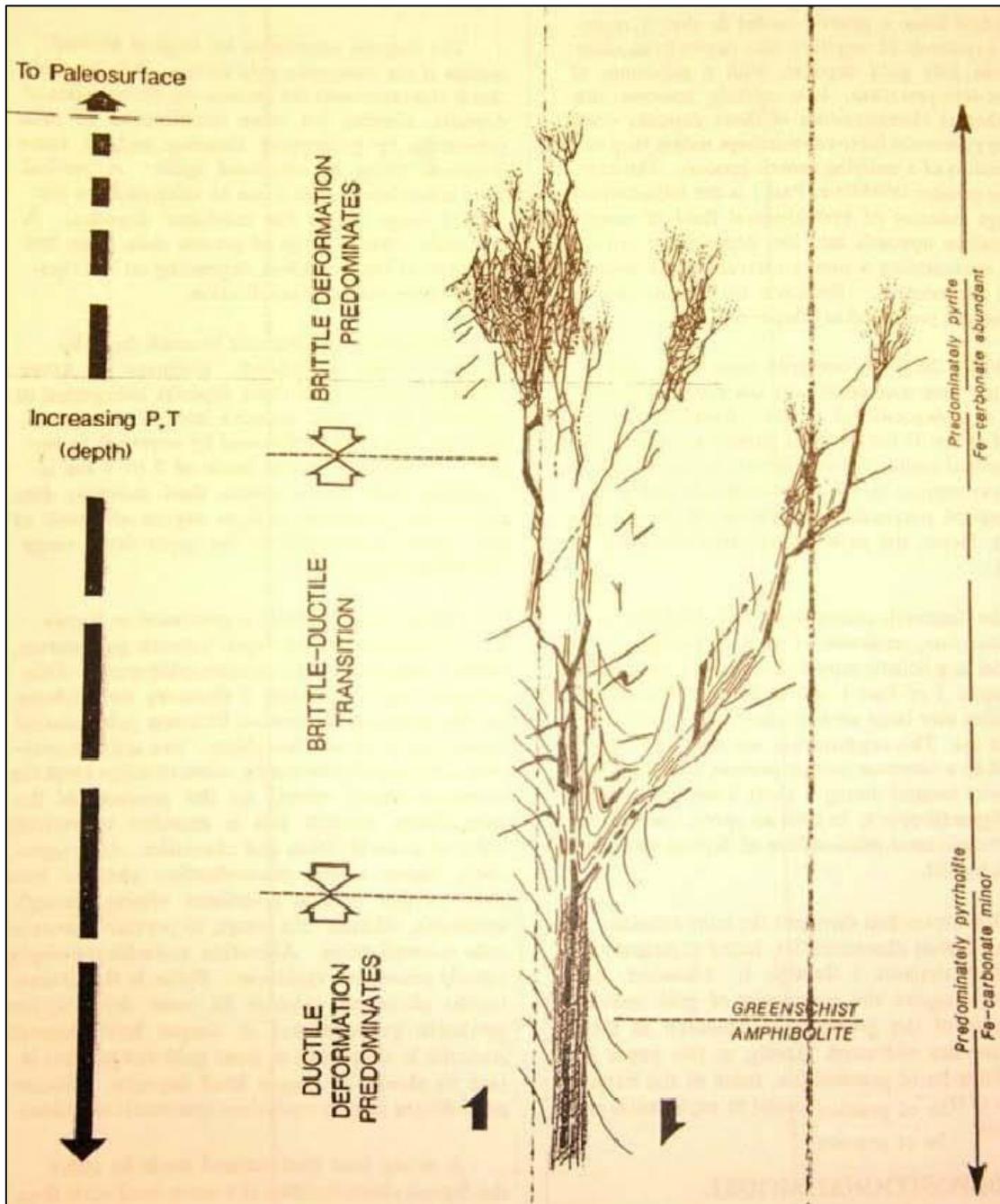
Deposits are lenticular, tabular or irregular shaped bodies composed of veins/veinlets, breccias zones, and/or stockwork systems. Veins transect lithological contacts and are not restricted to a specific rock type. In shear zone hosted gold deposits there is also a vertical zonation, which reflects a change in the deformation style, from brittle to brittle-ductile. For example, breccia veins occur principally within the brittle style of deformation and replacement veins are commonly associated with ductile zones (see Figure 8.2).

Figure 8.1
Block Diagram



Source: McMahon, 2011 (after OGS, 1988).

Figure 8.2
Idealized Shear Zone Hosted Gold Deposit Model



Source: McMahon, 2011 (after OGS, 1988).

As described in the idealized composite depositional model for Archean load gold deposits (OGS, 1988) minerals common to gold related alteration zones include:

- Carbonates.

- Potassic phyllosilicates (sericite and biotite).
- Chlorite associated with calcite and dolomite.
- Iron sulphides (pyrite).
- Quartz.
- Chloritoid minerals.

The most distinctive occurrence of gold is in quartz veins. In some deposits this is the principal location of mineralisation, although gold also occurs in altered host rocks. In other deposits, gold is associated with alteration sulfides in the wall rock.

The 200 km long Juneau belt, and the Valdez Creek district in Alaska (R. J. Goldfarb, G. N. Philips, W. J. Nokleberg, 1997), the Charters towers district in Australia (O. P. Kreuzer, 2004) are examples of gold deposits associated with deformations zones. Table 8.1 lists the reported contained gold in selected granite-hosted shear zone deposits.

Table 8.1
Granite-Hosted Gold Deposits

Mine	Gold (millions oz)
Las Cristinas (Venezuela)	>20
Omai (Guyana)	3.7
Boddington (Western Australia)	3.0
Tocantinzinho (Brazil)	2.5

Source: McMahon, 2011.

8.2 CUIÚ CUIÚ

The main characteristics of the gold deposits at Cuiú Cuiú are as follows (D. Moore, 2011):

- The Tocantinzinho Trend is comprised of major northwest-southeast lineaments that control the locations of the most important gold deposits in the Tapajós and are probably crustal-scale shear zones.
- Cuiú Cuiú is located along the Tocantinzinho Trend, which also hosts the São Jorge, Palito and Tocantinzinho gold deposits.
- Central zone mineralisation is related to differential movements that occurred between two major strike-slip faults systems. Moreira Gomes zone mineralisation is located in an east-west-trending strike-slip fault.
- The primary alteration minerals are sericite, chlorite, silica, calcite and hematite.
- Andesitic to dacitic dykes are associated with many of the gold occurrences at Cuiú Cuiú; aplitic and pegmatitic dykes are also common. At Central, over a hundred andesitic dykes have been identified from drill holes.

- Mineralized zones at Cuiú Cuiú have irregular shapes, and gold is hosted in vein/veinlets, breccias, stockwork systems and as results of replacement of granitic host rocks.
- At both the Central and Moreira Gomes deposits, gold mineralisation has been traced over a vertical extent of more than 350 m and to date the lower limits of mineralisation have not been defined. In the case of Moreira Gomes, gold mineralisation extends more than 1,000 m along strike and remains open.
- Gold grades show a correlation with the amount of quartz and intensity of sulfide content and base metal mineralization.

9.0 EXPLORATION

As of the effective date of this report no exploration had been completed by Cabral.

10.0 DRILLING

10.1.1 Introduction

The drilling described in this section was completed for Magellan and its Brazilian subsidiary Magellan Brazil. Cabral has acquired Magellan Brazil. As of the effective date of this report no drilling had been completed by Cabral. Some Magellan staff work at, or are available to, Cabral.

A total of 48,025.38 m of diamond drill core, in 176 exploration holes has been drilled between 2006 and 2012.

The Cuiú Cuiú diamond drill holes are summarized by year in Table 10.1 and by target in Table 10.2. The collar coordinates are listed in Appendix 1. Figure 10.1 shows all of the diamond drill hole collar locations.

Table 10.1
Cuiú Cuiú Gold Project - Diamond Drilling Summary by Year

Year	Holes		Metres Drilled	Samples	
	Drilled	with DH Survey		Number	Metres
2006	10	10	2,753.51	1,430	2,646.81
2007	20	20	4,209.18	2,297	3,933.91
2008	15	15	3,765.14	1,921	3,126.81
2009	9	9	1,742.95	1,225	1,734.68
2010	50	50	13,484.23	9,164	13,420.23
2011	64	58	20,849.53	11,968	18,045.35
2012	8	7	1,218.53	828	1,218.98
Total	176	169	48,025.38	28,832	44,126.77

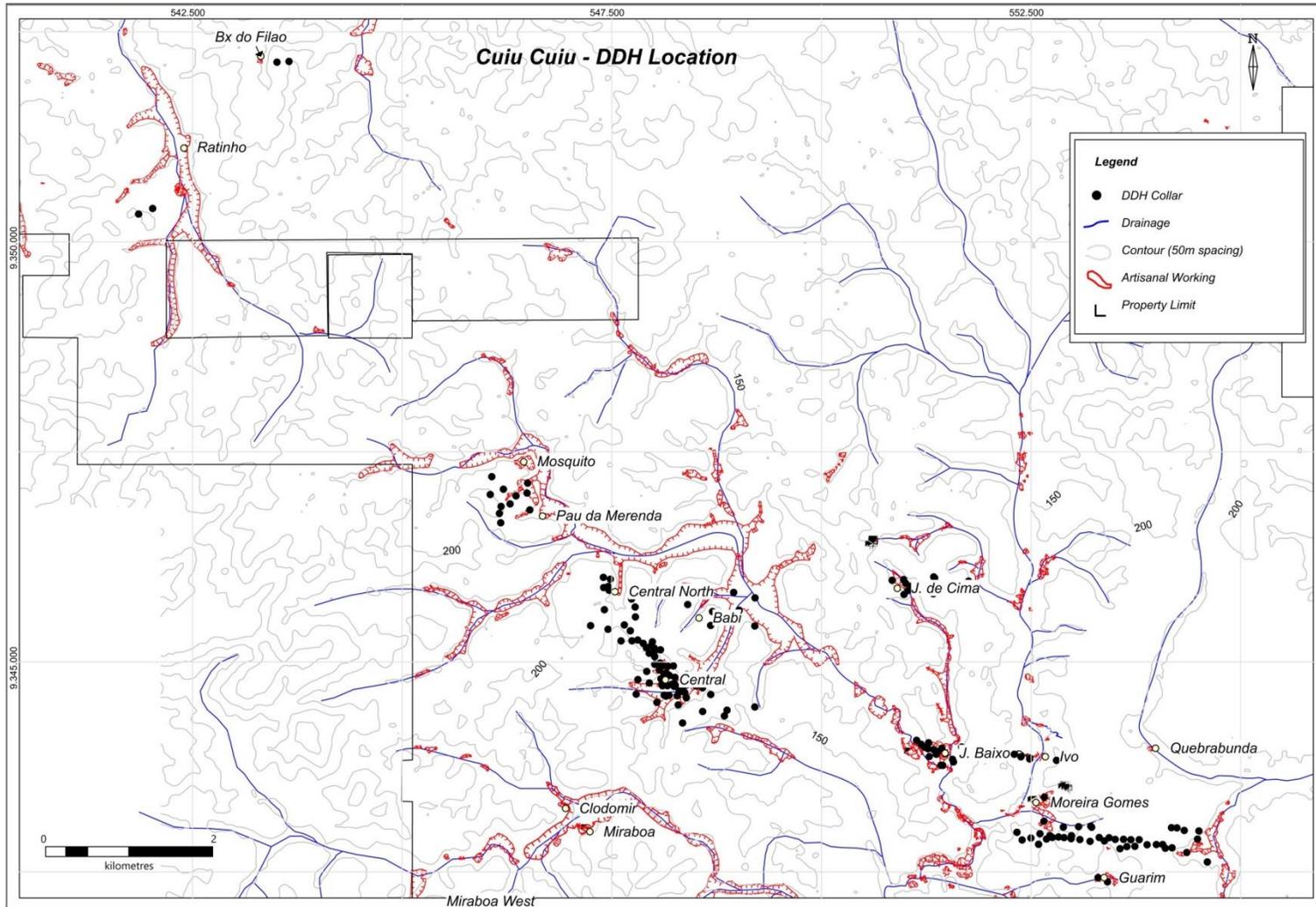
The first phase of diamond drilling, in 2006, (2,753.51 m in 10 holes) was early stage exploration. Nine of the holes were drilled under the Central artisanal workings, and one under the Jerimum de Baixo artisanal workings.

The second phase diamond drilling completed in 2007, and comprising 4,209.18 m in 20 holes, partially tested new targets such as Jerimum de Cima and Pau da Merenda artisanal workings. Some additional holes were completed at the Central zone.

Further diamond drilling during 2008 involved the completion of 3,765.14 m in 15 holes and primarily focused on the Central zone.

In 2009, an additional 1,742.95 m were completed in nine diamond drill holes which tested the Moreira Gomes zone.

Figure 10.1
Cuiú Cuiú - Diamond Drill Holes



Source: Cabral, 2017.

In 2010, further diamond drilling, consisting of 13,484 m in 50 holes, tested the northwest extension of Central zone, as well as the eastern extension of Moreira Gomes zone, Pau da Merenda, Jerimum de Baixo, and Babi (to the northeast of Central) zones (see Figure 10.1 above). All drilling was completed by Energold Perfurações Ltd.

Table 10.2
Cuiú Cuiú Gold Project - Diamond Drilling Summary by Target

Deposit	Holes Drilled	Metres Drilled
Central	61	17,939.77
Moreira Gomes	42	11,195.61
Pau da Merenda	11	2,593.52
Jerimum de Cima	13	3,195.77
Jerimum de Baixo	17	4,002.16
Babi	7	2,394.18
Central North	10	3,470.34
Central SE	5	1,684.80
Guarim	2	330.70
Ivo	4	478.15
Ratinho	4	740.38
Total	176	48,025.38

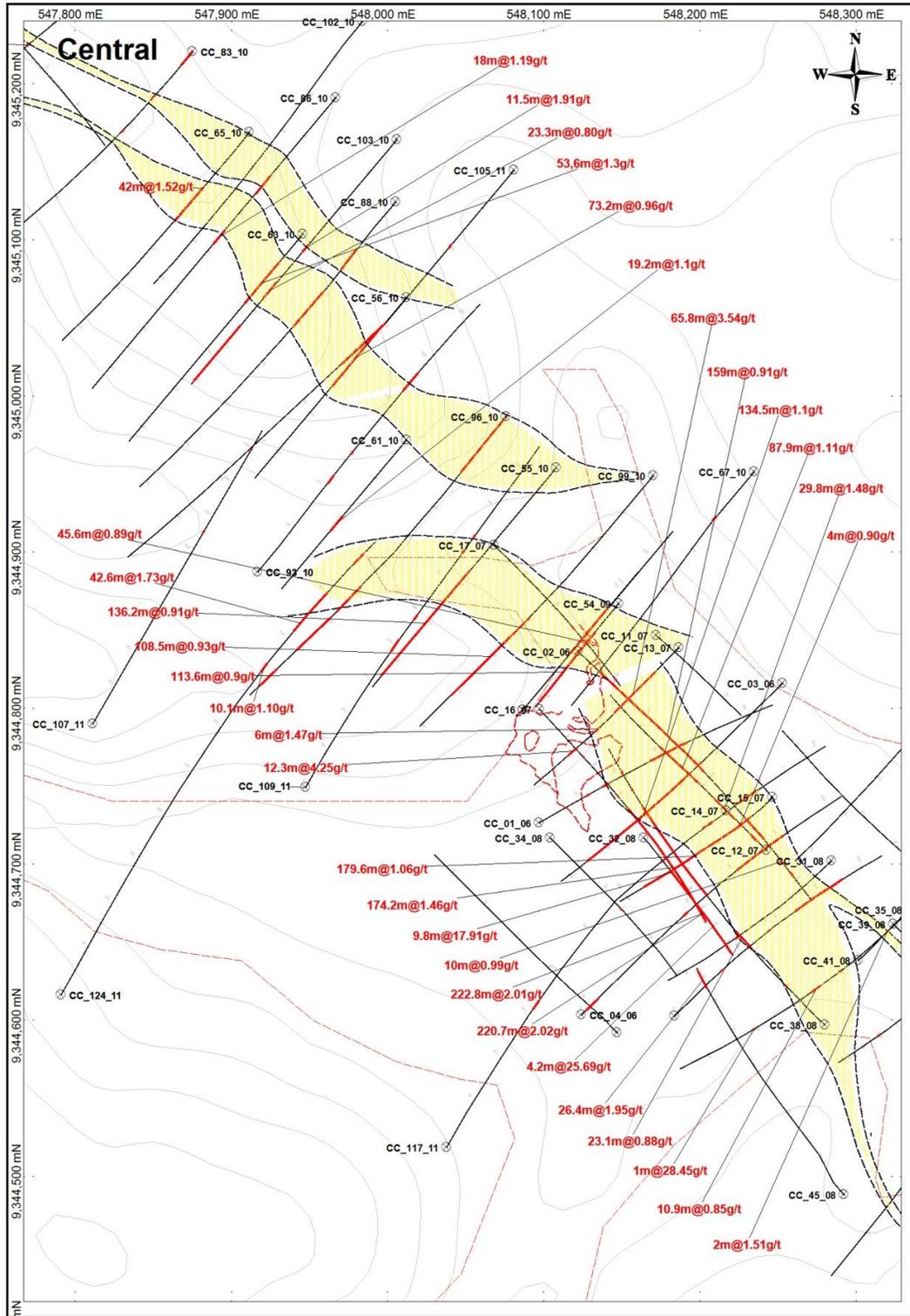
In 2011, Magellan completed 64 diamond drill holes totalling 20,849.52 m. Follow-up and step-out holes were drilled on the Central, Moreira Gomes, Babi, Jerimum de Baixo and Jerimum de Cima targets. New drill targets, Central North, Central SE and Guarim were also tested.

In 2012, eight diamond drill holes were completed totalling 1,218.53m. These holes tested previously undrilled targets at Ivo and Ratinho.

10.1.2 Central Zone

In the Central zone, 61 diamond drill holes totalling 17,939.77 m have been drilled. Forty-five of the holes were drilled in a northeast-southwest direction, and 16 in a northwest-southeast direction. The northeast-southwest oriented holes intersected the mineralization at approximately 90° to its strike and the estimated true width of the mineralized intervals is approximately 80% of the width intersected in the holes. The Central zone holes are shown in Figure 10.2 and the results are summarized in Table 10.3.

Figure 10.2
Central Zone - Diamond Drill Holes



Source: Cabral, 2017. Scale shown on grid references at side and top of the map.

Table 10.3
Central Zone - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_01_06	62.4	64.0	1.6	1.35
CC_01_06	82.0	90.0	8.0	0.36
CC_01_06	143.2	186.0	42.8	0.67
CC_02_06	31.0	190.0	159.0	0.91
CC_02_06	262.0	292.0	30.0	0.70
CC_02_06	318.0	328.0	10.0	0.99
CC_02_06	338.0	344.0	6.0	0.77
CC_03_06	116.7	118.9	2.2	0.86
CC_03_06	136.5	139.3	2.8	0.51
CC_03_06	141.1	275.6	134.5	1.10
CC_04_06	6.1	23.0	16.9	0.69
CC_04_06	141.3	147.4	6.1	0.88
CC_04_06	207.0	257.7	50.7	0.57
CC_05_06	20.8	31.0	10.2	0.23
CC_05_06	40.0	48.0	8.0	0.26
CC_05_06	91.0	95.0	4.0	0.91
CC_05_06	134.7	137.6	2.9	1.24
CC_06_06	82.1	98.0	15.9	0.45
CC_06_06	146.0	166.0	20.0	0.73
CC_07_06	63.0	76.9	13.9	2.49
CC_08_06	0.0	8.4	8.4	0.42
CC_08_06	16.0	19.8	3.8	0.68
CC_08_06	38.9	44.7	5.8	0.32
CC_08_06	81.2	84.2	3.0	1.62
CC_08_06	123.6	126.6	3.0	0.51
CC_08_06	135.6	137.6	2.0	1.24
CC_08_06	153.6	161.3	7.7	0.26
CC_08_06	220.4	222.4	2.0	13.05
CC_09_06	0.0	4.6	4.6	0.44
CC_11_07	No Significant Results			
CC_12_07	13.3	23.3	10.0	0.59
CC_12_07	35.0	39.0	4.0	0.90
CC_12_07	45.1	74.9	29.8	1.48
CC_12_07	96.7	100.6	3.9	1.84
CC_12_07	Hole was lost at 100.6 m depth. The final sample interval returned 2.1 m@2.53g/t			
CC_13_07	41.2	107.0	65.8	3.54
Incl.	57.9	64.0	6.1	23.53
CC_13_07	130.3	136.3	6.0	1.47
CC_13_07	165.2	177.5	12.3	4.25
CC_14_07	71.0	158.9	87.9	1.11
CC_15_07	42.8	222.4	179.6	1.06
Incl.	217.3	222.4	5.1	14.05

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_16_07	81.8	83.1	1.3	1.06
CC_16_07	149.3	150.9	1.6	1.29
CC_16_07	170.1	344.3	174.2	1.46
Incl.	218.0	277.0	59.0	2.86
Incl.	275.0	277.0	2.0	36.15
CC_16_07	Hole was stopped at 345.3 m depth in a post-mineral aplite dyke			
CC_17_07	128.8	130.8	2.0	2.05
CC_17_07	200.7	202.2	1.5	2.47
CC_18_07	No Significant Results			
CC_31_08	131.7	137.7	6.0	0.79
CC_31_08	147.7	149.7	2.0	2.47
CC_32_08	61.6	63.1	1.5	1.98
CC_32_08	88.0	308.7	220.7	2.02
Incl.	88.0	97.8	9.8	17.91
and	245.6	249.8	4.2	25.69
CC_32_08	308.7	326.5	17.8	0.68
CC_33_08	54.7	55.7	1.0	3.07
CC_33_08	77.1	78.1	1.0	2.36
CC_33_08	109.4	110.4	1.0	1.34
CC_33_08	133.7	136.7	3.0	1.02
CC_34_08	134.0	136.0	2.0	1.29
CC_35_08	34.0	36.0	2.0	1.51
CC_35_08	100.6	102.3	1.7	1.53
CC_35_08	127.2	138.1	10.9	0.85
CC_35_08	202.1	203.1	1.0	28.45
CC_37_08	46.5	52.3	5.8	1.33
CC_37_08	148.8	152.5	3.7	1.88
CC_37_08	176.5	177.3	0.8	1.19
CC_37_08	208.3	208.8	0.5	3.88
CC_38_08	56.1	57.9	1.8	1.39
CC_38_08	107.3	130.4	23.1	0.88
CC_38_08	174.7	275.8	101.1	0.79
Incl.	174.7	176.4	1.7	3.45
and	179.2	180.2	1.0	1.82
and	190.1	192.4	2.3	2.66
and	204.4	204.9	0.5	2.75
and	219.5	238.7	19.2	1.78
and	261.6	275.8	14.2	1.39
CC_38_08	291.4	293.4	2.0	1.25
CC_38_08	308.3	311.6	3.3	1.01
CC_39_08	90.4	91.6	1.2	1.23
CC_39_08	108.6	117.2	8.6	1.23
CC_39_08	151.3	153.8	2.5	1.43
CC_39_08	220.4	224.3	3.9	1.12
CC_39_08	230.3	232.6	2.3	1.05
CC_40_08	72.5	74.5	2.0	1.58
CC_40_08	138.8	140.8	2.0	1.02
CC_40_08	172.6	228.9	56.3	0.70
CC_41_08	No Significant Results			

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_42_08	No Significant Results			
CC_43_08	Hole was lost at 61 m depth			
CC_44_08	No Significant Results			
CC_45_08	380.2	406.6	26.4	1.95
Incl.	384.6	389.6	5.0	8.25
CC_54_09	47.7	161.3	113.6	0.90
Incl.	47.7	130.2	82.5	1.02
CC_55_10	134.4	270.6	136.2	0.91
Incl.	180.6	231.4	50.8	1.54
CC_56_10	41.5	114.7	73.2	0.96
Incl.	67.5	114.7	47.2	1.44
Incl.	111.7	114.7	3.0	18.75
CC_57_10	85.0	133.6	48.6	0.38
Incl.	91.0	103.8	12.8	0.60
Incl.	108.5	123.0	14.5	0.45
CC_57_10	Hole abandoned at 179 m - Drilling problems			
CC_60_10	92.3	137.9	45.6	0.89
Incl.	109.5	130.2	20.7	1.53
CC_60_10	254.8	276.7	21.9	0.66
CC_61_10	99.3	118.5	19.2	1.10
CC_63_10	37.0	90.6	53.6	1.30
CC_65_10	74.0	116.0	42.0	1.52
Incl.	74.0	91.0	17.0	2.91
CC_67_10	58.0	64.0	6.0	1.20
CC_68_10	No Significant Results			
CC_83_10	0.0	18.0	18.0	0.30
CC_83_10	58.7	63.0	4.3	0.48
CC_83_10	106.7	109.1	2.4	2.72
CC_86_10	102.2	124.8	22.6	0.64
CC_86_10	172.2	190.2	18.0	1.19
CC_88_10	62.0	85.5	23.5	0.37
CC_88_10	113.0	156.4	43.4	0.62
CC_90_10	No Significant Results			
CC_93_10	109.2	118.2	9.0	0.94
CC_93_10	144.0	147.0	3.0	0.93
CC_93_10	217.9	238.9	21.0	0.34
CC_96_10	0.0	92.4	92.4	0.71
Incl.	16.0	61.0	45.0	1.13
CC_96_10	290.0	334.7	44.7	0.72
CC_96_10	344.3	404.3	60.0	0.63
Incl.	363.9	404.3	40.4	0.92
CC_96_10	437.9	469.0	31.1	0.77
CC_99_10	199.0	307.5	108.5	0.93
Incl.	249.0	302.0	53.0	1.63
CC_102_10	No Significant Results			
CC_103_10	152.7	164.2	11.5	1.91
CC_103_10	208.6	231.9	23.3	0.80
CC_103_10	271.7	352.9	81.2	0.68
Incl.	274.7	285.7	11.0	3.09
CC_105_11	97.3	101.3	4.0	2.31

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_105_11	199.3	252.7	53.4	0.53
Incl.	237.7	249.7	12.0	0.77
CC_107_11	405.1	407.1	2.0	3.00
CC_109_11	138.0	139.0	1.0	4.66
CC_109_11	197.0	214.0	17.0	0.76
CC_109_11	244.2	251.0	6.8	1.58
CC_109_11	341.2	346.1	4.9	0.63
CC_109_11	364.0	367.1	3.1	0.30
CC_113_11	29.7	33.7	4.0	0.58
CC_115_11	No Significant Results			
CC_117_11	160.7	171.0	10.3	0.69
CC_117_11	393.0	402.3	9.3	0.66
CC_117_11	427.1	446.0	18.9	0.51
CC_118_11	33.0	40.0	7.0	0.41
CC_118_11	51.0	62.0	11.0	0.42
CC_118_11	207.2	207.7	0.5	58.70
CC_121_11	98.0	105.8	7.8	8.44
CC_124_11	366.7	376.8	10.1	1.10
CC_124_11	411.7	454.3	42.6	1.73
CC_124_11	485.5	496.6	11.1	0.23
CC_134_11	No Significant Results			
CC_147_11	No Significant Results			

Note: All holes were drilled at between -50° and -71°. The intersection widths are not necessarily true widths.

10.1.3 Moreira Gomes Zone

In this zone, 42 diamond drill holes, totalling 11,195.61 m have been completed. All of the holes had a general north/south orientation and dip between 50° to 60°. The length of the holes varies from 160 m to 335 m. The intersections were approximately perpendicular to the strike of the mineralized structure and estimated true width of all the mineralized intervals is approximately 80% of the intersected width in the holes. The Moreira Gomes zone diamond drill holes are shown in Figure 10.3 and Figure 10.4 and the results are summarized below in Table 10.4.

Table 10.4
Moreira Gomes - Diamond Drill Hole Summary

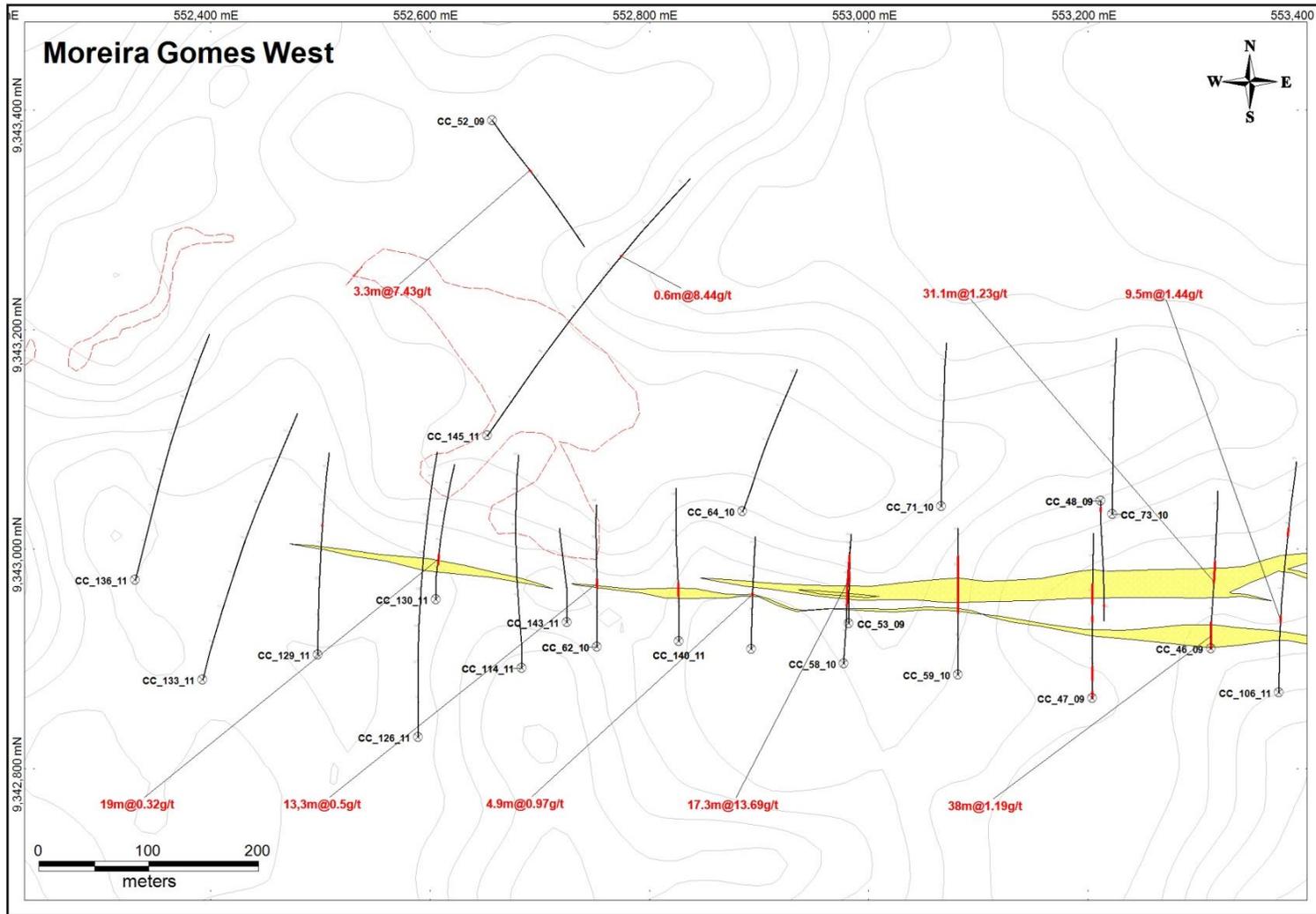
Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_46_09	0.0	38.0	38.0	1.19
CC_46_09	94.6	125.7	31.1	1.23
CC_47_09	0.0	10.7	10.7	0.39
CC_47_09	25.7	45.7	20.0	0.47
CC_47_09	111.2	120.4	9.2	0.46
CC_47_09	137.5	166.2	28.7	0.44
CC_48_09	9.1	15.2	6.1	0.72
CC_48_09	148.4	151.0	2.6	0.70
CC_49_09	78.3	83.2	4.9	0.97

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_50_09	139.0	141.0	2.0	0.80
CC_50_09	155.0	190.0	35.0	2.02
CC_51_09	0.0	35.0	35.0	0.46
CC_51_09	144.1	171.8	27.7	0.66
Incl.	162.1	171.8	9.7	1.45
CC_52_09	86.2	89.5	3.3	7.43
Incl.	123.5	124.0	0.5	3.80
CC_53_09	74.4	91.7	17.3	13.69
CC_53_09	89.7	90.7	1.0	216.4
CC_58_10	102.0	190.0	88.0	0.52
Incl.	136.9	176.0	39.1	0.85
Incl.	157.9	190.0	32.1	1.05
CC_59_10	87.5	168.1	80.6	0.57
Incl.	100.3	127.2	26.9	0.82
and	155.1	167.1	12.0	1.26
CC_62_10	83.5	96.8	13.3	0.50
CC_64_10	No Significant Results			
CC_66_10	0.0	20.0	20.0	0.55
CC_66_10	97.5	153.8	56.3	0.41
Incl.	146.0	153.8	7.8	2.28
CC_69_10	72.0	184.0	112.0	1.70
Incl.	72.0	99.8	27.8	5.03
Incl.	72.8	76.3	3.5	32.29
CC_70_10	72.0	93.0	21.0	0.36
Incl.	87.5	90.5	3.0	1.08
CC_70_10	123.0	133.5	10.5	0.61
CC_71_10	No Significant Results			
CC_72_10	65.9	69.9	4.0	6.42
CC_73_10	No Significant Results			
CC_74_10	184.9	194.7	9.8	0.26
CC_75_10	95.8	99.8	4.0	0.68
CC_75_10	240.2	246.2	6.0	2.00
CC_76_10	0.0	19.8	19.8	0.83
CC_76_10	147.8	195.7	47.9	0.35
Incl.	147.8	152.8	5.0	1.31
CC_77_10	125.4	168.3	42.9	0.50
Incl.	151.0	168.3	17.3	0.88
CC_78_10	151.1	158.2	7.1	2.35
CC_79_10	184.2	268.2	84.0	1.24
Incl.	184.2	232.9	48.7	2.01
CC_81_10	223.6	230.6	7.0	0.74
CC_101_10	388.0	421.0	33.0	1.82
Incl.	396.0	412.5	16.5	2.73
CC_104_10	0.0	52.0	52.0	0.64
Incl.	38.0	52.0	14.0	2.00
CC_104_10	107.0	114.5	7.5	18.83
CC_104_10	269.4	290.0	20.6	1.64
CC_104_10	337.6	347.6	10.0	0.95
CC_106_11	106.5	116.0	9.5	0.44
CC_106_11	237.9	251.4	13.5	0.55

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_108_11	9.2	13.2	4.0	0.76
CC_108_11	188.0	190.0	2.0	2.10
CC_108_11	280.2	295.2	15.0	0.73
CC_108_11	337.4	344.1	6.7	1.18
CC_108_11	392.1	399.1	7.0	0.49
CC_110_11	181.6	205.6	24.0	4.06
Incl.	181.6	182.6	1.0	85.5
CC_111_11	185.0	192.2	7.2	0.62
CC_112_11	203.7	219.5	15.8	0.36
CC_112_11	254.3	257.1	2.8	1.00
CC_114_11	No Significant Results			
CC_120_11	No Significant Results			
CC_122_11	28.9	37.1	8.2	0.37
CC_122_11	208.6	227.0	18.4	0.46
CC_125_11	89.7	102.7	13.0	0.58
CC_126_11	No Significant Results			
CC_129_11	178.0	180.0	2.0	2.60
CC_130_11	64.0	83.0	19.0	0.32
CC_133_11	No Significant Results			
CC_136_11	No Significant Results			
CC_140_11	64.0	83.0	19.0	0.48
CC_143_11	No Significant Results			
CC_145_11	216.0	216.6	0.6	8.44
CC_149_11	353.7	362.7	9.0	0.34
CC_149_11	377.9	393.9	16.0	0.26

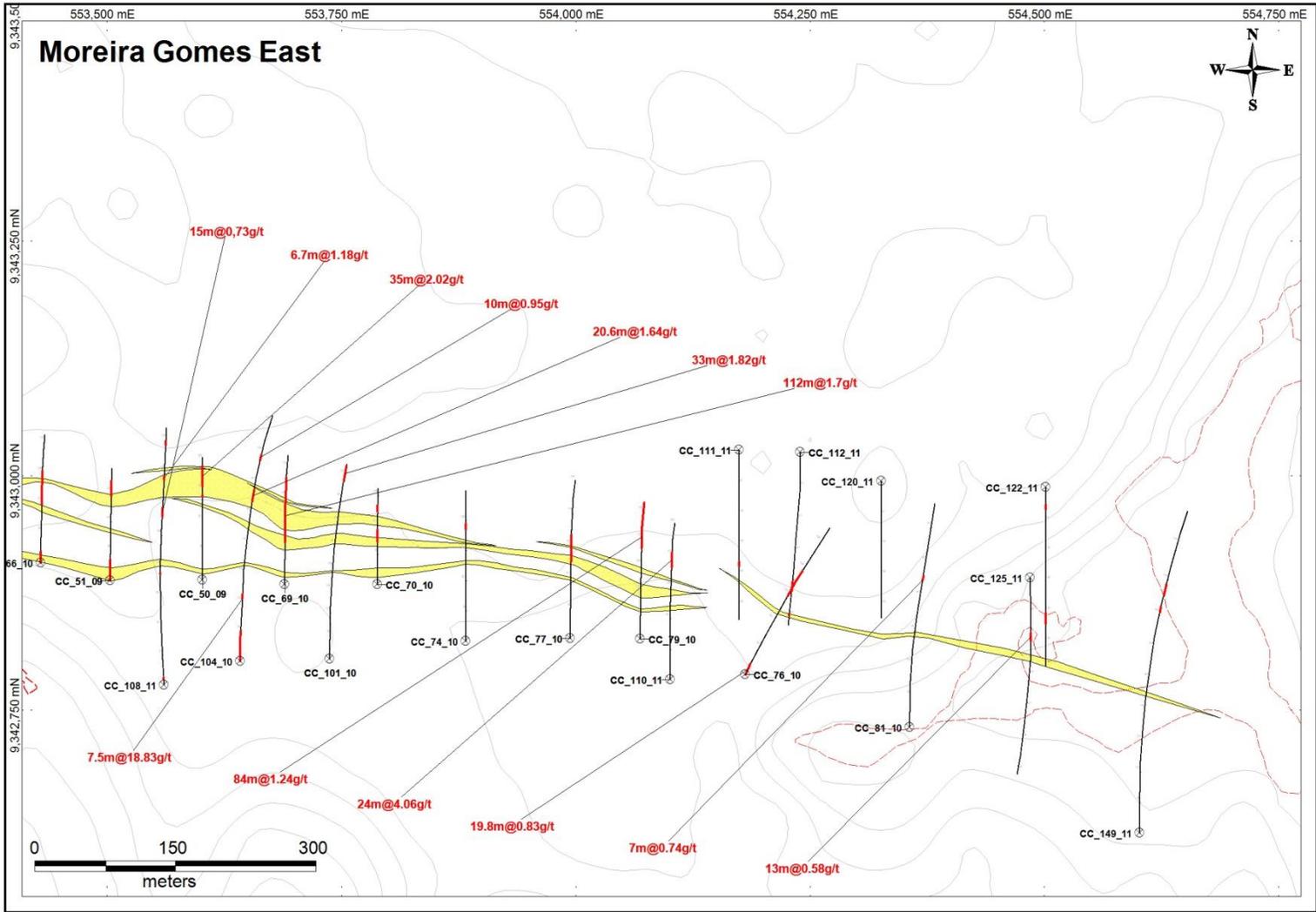
Note: All holes were drilled at between -50° and -60°. The intersection widths are not necessarily true widths.

Figure 10.3
Moreira Gomes West - Diamond Drill Holes



Source: Cabral, 2017.

Figure 10.4
Moreira Gomes East - Diamond Drill Holes



Source: Cabral, 2017.

10.1.4 Pau da Merenda Zone

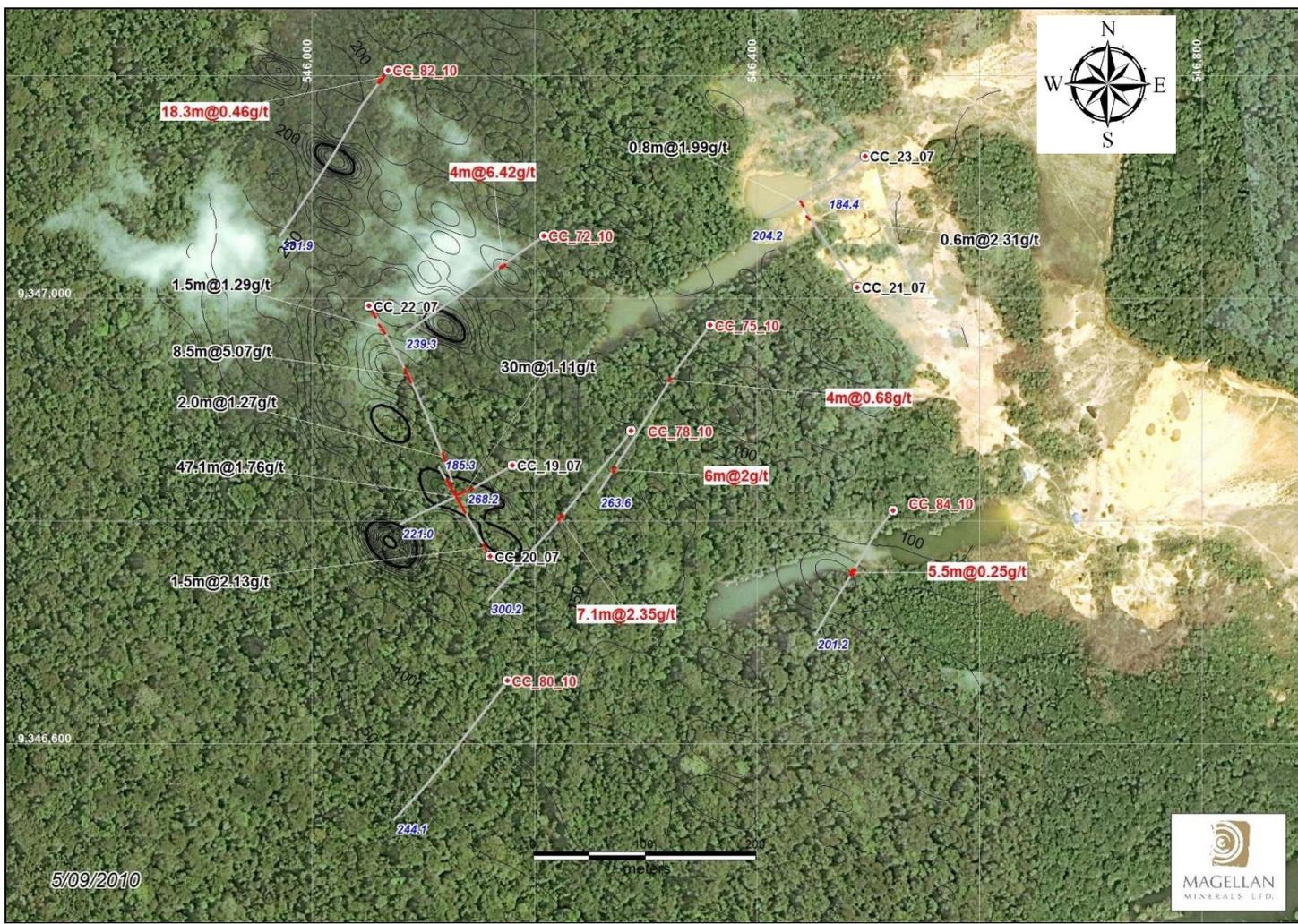
In this zone, 11 diamond drill holes, totalling 2,593.92 m, were drilled, two of them in the artisanal workings of Pau da Merenda, and the remainder in the area of a soil anomaly to the east of the artisanal workings. Nine of the drill holes were oriented northeast-southwest, and three of them northwest-southeast, with dips ranging from 50° to 60°. The length of the holes varies from 185 m to 300 m. The extent of the mineralized structures is not yet fully understood, and more drilling is required. The Pau da Merenda diamond drill holes are shown in Figure 10.5 and the results are summarized below in Table 10.5.

Table 10.5
Pau da Merenda - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_19_07	87.8	118.0	30.2	1.11
CC_20_07	21.3	22.8	1.5	2.13
CC_20_07	76.0	123.1	47.1	1.76
CC_20_07	143.0	145.0	2.0	1.27
CC_21_07	127.0	127.6	0.6	2.31
CC_21_07	169.0	169.8	0.8	1.99
CC_22_07	4.6	12.2	7.6	1.07
CC_22_07	16.8	18.3	1.5	1.29
CC_22_07	62.8	71.3	8.5	5.07
CC_23_07	No Significant Results			
CC_72_10	65.9	69.9	4.0	6.42
CC_75_10	95.8	99.8	4.0	0.68
CC_75_10	240.2	246.2	6.0	2.00
CC_78_10	151.1	158.2	7.1	2.35
CC_80_10	No Significant Results			
CC_82_10	0.0	18.3	18.3	0.46
CC_84_10	101.1	106.6	5.5	0.25

Note: All holes were drilled at between -50° and -60°. The intersection widths are not necessarily true widths.

Figure 10.5
Pau da Merenda - Diamond Drill Holes



Source: Magellan, 2010. Scale shown on map grid.

10.1.5 Jerimum de Cima Zone

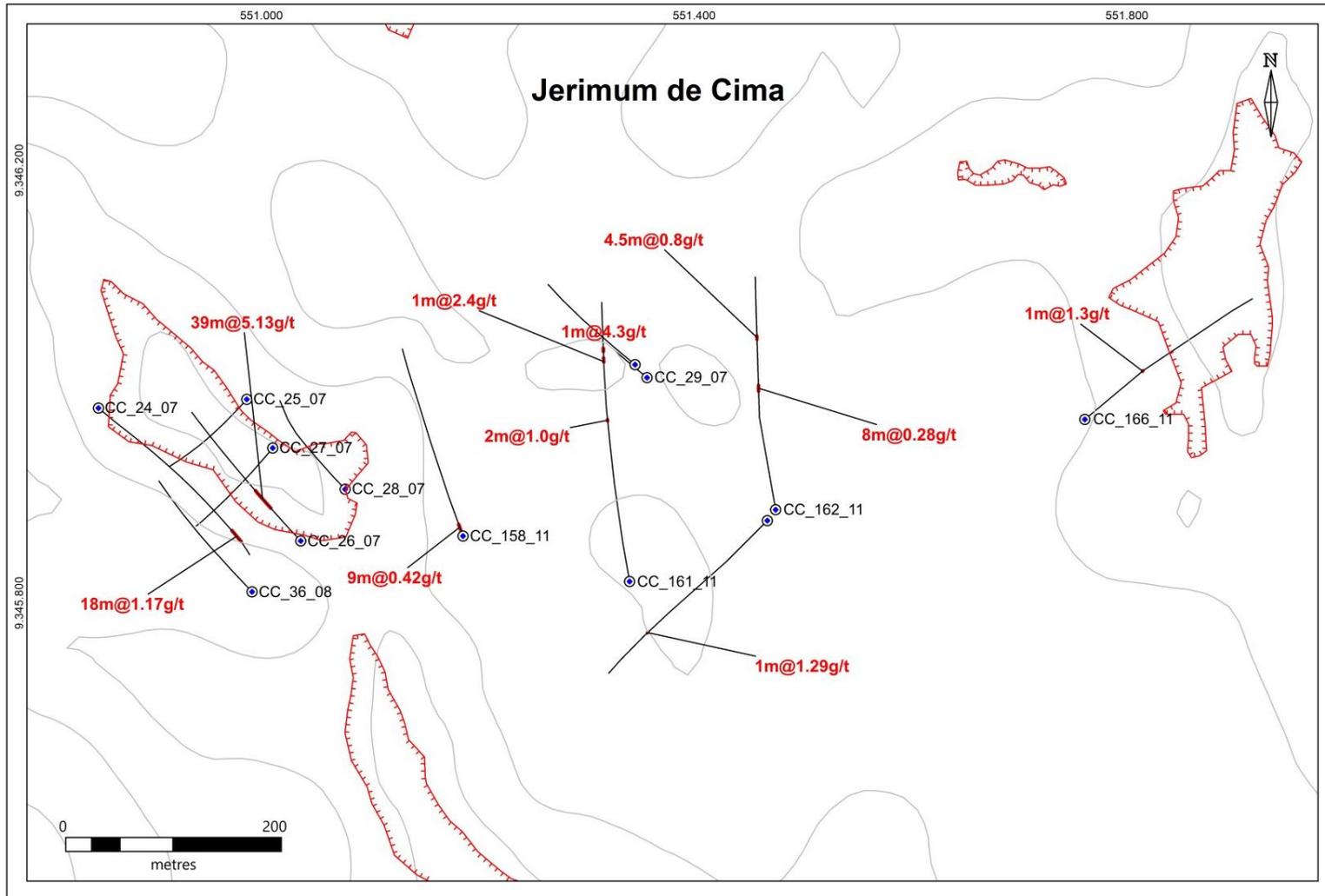
Thirteen diamond drill holes, totalling 3,195.77 m, were drilled in this zone, six of them in the artisanal workings, and the remainder in the area of a soil anomaly to the northeast. The holes had two orientations: northeast-southwest and northwest-southeast. The length of the holes varies from 62 m to 287 m. A summary of the Jerimum de Cima drill results is found in Table 10.6. The collar locations are shown in Figure 10.6.

Table 10.6
Jerimum de Cima - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_24_07	93.0	93.9	0.9	3.17
CC_24_07	169.5	170.0	0.5	1.21
CC_24_07	182.5	183.2	0.7	1.16
CC_24_07	224.3	225.8	1.5	1.04
CC_24_07	236.4	237.3	0.9	1.92
CC_24_07	249.0	267.0	18.0	1.17
CC_25_07	No Significant Results			
CC_26_07	13.7	15.2	1.5	1.00
CC_26_07	57.4	58.5	1.1	1.35
CC_26_07	73.9	112.9	39.0	5.13
Including	73.9	75.2	1.3	1.73
and	90.9	91.8	0.9	5.42
and	97.3	98.1	0.8	1.53
and	101.6	103.1	1.5	117.26
and	106.2	107.3	1.1	4.71
and	112.0	112.9	0.9	3.47
CC_26_07	117.6	118.5	0.9	2.52
CC_26_07	169.0	169.8	0.8	1.99
CC_26_07	195.4	200.9	5.5	1.97
Including	199.9	200.9	1.0	7.67
CC_27_07	108.4	112.6	4.2	1.83
CC_27_07	122.5	123.2	0.7	1.78
CC_28_07	No Significant Results			
CC_29_07	Lost at 62m			
CC_30_07	156.3	157.6	1.3	2.02
CC_36_08	150.6	151.1	0.5	1.18
CC_36_08	177.2	178.2	1.0	1.05
CC_36_08	192.8	194.8	2.0	3.27
CC_36_08	229.2	229.7	0.5	1.09
CC_158_11	9.0	18.0	9.0	0.42
CC_161_11	223.7	225.7	2.0	1.00
CC_161_11	298.6	299.6	1.0	2.4
CC_161_11	302.6	303.6	1.0	4.3
CC_161_11	311.6	315.6	4.0	5.49
CC_162_11	170.0	178.0	8.0	0.28
CC_162_11	240.0	244.5	4.5	0.8
CC_166_11	107.8	108.8	1.0	1.3
CC_167_11	232.8	233.8	1.0	1.29

Note: All holes were drilled at between -50° and -65°. The intersection widths are not necessarily true widths.

Figure 10.6
Jerimum de Cima - Diamond Drill Holes



Source: Cabral, 2017.

10.1.6 Jerimum de Baixo Zone

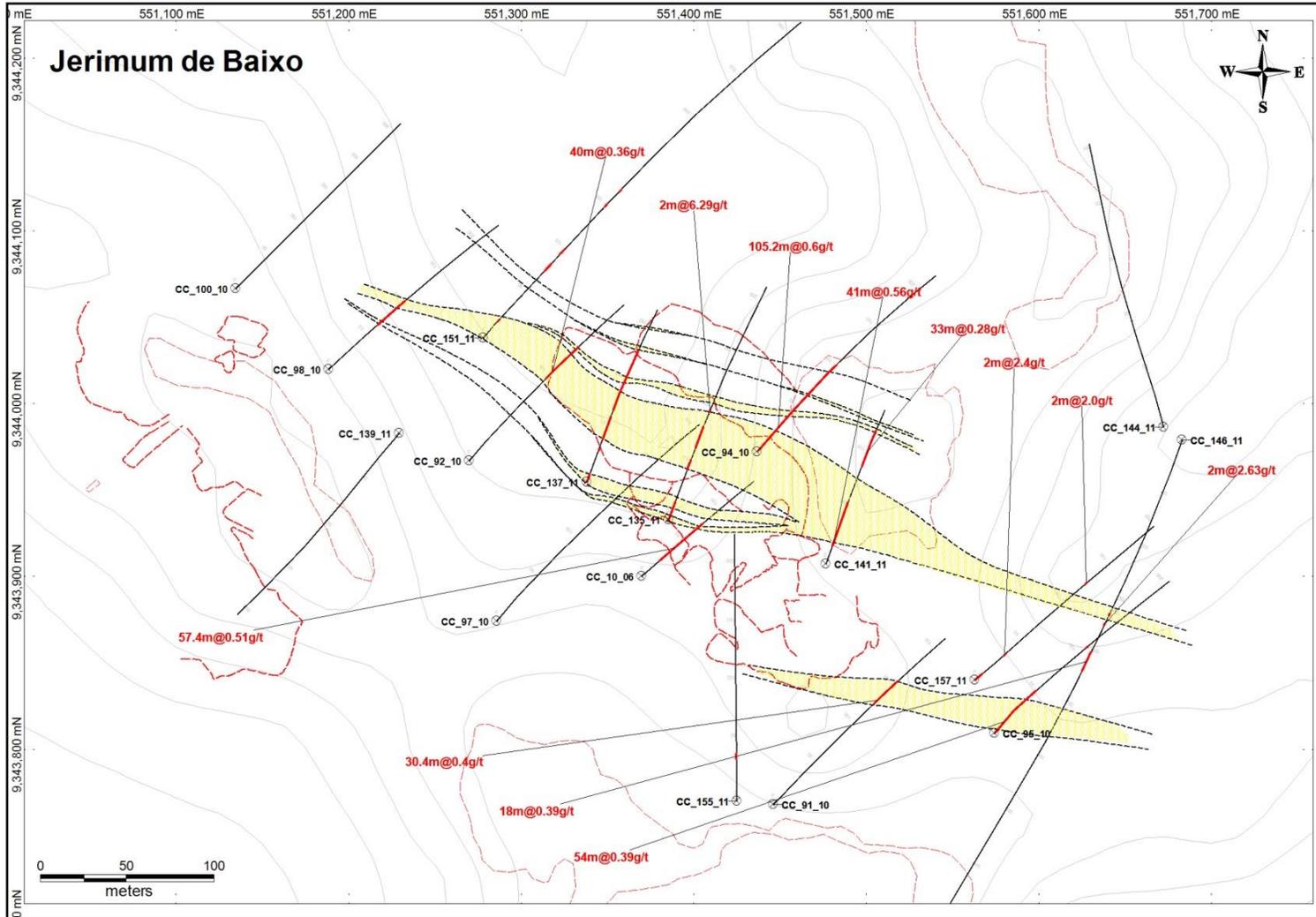
Seventeen diamond drill holes, totalling 4,002.16 m, were drilled in the Jerimum de Baixo zone, at an azimuth of 40° to 45°, and dipping 50° to 60°. The length of the holes varies from 149 m to 270 m. The Jerimum de Baixo diamond drill holes are shown in Figure 10.7 and the results are summarized in Table 10.7.

Table 10.7
Jerimum de Baixo - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_10_06	24.7	82.1	57.4	0.51
CC_91_10	130.0	160.4	30.4	0.40
CC_92_10	101.0	141.0	40.0	0.36
CC_94_10	1.5	106.7	105.2	0.60
Incl.	1.5	42.2	40.7	1.29
CC_95_10	0.0	54.0	54.0	0.39
CC_95_10	113.4	115.7	2.3	1.26
CC_97_10	No Significant Results			
CC_98_10	70.0	108.0	38.0	0.67
Incl.	95.0	107.0	12.0	1.69
CC_100_10	No Significant Results			
CC_135_11	0.0	17.6	17.6	0.42
CC_135_11	48.1	57.1	9.0	0.63
CC_135_11	68.1	88.1	20.0	0.49
CC_135_11	102.1	104.1	2.0	6.29
CC_137_11	0.0	7.0	7.0	0.76
CC_137_11	29.6	31.6	2.0	0.69
CC_137_11	41.6	66.6	25.0	0.49
CC_137_11	73.6	132.6	59.0	0.28
CC_139_11	No Significant Results			
CC_141_11	17.1	58.1	41.0	0.56
CC_141_11	92.1	125.1	33.0	0.28
CC_144_11	No Significant Results			
CC_146_11	165.5	167.5	2.0	0.85
CC_146_11	175.5	177.5	2.0	2.63
CC_146_11	202.5	220.5	18.0	0.39
CC_151_11	19.8	21.8	2.0	1.49
CC_151_11	78.8	87.8	9.0	0.40
CC_151_11	97.8	104.8	7.0	0.64
CC_151_11	152.7	155.7	3.0	0.60
CC_151_11	169.7	171.7	2.0	1.07
CC_155_11	37.2	42.2	5.0	0.47
CC_157_11	0.0	8.6	8.6	0.76
CC_157_11	33.7	35.7	2.0	2.40
CC_157_11	127.9	129.9	2.0	2.00

Note: All holes were drilled at between -50° and -60°. The intersection widths are not necessarily true widths.

Figure 10.7
Jerimum de Baixo - Diamond Drill Holes



Source: Cabral, 2017.

10.1.7 Babi Zone

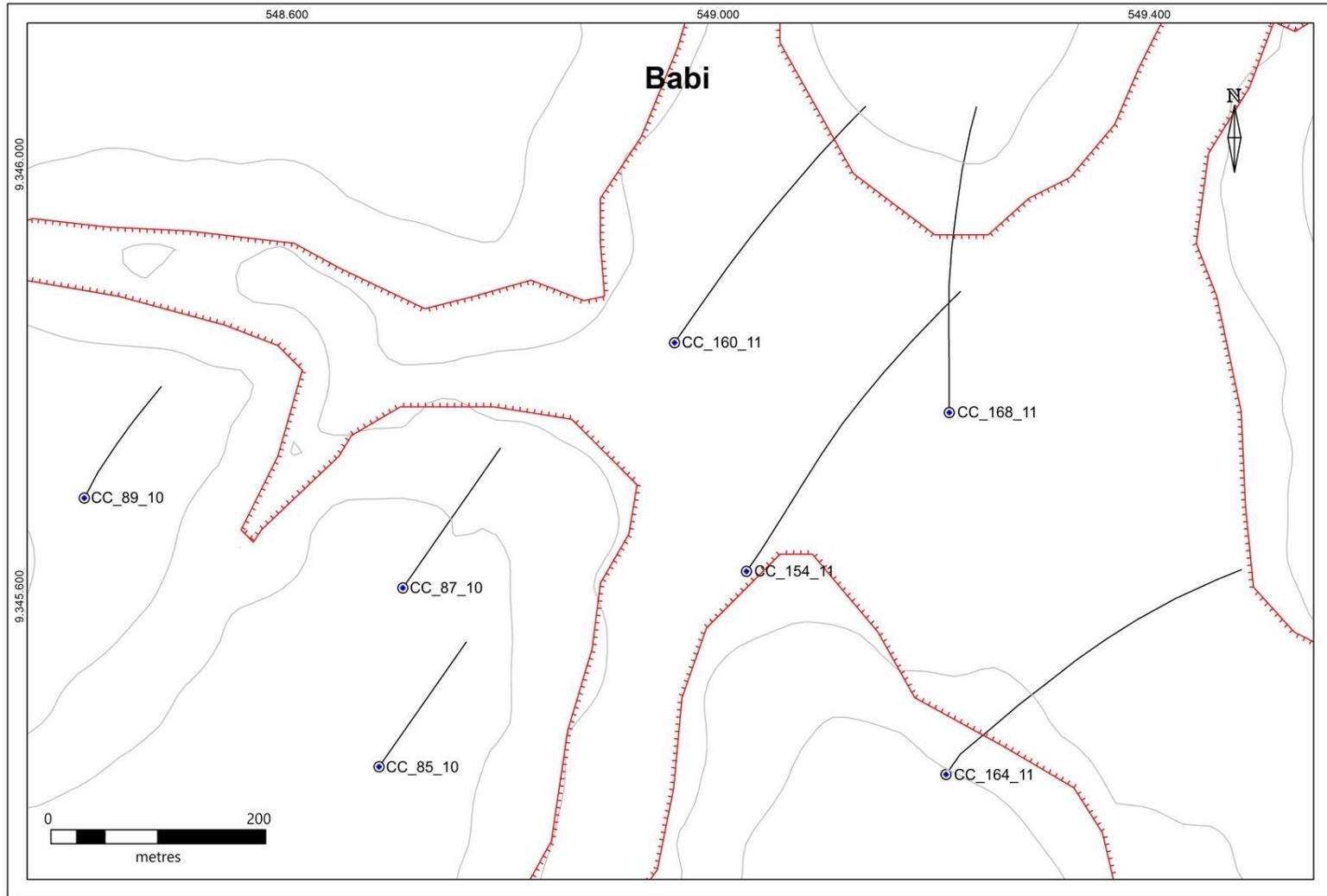
Seven diamond drill holes, totalling 2,394.18 m, were drilled in a soil anomaly. The holes were drilled at an azimuth of 25° to 35° and a 50° dip. Their lengths varied from 199 m to 248 m. Discrete narrow veins were found in this zone, but none returned significant grades as shown in Table 10.8. The location of the Babi diamond drill holes can be seen in Figure 10.8.

Table 10.8
Babi - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_85_10	No Significant Results			
CC_87_10	No Significant Results			
CC_89_10	27	65.5	38.5	0.35
CC_154_11	No Significant Results			
CC_160_11	No Significant Results			
CC_164_11	No Significant Results			
CC_168_11	No Significant Results			

Note: All holes were drilled at -50°. The intersection widths are not necessarily true widths.

Figure 10.8
Babi Zone - Diamond Drill Holes



Source: Cabral, 2017.

10.1.8 Central North Zone

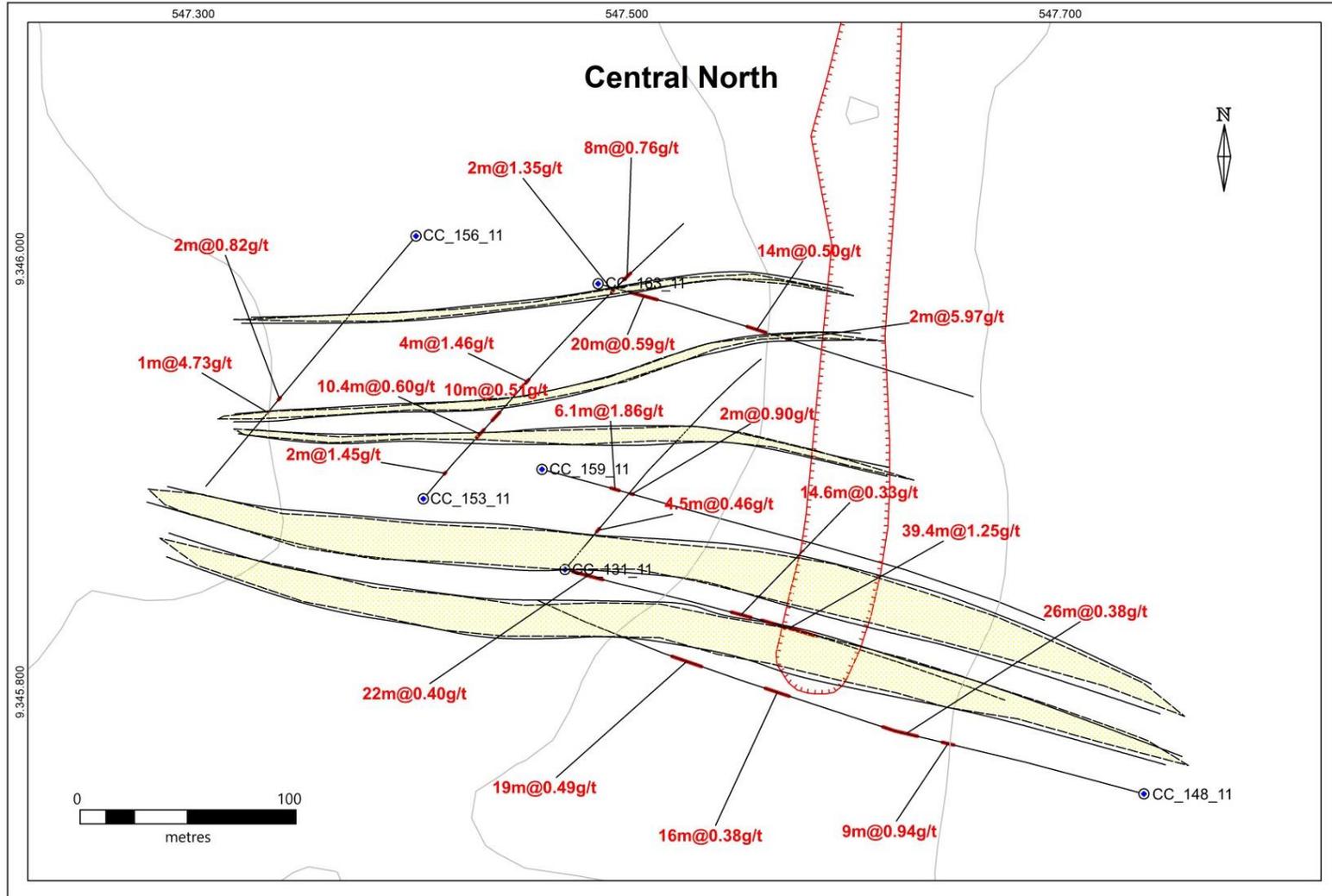
Ten diamond drill holes totalling 3,470.34 m were drilled to test the Central North zone as shown in Figure 10.9. The results are summarized in Table 10.9 below.

Table 10.9
Central North - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_123_11	418.2	428.2	10	0.22
CC_123_11	462.5	469.8	7.3	0.38
CC_123_11	485.8	492.25	6.45	0.24
CC_127_11	260.5	268.5	8.0	0.83
CC_127_11	322.6	328.6	6.0	0.21
CC_127_11	357.3	374.3	17.0	0.3
CC_131_11	6.0	28.0	22.0	0.4
CC_131_11	125.5	140.1	14.6	0.33
CC_131_11	148.2	187.6	39.4	1.25
Incl.	157.2	158.2	1.0	9.65
CC_138_11	20.0	47.0	27.0	6.94
CC_148_11	148.4	157.4	9.0	0.94
CC_148_11	177.1	203.1	26.0	0.38
CC_148_11	266.2	282.2	16.0	0.38
CC_148_11	324.2	343.2	19.0	0.49
CC_150_11	54.0	58.5	4.5	0.46
CC_153_11	30.0	32.0	2.0	1.45
CC_153_11	73.1	83.5	10.4	0.60
CC_153_11	94.6	104.6	10.0	0.51
CC_153_11	138.6	142.6	4.0	1.46
CC_153_11	245.0	247.0	2.0	1.35
CC_153_11	259.0	267.0	8.0	0.76
CC_156_11	151.6	153.6	2.0	0.82
CC_156_11	165.0	166.0	1.0	4.73
CC_159_11	51.2	57.3	6.1	1.86
CC_159_11	66.0	68.0	2.0	0.90
CC_163_11	24.0	44.0	20.0	0.59
CC_163_11	109.8	123.8	14.0	0.50
CC_163_11	138.8	140.8	2.0	5.97
CC_165_11	No Significant Results			

Note: All holes were drilled at between -50° and -65°. The intersection widths are not necessarily true widths.

Figure 10.9
Central North - Diamond Drill Holes



Source: Cabral, 2017.

10.1.9 Central SE Zone

Five diamond drill holes, totalling 1,684.8 m, were drilled to test the Central SE zone. The results are summarized in Table 10.10 below.

Table 10.10
Central SE - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_128_11	No Significant Results			
CC_132_11	No Significant Results			
CC_138_11	20.0	34.0	14.0	13.07
Incl.	24.0	26.0	2.0	84.30
CC_142_11	125.2	125.7	0.5	2.24
CC_142_11	244.9	245.9	1.0	1.30
CC_152_11	20.0	22.0	2.0	1.49

All holes were drilled at between -50° and -71°. The intersection widths are not necessarily true widths.

10.1.10 Guarim Zone

Two diamond drill holes, totalling 330.7 m, were drilled on the Guarim zone. The results are summarized below in Table 10.11.

Table 10.11
Guarim - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_116_11	52.2	52.7	0.5	30.2
CC_119_11	No Significant Results			

All holes were drilled at -60°. The intersection widths are not necessarily true widths.

10.1.11 Ivo Zone

Four shallow diamond drill holes, totalling 478.15 m, were drilled to test the Ivo zone. The results are summarized in Table 10.12.

Table 10.12
Ivo - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_169_12	37.9	45.4	7.5	2.78
Incl.	43.5	44.0	0.5	38.00
CC_169_12	73.1	74.1	1.0	1.26
CC_169_12	81.2	90.0	8.8	1.47
CC_169_12	100.5	102.4	1.9	1.43
CC_169_12	107.7	108.6	0.9	0.59
CC_169_12	117.9	122.1	4.2	0.89
CC_170_12	76.0	79.4	3.4	0.46
CC_170_12	106.6	107.6	1.0	0.62
CC_171_12	54.5	58.6	4.1	0.38
CC_171_12	76.0	77.2	1.2	1.83
CC_171_12	95.0	96.8	1.0	0.53
CC_172_12	0.0	2.0	2.0	0.22
CC_172_12	9.0	10.4	1.4	0.24
CC_172_12	17.0	18.0	1.0	0.42
CC_172_12	33.0	34.0	1.0	0.27
CC_172_12	39.0	45.0	6.0	0.26

Note: All holes were drilled at -50°. The intersection widths are not necessarily true widths.

10.1.12 Ratinho Zone

Four diamond drill holes, totalling 740.4 m, were drilled to test the Ratinho zone. Two holes were in the northern part of the zone and two in the south. The results are summarized in Table 10.13 below.

Table 10.13
Ratinho Zone - Diamond Drill Hole Summary

Hole ID	From	To	Interval Width (m)	Gold (g/t)
CC_173_12	0.0	3.0	3.0	0.31
CC_173_12	55.5	57.5	2.0	0.48
CC_173_12	122.4	123.4	1.0	2.55
CC_173_12	151.9	153.0	1.1	0.65
CC_174_12	37.0	39.0	2.0	0.69
CC_174_12	65.5	66.5	1.0	0.31
CC_175_12	10.5	12.0	1.5	0.44
CC_175_12	22.0	24.9	2.9	0.39
CC_175_12	29.0	31.0	2.0	0.36
CC_175_12	53.0	54.0	1.0	1.32
CC_175_12	57.5	58.0	0.5	0.59
CC_175_12	65.6	66.1	0.5	0.90
CC_175_12	136.0	141.0	5.0	0.39
CC_175_12	158.0	160.0	2.0	0.67
CC_176_12	0.0	10.0	10.0	0.30
CC_176_12	27.0	28.0	1.0	1.59
CC_176_12	29.0	30.0	1.0	0.70
CC_176_12	38.4	40.0	1.6	0.80
CC_176_12	48.0	54.5	6.5	0.50
CC_176_12	64.8	66.8	2.0	0.70
CC_176_12	76.0	77.0	1.0	1.00

Note: All holes were drilled at -50°. The intersection widths are not necessarily true widths.

10.1.13 Standard Logging Procedure

The following is a summary of the logging procedure:

- Core logging took place in a secure place.
- Drilling contract provided core recovery, and oriented core marks, and Magellan's technician checked and verified the information.
- Core photography was completed at this stage.
- A project geologist logged lithology, alteration, mineralogy, structures and marked the core samples.
- A Magellan technician took magnetic susceptibility readings of each sample.
- Data from the core were entered into a database (Microsoft Access).
- The core is stored in secured well labeled racks.

Drill core logs contain the following information:

- Drilling header information: drill hole number, collar coordinates and elevation, location, azimuth, dip, length, and drilling dates.

- Core recovery.
- Sample data: sample number with from-to intervals.
- Graphic log: columns displaying the lithology.
- Letter codes for the digital data base for lithology (rock type, composition, form, and texture), alteration (type, style, intensity, mineralogy), mineralization (type, style, mineralogy, %), structures (type, angle to core).

10.1.14 Diamond Drill Hole Sampling Procedure

Magellan diamond drill holes samples were collected on site at Cuiú Cuiú project, using the following protocols (see Figure 10.10).

- The holes were continuously sampled over the entire length, over approximate 0.5 to 2 m intervals.
- A Magellan Geologist or Technician was responsible for the core handling procedures at the drill rigs verifying:
 - Full core boxes were securely covered and transported to the shack camp at the end of each shift.
 - Core was properly reassembled and placed in the core box in the correct orientation. After each drill run, the depth of the hole was marked with a wooden block.
- Core boxes have the drill hole number, box number “from - to” meter noted on an aluminum tag attached to the front of the box.
- Each box was photographed to provide a permanent visual record of the core.
- Core recoveries were measured by a Magellan technician.
- Core was marked after it has been refitted together as a guide for the core cutter.
- Core magnetic susceptibility (from CC_52 onwards) and RQD were measured.
- The core was then cut in half along the indicated line.
- Both halves were placed in the core box and placed on a logging table.
- During the logging the sample intervals down the hole were marked on the box. An aluminum tag showing sample number are attached to the core box.
- The core was sampled at 2 m and 1 m intervals, and within the mineralized zone the sample interval was reduced to 0.5 m.
- One half of the core was returned to the core box while the other half was placed in the numbered and tagged sample bag.
- The bags were immediately sealed with a plastic fastener.

Figure 10.10
Cuiú Cuiú - Diamond Drill Core Sampling



Source: PAH (McMahon, 2011).

- The sample tags have pre-assigned sample numbers to account for the insertion of the two blank, two standards and one duplicate every 50 samples.
- Samples were entered in the database.
- Groups of bagged samples were placed in larger sacks and marked with the sample numbers.
- Samples were shipped using a private airplane to Itaituba.
- In Itaituba, samples were checked by Magellan personnel before being taken to the Acme Preparation lab in Itaituba.

10.1.15 Conclusions

In the QP's opinion, the drilling methods, core logging and sampling procedures employed in the exploration of the Cuiú Cuiú project meet industry standards.

The QP has not found any drilling, sampling, or recovery factors that could materially impact the accuracy and reliability of the sample results.

11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

All core samples from the first phase (2006) to third (2008) drill programs were sent to the SGS Geosol Laboratories in Belo Horizonte and/or Itaituba for sample preparation (each hole was submitted as a separate lot to the laboratory). The core samples were weighed, dried and then crushed down to 2 mm (10#), a split of 200 to 300 g was taken and pulverized to better than 95 percent minus 150 mesh. Gold analysis was by fire assay of a 50 g sample. SGS Geosol, which is an ISO 9001: 2000 and ISO 14001:2004 registered laboratory, has a quality control program in place which includes standards, blanks, repeats, and duplicates.

Core from the fourth (2009) and fifth (2010) drill programs was sent to Acme Laboratory (now owned by Inspectorate) in Itaituba for sample preparation. Core samples were weighed, dried, and crushed to down to 2 mm and a 1 kg split taken and pulverized to better than 85 percent minus 200 mesh. Gold analysis was by fire assay of a 50 g sample. Acme is an ISO 9001 registered laboratory and has a quality control program in place which includes standards, blanks, repeats, and duplicates.

The SGS Geosol and Acme Laboratories are commercial assay laboratories that are independent of Magellan, and Cabral Gold Inc.

11.1 QUALITY ASSURANCE/QUALITY CONTROL (QA/QC) PROGRAMS

Since 2009 (hole CC_47_09), the QA/QC program has included the insertion of two standards; two blanks and one duplicate every 50 samples. Before that (CC_01_06 to CC_46_09), two standards and two blanks were inserted every 50 samples.

Magellan used external analytical standards developed by Rocklabs Ltd., from New Zealand. The standards, which come in sealed foil packages containing 50 g of material, were inserted into batches of samples. SGS Lakefield Geosol and Acme Labs also employ external standards and blanks in each batch of samples as part of their standard laboratory procedures.

At the time the core samples are bagged, duplicates, standard, and blank samples were inserted into the sample sequence with the normal core samples to monitor sampling variances, laboratory precision and accuracy, to identify problems caused by poor sampling, preparation and other assaying practices, possible sample contamination, and other parameters.

All assay results are received electronically from the laboratories along with assay certificates, in paper form, which are mailed separately. These data are added into the database as results become available. Assay results were monitored internally.

Table 11.1 summarizes standards used during the life of the Cuiú Cuiú project.

Table 11.1
Cuiú Cuiú Gold Project - QA/QC Sample Summary

QA/QC Sample		Cert. Val	Used	
Type	Name		Years	Number
Blank	AuBlank-25	<0.002	2012	1
Blank	AuBlank-35	<0.002	2011	3
Blank	Blank	<0.002	2009-2012	129
Blank	Blank-11	0.0811	2006	6
Blank	Blank-14	<0.001	2008	37
Blank	Blank-18	<0.002	2008	153
Blank	Blank-36A	<0.002	2012	3
Blank	Blank-9	<0.003	2006	29
Blank	Blank-Granite	<0.002	2010-2012	629
SRM	OXA45	0.0811	2006-2008	127
SRM	OXA59	0.0817	2008	45
SRM	OxC44	0.197	2006-2008	46
SRM	OxD43	0.401	2008	39
SRM	OXE42	0.61	2006	21
SRM	OxH55	1.282	2009-2010	58
SRM	OxH66	1.285	2011	49
SRM	OXH82	1.278	2011-2012	217
SRM	OxK69	3.585	2009-2010	78
SRM	HiSilK2	3.474	2012	3
SRM	SE29	0.597	2009-2010	51
SRM	SF23	0.831	2006-2008	25
SRM	SH24	1.326	2008	37
SRM	SH35	1.323	2009-2011	74
SRM	SJ22	2.604	2008	3
SRM	SL51	5.909	2011	212
SRM	SN38	8.573	2010	97
SRM	SN50	8.685	2011	49
Coarse Duplicates			2009-2012	409
Total				2,630

The QP reviewed the results of the QA/QC analyses and found no evidence of systematic bias or other issues which would cast doubt upon the diamond drill core assay results.

Since the 2006 program, drill hole logging was performed manually with information entered into Excel spreadsheets for importing into Access, used as the database software.

At no time was any aspect of the sample preparation conducted by an employee, officer, director or associate of Magellan.

12.0 DATA VERIFICATION

Micon received a copy of the Cuiú Cuiú Project MS Access database. Check results of various components of this database, by the QP, are discussed in the sections below.

12.1 DRILL COLLAR REVIEW

The first drill collar locations were initially determined using a GPS Garmin 65SX, which proved to have an acceptable accuracy in horizontal coordinates, but not in elevation. After finishing the third phase of drilling, drill collars were located by measuring the distances and bearing from a hole with known coordinates, using a SUUNTO compass and clinometer, and metric tape.

The QP performed a series of logical checks of the drill hole coordinates and discovered one collar elevation that was 100 m higher than any other (CC_152_11: 307.8 m). No other issues with the collar data were identified.

During the QP's site visit, attempts were made to locate a drill hole collar in some of the deposit zones. Due to the activities of artisanal miners and re-growth of jungle vegetation, no collars were found. The QP recommends that the location of as many collars as still exist be surveyed using a differential GPS.

12.2 DOWNHOLE SURVEY REVIEW

The QP performed logical checks of the digital down-hole survey data. Survey data for seven holes were not found in the database: CC_111_11, CC_119_11, CC_120_11, CC_122_11, CC_147_11, CC_156_11 and CC_173_12. In addition, a number of apparent data entry errors were discovered and brought to the attention of Cabral personnel. These issues were all addressed by referring to the original survey records and corrected prior to updating the geological models and commencing mineral resource estimation.

12.3 GEOLOGICAL DATA REVIEW

The QP performed logical checks of the summary geological, alteration, mineralization and sample interval datasheets. Random checks were made by comparing the geological data to original logs and core photos. Numerous issues were identified with mismatched "From" and "To" data of adjacent intervals resulting in overlapping intervals and gaps without information. In addition, a large number of duplicate intervals were discovered. These findings were brought to the attention of Cabral personnel and corrected.

12.4 ASSAY DATA REVIEW

The assay data in the database were checked for logical errors, particularly with regards to samples flagged as QA/QC samples. In a number of cases the flagging of these data did not agree with the field in which they were found. These findings were brought to the attention

of Cabral personnel for clarification and/or correction. All issues identified by the QP were corrected to the QP's satisfaction. Random checks of the assay database against the original assay lab certificates were made and no additional problems or issues were identified.

12.5 DENSITY REVIEW

In 2009 and 2010, Magellan conducted a density sampling program, taking 218 samples from 44 holes (of 74 available holes). Ninety-one samples were collected from the Moreira Gomes zone and 127 from the Central zone. Small core pieces, 5 cm to 10 cm long, were collected from mineralized zones (strong sericite altered rock) and some from host rock.

The standard water displacement method was used, which consists of the following procedure:

- Sample is weighed (M_a).
- Sample is covered with wax (density: 0.86) and weighed (M_x).
- Sample is carefully placed inside a cylinder filled with water, hanging from a line in order not to make contact with the wall of the cylinder, and weighed (M_w).
- SG is calculated with the following formula:

$$SG = M_a / (M_w - ((M_x - M_a) / 0.86))$$

The density statistics for both zones are presented in Table 12.1.

Table 12.1
Cuiú Cuiú Gold Project - Density Statistics from Core Samples

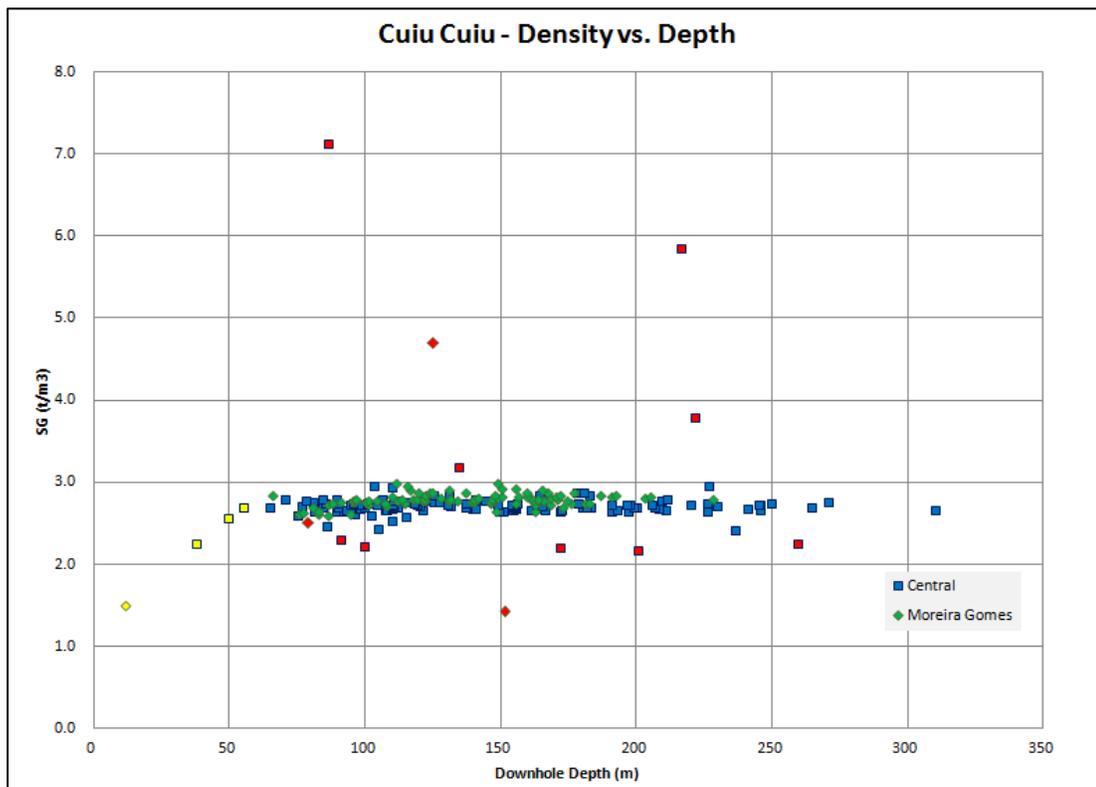
SG (t/m ³)	Central			Moreira Gomes		
	AT	SG	SG Cap	AT	SG	SG Cap
Mean		2.76	2.71		2.78	2.78
Max	309.9	7.11	2.88	228.1	4.69	2.93
Q3	187.1	2.75	2.75	162.7	2.83	2.82
Median	135.0	2.71	2.71	137.0	2.79	2.79
Q1	100.3	2.67	2.67	108.9	2.75	2.75
Min	38.2	2.17	2.42	12.0	1.42	2.6
IQR		0.08	0.08		0.08	0.07
CV		0.18	0.03		0.11	0.03
Number	127	127	114	91	91	84
Capped			13			7

In both deposit datasets, the QP found several outliers at both ends of the distributions which had the potential to bias the mean. Past experience has shown that trimming the population at the 5th and 95th percentiles eliminates most outliers and produces a more reasonable estimate of density. The effect of capping the density in this way has a significant effect on the mean density of the Central zone while at Moreira Gomes the effect is negligible.

The Cuiú Cuiú original density data are plotted in Figure 12.1 as a function of down-hole depth. The obvious outliers are coloured red. A few data at shallow depths (coloured yellow) show a correlation to depth likely due to weathering. In future analyses, it is recommended that the density data be sorted by weathering horizon since in tropical environments, weathering has a great effect on density.

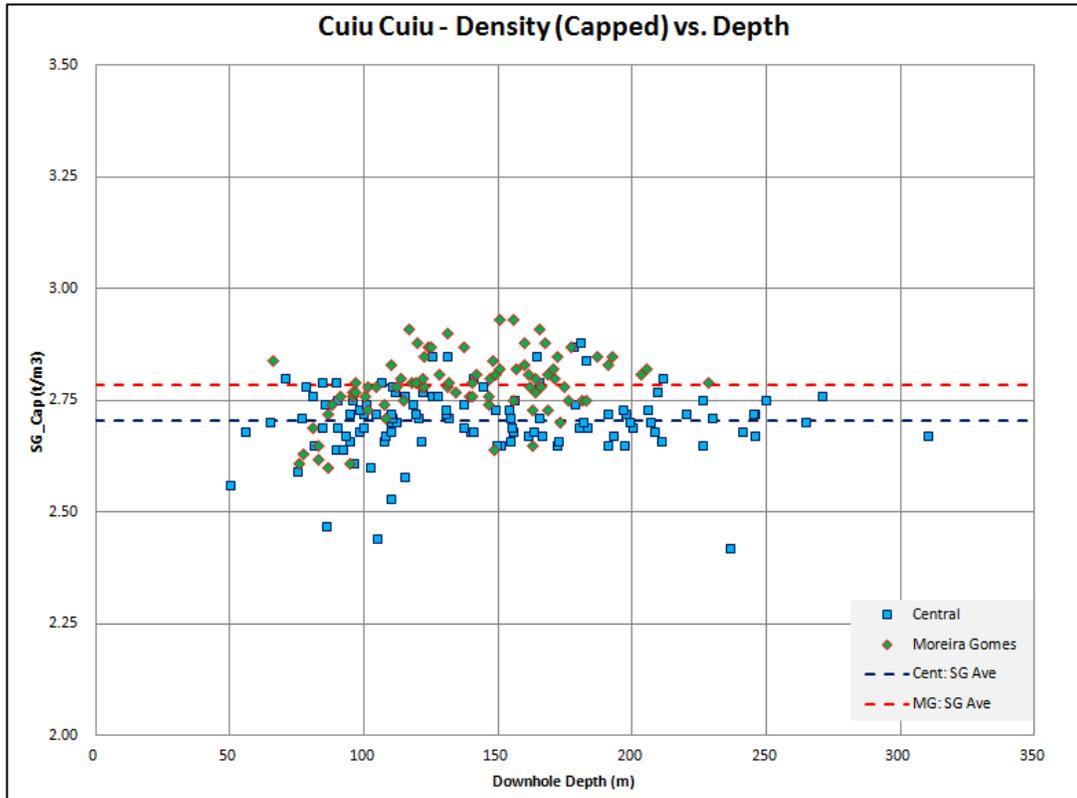
The capped density data are plotted against depth in Figure 12.2 where two distinct populations can be seen representing samples from the Central and Moreira Gomes zones.

Figure 12.1
Cuiú Cuiú - Density vs. Sample Depth



Source: Micon 2017.

Figure 12.2
Cuiú Cuiú - “Capped” Density vs. Sample Depth



Source: Micon 2017.

In light of the issues identified with density data, the QP elected to use default values of 2.7 g/cc in fresh rock and 1.8 g/cc in weathered Saprolite and colluvium.

12.6 CONCLUSIONS AND RECOMMENDATIONS

The QP completed the site visit with former employees of Magellan some of whom are associated with Cabral. This, in combination with the review and analysis described above, was determined to support the use of the Magellan data in a mineral resource estimate.

The QP identified a number of issues with the current Cuiú Cuiú diamond drill hole database, consisting mainly of logical and data entry errors. A great majority of the issues pertain to holes drilled in 2011 and 2012. All issues identified by the QP were addressed. The QP considers the Cuiú Cuiú data and database to a good basis for mineral resource estimation.

It is recommended that the density data be sorted by weathering horizon since, in tropical environments, weathering has a significant effect on density.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Resource Development Inc. (RDi) completed a scoping level metallurgical study on behalf of Magellan Minerals using mineralized samples from the Cuiú Cuiú property in 2011. Preliminary bench scale work was undertaken on four composite samples representing four different areas of the prospect, these were described as:

Composite 1: Oxide mineralization from Central area.

Composite 2: Primary mineralization from Central area.

Composite 3: Oxide mineralization from Moreira Gomez area.

Composite 4: Primary mineralization from Moreira Gomez area.

The results from this test program were presented in a report by RDi entitled “Scoping Metallurgical Study for Magellan Minerals Cuiú Cuiú Prospect, Brazil”, dated January 10, 2012.

13.1 METALLURGICAL SAMPLES

The four metallurgical composites were prepared by RDi using analytical rejects based on instructions from Magellan. Most of the samples used for the composites were from the 2009 and 2010 drilling campaigns. A description of the four composite samples and the average analytical results are presented in Table 13.1.

Table 13.1
Metallurgical Composite Analyses

Composite Number	1	2	3	4
Description	Central Oxide	Central Primary	Moreira Gomez Oxide	Moreira Gomez Primary
No. of Samples	11	11	9	10
No. of Drill Holes	4	7	6	4
Weight (kg)	28.4	41.2	13.8	26.5
Au (g/t) - average	1.9	1.8	1.5	1.4
Ag (g/t) - average	7.1	8.9	11.7	3.5
C _{TOTAL} (%)	0.02	0.60	0.10	0.90
C _{ORGANIC} (%)	0.02	0.09	0.09	0.11
S _{TOTAL} (%)	<0.01	0.46	0.04	1.59
S _{SULPHIDE} (%)	<0.01	0.02	0.02	1.35

The gold and silver head assay values shown in Table 13.1 are based on the average of two analyses. In all cases there were significant variances between the duplicate assays.

The scoping level testwork program did not include multi element analyses and therefore The QP cannot comment on the potential presence of deleterious elements that could have a significant effect on economic extraction.

The composite samples used for the preliminary metallurgical testwork program were considered a reasonable representation of the mineralization found within the Central and Moreira Gomez deposits. No testwork has been completed using samples from any of the other deposits included in the Cuiú Cuiú Project.

13.2 METALLURGICAL TESTWORK

A series of gravity separation tests was undertaken by RDi. The 1 kg test samples from each composite were ground to 80% passing (P_{80}) 65 mesh (210 μm), 100 mesh (149 μm) and 150 mesh (105 μm) and fed to a two-stage gravity circuit comprising a laboratory Knelson concentrator and a Gemeni table. The final gravity concentrate grades and recoveries are summarized in Table 13.2.

Table 13.2
Gravity Separation Test Results

Test Description	Recovery			Conc. Grade	
	wt. %	Au %	Ag %	Au (g/t)	Ag (g/t)
Composite 1 - 65 mesh	0.2	13.0	15.1	95.8	95.8
Composite 1 - 100 mesh	0.2	12.7	26.5	111.8	175.8
Composite 1 - 150 mesh	0.3	21.9	30.2	113.4	157.3
Composite 2 - 65 mesh	0.3	18.2	3.1	103.3	8.1
Composite 2 - 100 mesh	0.7	36.8	17.9	110.6	26.5
Composite 2 - 150 mesh	0.5	26.8	12.6	107.8	25.9
Composite 3 - 100 mesh	3.9	22.4	16.9	4.1	4.9
Composite 3 - 150 mesh	0.4	59.4	26.6	247.7	76.5
Composite 4 - 65 mesh	0.6	25.3	0.6	61.3	<1.71
Composite 4 - 100 mesh	0.9	27.8	9.0	49.3	13.7
Composite 4 - 150 mesh	1.5	43.9	16.4	47.2	10.9

These results suggest that for all the composites a portion of the gold is liberated and could be recovered by using a conventional gravity circuit.

A series of standard carbon-in-leach (CIL) bottle roll leach tests were completed by RDi. Two tests were undertaken on each composite, one with a feed grind (P_{80}) of 100 mesh (149 μm) and one at a P_{80} of 200 mesh (74 μm). The final gold and silver extractions and reagent consumptions following 48 hours of leaching are presented in Table 13.3.

Table 13.3
48 Hour Cyanide Leach Test Results

Test Description	Recovery (%)		Reagent Consumption (kg/t)	
	Au	Ag	NaCN	Lime
Composite 1 - 100 mesh	95.1	67.3	0.23	6.48
Composite 1 - 200 mesh	97.0	69.9	0.24	2.16
Composite 2 - 100 mesh	92.8	26.8	0.24	2.16
Composite 2 - 200 mesh	94.9	9.7	0.84	2.33
Composite 3 - 100 mesh	87.9	46.4	0.67	10.40
Composite 3 - 200 mesh	96.8	55.9	0.65	10.67
Composite 4 - 100 mesh	90.4	43.6	0.54	3.11
Composite 4 - 200 mesh	94.3	22.7	1.25	2.96

13.3 CONCLUSIONS AND RECOMMENDATIONS

The preliminary testwork completed to date on oxide and primary samples of Central zone and Moreira Gomez zone mineralization suggest that good gold recoveries can be expected by using conventional free-milling process technologies.

Preliminary gravity separation test results suggest that some of the gold in all composites was liberated and could potentially be recovered using a standard gravity circuit.

The cyanide leach test recoveries at a relatively coarse grind (P_{80} of 149 μm) were between 93% and 95% for the Central zone composites and 88% to 90% for the Moreira Gomez zone composites. At a finer grind (P_{80} of 74 μm), the gold recoveries were between 95% and 97% for the Central zone composites and 94% to 97% for the Moreira Gomez zone composites.

Additional metallurgical testwork is recommended to optimize the process flowsheet and to test samples from other areas within the Cuiú Cuiú property. Testwork to be considered includes:

- Mineralogical investigations.
- Gold and silver deportment studies.
- Multi element chemical analyses of representative samples.
- Comminution and hardness testing.
- Additional gravity testing.
- Flotation amenability testing.
- Cyanide leach optimization testing.
- Preliminary geochemical analyses of testwork tailings samples.

14.0 MINERAL RESOURCE ESTIMATES

14.1 INTRODUCTION

Following the completion of a mineral resource estimate by PAH in 2010, Magellan drilled 72 diamond drill holes totalling 22,068 m. Follow-up and step-out holes were drilled on the Central, Moreira Gomes, Babi, Jerimum de Baixo and Jerimum de Cima targets. New drill targets, Central North, Central SE, Guarim, Ivo and Ratinho were also tested.

In 2017, following the acquisition of the Cuiú Cuiú project, Cabral contracted Micon to incorporate the new drilling into new mineral resource estimates of Central and Moreira Gomes and to estimate the mineral resources of Central North and Jerimum de Baixo. The new Cuiú Cuiú Mineral Resource estimate is summarized below in Table 14.1. The near surface resources are constrained by optimized ultimate open-pit shells and reported at a cut-off grade of 0.35 g/t Au. Resources below the pit shells and deemed potentially mineable by underground methods, are reported at a cut-off grade of 1.3 g/t Au.

Table 14.1
Cuiú Cuiú Mineral Resource Estimate

	Resource Class	Cut-off Au (g/t)	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Open-Pit Deposit					
Central	Indicated	0.35	5,886	0.90	171
Total	Indicated	0.35	5,886	0.90	171
Central	Inferred	0.35	7,206	0.98	228
Moreira Gomes	Inferred	0.35	6,713	1.36	293
Central North	Inferred	0.35	160	0.66	3
Jerimum de Baixo	Inferred	0.35	1,993	0.81	52
Total	Inferred	0.35	16,072	1.11	576
Underground Deposit					
Central	Inferred	1.30	1,460	1.84	86
Moreira Gomes	Inferred	1.30	1,876	1.77	107
Central North	Inferred	1.30	11	1.45	1
Jerimum de Baixo	Inferred	1.30	100	1.90	6
Total	Inferred	1.30	3,448	1.80	200
Total Deposit					
Total	Indicated	-	5,886	0.90	171
Total	Inferred	-	19,520	1.24	776

14.2 GEOLOGICAL INTERPRETATION

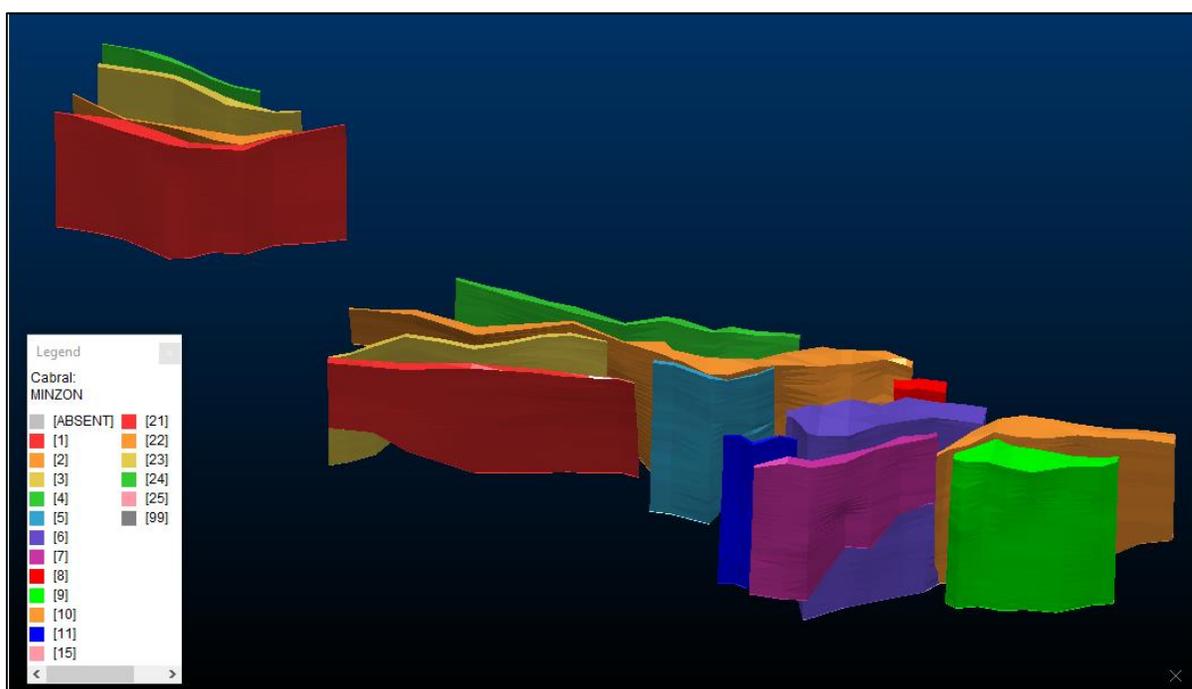
14.2.1 Central

The Central deposit consists of 11 steeply dipping, northwest striking, sub-parallel zones of higher grade mineralization. 3D wireframe interpretations, originally generated by Magellan geologists, and reinterpreted by Cabral and the QP to include all of the drill hole data were

used to generate the model. The higher-grade zones were surrounded by a low-grade shell to capture discontinuous anomalous intersections that are between, but not included in, the high-grade zones. Surfaces were generated to model the topographic surface, base of colluvium and the base of saprolite.

The Central North deposit is located approximately 250 m north of the main Central deposit. It consists of 4 steeply dipping, northwest striking, sub-parallel higher-grade zones surrounded by a low-grade shell. The Central and Central North mineral zone wireframes are shown below in Figure 14.1, looking to the northeast.

Figure 14.1
3D Isometric View of the Central Deposit Mineral Zone Wireframes

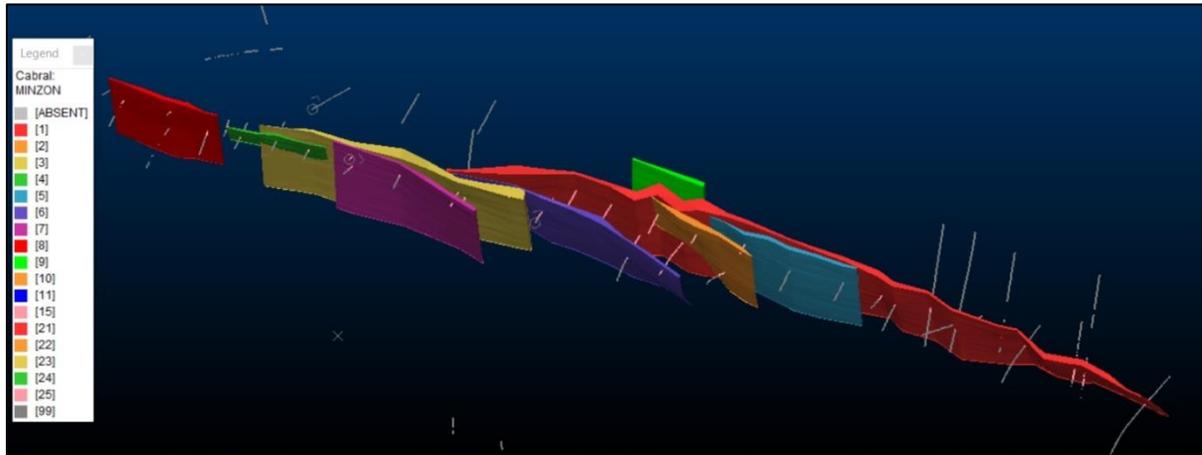


Source Micon, 2018

14.2.2 Moreira Gomes

The Moreira Gomes deposit consists of 9 steeply dipping, east/west striking, sub-parallel zones of higher grade mineralization. Three-dimensional wireframe interpretations, originally generated by Magellan geologists, and reinterpreted to include all drill hole data were used to generate the model. The Moreira Gomes mineral zone wireframes are shown in Figure 14.2, below. The higher-grade zones were surrounded by a low-grade shell to capture discontinuous anomalous intersections that are between, but not included in, the high-grade zones. Surfaces were generated to model the topographic surface, base of colluvium and the base of saprolite.

Figure 14.2
3D Isometric View of the Moreira Gomes Mineral Zone Wireframes

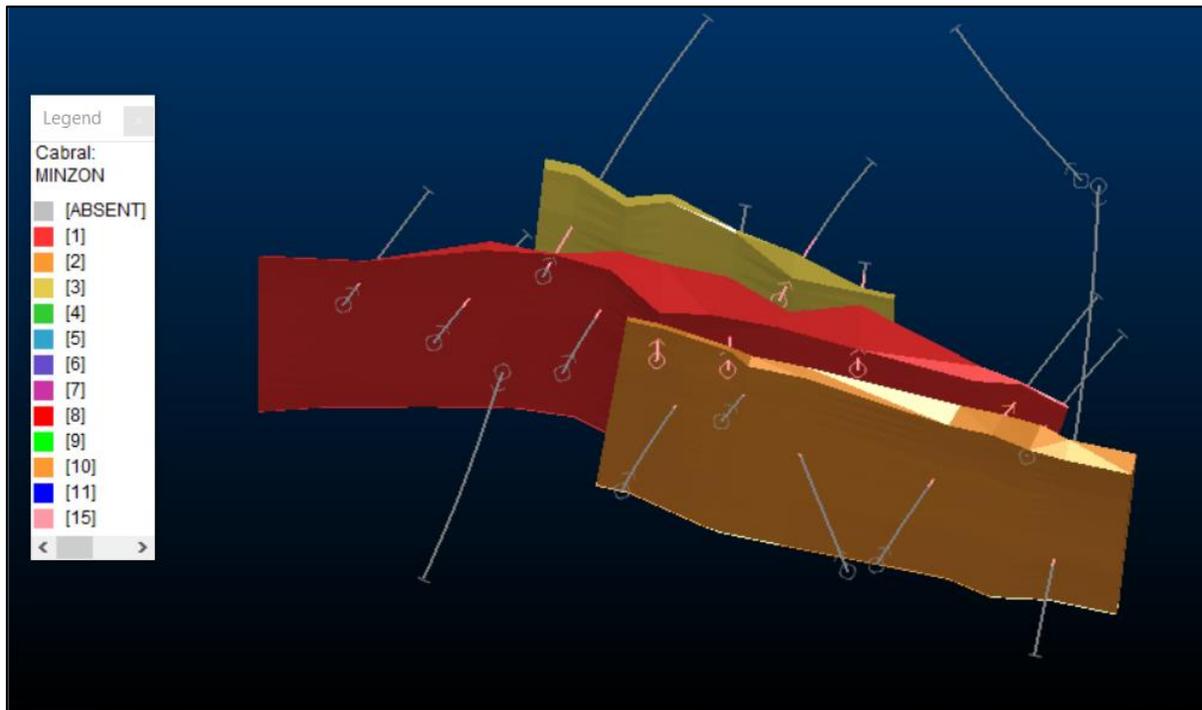


Source Micon, 2018

14.2.3 Jerimum de Baixo

The Jerimum de Baixo deposit consists of 3 steeply dipping, northwest striking, sub-parallel higher-grade zones surrounded by a low-grade shell. The high grade zones are shown in Figure 14.3 below.

Figure 14.3
3D Isometric View of the Jerimum de Baixo Mineral Zone Wireframes



Source Micon, 2018

14.3 EXPLORATORY DATA ANALYSIS

14.3.1 Drill Hole Database

The Central deposit database contains 75 diamond drill holes totalling 23,061.24 m from which 13,839 samples (representing 21,081.9 m of core) were collected and assayed for Au. The statistics of the Central sample database are summarized by mineral zone in Table 14.2.

The Moreira Gomes deposit database contains 42 diamond drill holes totalling 11,195.61 m from which 6,559 samples (representing 9,989.9 m of core) were collected and assayed for Au. The statistics of the Moreira Gomes sample database are summarized by mineral zone in Table 14.3.

The Jerimum de Baixo deposit database contains 17 diamond drill holes totalling 4,002.3 m from which 2,586 samples (representing 3,946.3 m of core) were collected and assayed for Au.

The statistics of the Jerimum de Baixo sample database are summarized by mineral zone in Table 14.4.

14.3.2 Bulk Density

There is a limited number of bulk density measurements available for the Cuiú Cuiú project and none in the weathered saprolite and colluvium horizons. Therefore, uniform bulk densities of 2.7 g/cc in fresh rock and 1.8 g/cc in saprolite and colluvium were used to calculate tonnages.

Table 14.2
Central - DDH Sample Summary Statistics

	Au (g/t) Samples										
	Min Zone	Mean	Max	Q3	Median	Q1	Min	IQR	Std. Dev.	CV	Number
Central	1	0.23	1.27	0.376	0.130	0.056	0.0025	0.32	0.24	1.04	45
	2	1.23	58.70	0.721	0.239	0.074	0.0025	0.65	5.42	4.40	493
	3	0.72	10.60	0.513	0.262	0.096	0.0025	0.42	1.67	2.32	59
	4	0.85	34.50	0.401	0.171	0.054	0.0025	0.35	3.78	4.45	172
	5	1.31	19.80	0.530	0.114	0.040	0.0025	0.49	3.25	2.48	101
	6	0.91	39.16	0.719	0.263	0.069	0.0025	0.65	2.71	2.98	1,028
	7	1.54	67.68	0.581	0.138	0.039	0.0025	0.54	6.13	4.00	143
	8	0.28	5.13	0.352	0.105	0.023	0.0025	0.33	0.58	2.04	118
	9	1.48	155.29	0.704	0.225	0.049	0.0025	0.66	8.06	5.44	840
	10	0.42	7.48	0.408	0.144	0.028	0.0025	0.38	0.81	1.95	604
	11	0.49	1.71	0.641	0.244	0.159	0.0025	0.48	0.55	1.13	27
15	0.11	27.46	0.078	0.027	0.009	0.0025	0.07	0.55	5.13	5,424	
Central North	21	0.31	4.12	0.287	0.101	0.043	0.0025	0.24	0.55	1.78	195
	22	0.63	9.65	0.621	0.142	0.026	0.0025	0.60	1.41	2.25	214
	23	0.28	3.68	0.336	0.076	0.014	0.0025	0.32	0.58	2.06	87
	24	0.26	0.98	0.401	0.224	0.038	0.0025	0.36	0.25	0.96	23
	25	0.06	4.34	0.057	0.013	0.005	0.0025	0.05	0.21	3.29	1,391
99	0.10	86.20	0.036	0.011	0.003	0.0025	0.03	1.40	14.44	9,216	
Total		0.27	155.29	0.097	0.023	0.007	0.0025	0.09	2.33	8.65	20,180

Table 14.3
Moreira Gomes - DDH Summary Sample Statistics

Au (g/t) Samples										
Min Zone	Mean	Max	Q3	Median	Q1	Min	IQR	Std. Dev.	CV	Number
1	1.77	85.5	1.243	0.553	0.224	0.0025	1.02	6.31	3.57	543
2	4.58	154.5	1.037	0.741	0.248	0.009	0.79	20.37	4.45	60
3	1.96	216.4	0.959	0.330	0.150	0.008	0.81	15.44	7.88	197
4	0.80	3.93	1.053	0.509	0.176	0.059	0.88	0.97	1.21	30
5	0.71	3.65	0.941	0.393	0.118	0.0025	0.82	0.86	1.21	61
6	0.93	4.30	0.922	0.566	0.356	0.0025	0.57	1.05	1.14	53
7	0.88	4.69	1.023	0.461	0.133	0.007	0.89	1.32	1.50	31
8	0.60	9.15	0.449	0.301	0.252	0.053	0.20	1.41	2.34	40
9	0.84	1.85	1.340	0.777	0.408	0.223	0.93	0.55	0.66	22
15	0.38	264.9	0.127	0.027	0.007	0.0025	0.12	7.89	20.99	2,259
99	0.08	46.2	0.024	0.007	0.0025	0.0025	0.02	1.21	15.14	6,610
Total	0.32	264.9	0.073	0.011	0.0025	0.0025	0.07	4.99	15.53	9,906

Table 14.4
Jerimum de Baixo - DDH Summary Sample Statistics

Au (g/t) Samples										
Min Zone	Mean	Max	Q3	Median	Q1	Min	IQR	Std. Dev.	CV	Number
1	0.64	9.4	0.684	0.264	0.116	0.005	0.57	0.99	1.54	252
2	0.44	3.09	0.391	0.292	0.07	0.006	0.32	0.66	1.48	116
3	1.64	9.39	0.798	0.389	0.192	0.02	0.61	2.86	1.74	52
15	0.15	4.29	0.179	0.073	0.035	0.0025	0.14	0.26	1.70	865
99	0.09	17.3	0.053	0.015	0.007	0.0025	0.05	0.62	7.14	2,589
Total	0.17	17.3	0.112	0.031	0.009	0.0025	0.10	0.71	4.19	3,874

14.4 GEOLOGICAL MODELING

14.4.1 Block Model Parameters

Block modelling was performed in Datamine Studio RM. A parent block size of 10 m by 5 m by 10 m in the X, Y and Z directions, respectively was selected. Parent blocks were subdivided to more closely honour the mineral zone wireframes and the surfaces representing topography, base of colluvium and base of saprolite. The minimum sub-block size was 5 m by 1 m by 5 m.

The Central deposit mineral zones strike northwest/southeast. The block model was rotated 45° clock-wise about the Z-axis to orient its X-axis parallel to the strike of the deposit. The block model parameters are summarized below in Table 14.5.

Table 14.5
Central Block Model Parameters

Central	X	Y	Z
Origin	546,500	9,345,500	-300
Maximum			220
Extents	3,000	1,600	520
Parent Block Size	10	5	10
Blocks	300	320	52

Note: Rotation: 45° clock-wise about Z-axis.

The Moreira Gomes block model parameters are summarized in Table 14.6 below. No rotation of the model was required since the deposit strikes east/west.

Table 14.6
Moreira Gomes Block Model Parameters

Moreira Gomes	X	Y	Z
Origin	551,950	9,342,250	-250
Maximum	555,050	9,343,450	200
Extents	3,100	1,200	450
Parent Block Size	10	5	10
Blocks	310	240	45

Note: No rotation required.

The Jerimum de Baixo deposit has an average strike of 120°. The block model was rotated 30° clock-wise about the Z-axis to orient its X-axis parallel to the strike of the deposit. The block model parameters are summarized below in Table 14.7.

Table 14.7
Jerimum de Baixo Block Model Parameters

Jerimum de Baixo	X	Y	Z
Origin	550,650	9,343,850	-200
Maximum			200
Extents	1,250	850	400
Parent Block Size	10	5	10
Blocks	125	170	40

Note: Rotation: 30° clock-wise about Z-axis.

14.5 COMPOSITE STATISTICS AND CAPPING

The Central, Moreira Gomes and Jerimum de Baixo deposit drill holes were composited to a nominal 2 m length. The compositing process honoured geological boundaries and all data within a mineral zone were included by selecting a composite length, close to 2 m, that divided the mineralized interval into equal parts. The composites were also flagged with domain codes, which were used to separate the composites for capping analysis and resource estimation. The summary statistics of the uncapped composites for Central, Moreira Gomes and Jerimum de Baixo are shown in Table 14.8, Table 14.9 and Table 14.10, respectively. Histograms and cumulative probability plots are found in Appendix 2.

14.5.1 Capping Analysis

In precious metal deposits, the data typically fit a positively skewed lognormal distribution where the population mean is greater than the median and a small number of high grade assays can have a large effect on the mean. These high-grade assays are often referred to as “outliers” and can account for a significant proportion of the apparent metal content of a deposit. In order to prevent high outlier assays from having a disproportionate effect on grade interpolation, it is common practice to apply a maximum capping value to these assays.

The Central, Moreira Gomes and Jerimum de Baixo deposit capping thresholds were initially selected by looking for breaks in the cumulative probability plots (Appendix 2) while paying

attention to the coefficient of variation (CV = standard deviation/mean) and the effect on the metal content. A high CV, greater than 2.5, often indicates that capping is required. As a final check, grade estimates were generated for a given mineral zone to assess the impact of different capping thresholds on the global zone estimate.

The summary statistics of the Central capped composite database are shown in Table 14.11 along with the capping thresholds selected for each domain, the number of composites which required capping and the effects of capping. A similar summary for Moreira Gomes is shown in Table 14.12. No capping was required at Jerimum de Baixo or Central North. Please note that the “Metal Loss” shown in these tables is the difference in the length-weighted mean of the un-capped and capped populations. The effect on the estimated block model grades and metal content will likely be different.

Table 14.8
Central Deposit - Uncapped Composite Summary Statistics

		Au (g/t) - 2 m Composites (Uncapped)								
	Min Zone	Mean	Max	Q3	Median	Q1	Min	IQR	CV	Number
Central	1	0.22	0.62	0.381	0.161	0.062	0.004	0.32	0.82	33
	2	0.88	29.43	0.790	0.334	0.119	0.004	0.67	2.54	252
	3	0.44	4.86	0.386	0.206	0.099	0.023	0.29	1.79	44
	4	0.49	8.34	0.526	0.296	0.121	0.005	0.40	2.05	76
	5	1.33	16.12	0.496	0.174	0.069	0.009	0.43	2.56	46
	6	0.87	30.36	0.845	0.353	0.094	0.0025	0.75	2.42	633
	7	0.97	39.82	0.296	0.101	0.025	0.0025	0.27	4.69	80
	8	0.27	5.13	0.363	0.110	0.024	0.0032	0.34	2.13	92
	9	0.98	34.88	0.745	0.250	0.063	0.0025	0.68	3.08	535
	10	0.40	5.73	0.435	0.171	0.039	0.0025	0.40	1.65	449
	11	0.52	0.77	0.685	0.514	0.382	0.263	0.30	0.38	8
	15	0.11	9.51	0.096	0.035	0.012	0.0025	0.08	3.42	2,808
Central North	21	0.26	2.21	0.227	0.138	0.059	0.008	0.17	1.37	101
	22	0.61	4.27	0.709	0.288	0.060	0.0025	0.65	1.50	72
	23	0.35	2.72	0.360	0.166	0.028	0.0025	0.33	1.56	42
	24	0.24	0.56	0.362	0.295	0.022	0.0025	0.34	0.86	12
	25	0.06	2.67	0.068	0.024	0.007	0.0025	0.06	2.52	597
Total		0.36	39.82	0.247	0.066	0.018	0.0025	0.23	4.04	5,880

Table 14.9
Moreira Gomes Deposit - Uncapped Composite Summary Statistics

Au (g/t) - 2 m Composites (Uncapped)									
Min Zone	Mean	Max	Q3	Median	Q1	Min	IQR	CV	Number
1	1.42	44.99	1.094	0.605	0.251	0.004	0.84	2.86	197
2	2.90	48.95	0.843	0.552	0.355	0.009	0.49	3.29	26
3	2.00	104.94	1.285	0.433	0.192	0.008	1.09	5.58	88
4	0.71	2.26	1.000	0.501	0.243	0.070	0.76	0.86	13
5	0.66	1.97	0.867	0.579	0.257	0.043	0.61	0.84	17
6	0.91	4.30	0.878	0.580	0.394	0.0025	0.48	1.02	35
7	0.71	4.69	0.661	0.517	0.243	0.026	0.42	1.42	19
8	0.57	2.60	0.403	0.323	0.291	0.242	0.11	1.21	11
9	0.72	1.21	1.070	0.675	0.396	0.231	0.67	0.57	8
15	0.15	49.97	0.126	0.033	0.007	0.0025	0.12	9.84	1,367
Total	0.46	104.94	0.254	0.072	0.011	0.0025	0.24	7.34	1,781

Table 14.10
Jerimum de Baixo Deposit - Uncapped Composite Summary Statistics

Min Zone	Mean	Max	Q3	Median	Q1	Min	IQR	CV	Number
1	0.52	5.09	0.583	0.278	0.153	0.02	0.43	1.38	104
2	0.48	3.04	0.473	0.329	0.160	0.009	0.31	1.30	50
3	1.39	9.39	0.819	0.364	0.206	0.02	0.61	1.80	24
15	0.15	4.29	0.174	0.085	0.041	0.0025	0.13	1.78	434
Total	0.29	9.39	0.257	0.120	0.050	0.0025	0.21	2.37	612

Table 14.11
Central Deposit - Au (g/t) Capping Summary

Min Zone	Threshold	Data Capped		Metal	Uncapped		Capped	
		Num	%	Loss	Mean	CV	Mean	CV
1	n/c	-	-	-	0.22	0.82	0.22	0.82
2	10	1	0.4%	5%	0.88	2.54	0.80	1.78
3	n/c	-	-	-	0.44	1.79	0.44	1.79
4	n/c	-	-	-	0.49	2.05	0.49	2.05
5	10	2	4.3%	19%	1.33	2.56	1.07	2.16
6	20	2	0.3%	3%	0.87	2.42	0.84	2.15
7	10	1	1.3%	39%	0.97	4.69	0.60	2.67
8	n/c	-	-	-	0.27	2.13	0.27	2.13
9	10	7	1.3%	19%	0.98	3.08	0.80	2.01
10	n/c	-	-	-	0.40	1.65	0.40	1.65
11	n/c	-	-	-	0.52	0.38	0.52	0.38
15	3	5	0.2%	6%	0.11	3.42	0.10	2.42
21	n/c	-	-	-	0.26	1.37	0.26	1.37
22	n/c	-	-	-	0.61	1.50	0.61	1.50
23	n/c	-	-	-	0.35	1.56	0.35	1.56
24	n/c	-	-	-	0.24	0.86	0.24	0.86
25	n/c	-	-	-	0.06	2.52	0.06	2.52

Table 14.12
Moreira Gomes - Au (g/t) Capping Summary

Min Zone	Threshold	Data Capped		Metal	Uncapped		Capped	
		Num	%	Loss	Mean	CV	Mean	CV
1	11.5	2	1.0%	19%	1.42	2.86	1.15	1.57
2	10	1	3.8%	52%	2.90	3.29	1.40	1.69
3	20	1	1.1%	49%	2.00	5.58	1.03	2.17
4	n/c	-	-	-	0.71	0.86	0.71	0.86
5	n/c	-	-	-	0.66	0.84	0.66	0.84
6	n/c	-	-	-	0.91	1.02	0.91	1.02
7	n/c	-	-	-	0.71	1.42	0.71	1.42
8	n/c	-	-	-	0.57	1.21	0.57	1.21
9	n/c	-	-	-	0.72	0.57	0.72	0.57
15	2	4	0.3%	34%	0.15	9.84	0.10	1.85

14.6 GRADE ESTIMATION

The Central, Moreira Gomes and Central North deposit mineral resources was estimated using Ordinary Kriging (OK). The data at Jerimum de Baixo are too sparse to allow the calculation of useable semi-variograms. The Jerimum de Baixo mineral resources was estimated using inversed-distance squared (ID²).

14.6.1 Variography

The Central deposit semi-variograms are shown in Table 14.13 below. Due to the sparseness of the data in many of the mineral zones, it was not always possible to calculate useable semi-variograms. In those situations, the semi-variogram from a nearby, better drilled zone was used to estimate the grade. At Central, the semi-variogram from mineral zone 2 was used in zones 1, 3, 4 and 5 and the zone 6 semi-variogram was used in zones 7, 8 and 11.

Table 14.13
Central Deposit Semi-Variograms

Mineral Zone 2		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.452				46%	46%
C1	0.301	9.9	9.9	9.9	31%	77%
C2	0.224	45.3	45.3	45.3	23%	100%
Sill	0.977					

Also used for Zones: 1, 3, 4 and 5

Mineral Zone 6		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.422				39%	39%
C1	0.341	19.3	19.3	19.3	32%	71%
C2	0.317	50.7	50.7	50.7	29%	100%
Sill	1.080					

Also used for Zones: 7, 8 and 11

Mineral Zone 9		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.394				41%	41%
C1	0.219	19.7	19.7	19.7	23%	63%
C2	0.354	53.8	53.8	53.8	37%	100%
Sill	0.967					

Mineral Zone 10		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.401				42%	42%
C1	0.363	17	17	17	38%	80%
C2	0.192	66.8	66.8	66.8	20%	100%
Sill	0.956					

Mineral Zone 15		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.391				41%	41%
C1	0.311	13	13	13	33%	73%
C2	0.254	95.1	95.1	95.1	27%	100%
Sill	0.956					

The Central North deposit semi-variograms are shown in Table 14.14 below. Due to the sparseness of the data in the higher grade mineral zones (21 to 24), the semi-variogram is a composite of the data in all 4 zones. This semi-variogram was used to estimate the grade in each of these zones.

Table 14.14
Central North Semi-Variogram Parameters

Mineral Zones 21-24		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.267				26%	26%
C1	0.511	13.9	13.9	13.9	49%	75%
C2	0.266	40.8	40.8	40.8	25%	100%
Sill	1.044					

Mineral Zone 25		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.381				41%	41%
C1	0.412	22.4	22.4	22.4	44%	85%
C2	0.143	56.1	56.1	56.1	15%	100%
Sill	0.936					

The Moreira Gomes deposit semi-variograms are shown in Table 14.15 below. As discussed above, it was not always possible to calculate useable semi-variograms in all of the higher grade mineral zones. At Moreira Gomes, the semi-variogram from mineral zone 2 was used to estimate the grades in zones 3, 4, 5, 6, 7, 8 and 9.

Table 14.15
Moreira Gomes Semi-Variogram Parameters

Mineral Zone 1		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.3				27%	27%
C1	0.324	4.6	4.6	4.6	29%	57%
C2	0.174	18.6	18.6	18.6	16%	72%
C3	0.303	40.8	40.8	40.8	28%	100%
Sill	1.101				100%	

Mineral Zone 2		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.3				28%	28%
C1	0.666	9.3	9.3	9.3	63%	91%
C2	0.091	21.2	21.2	21.2	9%	100%
Sill	1.057				100%	

Also used for Zones: 3, 4, 5, 6, 7, 8 and 9.

Mineral Zone 15		X (S-Maj)	Y (Maj)	Z (Min)	Proportion of Sill	
					%	Cumulative
C0	0.3				30%	30%
C1	0.351	11.9	11.9	11.9	35%	65%
C2	0.241	29.2	29.2	29.2	24%	89%
C3	0.108	140.7	140.7	140.7	11%	100%
Sill	1.000				100%	

14.6.2 Estimation Parameters

Ordinary Kriging (OK) was used to estimate the gold grade of the Central deposit within the 11 higher-grade domains and lower grade domain 15. The contacts between the domains were hard boundaries in that only data from a particular domain were used to estimate a block in that domain.

The estimate was generated in 3 passes, using the search volumes and data requirements summarized in Table 14.16 and capped composite data. After careful examination of the grade estimates in each mineral zone, final decisions were made on the minimum and maximum data requirements as well as whether to limit the number of data from a single hole.

Table 14.16
Central Deposit Search Parameters

Mineral Zone	Search Volume	X (S-Maj)	Y (Maj)	Z (Min)	Samples		
					MIN	MAX	Max/DH
1	Az°/Dip°	130/0	40/85	220/5			
	1	50m	50m	40m	6	20	-
	2	200	200	160	8	15	-
	3	300	300	240	3	8	-
2	Az°/Dip°	135/0	45/90	225/0			
	1	100	100	40	10	20	4
	2	200	200	80	8	15	4
	3	300	300	120	3	8	4
3	Az°/Dip°	125/0	35/90	215/0			
	1	50	50	40	6	20	-
	2	200	200	160	8	15	-
	3	300	300	240	3	8	-
4	Az°/Dip°	135/0	45/90	225/0			
	1	100	100	40	10	20	4
	2	200	200	80	8	15	4
	3	300	300	120	3	8	4
5	Az°/Dip°	130/0	40/90	220/0			
	1	100	100	40	10	20	-
	2	200	200	80	8	15	-
	3	300	300	120	3	8	-
6	Az°/Dip°	120/0	210/85	30/5			
	1	100	100	40	10	20	4
	2	200	200	80	8	15	4
	3	300	300	120	3	8	4
7	Az°/Dip°	115/0	25/90	205/0			
	1	50	50	40	6	20	-
	2	200	200	160	8	15	-
	3	300	300	240	3	8	-
8	Az°/Dip°	130/0	220/70	40/20			
	1	50	50	40	6	20	-
	2	200	200	160	8	15	-
	3	300	300	240	3	8	-
9	Az°/Dip°	130/0	220/85	40/5			
	1	50	50	40	6	20	-
	2	200	200	160	8	15	-
	3	300	300	240	3	8	-
10	Az°/Dip°	125/0	35/90	215/0			
	1	50	50	40	6	20	-
	2	200	200	160	8	15	-
	3	300	300	240	3	8	-
11	Az°/Dip°	125/0	215/85	35/5			
	1	100	100	40	10	20	4
	2	200	200	80	8	15	4
	3	300	300	120	3	8	4
15	Az°/Dip°	135/0	45/90	225/0			
	1	150	150	40	8	20	4
	2	300	300	80	5	15	4
	3	450	450	120	3	8	4

Ordinary Kriging (OK) was used to estimate the gold grade of the Central North deposit within the 4 higher grade domains (21-24) and lower grade domain 25. The contacts between the domains were hard boundaries in that only data from a particular domain were used to estimate a block in that domain.

The estimate was generated in 3 passes, using the search volumes and data requirements summarized in Table 14.17. After careful examination of the grade estimates in each mineral zone, final decisions were made on the minimum and maximum data requirements as well as whether to limit the number of data from a single hole.

Table 14.17
Central North Search Parameters

Mineral Zone	Search Volume	X (S-Maj)	Y (Maj)	Z (Min)	Samples		
					MIN	MAX	Max/DH
21	Az°/Dip°	130/0	40/90	220/0			
	1	50	50	40	6	20	-
	2	200	200	160	4	15	-
	3	300	300	240	3	8	-
22	Az°/Dip°	135/0	45/80	225/10			
	1	50	50	40	6	20	-
	2	200	200	160	4	15	-
	3	300	300	240	3	8	-
23	Az°/Dip°	140/0	50/90	230/0			
	1	100	100	40	10	20	-
	2	200	200	80	4	15	-
	3	300	300	120	3	8	-
24	Az°/Dip°	140/0	50/90	230/0			
	1	50	50	40	6	20	-
	2	200	200	160	4	15	-
	3	300	300	240	3	8	-
25	Az°/Dip°	135/0	45/90	225/0			
	1	125	125	40	8	20	4
	2	250	250	80	4	15	4
	3	375	375	120	3	8	4

Ordinary Kriging (OK) was used to estimate the gold grade of the Moreira Gomes deposit within the 9 higher grade domains and lower grade domain 15. The contacts between the domains were hard boundaries in that only data from a particular domain were used to estimate a block in that domain.

The estimate was generated in 3 passes, using the search volumes and data requirements summarized in Table 14.18 and capped composite data. After careful examination of the grade estimates in each mineral zone, final decisions were made on the minimum and maximum data requirements as well as whether to limit the number of data from a single hole.

Table 14.18
Moreira Gomes Search Parameters

Mineral Zone	Search Volume	X (S-Maj)	Y (Maj)	Z (Min)	Samples		
					MIN	MAX	Max/DH
1	Az°/Dip°	95/0	5/80	185/10			
	1	50	50	60	6	20	4
	2	200	200	240	6	15	4
	3	300	300	360	3	8	4
2	Az°/Dip°	110/0	20/80	200/10			
	1	40	40	60	6	20	-
	2	160	160	240	6	15	-
	3	240	240	360	3	8	-
3	Az°/Dip°	90/0	0/80	180/10			
	1	40	40	60	6	20	4
	2	160	160	240	6	15	4
	3	240	240	360	3	8	4
4	Az°/Dip°	90/0	0/70	180/20			
	1	40	40	60	6	20	4
	2	160	160	240	6	15	4
	3	240	240	360	3	8	4
5	Az°/Dip°	100/0	10/80	190/10			
	1	40	40	60	6	20	4
	2	160	160	240	6	15	4
	3	240	240	360	3	8	4
6	Az°/Dip°	100/0	10/70	190/20			
	1	40	40	60	6	20	-
	2	160	160	240	6	15	-
	3	240	240	360	3	8	-
7	Az°/Dip°	100/0	10/85	190/5			
	1	40	40	60	6	20	4
	2	160	160	240	6	15	4
	3	240	240	360	3	8	4
8	Az°/Dip°	95/0	5/80	185/10			
	1	40	40	60	6	20	4
	2	160	160	240	6	15	4
	3	240	240	360	3	8	4
9	Az°/Dip°	100/0	10/90	190/0			
	1	40	40	60	6	20	4
	2	160	160	240	6	15	4
	3	240	240	360	3	8	4
15	Az°/Dip°	95/0	5/85	185/5			
	1	50	50	60	6	20	4
	2	200	200	240	6	15	4
	3	300	300	360	3	8	4

The Jerimum de Baixo mineral resources was estimated using inversed-distance squared (ID²). The search parameters employed in each of the zones are summarized in Table 14.19, below.

Table 14.19
Jerimum de Baixo Search Parameters

Mineral Zone	Search Volume	X (S-Maj)	Y (Maj)	Z (Min)	Samples		
					MIN	MAX	Max/DH
1	Az°/Dip°	130/0	220/75	40/15			
	1	100	100	40	10	20	4
	2	200	200	80	6	15	4
	3	300	300	120	4	10	4
2	Az°/Dip°	130/0	220/75	40/15			
	1	100	100	40	10	20	4
	2	200	200	80	6	15	4
	3	300	300	120	4	10	4
3	Az°/Dip°	130/0	220/75	40/15			
	1	100	100	40	10	20	4
	2	200	200	80	6	15	4
	3	300	300	120	4	10	4
15	Az°/Dip°	120/0	210/80	30/10			
	1	150	150	40	6	20	4
	2	300	300	80	5	15	4
	3	450	450	120	3	10	4

14.6.3 Validation

The Cuiú Cuiú mineral resource estimates were exhaustively reviewed by the QP and Cabral personnel to ensure that the models fairly represent the data used in their generation. Numerous iterations were generated and inspected visually and statistically before deciding on the final capping thresholds and search parameters used in the estimates summarized in this report.

14.7 MINERAL RESOURCE CLASSIFICATION

The majority of the Cuiú Cuiú mineral resources have been classified as Inferred primarily due to the amount of diamond drill data that has been collected to date and its relatively wide spacing. However, in the Central deposit, there are areas in several of the domains where there are sufficient data to classify Indicated mineral resources.

14.8 MINERAL RESOURCE ESTIMATE

To demonstrate the reasonable likelihood that the Cuiú Cuiú resources could be extracted economically, the mineral resource estimates were constrained by an ultimate open-pit shell optimized using the economic assumptions shown in Table 14.20 below. The gold price of 1,400 USD/oz was selected after benchmarking the long-term gold price assumed in the annual reports and mineral resource statements of several mining companies, including the owners of the nearby Tocantinzinho Project. The remaining parameters reflect the operating costs reported by Tocantinzinho.

Table 14.20
Assumptions Used for Open-Pit Optimization

Parameter		Unit
Gold Price	1,400	USD/oz
Mill Recovery	90	%
Mining Cost: Saprolite	1.50	USD/t mined
Mining Cost: Fresh Rock	2.50	USD/t mined
Processing Cost	8.30	USD/t milled
G&A Cost	3.00	USD/t milled
Pit Slope Saprolite	30	degrees
Pit Slope Fresh Rock	50	degrees

14.8.1 Near Surface Mineral Resources

The mineral resources within ultimate open-pit shells optimized at each deposit are summarized in the Table 14.21 to Table 14.24 below, by mineral zone at a cut-off of 0.35 g/t Au. The Central pit reaches a maximum depth of 260 m below surface with a stripping ratio of approximately 4:1.

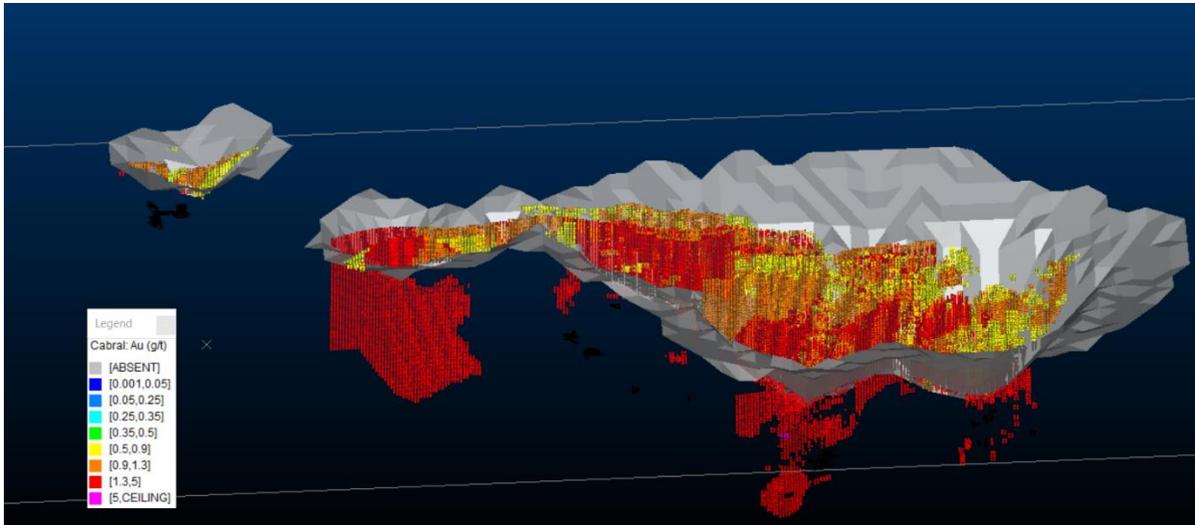
The choice of a 0.35 g/t cut-off was made after comparison to the nearby Tocantinzinho mine (0.30 g/t cut-off). The Tocantinzinho deposit is very similar to Cuiú Cuiú in that it is hosted in sheared granite within the broad Tapajos deformation zone. It's grade and geometry are very similar to Cuiú Cuiú. The QPs have therefore used the Tocantinzinho operating cost assumptions in the evaluation of Cuiú Cuiú and in the calculation of the open pit cut-off grade.

Table 14.21
Central - Mineral Resource Summary
Pit Constrained (0.35 g/t Au Cut-off)

Resource Class	Mineral Zone	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Indicated	1	-	-	-
	2	972	0.91	28
	3	-	-	-
	4	164	0.55	3
	5	40	1.17	2
	6	1,857	0.93	56
	7	-	-	-
	8	87	0.57	2
	9	1,128	1.30	47
	10	1,244	0.71	28
	11	-	-	-
	15	394	0.44	6
	Total	5,886	0.90	171
Inferred	1	3	0.35	0
	2	1,759	1.03	58
	3	111	0.75	3
	4	313	0.49	5
	5	130	1.80	8
	6	3,057	0.84	83
	7	566	1.70	31
	8	131	0.48	2
	9	891	1.16	33
	10	127	0.77	3
	11	118	0.54	2
	15	-	-	-
	Total	7,206	0.98	228

Figure 14.4 shows the Central and Central North optimized open pit shell within which can be seen the pit constrained mineral resource blocks above a 0.35 g/t Au cut-off. Below the pit shell are shown the mineral resource blocks above a 1.3 g/t Au cut-off which could potentially be mined by underground methods.

Figure 14.4
3D Isometric View of the Central and Central North Open Pit Design and Mineral Resource Blocks



Source Micon, 2018

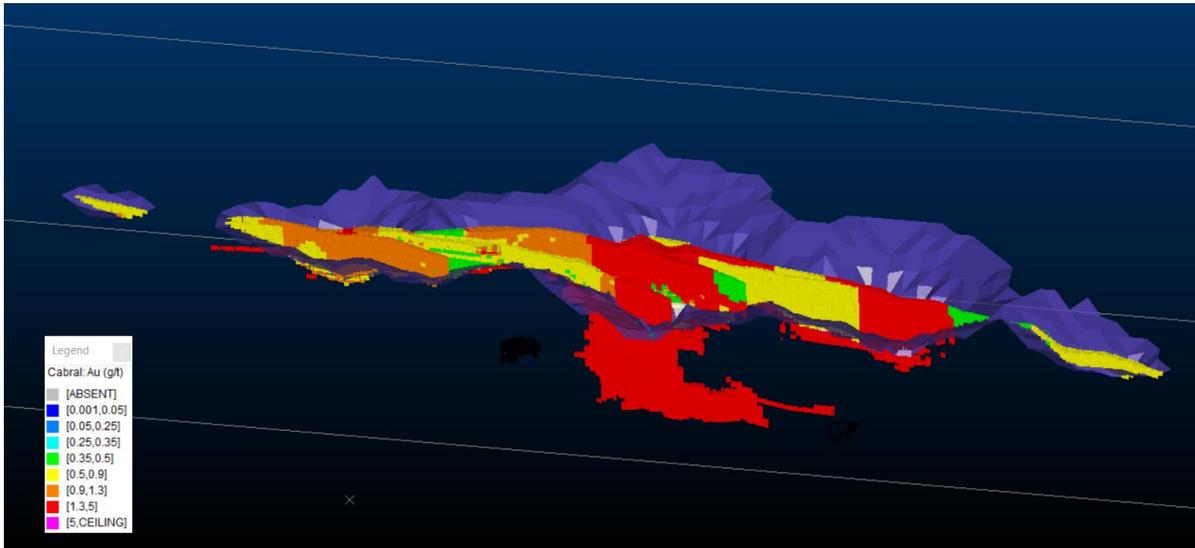
The Moreira Gomes pit reaches a maximum depth of 230 m below surface with a stripping ratio of approximately 5:1.

Table 14.22
Moreira Gomes - Mineral Resource Summary
Pit Constrained (0.35 g/t Au Cut-off)

Resource Class	Mineral Zone	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Inferred	1	3,615	1.55	180
	2	533	2.11	36
	3	1,413	0.92	42
	4	19	0.69	0
	5	392	0.68	9
	6	289	1.26	12
	7	338	1.04	11
	8	27	0.81	1
	9	1	0.61	0
	15	85	0.47	1
		Total	6,713	1.36

Figure 14.5 shows the Moreira Gomes optimized open pit shell within which can be seen the pit constrained mineral resource blocks above a 0.35 g/t Au cut-off. Below the pit shell are shown the mineral resource blocks above a 1.3 g/t Au cut-off which could potentially be mined by underground methods.

Figure 14.5
3D Isometric View of the Moreira Gomes Open Pit Design and Mineral Resource Blocks



Source Micon, 2018

The Central North pit reaches a maximum depth of 60 m below surface.

Table 14.23
Central North - Mineral Resource Summary
Pit Constrained (0.35 g/t Au Cut-off)

Resource Class	Mineral Zone	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Inferred	21	32	0.47	0.5
	22	128	0.71	3
	23	0.2	0.43	0
	24	-	-	-
	25	-	-	-
	Total	160	0.66	3

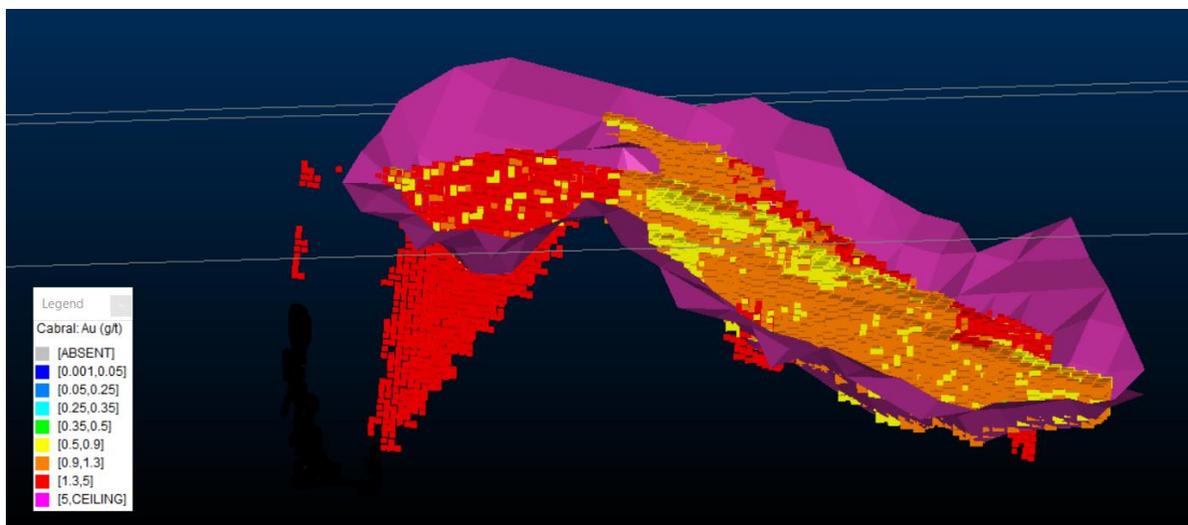
The Jerimum de Baixo pit reaches a maximum depth of 100 m below surface with a stripping ratio of approximately 2:1.

Table 14.24
Jerimum de Baixo - Mineral Resource Summary
Pit Constrained (0.35 g/t Au Cut-off)

Resource Class	Mineral Zone	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Inferred	1	1,002	0.77	25
	2	554	0.71	13
	3	301	1.33	13
	15	136	0.43	2
	Total	1,993	0.81	52

Figure 14.6 shows the Jerimum de Baixo optimized open pit shell within which can be seen the pit constrained mineral resource blocks above a 0.35 g/t Au cut-off. Below the pit shell are shown the mineral resource blocks above a 1.3 g/t Au cut-off which could potentially be mined by underground methods.

Figure 14.6
3D Isometric View of the Jerimum de Baixo Open Pit Design and Mineral Resource Blocks



Source Micon, 2018

14.8.2 Underground Resources

Mineral resources below the open-pit shells described in Section 14.8.1, above and deemed to be mineable by underground methods are reported in Table 14.25 to Table 14.28 by mineral zone at a cut-off of 1.3 g/t Au.

The choice of a 1.3 g/t cut-off was made after comparison to the nearby Jacobina mine of Yamana Gold Inc. (1.2 g/t cut-off). Jacobina is a ramp access gold deposit in Bahia State mining quartz pebble conglomerates which are usually steeply dipping. The mining is performed mostly using longhole methods. The rock is estimated to be of similar competency to the unweathered (underground) granite at Cuiú Cuiú.

Table 14.25
Central - Mineral Resource Summary
Underground (1.3 g/t Au Cut-off)

Resource Class	Mineral Zone	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Inferred	1	-	-	-
	2	559	2.17	39
	3	3	1.59	0
	4	27	1.41	1
	5	59	1.75	3
	6	243	1.76	14
	7	344	1.48	16
	8	5	1.45	0
	9	211	1.78	12
	10	6	1.45	0
	11	-	-	-
	15	3	1.44	0
	Total	1,460	1.84	86

Table 14.26
Moreira Gomes - Mineral Resource Summary
Underground (1.3 g/t Au Cut-off)

Resource Class	Mineral Zone	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Inferred	1	1,644	1.72	91
	2	12	2.14	1
	3	15	1.89	1
	4	-	-	-
	5	-	-	-
	6	204	2.14	14
	7	-	-	-
	8	-	-	-
	9	-	-	-
	15	-	-	-
Total	1,876	1.77	107	

Table 14.27
Central North - Mineral Resource Summary
Underground (1.3 g/t Au Cut-off)

Resource Class	Mineral Zone	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Inferred	21	-	-	-
	22	11	1.45	1
	23	-	-	-
	24	-	-	-
	25	-	-	-
	Total	11	1.45	1

Table 14.28
Jerimum de Baixo - Mineral Resource Summary
Underground (1.3 g/t Au Cut-off)

Resource Class	Mineral Zone	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Inferred	1	90	1.93	6
	2	0.2	1.74	0.01
	3	11	1.67	1
	15	-	-	-
	Total	100	1.90	6

14.8.3 Reconciliation to Previous Estimate

The most recent historical mineral resource estimate was generated in 2011 by Pincock, Alan and Holt (PAH) and is described briefly in Section 6.4 of this report. Making a direct comparison between the 2018 Mineral resource estimate described above and the 2011 estimate is difficult and misleading. The main reason is that PAH did not apply capping when generating the 2011 estimate. Furthermore, the 2011 Technical Report contains few details about the assumptions PAH used for open-pit optimization.

14.9 INTERPRETATION, CONCLUSIONS AND RECOMMENDATIONS

The new Cuiú Cuiú Mineral Resource estimate is summarized below in Table 14.29. The near surface resources are constrained by optimized ultimate open-pit shells and reported at a cut-off grade of 0.35 g/t Au. Resources below the pit shells and deemed potentially mineable by underground methods, are reported at a cut-off grade of 1.3 g/t Au.

Table 14.29
Cuiú Cuiú Mineral Resource Estimate

	Resource Class	Cut-off Au (g/t)	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Open-Pit Deposit					
Central	Indicated	0.35	5,886	0.90	171
Total	Indicated	0.35	5,886	0.90	171
Central	Inferred	0.35	7,206	0.98	228
Moreira Gomes	Inferred	0.35	6,713	1.36	293
Central North	Inferred	0.35	160	0.66	3
Jerimum de Baixo	Inferred	0.35	1,993	0.81	52
Total	Inferred	0.35	16,072	1.11	576
Underground Deposit					
Central	Inferred	1.30	1,460	1.84	86
Moreira Gomes	Inferred	1.30	1,876	1.77	107
Central North	Inferred	1.30	11	1.45	1
Jerimum de Baixo	Inferred	1.30	100	1.90	6
Total	Inferred	1.30	3,448	1.80	200
Total Deposit					
Total	Indicated	-	5,886	0.90	171
Total	Inferred	-	19,520	1.24	776

15.0 ADJACENT PROPERTIES

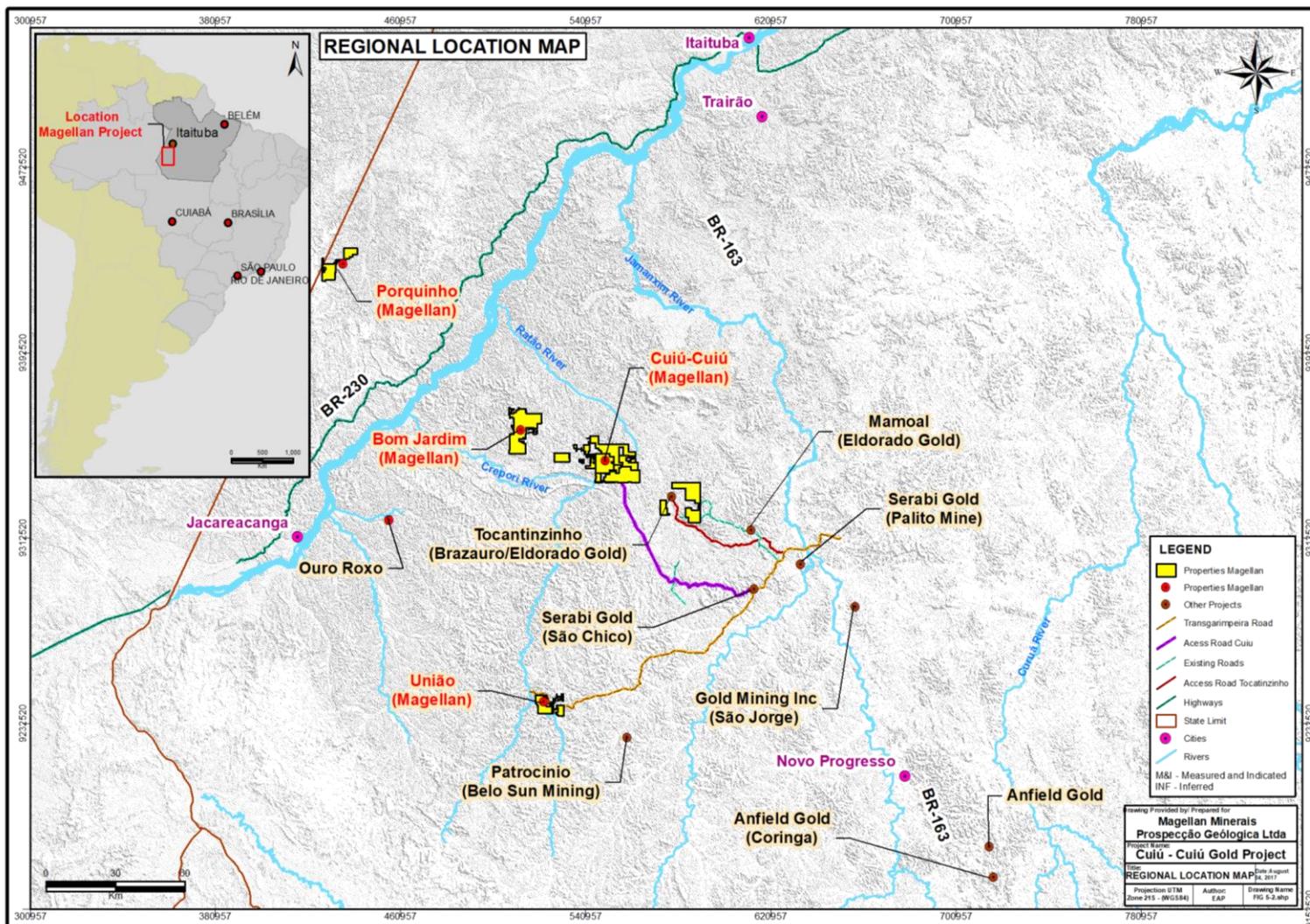
The Cuiú Cuiú project is located in the western part of the state of Para in northern Brazil. The area has been the focal point for mainly alluvial gold mining during the 1980s and 1990s and exploration claims cover large parts of the area. Figure 15.1 shows the Cuiú Cuiú property held by Cabral and the adjoining exploration permits and projects.

The most advanced gold project in the Tapajós is the nearby Tocantinzinho Project, which is owned by Eldorado and is located 25 km to the southeast, along trend/strike to Cuiú Cuiú (see Figure 15.1). According to an Eldorado press release dated May 3, 2011, the positive completion of a prefeasibility study was announced. (<http://www.eldoradogold.com/news-and-media/news-releases/default.aspx#2011>).

According to Eldorado's website, the focus of activity in 2017 was to be primarily on completing construction of the access road to site, permitting, basic engineering and general site costs. Eldorado also reports that a construction decision at Tocantinzinho has been deferred until all permits are in place. A decision will take into account the gold price outlook at that time and the progress of other priority development projects in the Company.

Other gold projects in the region include Serabi Gold's Palito Project, Gold Mining Inc.'s São Jorge Project and Anfield Gold's Coringa Project (see Figure 15.1)

Figure 15.1
Regional Location Map



Source: Cabral, 2017.

16.0 OTHER RELEVANT DATA AND INFORMATION

All information or explanation necessary to make this Technical Report understandable and not misleading are included in the other Sections.

17.0 INTERPRETATION AND CONCLUSIONS

The Cuiú Cuiú property is the site of significant artisanal gold production from saprolitic rocks near surface.

The main part of the Cuiú Cuiú soil anomaly is over 10km in length with an average value above 55 ppb Au. It contains half a dozen highly anomalous zones averaging over 100 ppb Au which coincide with the main artisanal workings and areas drilled by Magellan. Over 50% of the anomaly has yet to be tested with diamond drill holes.

Diamond drilling by Magellan has demonstrated the presence of deeper gold mineralization of potential economic importance in several zones on the property and a mineral resource was estimated which is presented herein as an historic resource as defined in NI 43-101.

Adequate work has been completed to justify further exploration of the property. The QP is not aware of any significant risks or uncertainties that could reasonably be expected to affect the reliability of or confidence in the exploration information.

17.1 GEOLOGY AND DATABASE

The QP identified a number of issues with the current Cuiú Cuiú diamond drill hole database, consisting mainly of logical and data entry errors. A great majority of the issues pertain to holes drilled in 2011 and 2012 which post-date the mineral resource estimate generated by PAH in 2011. These issues have all been corrected.

The new Cuiú Cuiú Mineral Resource estimate is summarized below in Table 14.1. The near surface resources are constrained by optimized ultimate open-pit shells and reported at a cut-off grade of 0.35 g/t Au. Resources below the pit shells and deemed potentially mineable by underground methods, are reported at a cut-off grade of 1.3 g/t Au.

Table 17.1
Cuiú Cuiú Mineral Resource Estimate

	Resource Class	Cut-off Au (g/t)	Tonnes (kt)	Au (g/t)	Au Metal (koz)
Open-Pit Deposit					
Central	Indicated	0.35	5,886	0.90	171
Total	Indicated	0.35	5,886	0.90	171
Central	Inferred	0.35	7,206	0.98	228
Moreira Gomes	Inferred	0.35	6,713	1.36	293
Central North	Inferred	0.35	160	0.66	3
Jerimum de Baixo	Inferred	0.35	1,993	0.81	52
Total	Inferred	0.35	16,072	1.11	576
Underground Deposit					
Central	Inferred	1.30	1,460	1.84	86
Moreira Gomes	Inferred	1.30	1,876	1.77	107
Central North	Inferred	1.30	11	1.45	1
Jerimum de Baixo	Inferred	1.30	100	1.90	6
Total	Inferred	1.30	3,448	1.80	200
Total Deposit					
Total	Indicated	-	5,886	0.90	171
Total	Inferred	-	19,520	1.24	776

17.2 METALLURGY

The preliminary testwork completed to date on oxide and primary samples of Central zone and Moreira Gomez zone mineralization suggest that good gold recoveries can be expected by using conventional free-milling process technologies.

Preliminary gravity separation test results suggest that some of the gold in all composites was liberated and could potentially be recovered using a standard gravity circuit.

The cyanide leach test recoveries at a relatively coarse grind (P_{80} of 149 μm) were between 93% and 95% for the Central zone composites and 88% to 90% for the Moreira Gomez zone composites. At a finer grind (P_{80} of 74 μm), the gold recoveries were between 95% and 97% for the Central zone composites and 94% to 97% for the Moreira Gomez zone composites.

18.0 RECOMMENDATIONS

18.1 GEOLOGY AND DATABASE

The QP identified a number of issues with the current Cuiú Cuiú diamond drill hole database, consisting mainly of logical and data entry errors. A great majority of the issues pertain to holes drilled in 2011 and 2012. These issues have all been corrected.

It is recommended that the density data be sorted by weathering horizon since, in tropical environments; weathering has a great effect on density.

The QP has used the database to prepare a mineral resource estimate described in Section 14 of this report.

18.2 METALLURGY

Additional metallurgical testwork is recommended to optimize the process flowsheet and to test samples from other areas within the Cuiú Cuiú property. Testwork to be considered includes:

- Mineralogical investigations.
- Gold and silver deportment studies.
- Multi element chemical analyses of representative samples.
- Comminution and hardness testing.
- Additional gravity testing.
- Flotation amenability testing.
- Cyanide leach optimization testing.
- Preliminary geochemical analyses of testwork tailings samples.

18.3 RECOMMENDED PROGRAM OF WORK

Cabral has proposed a two-phase program of exploration on the Cuiú Cuiú project, along with an associated budget.

Phase 1 consists of a new mineral resource estimate using the additional 22,000 m of drilling completed since the 2011 estimate (McMahon, 2011). As well a field program of geological mapping, trenching and expansion of the soil sampling grid is proposed in order to assist in the generation of new drill targets.

Phase 2 consists of a program of geophysics to refine the drill targets followed by an 8,000 m drill program. Advice will be sought from a consulting geophysicist as to which types of

geophysical programs to complete. Induced polarization and CSAMT are being considered. The two program phases are set out in Table 18.1 and Table 18.2 below.

Table 18.1
Cabral Budget - Phase 1

Activity	Unit Cost	Units	Total (CAD)
Re-estimate mineral resource	100,000	1	100,000
Trenching	200/hr	400	80,000
Mapping/geology	600/day	250	150,000
Field workers/soil sampling	300/day	300	90,000
Food/supplies	120/day	360	43,200
Geochemical analysis	70/sample	2,500	175,000
Flights to Cuiú	1,650/trip	25	41,250
Vehicles	75,000/each	1	75,000
ATVs	10,000/each	2	20,000
Fuel for vehicles	1.85/liter	5,000	9,250
Transport of personnel	1,200/trip	15	18,000
Logistical Support	5,000/month	12	60,000
Computers, etc.			12,000
Contingency		10%	87,370
Total			961,070

Table 18.2
Cabral Budget - Phase 2

Activity	Unit Cost	Units	Total (CAD)
Drilling	230/m	8,000	1,840,000
Geophysical survey(s)	600,000	1	600,000
Logging/geology	600/day	500	300,000
Field workers (five)	500/day	500	250,000
Food/supplies	200/day	500	100,000
Geochemical analysis	70/sample	6,000	420,000
Flights to Cuiú	1,650/trip	60	99,000
Vehicles	75,000/truck	1	75,000
ATVs	10,000/each	3	30,000
Fuel for vehicles	1.85/liter	15,000	27,750
Transport of personnel	1,200/trip	40	48,000
Logistical Support	5,000/month	12	60,000
Contingency		10%	384,975
Total			4,234,725

The QP has reviewed the proposed program of work and budget and finds them to be reasonable and justified in light of the observations made in this report. The QP recommends that Cabral conduct the planned activities subject to availability of funding and any other matters which may cause the objectives to be altered in the normal course of business activities.

19.0 DATE AND SIGNATURE PAGE

MICON INTERNATIONAL LIMITED

“B. Terrence Hennessey” {signed, sealed and dated}

B. Terrence Hennessey, P.Geo.
Vice President
Micon International Limited

December 19, 2018

“Thomas C. Stubens” {signed, sealed and dated}

Thomas C. Stubens, P.Eng.
Senior Geologist
Micon International Limited

December 19, 2018

“Richard M. Gowans” {signed, sealed and dated}

Richard M. Gowans, P.Eng.
President and Principal Metallurgist
Micon International Limited

December 19, 2018

20.0 REFERENCES

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21.0 CERTIFICATES

CERTIFICATE OF QUALIFIED PERSON B. TERRENCE HENNESSEY

As the author of this amended “Technical Report on the Cuiú Cuiú Project, Mineral Resource Estimate, Pará State, North-Central Brazil” dated December 19, 2018, with an effective date of December 31, 2017 (the “Technical Report”), I, B. Terrence Hennessey, P.Ge., do hereby certify that:

1. I am employed by, and carried out this assignment for:
Micon International Limited
900 - 390 Bay Street
Toronto, Ontario M5H 2Y2
Tel.: (416) 362-5135; Fax: (416) 362-5763
e-mail: thennessey@micon-international.com
2. I hold the following academic qualifications:
B.Sc. (Geology) McMaster University 1978
3. I am a registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario (membership # 0038); as well, I am a member in good standing of several other technical associations and societies, including:
The Canadian Institute of Mining, Metallurgy and Petroleum (Member).
4. I have worked as a geologist in the minerals industry for over 35 years.
5. I have read the definition of “Qualified Person” set out in National Instrument 43-101 (NI 43-101) and, by reason of my education, past relevant work experience and affiliation with a professional association, fulfill the requirements to be a Qualified Person for the purposes of NI 43-101. My work experience includes 7 years as an exploration geologist looking for iron ore, gold, base metal and tin deposits, more than 10 years as a mine geologist in both open-pit and underground mines and 20 years as a consulting geologist working in precious, ferrous and base metals as well as industrial minerals.
6. I have not visited the Cuiú Cuiú Project in Pará State, North-Central Brazil.
7. I am responsible for Sections 2, 3, 4, 5, 6, 7, 8 and 15, and summaries therefrom in Sections 1, 17 and 18, of the technical report titled “Technical Report on the Cuiú Cuiú Project, Mineral Resource Estimate, Pará State, North-Central Brazil” with an effective date of December 31, 2017.
8. I am independent of Cabral Gold Inc., as defined in Section 1.5 of NI 43-101.
9. I have had no prior involvement with the property that is the subject of the Technical Report.
10. I have read NI 43-101 and Form 43-101F1 and the portions of this report for which I am responsible have been prepared in compliance with that instrument and form.
11. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make this report not be misleading.

Signing Date: December 19, 2018

Effective Date: December 31, 2017

“B. Terrence Hennessey” {signed and sealed}

B. Terrence Hennessey, P.Ge.

**CERTIFICATE OF QUALIFIED PERSON
THOMAS C. STUBENS, P.ENG.**

I, Thomas C. Stubens, of Vancouver, British Columbia, do hereby certify that as the author of this amended “Technical Report on the Cuiú Cuiú Project, Mineral Resource Estimate, Para State, North-Central Brazil” dated December 19, 2018, with an effective date of December 31, 2017 (the “Technical Report”), I hereby make the following statements:

1. I am employed as a Senior Geologist by and carried out this assignment for Micon International Limited with a business address at 205-700 West Pender Street, Vancouver, British Columbia, V6C 1G8.
2. I am a graduate of the Universities of Toronto and British Columbia, (B.A.Sc, 1978 and M.A.Sc., 1989 respectively).
3. I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia (License #28367).
4. I have practiced my profession continuously since graduation.
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 purpose of NI 43-101.
6. My relevant experience with respect to Cuiú Cuiú project includes over 35 years of post-graduate experience, 25 years of which are in the fields of geological modeling and geostatistical resource estimation.
7. I visited Para State and the Cuiú Cuiú property on February 7 to 9, 2017.
8. I am responsible for Sections 9, 10, 11, 12, 14 and summaries therefrom in Sections 1, 17 and 18 of this technical report titled “Technical Report on the Cuiú Cuiú Project, Mineral Resource Estimate, Para State, North-Central Brazil” dated July 23, 2018, with an effective date of December 31, 2017.
9. I have no prior involvement with the Cuiú Cuiú property that is the subject of the Technical Report.
10. 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.
11. I am independent of Cabral Gold Inc. as defined by Section 1.5 of the Instrument.
12. I have read National Instrument 43-101 and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.

Signing Date: December 19, 2018
Effective Date: December 31, 2017

“Thomas C. Stubens” {signed and sealed}

Thomas C. Stubens, P.Eng.

**CERTIFICATE OF QUALIFIED PERSON
RICHARD GOWANS, P.ENG.**

As the author of this amended “Technical Report on the Cuiú Cuiú Project, Mineral Resource Estimate, Para State, North-Central Brazil” dated December 19, 2018, with an effective date of December 31, 2017 (the “Technical Report”), I, Richard Gowans do hereby certify that:

1. I am employed by, and carried out this assignment for, Micon International Limited, 900 - 390 Bay Street, Toronto, Ontario M5H 2Y2, tel. (416) 362-5135, fax (416) 362-5763, e-mail rgowans@micon-international.com.
2. I hold the following academic qualifications:

B.Sc. (Hons) Minerals Engineering, The University of Birmingham, U.K. 1980.
3. I am a registered Professional Engineer of Ontario (membership number 90529389); as well, I am a member in good standing of the Canadian Institute of Mining, Metallurgy and Petroleum.
4. I am familiar with NI 43-101 and by reason of education, experience and professional registration and fulfill the requirements of a Qualified Person as defined in NI 43-101. I have been continuously employed in the mining industry since graduation and my work experience includes over 30 years of the management of technical studies and design of numerous metallurgical testwork programs and metallurgical processing plants.
5. I have not visited the site.
6. I am responsible for Section 13, and summaries therefrom, in Section 1, 17 and 18 of this technical report titled “Technical Report on the Cuiú Cuiú Project, Mineral Resource Estimate, Para State, North-Central Brazil” dated July 23, 2018, with an effective date of December 31, 2017.
7. I have no prior involvement with the Cuiú Cuiú property that is the subject of the Technical Report.
8. 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.
9. I am independent of Cabral Gold Inc. as defined by Section 1.5 of the Instrument.
10. I have read National Instrument 43-101 and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.

Signing Date: December 19, 2018
Effective Date: December 31, 2017

“Richard Gowans” {signed and sealed as of the report date}

Richard Gowans P.Eng.

APPENDIX I

DIAMOND DRILLHOLE COLLAR COORDINATES

Cuiú Cuiú Project - Diamond Drill Hole Collar Coordinates							
BHID	Easting	Northing	Elev.	Az.	Dip	TD	Zone
CC_01_06	548,097.01	9,344,726.37	129.60	60	55	275.80	Central
CC_02_06	548,122.02	9,344,836.07	131.00	135	50	378.00	Central
CC_03_06	548,253.00	9,344,816.00	129.00	225	55	310.90	Central
CC_04_06	548,124.28	9,344,603.29	130.51	45	50	316.70	Central
CC_05_06	547,610.00	9,345,250.00	199.00	45	50	274.30	Central
CC_06_06	547,720.00	9,345,370.00	182.40	225	50	275.80	Central
CC_07_06	547,650.00	9,345,440.00	175.60	225	50	251.46	Central
CC_08_06	547,810.00	9,345,260.00	181.40	225	50	284.98	Central
CC_09_06	547,721.00	9,345,371.00	182.30	45	55	236.22	Central
CC_10_06	551,370.00	9,343,900.00	128.10	45	55	149.35	Jerimum de Baixo
CC_11_07	548,172.13	9,344,846.71	126.60	135	51	124.66	Central
CC_12_07	548,242.43	9,344,708.79	126.50	315	51	100.58	Central
CC_13_07	548,186.41	9,344,838.84	125.70	225	55	227.07	Central
CC_14_07	548,216.81	9,344,734.23	126.50	315	67	286.51	Central
CC_15_07	548,246.47	9,344,742.68	126.00	225	65	260.60	Central
CC_16_07	548,097.53	9,344,798.96	136.42	136	60	345.33	Central
CC_17_07	548,068.14	9,344,904.51	128.60	137	55	210.45	Central
CC_18_07	547,741.00	9,345,251.00	188.10	135	55	199.60	Central
CC_19_07	546,180.00	9,346,850.00	180.50	240	60	220.98	Pau da Merenda
CC_20_07	546,160.00	9,346,768.00	183.10	330	60	185.30	Pau da Merenda
CC_21_07	546,490.00	9,347,010.00	137.70	325	60	184.44	Pau da Merenda
CC_22_07	546,051.00	9,346,993.00	179.00	150	51	268.22	Pau da Merenda
CC_23_07	546,497.00	9,347,128.00	133.80	235	60	204.21	Pau da Merenda
CC_24_07	550,843.00	9,345,972.00	142.00	130	50	287.91	Jerimum de Cima
CC_25_07	550,980.00	9,345,980.00	159.90	220	65	216.40	Jerimum de Cima
CC_26_07	551,030.00	9,345,849.00	164.40	315	55	274.32	Jerimum de Cima
CC_27_07	551,004.00	9,345,935.00	155.30	220	50	161.50	Jerimum de Cima
CC_28_07	551,071.00	9,345,897.00	168.20	315	55	178.30	Jerimum de Cima
CC_29_07	551,350.00	9,346,000.00	174.40	310	51	62.50	Jerimum de Cima
CC_30_07	551,339.00	9,346,012.00	175.00	310	60	210.30	Jerimum de Cima
CC_31_08	548,284.24	9,344,702.21	126.41	225	55	219.46	Central
CC_32_08	548,164.23	9,344,716.84	127.52	135	71	330.71	Central
CC_33_08	548,502.51	9,344,713.80	125.87	315	51	205.74	Central
CC_34_08	548,104.18	9,344,716.56	128.22	135	60	251.46	Central
CC_35_08	548,334.44	9,344,670.57	127.65	225	55	277.36	Central
CC_36_08	550,985.00	9,345,802.00	150.00	315	55	243.84	Jerimum de Cima
CC_37_08	548,369.61	9,344,635.63	128.52	225	60	216.41	Central
CC_38_08	548,280.06	9,344,596.72	127.57	315	51	332.70	Central
CC_39_08	548,323.87	9,344,661.45	129.10	135	55	247.56	Central
CC_40_08	548,183.62	9,344,602.42	128.44	45	55	272.86	Central
CC_41_08	548,301.41	9,344,638.35	127.96	45	51	210.31	Central
CC_42_08	548,147.00	9,344,592.00	130.00	315	55	283.46	Central
CC_43_08	548,347.00	9,344,692.00	131.00	310	63	34.00	Central
CC_44_08	548,347.00	9,344,691.00	131.00	315	55	227.07	Central
CC_45_08	548,292.00	9,344,488.00	129.00	320	63	412.20	Central
CC_46_09	553,312.20	9,342,909.17	171.00	360	50	224.20	Moreira Gomes
CC_47_09	553,203.90	9,342,863.93	176.40	360	50	239.22	Moreira Gomes
CC_48_09	553,211.61	9,343,043.82	142.40	180	50	171.29	Moreira Gomes

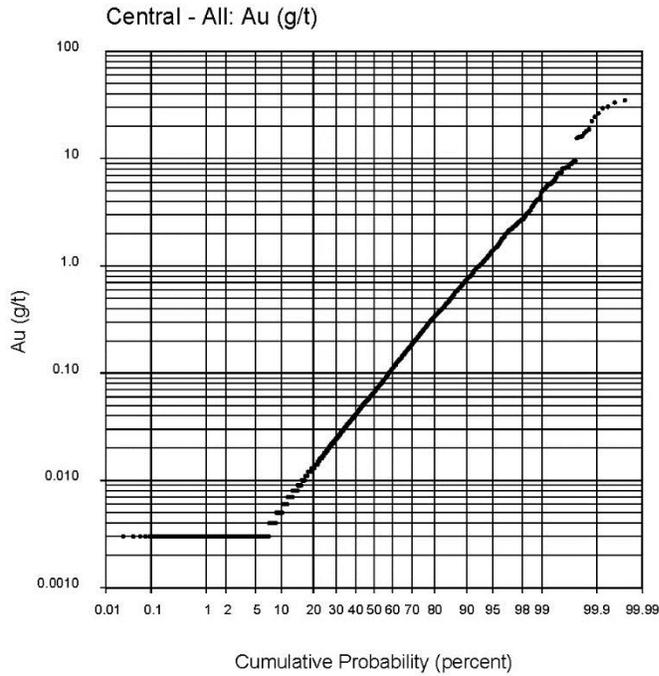
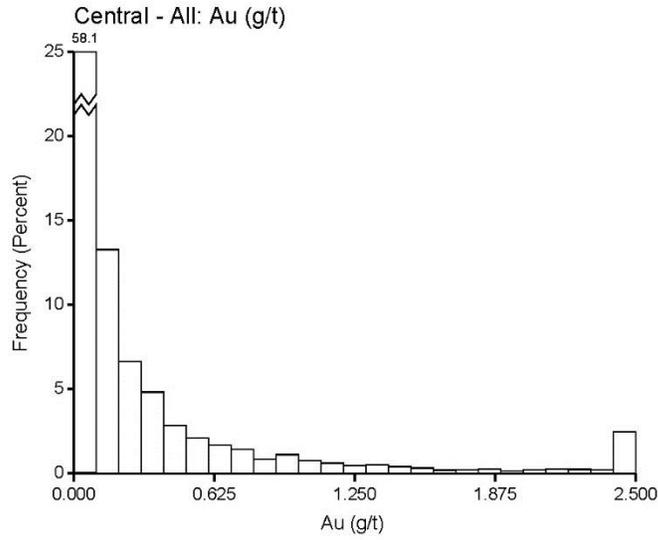
Cuiú Cuiú Project - Diamond Drill Hole Collar Coordinates							
BHID	Easting	Northing	Elev.	Az.	Dip	TD	Zone
CC_49_09	552,893.10	9,342,909.00	164.00	360	50	166.11	Moreira Gomes
CC_50_09	553,601.85	9,342,888.15	174.30	360	50	204.21	Moreira Gomes
CC_51_09	553,503.55	9,342,887.56	175.80	360	50	192.02	Moreira Gomes
CC_52_09	552,657.00	9,343,390.00	118.00	145	50	216.72	Moreira Gomes
CC_53_09	552,982.00	9,342,932.00	142.00	360	60	160.02	Moreira Gomes
CC_54_09	548,148.00	9,344,867.00	124.00	220	60	169.16	Central
CC_55_10	548,108.00	9,344,954.00	130.00	220	50	284.98	Central
CC_56_10	548,012.00	9,345,063.00	147.00	220	50	234.69	Central
CC_57_10	548,086.58	9,344,798.90	135.40	40	50	179.00	Central
CC_58_10	552,977.50	9,342,895.80	153.90	0	60	213.36	Moreira Gomes
CC_59_10	553,081.80	9,342,885.60	160.50	0	50	207.26	Moreira Gomes
CC_60_10	548,086.58	9,344,798.90	135.40	40	60	298.70	Central
CC_61_10	548,012.30	9,344,971.71	156.10	220	50	193.54	Central
CC_62_10	552,752.40	9,342,910.70	145.70	0	50	201.16	Moreira Gomes
CC_63_10	547,945.86	9,345,103.77	170.00	220	50	269.74	Central
CC_64_10	552,885.00	9,343,034.00	132.30	20	50	210.37	Moreira Gomes
CC_65_10	547,911.75	9,345,168.94	170.20	220	50	269.74	Central
CC_66_10	553,429.70	9,342,906.53	172.60	0	50	213.36	Moreira Gomes
CC_67_10	548,234.60	9,344,951.54	149.30	220	50	292.60	Central
CC_68_10	548,394.00	9,344,849.94	140.60	220	50	318.52	Central
CC_69_10	553,689.67	9,342,883.54	171.20	0	50	220.98	Moreira Gomes
CC_70_10	553,788.54	9,342,883.54	166.00	0	50	161.54	Moreira Gomes
CC_71_10	553,066.10	9,343,038.57	133.60	0	50	230.12	Moreira Gomes
CC_72_10	546,208.25	9,347,056.07	139.30	235	50	239.26	Pau da Merenda
CC_73_10	553,222.01	9,343,031.85	148.80	0	50	242.31	Moreira Gomes
CC_74_10	553,883.18	9,342,823.40	161.70	0	50	249.93	Moreira Gomes
CC_75_10	546,358.00	9,346,976.00	178.00	217	50	263.65	Pau da Merenda
CC_76_10	554,181.16	9,342,787.85	157.30	25	50	277.36	Moreira Gomes
CC_77_10	553,994.20	9,342,826.10	159.80	360	50	251.76	Moreira Gomes
CC_78_10	546,286.64	9,346,880.84	158.20	217	50	300.22	Pau da Merenda
CC_79_10	554,068.80	9,342,825.70	157.20	0	60	268.22	Moreira Gomes
CC_80_10	546,175.50	9,346,656.40	163.30	217	50	244.14	Pau da Merenda
CC_81_10	554,356.10	9,342,731.60	141.30	0	50	335.28	Moreira Gomes
CC_82_10	546,068.60	9,347,205.10	152.40	217	50	281.94	Pau da Merenda
CC_83_10	547,875.21	9,345,220.77	166.60	220	50	358.14	Central
CC_84_10	546,522.00	9,346,809.23	195.70	217	50	201.16	Pau da Merenda
CC_85_10	548,679.00	9,345,434.00	129.00	35	50	219.45	Babi
CC_86_10	547,967.00	9,345,191.00	162.50	220	50	377.85	Central
CC_87_10	548,701.07	9,345,599.61	128.10	35	50	248.41	Babi
CC_88_10	548,005.28	9,345,124.41	163.50	220	50	356.61	Central
CC_89_10	548,405.61	9,345,682.88	138.60	28	50	199.64	Babi
CC_90_10	548,389.29	9,344,572.98	128.50	220	50	249.93	Central
CC_91_10	551,446.17	9,343,768.15	107.30	45	50	218.14	Jerimum de Baixo
CC_92_10	551,270.00	9,343,967.00	117.00	40	50	196.59	Jerimum de Baixo
CC_93_10	547,916.74	9,344,887.13	137.80	40	50	320.04	Central
CC_94_10	551,436.85	9,343,972.14	127.30	40	50	225.45	Jerimum de Baixo
CC_95_10	551,574.39	9,343,809.29	119.30	40	50	208.78	Jerimum de Baixo
CC_96_10	548,075.94	9,344,986.74	135.40	220	60	485.27	Central

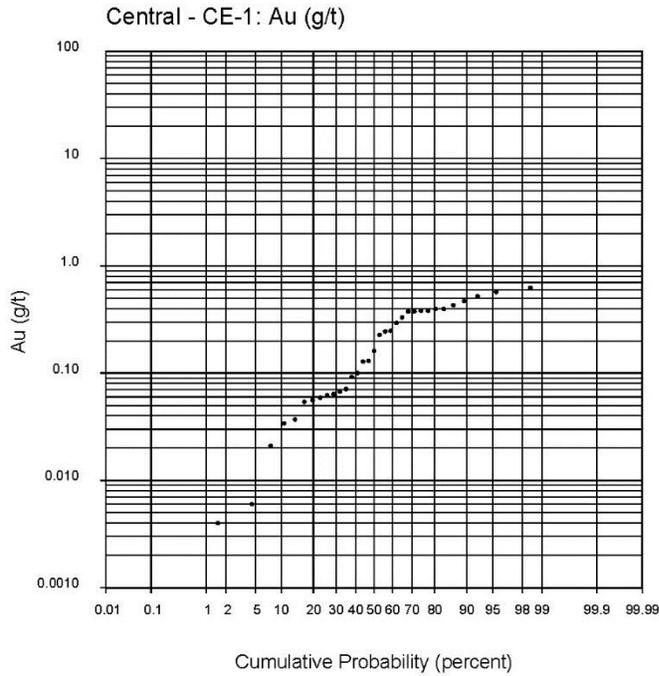
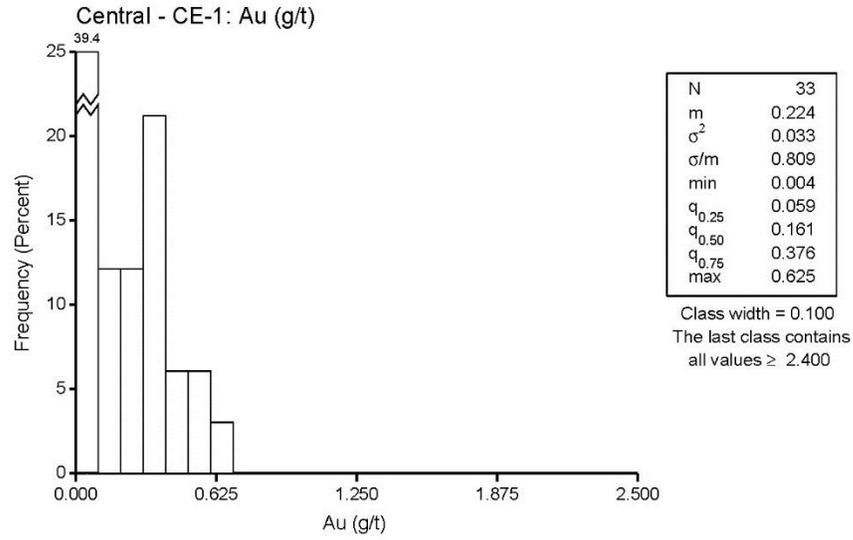
Cuiú Cuiú Project - Diamond Drill Hole Collar Coordinates							
BHID	Easting	Northing	Elev.	Az.	Dip	TD	Zone
CC_97_10	551,285.94	9,343,874.32	116.80	40	50	260.60	Jerimum de Baixo
CC_98_10	551,188.57	9,344,019.73	114.40	45	60	233.17	Jerimum de Baixo
CC_99_10	548,170.05	9,344,948.79	134.40	220	50	352.04	Central
CC_100_10	551,134.60	9,344,066.60	119.30	45	60	269.74	Jerimum de Baixo
CC_101_10	553,737.90	9,342,804.30	170.10	0	60	425.19	Moreira Gomes
CC_102_10	547,984.12	9,345,240.11	159.30	220	55	359.66	Central
CC_103_10	548,005.93	9,345,164.53	155.60	220	55	356.61	Central
CC_104_10	553,642.36	9,342,801.75	174.20	0	50	410.35	Moreira Gomes
CC_105_11	548,081.00	9,345,144.70	170.00	220	60	502.92	Central
CC_106_11	553,374.00	9,342,869.00	169.00	0	50	353.56	Moreira Gomes
CC_107_11	547,811.33	9,344,789.90	140.00	30	60	434.34	Central
CC_108_11	553,560.90	9,342,776.20	177.30	0	50	419.10	Moreira Gomes
CC_109_11	547,947.60	9,344,749.20	137.40	30	60	483.10	Central
CC_110_11	554,101.00	9,342,782.10	156.40	0	50	252.98	Moreira Gomes
CC_111_11	554,174.30	9,343,026.75	169.20	180	50	280.58	Moreira Gomes
CC_112_11	554,239.65	9,343,024.40	169.02	180	50	271.27	Moreira Gomes
CC_113_11	548,561.50	9,344,819.90	127.62	40	50	362.71	Central
CC_114_11	552,683.73	9,342,891.59	164.00	0	50	306.32	Moreira Gomes
CC_115_11	548,458.30	9,344,795.40	125.62	40	50	374.90	Central
CC_116_11	553,411.10	9,342,382.30	114.00	345	60	144.78	Guarim
CC_117_11	548,037.85	9,344,518.50	136.40	30	50	509.01	Central
CC_118_11	547,455.00	9,345,389.00	162.40	60	50	368.80	Central
CC_119_11	553,298.60	9,342,432.40	109.80	165	60	185.92	Guarim
CC_120_11	554,326.40	9,342,994.10	164.80	180	50	227.07	Moreira Gomes
CC_121_11	548,581.35	9,344,691.45	128.90	40	50	388.62	Central
CC_122_11	554,501.32	9,342,987.55	163.18	180	50	297.18	Moreira Gomes
CC_123_11	547,247.48	9,345,431.20	147.06	60	50	492.25	Central North
CC_124_11	547,790.90	9,344,616.00	126.24	30	50	509.01	Central
CC_125_11	554,485.00	9,342,890.80	138.10	180	50	312.42	Moreira Gomes
CC_126_11	552,589.29	9,342,828.46	154.00	0	50	385.57	Moreira Gomes
CC_127_11	547,412.08	9,345,622.00	126.00	70	50	426.72	Central North
CC_128_11	549,205.10	9,344,463.30	138.00	25	50	432.10	Central SE
CC_129_11	552,498.29	9,342,903.57	156.70	0	50	274.32	Moreira Gomes
CC_130_11	552,605.93	9,342,954.18	150.20	0	60	242.31	Moreira Gomes
CC_131_11	547,468.30	9,345,852.40	161.44	105	50	321.56	Central North
CC_132_11	548,679.43	9,344,611.78	144.20	50	50	376.42	Central SE
CC_133_11	552,393.00	9,342,880.80	157.40	14	50	382.52	Moreira Gomes
CC_134_11	548,343.59	9,344,273.11	166.43	50	50	348.99	Central
CC_135_11	551,385.40	9,343,932.77	140.00	20	50	217.93	Jerimum de Baixo
CC_136_11	552,331.50	9,342,971.90	154.40	14	50	341.37	Moreira Gomes
CC_137_11	551,338.20	9,343,954.80	133.60	20	50	170.68	Jerimum de Baixo
CC_138_11	548,843.00	9,344,357.00	163.50	50	50	303.27	Central SE
CC_139_11	551,229.40	9,343,983.00	120.30	222	50	208.78	Jerimum de Baixo
CC_140_11	552,826.90	9,342,915.90	159.70	0	50	214.88	Moreira Gomes
CC_141_11	551,476.56	9,343,907.40	120.00	20	50	144.78	Jerimum de Baixo
CC_142_11	548,583.78	9,344,409.79	147.70	50	50	368.80	Central SE
CC_143_11	552,725.00	9,342,933.21	139.76	0	50	138.68	Moreira Gomes
CC_144_11	551,672.18	9,343,986.54	128.47	345	50	260.90	Jerimum de Baixo

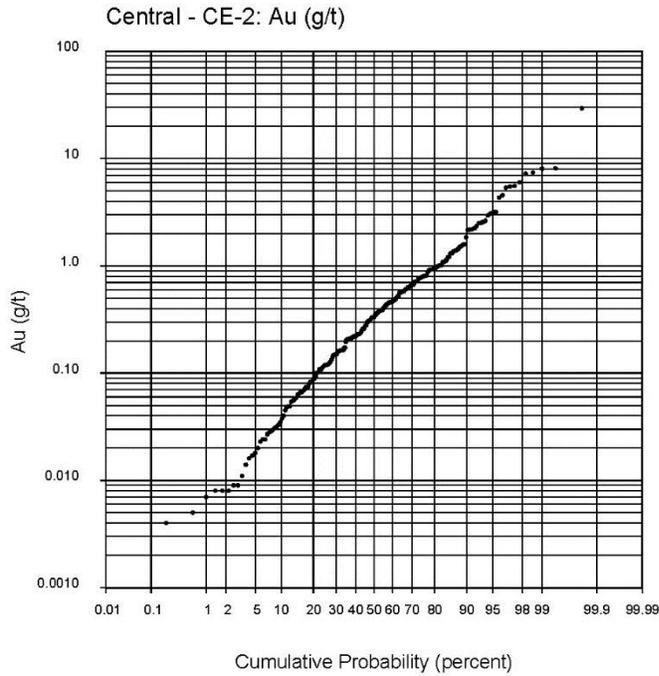
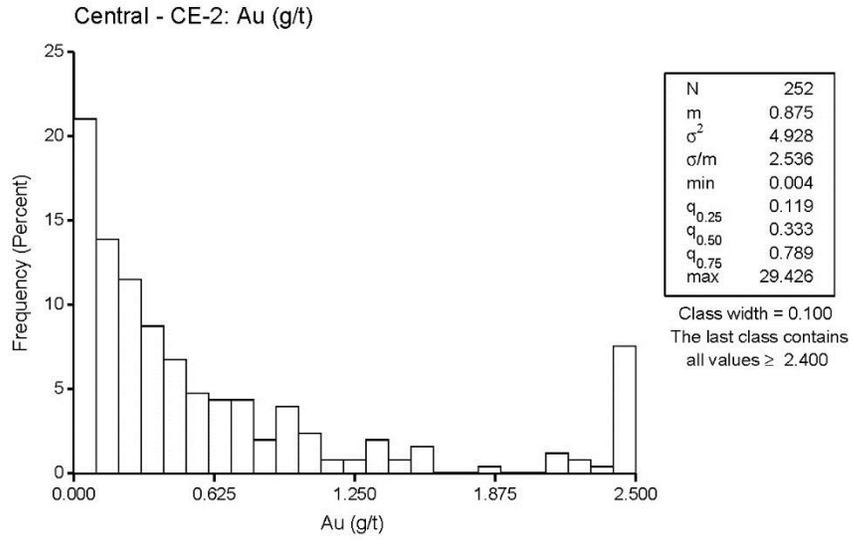
Cuiú Cuiú Project - Diamond Drill Hole Collar Coordinates							
BHID	Easting	Northing	Elev.	Az.	Dip	TD	Zone
CC_145_11	552,652.63	9,343,103.20	131.84	35	50	310.89	Moreira Gomes
CC_146_11	551,683.00	9,343,978.90	131.90	200	50	436.70	Jerimum de Baixo
CC_147_11	547,782.00	9,345,536.00	175.00	240	50	50.29	Central
CC_148_11	547,735.43	9,345,748.79	170.00	285	50	428.24	Central North
CC_149_11	554,601.80	9,342,619.00	141.00	0	50	492.25	Moreira Gomes
CC_150_11	547,468.30	9,345,852.40	161.44	40	65	307.84	Central North
CC_151_11	551,278.00	9,344,038.00	136.00	40	50	367.28	Jerimum de Baixo
CC_152_11	548,873.80	9,344,425.10	164.76	195	50	204.21	Central SE
CC_153_11	547,403.00	9,345,885.00	169.80	40	60	323.08	Central North
CC_154_11	549,020.00	9,345,615.00	119.00	35	50	458.72	Babi
CC_155_11	551,425.00	9,343,770.00	107.00	0	50	230.60	Jerimum de Baixo
CC_156_11	547,399.60	9,346,006.40	165.70	220	50	234.69	Central North
CC_157_11	551,563.00	9,343,840.00	116.00	50	50	202.69	Jerimum de Baixo
CC_158_11	551,179.90	9,345,853.60	158.70	340	50	272.79	Jerimum de Cima
CC_159_11	547,457.77	9,345,898.60	166.00	105	50	352.04	Central North
CC_160_11	548,953.17	9,345,826.55	122.35	35	50	400.81	Babi
CC_161_11	551,334.00	9,345,811.60	162.33	350	50	371.85	Jerimum de Cima
CC_162_11	551,469.00	9,345,878.00	173.40	350	50	323.08	Jerimum de Cima
CC_163_11	547,483.60	9,345,984.30	163.70	105	50	274.55	Central North
CC_164_11	549,205.21	9,345,426.98	145.47	35	50	458.72	Babi
CC_165_11	547,778.62	9,345,653.75	170.35	38.7	51	309.37	Central North
CC_166_11	551,754.87	9,345,961.40	164.20	50	50	272.94	Jerimum de Cima
CC_167_11	551,461.34	9,345,867.92	173.36	225	50	320.04	Jerimum de Cima
CC_168_11	549,208.15	9,345,761.91	124.72	0	50	408.43	Babi
CC_169_12	552,379.00	9,343,870.50	129.00	345	50	126.00	Ivo
CC_170_12	552,299.00	9,343,900.80	138.00	345	50	115.50	Ivo
CC_171_12	552,483.83	9,343,844.16	121.00	350	50	113.65	Ivo
CC_172_12	552,803.10	9,343,828.20	159.60	350	50	123.00	Ivo
CC_173_12	541,857.00	9,350,331.00	217.00	45	50	195.00	Ratinho
CC_174_12	542,024.70	9,350,397.30	211.70	225	50	205.00	Ratinho
CC_175_12	543,507.60	9,352,139.00	169.50	351	50	187.38	Ratinho
CC_176_12	543,651.00	9,352,148.00	194.00	350	50	153.00	Ratinho

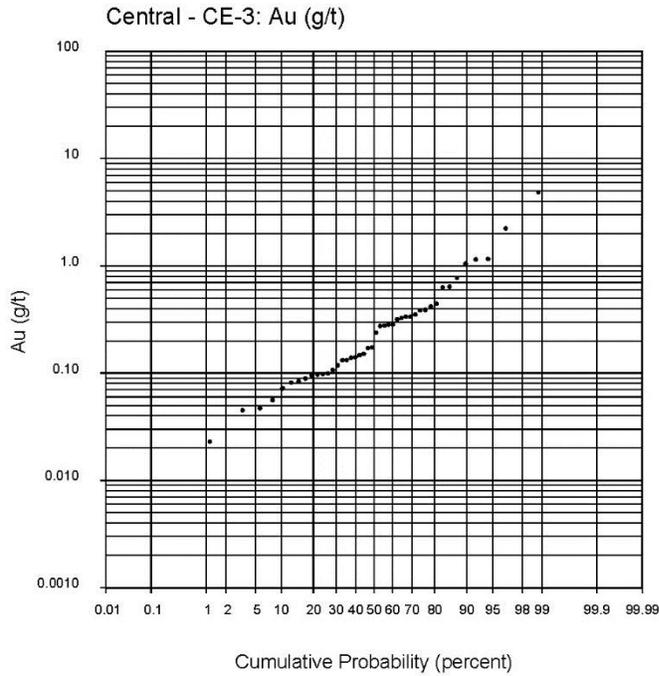
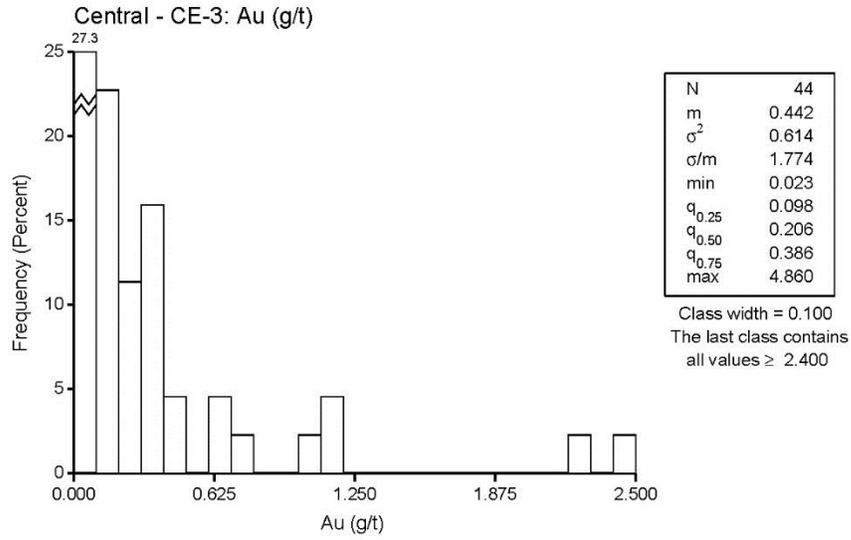
APPENDIX II

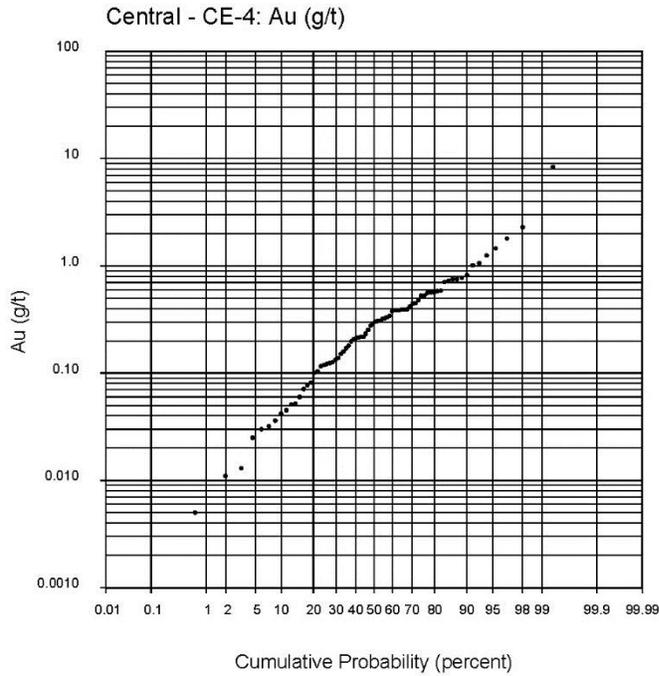
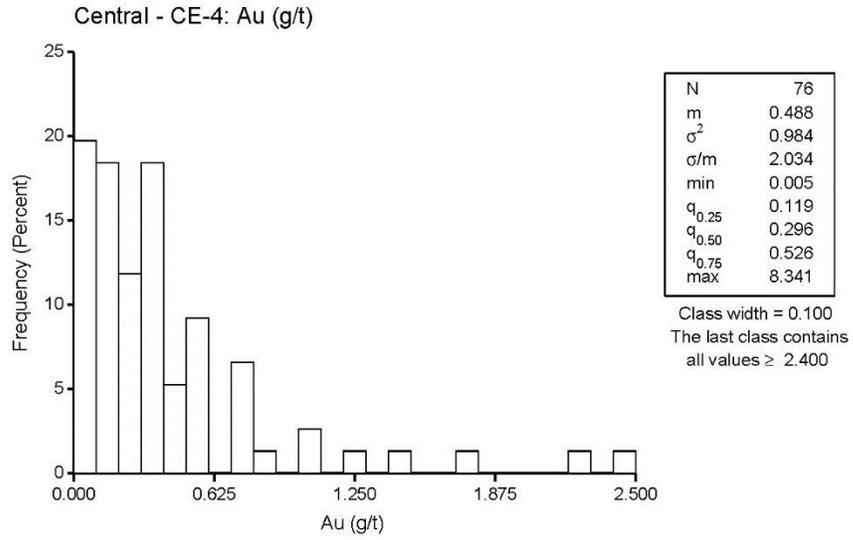
HISTOGRAMS AND CUMULATIVE PROBABILITY PLOTS

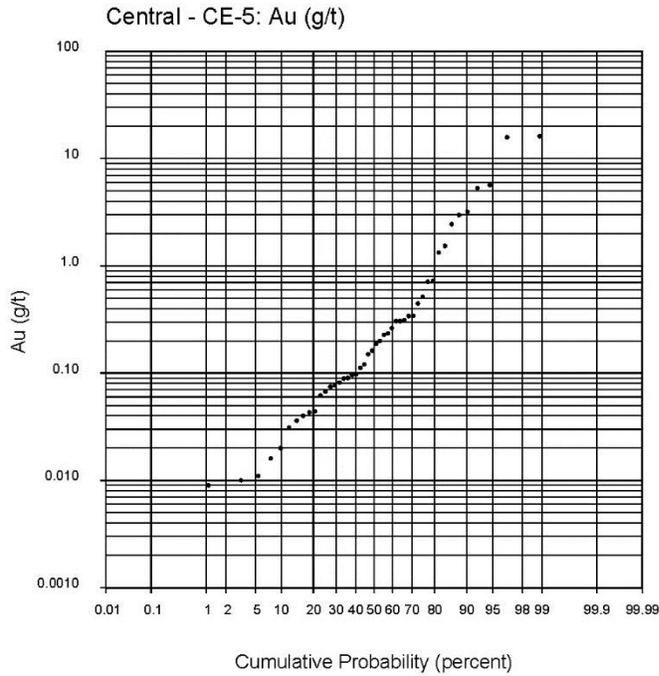
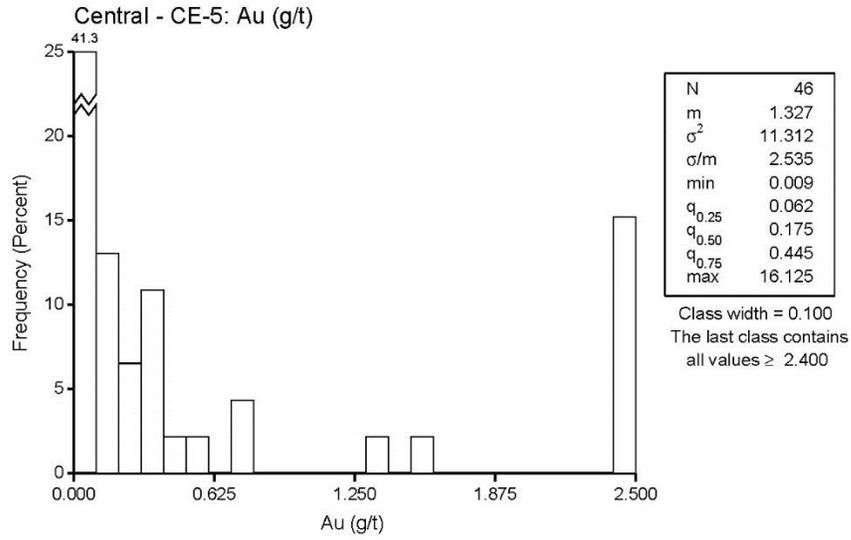


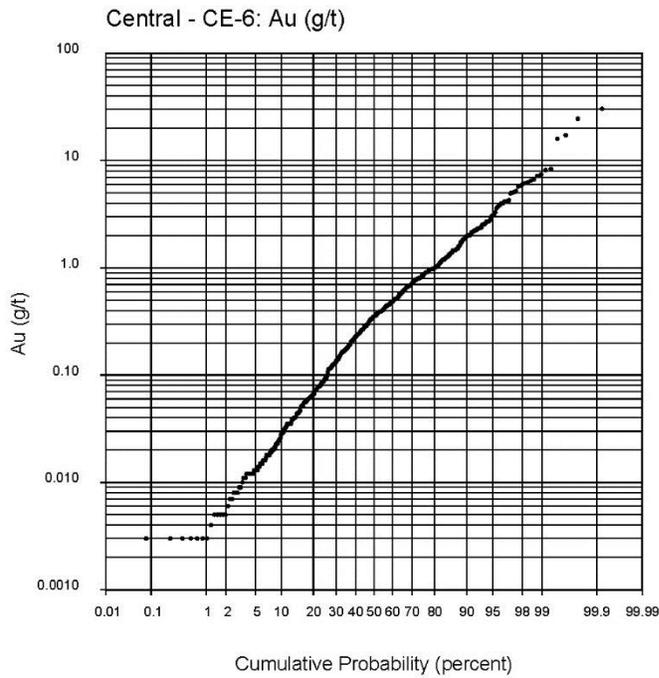
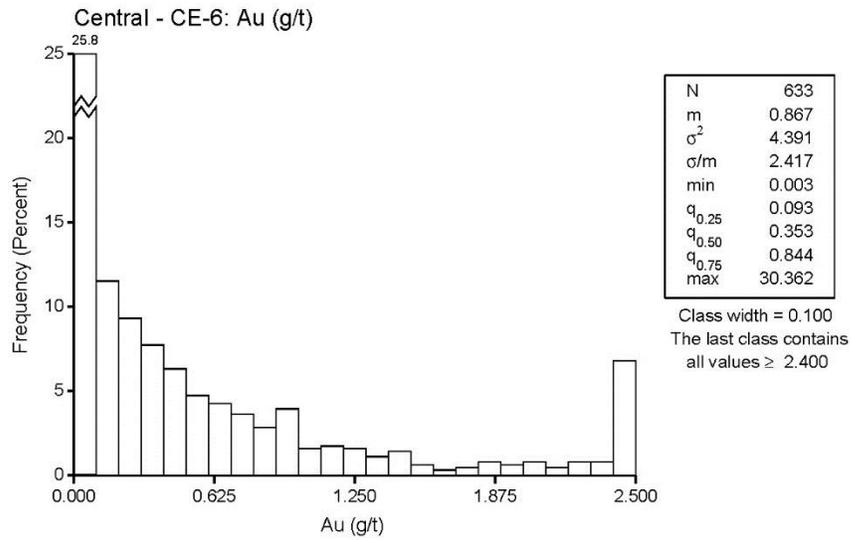


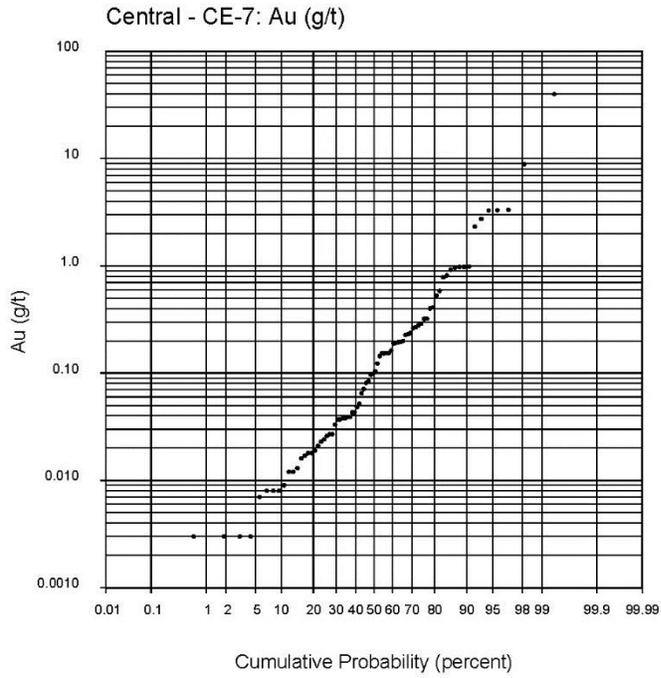
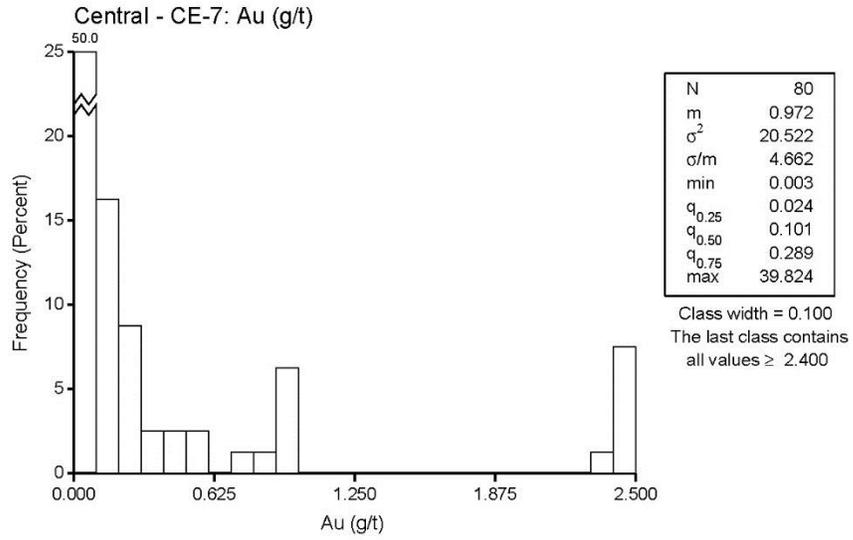


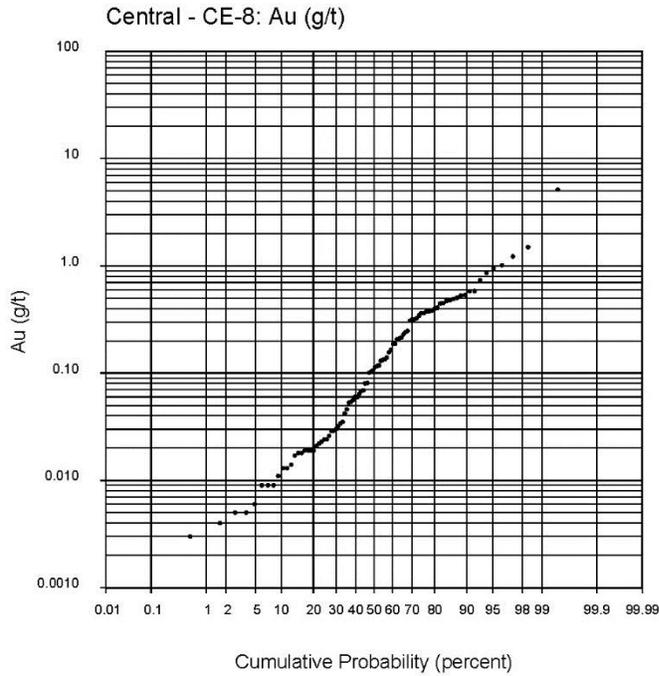
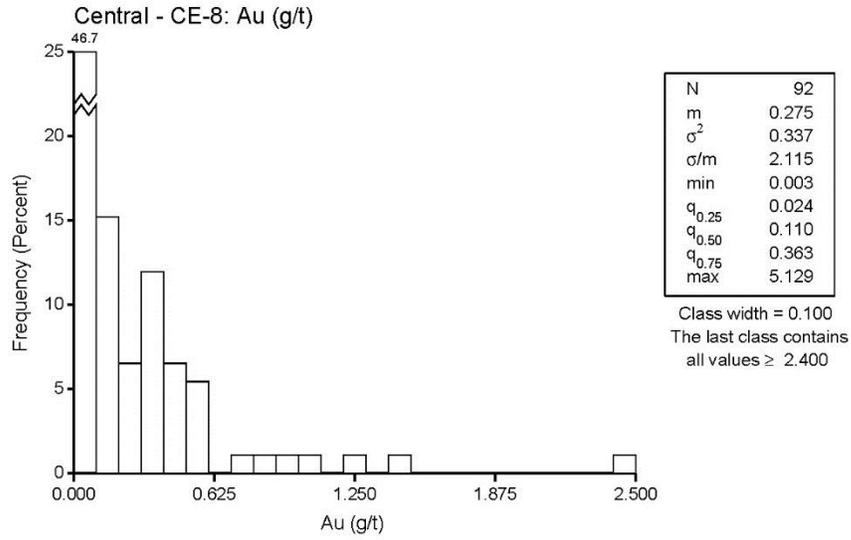


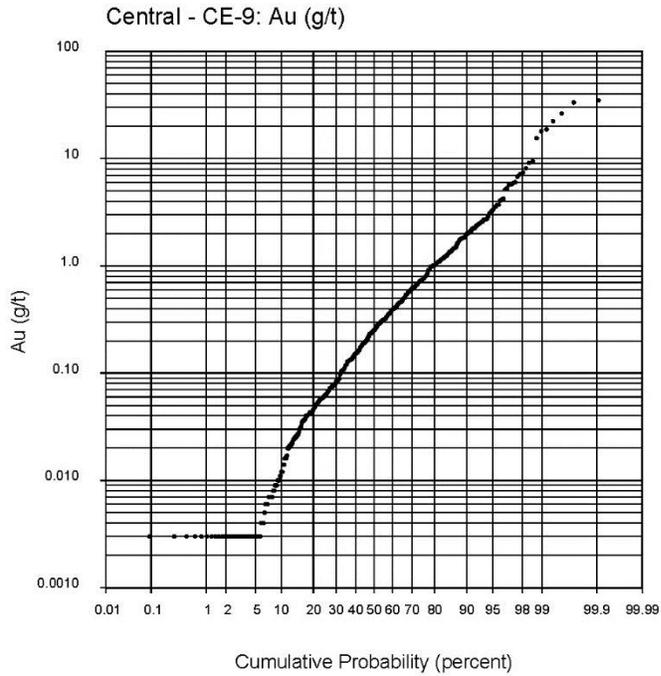
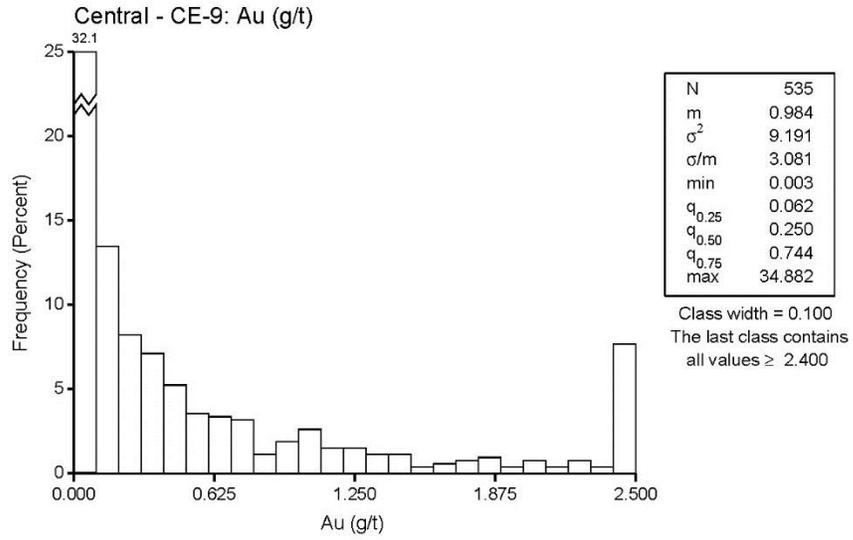


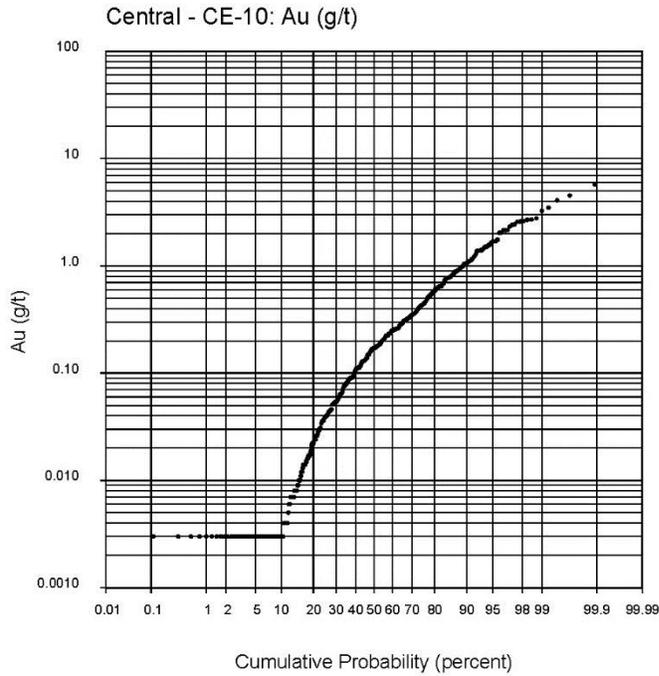
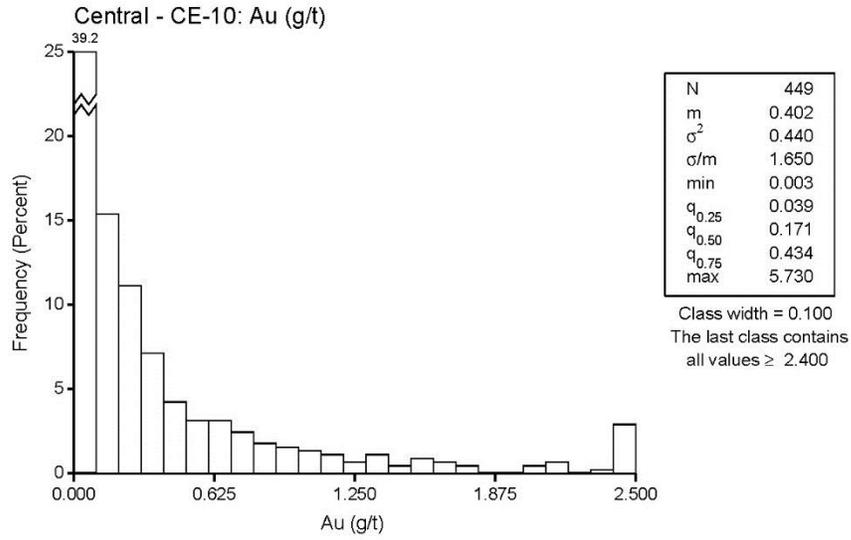


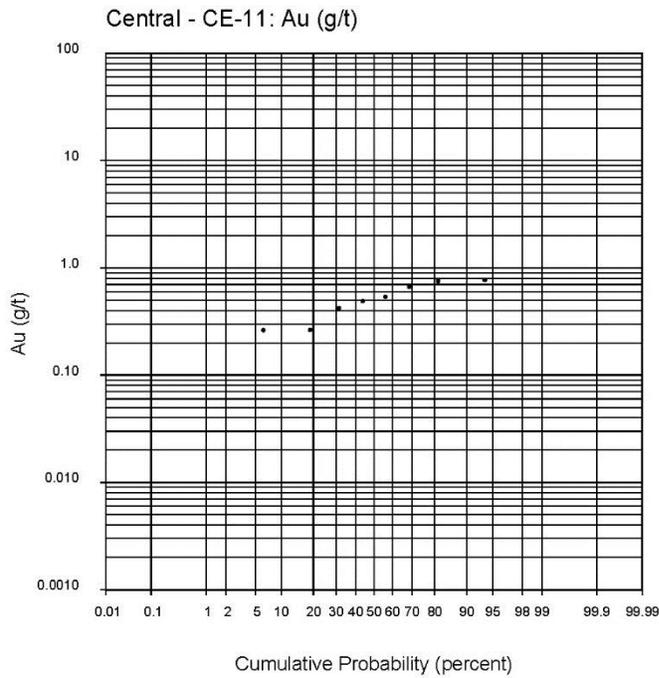
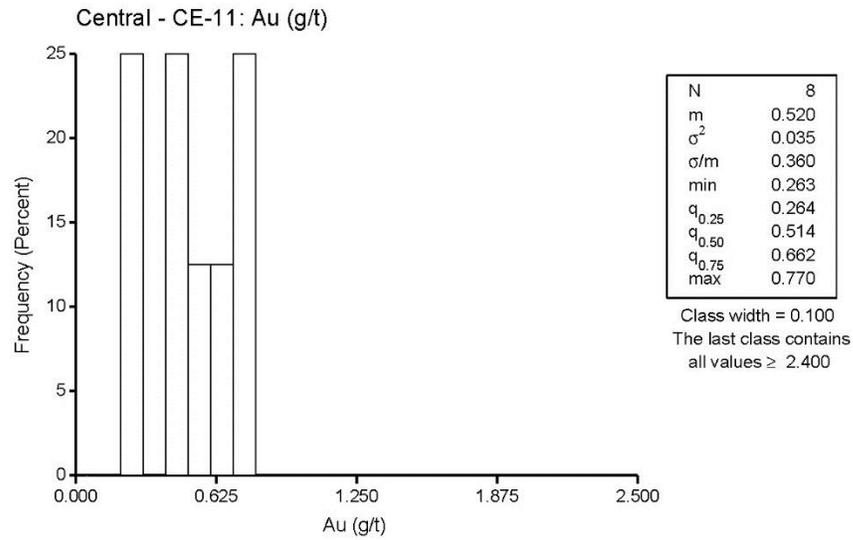


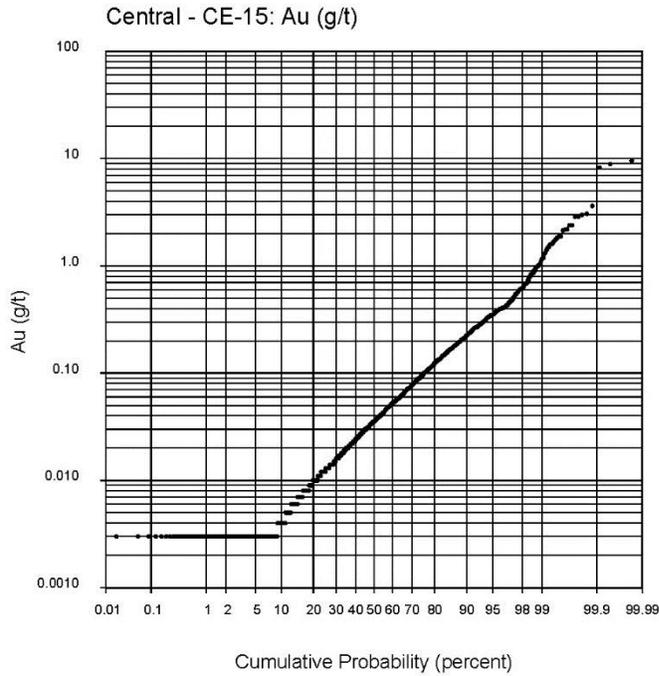
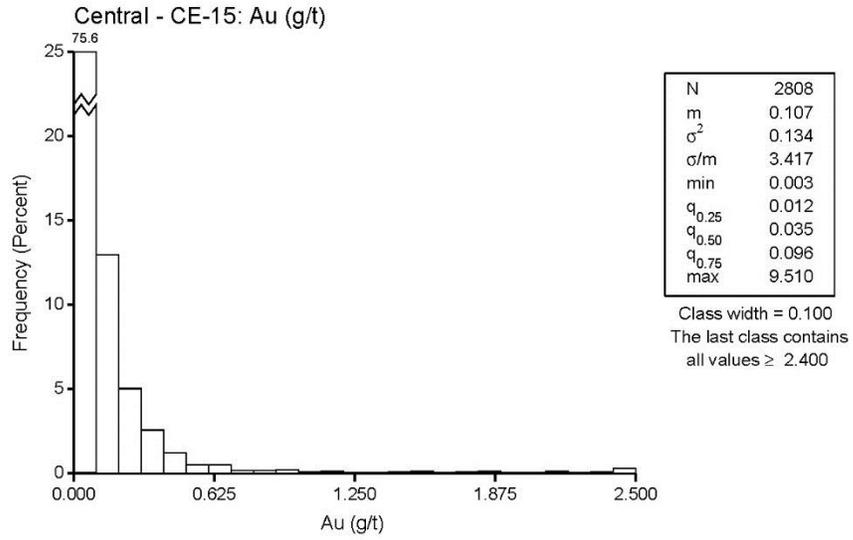


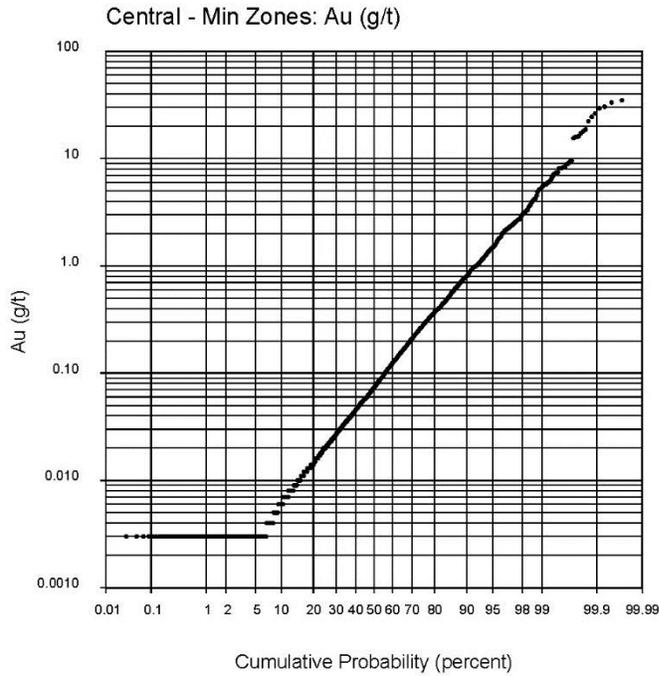
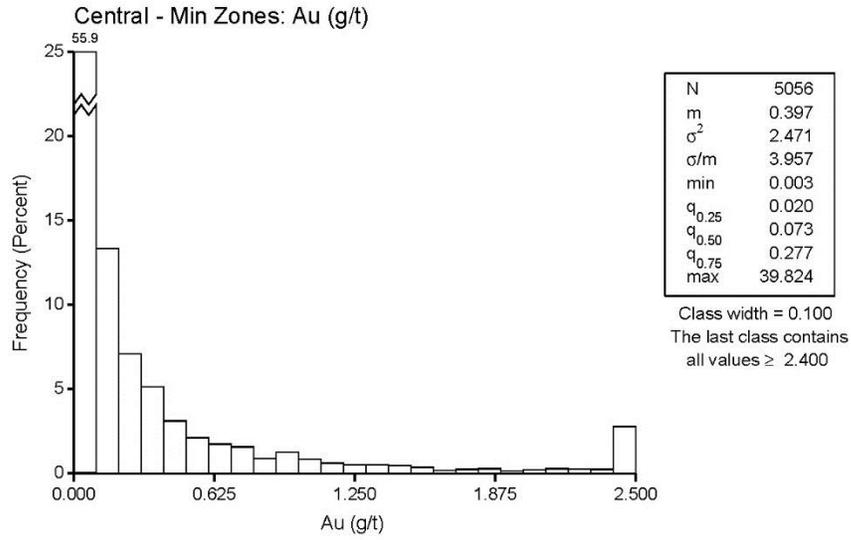


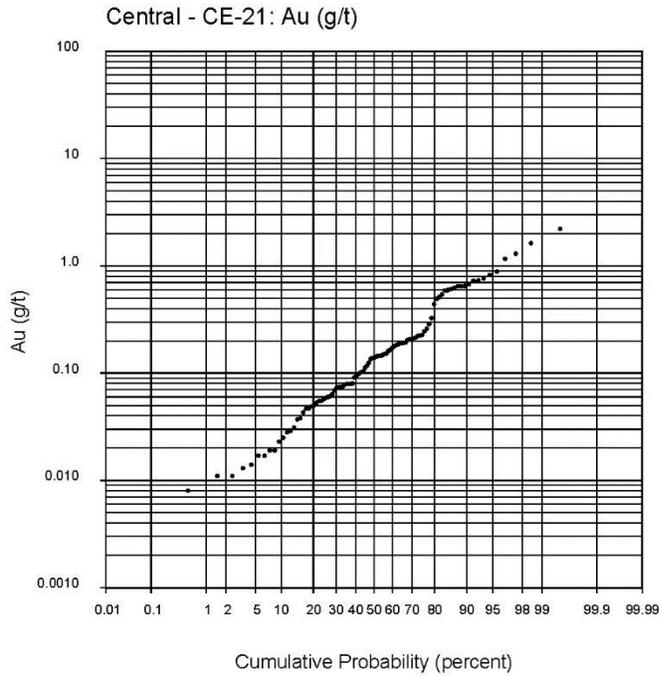
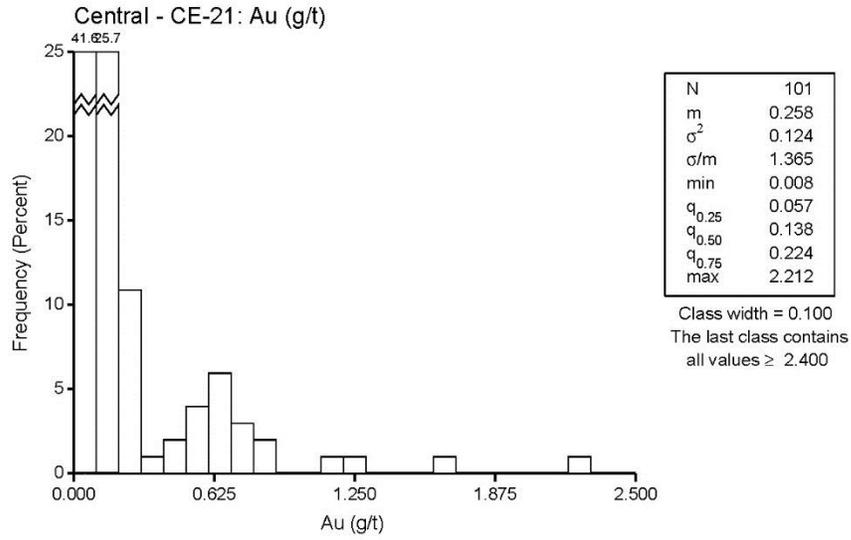


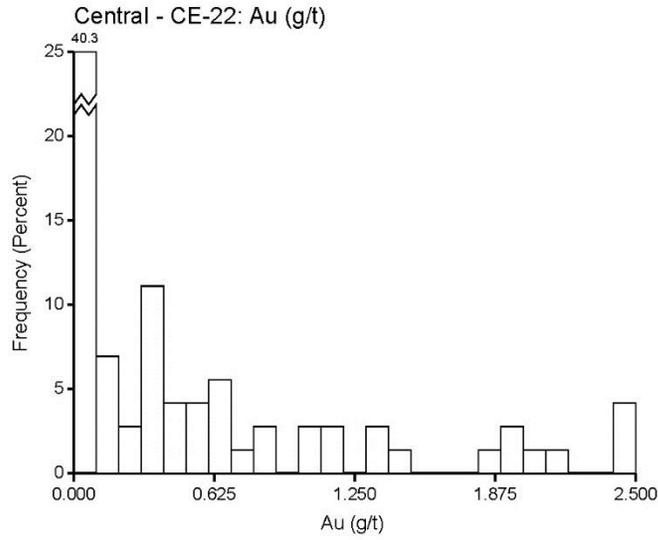






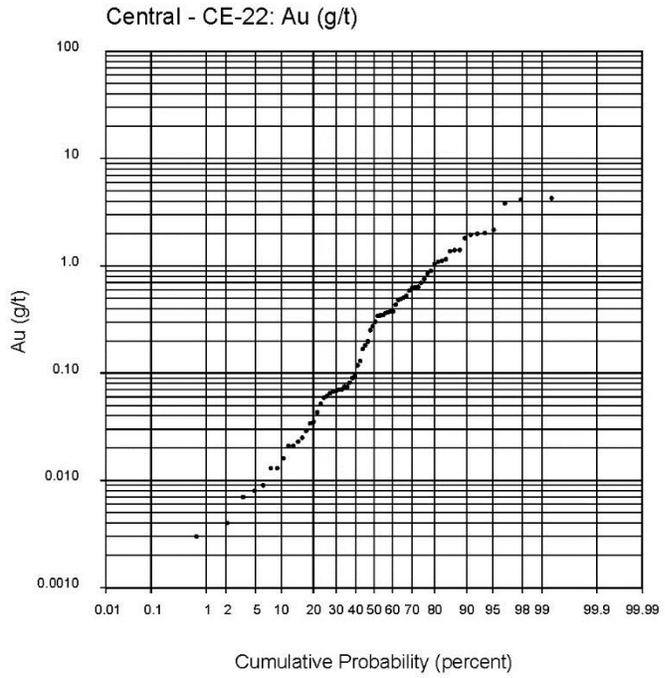


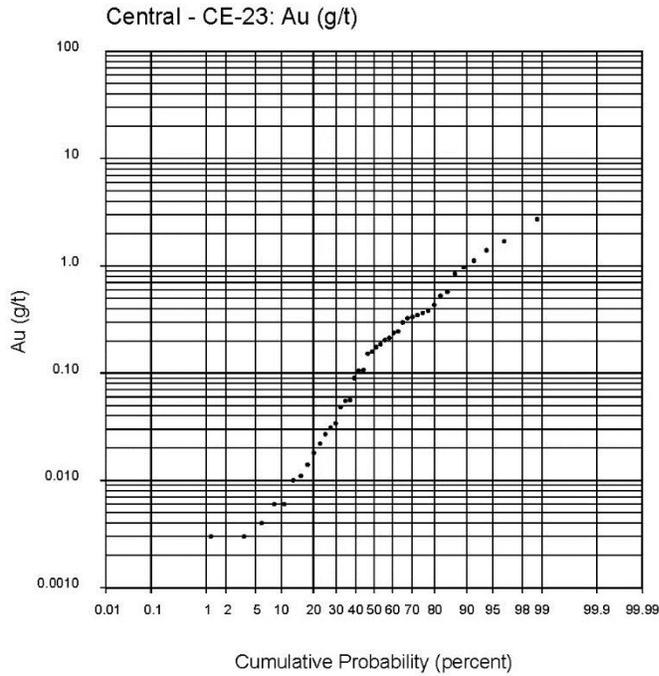
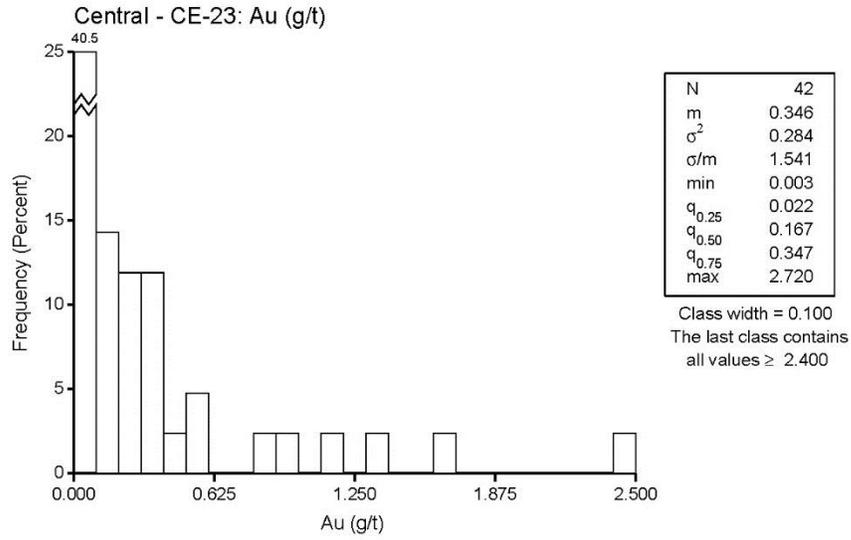


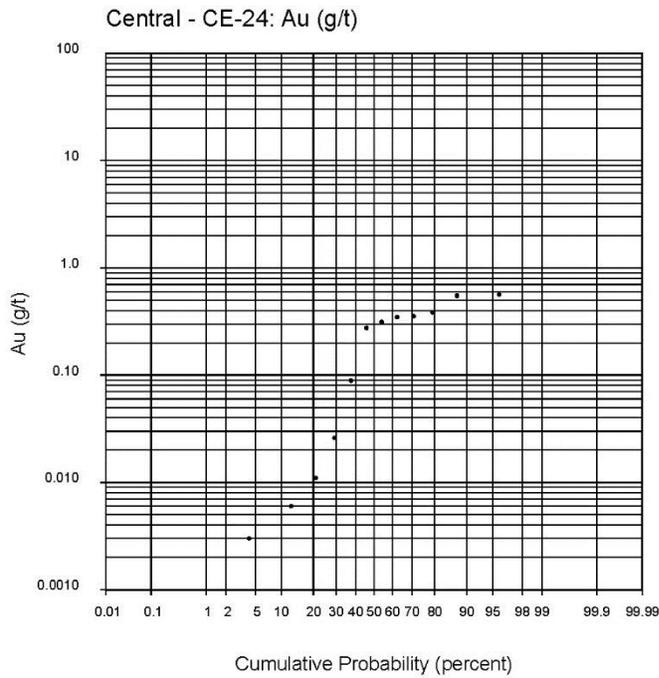
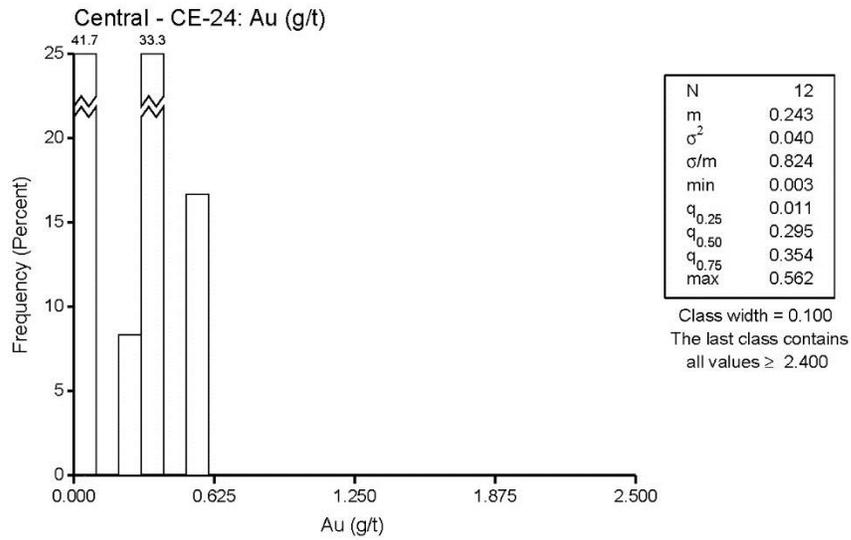


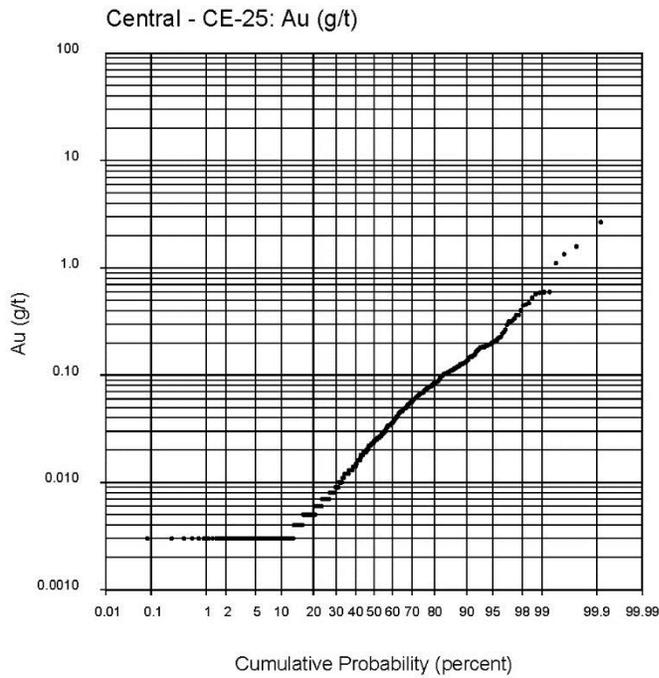
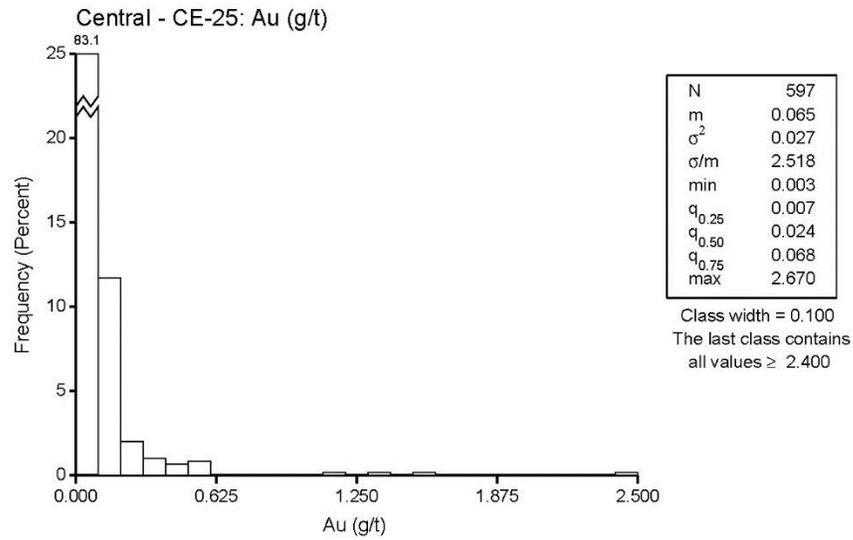
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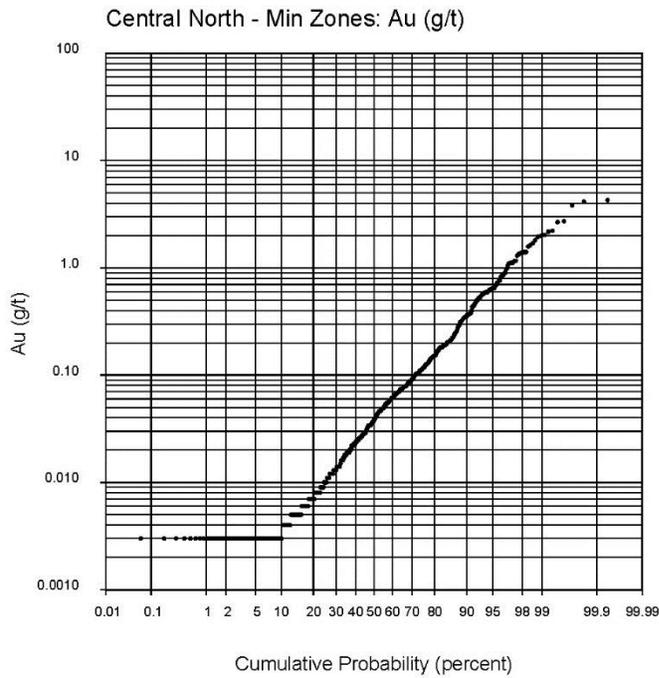
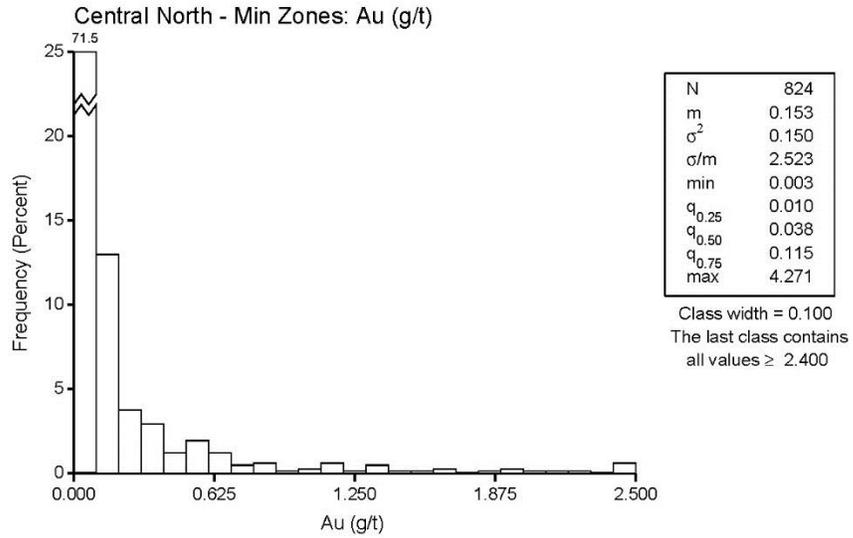
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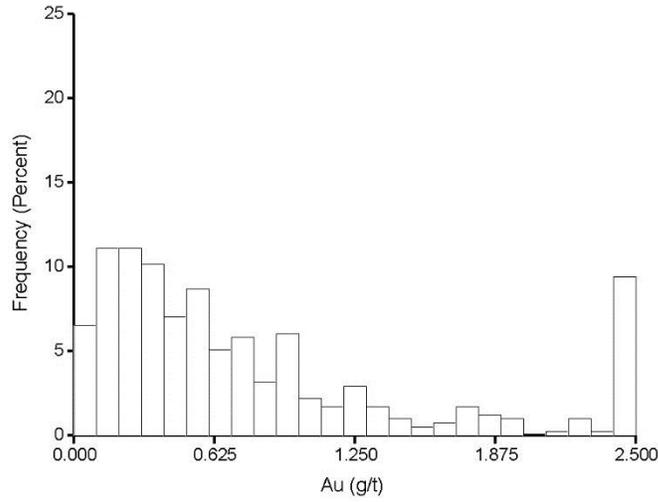




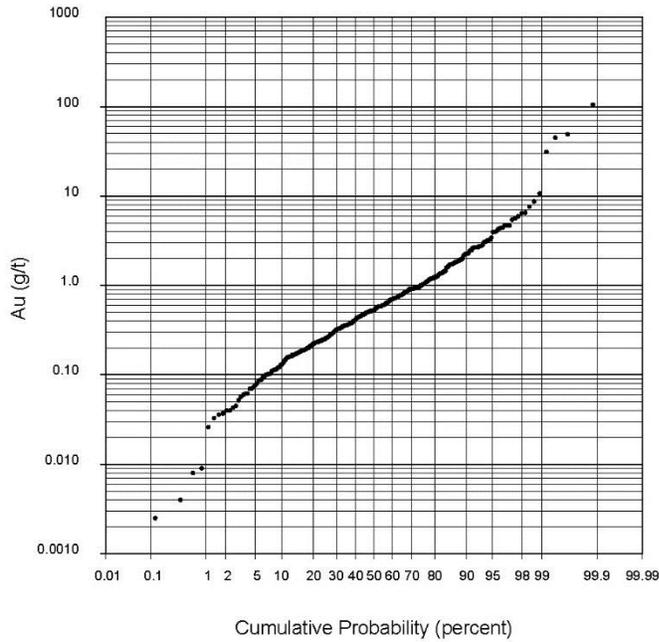


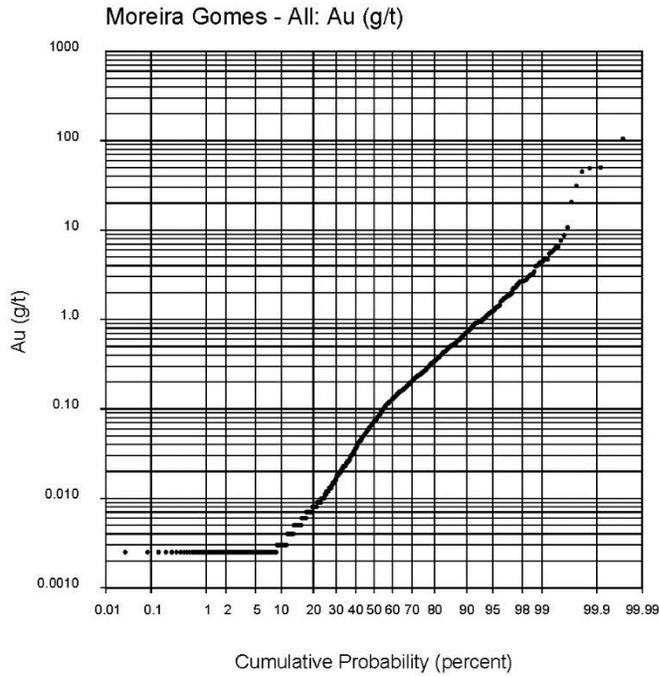
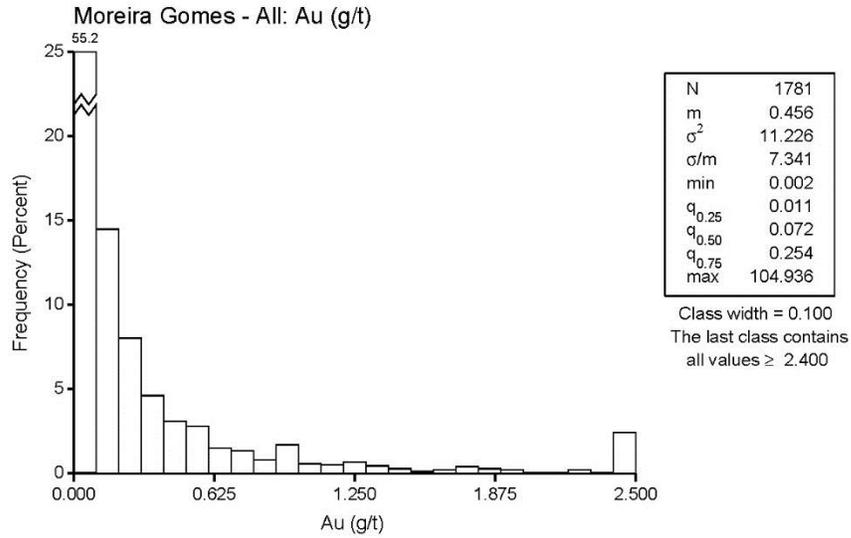


Moreira Gomes - HG Zones: Au (g/t)

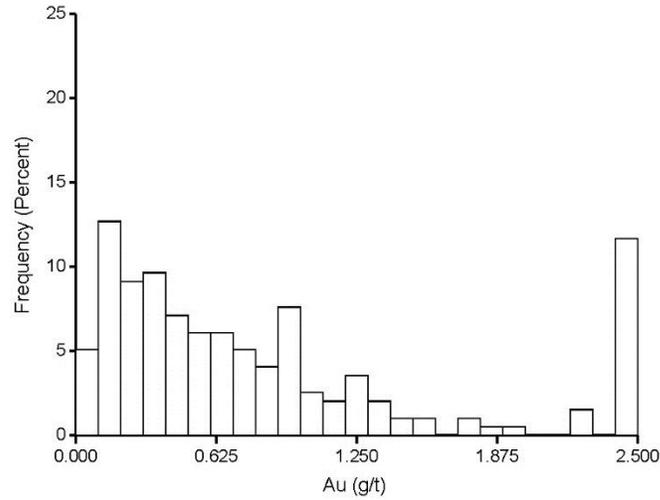


Moreira Gomes - HG Zones: Au (g/t)

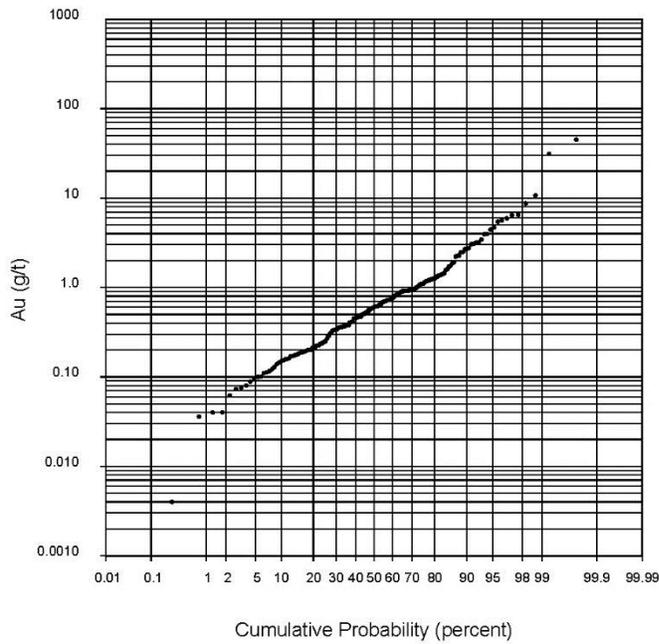




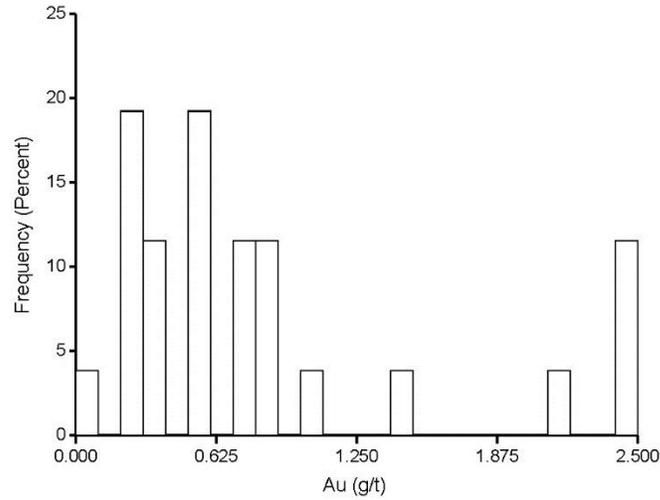
Moreira Gomes - MZ-1: Au (g/t)



Moreira Gomes - MZ-1: Au (g/t)



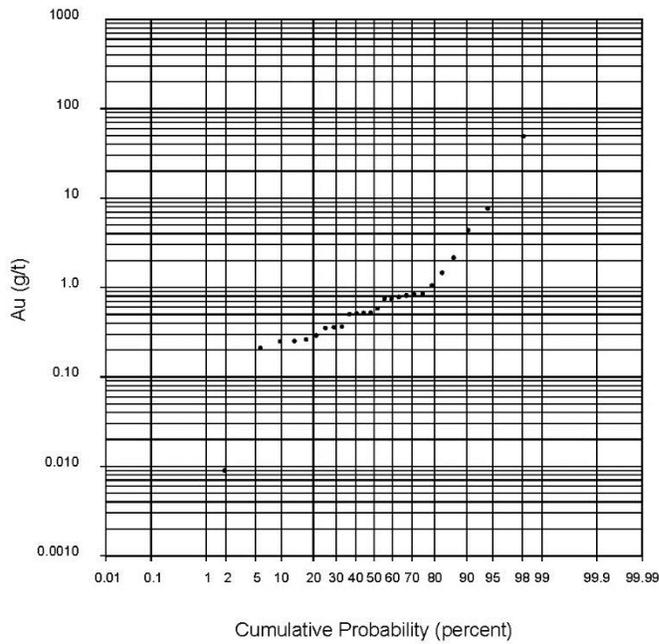
Moreira Gomes - MZ-2: Au (g/t)



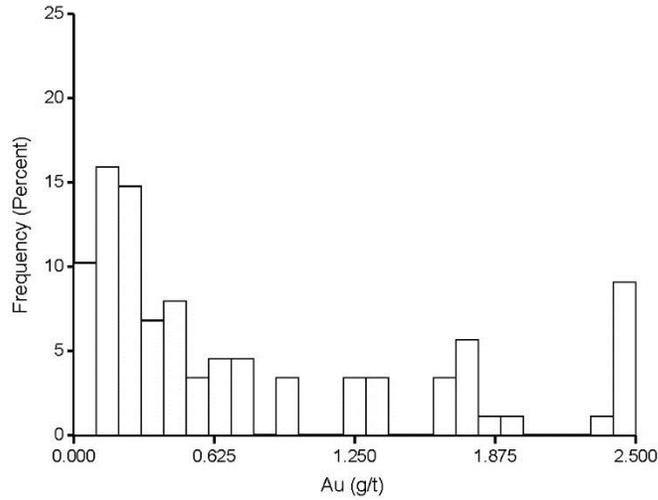
N	26
m	2.900
σ^2	87.262
σ/m	3.221
min	0.009
$q_{0.25}$	0.291
$q_{0.50}$	0.552
$q_{0.75}$	0.834
max	48.951

Class width = 0.100
The last class contains
all values ≥ 2.400

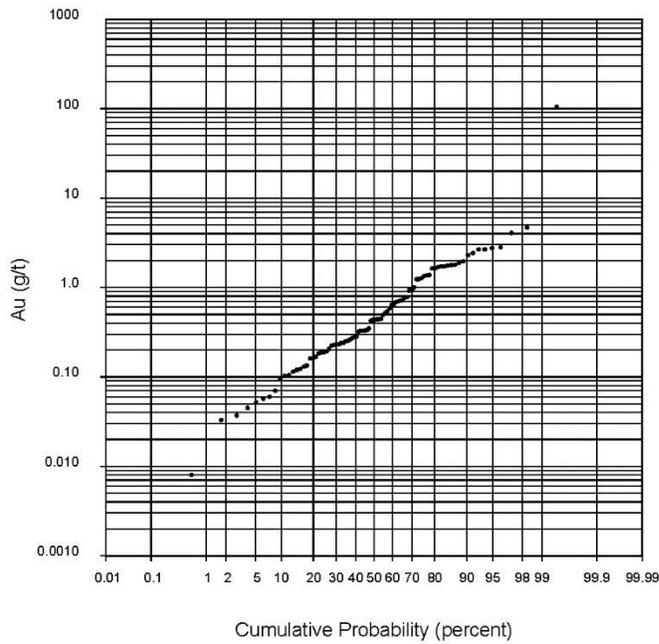
Moreira Gomes - MZ-2: Au (g/t)



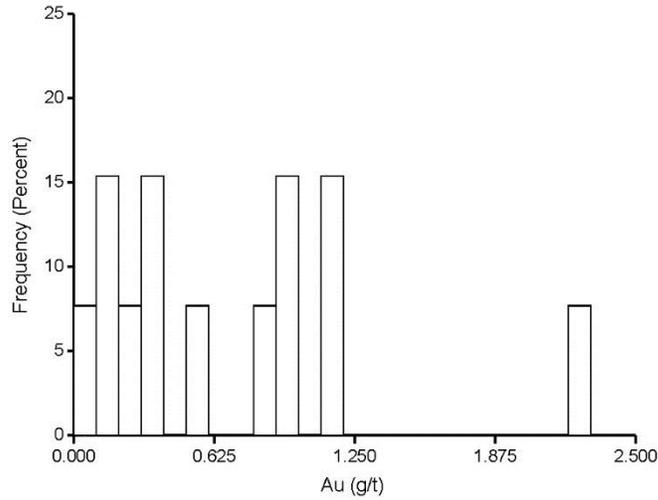
Moreira Gomes - MZ-3: Au (g/t)



Moreira Gomes - MZ-3: Au (g/t)



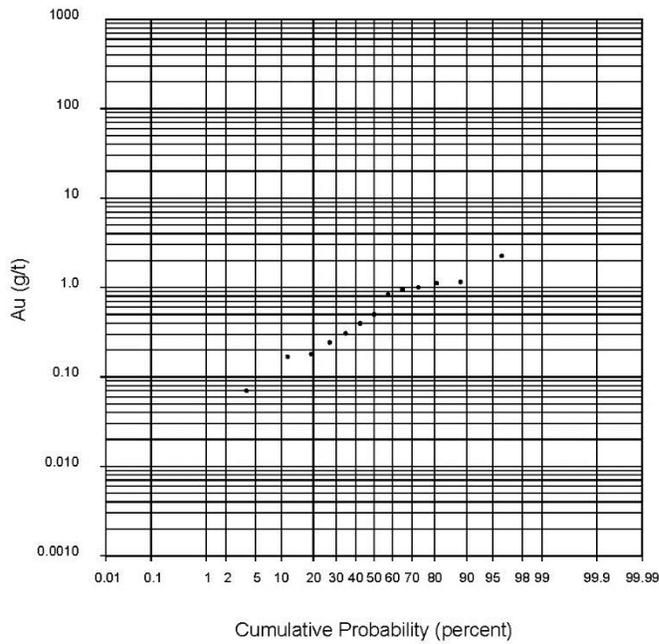
Moreira Gomes - MZ-4: Au (g/t)



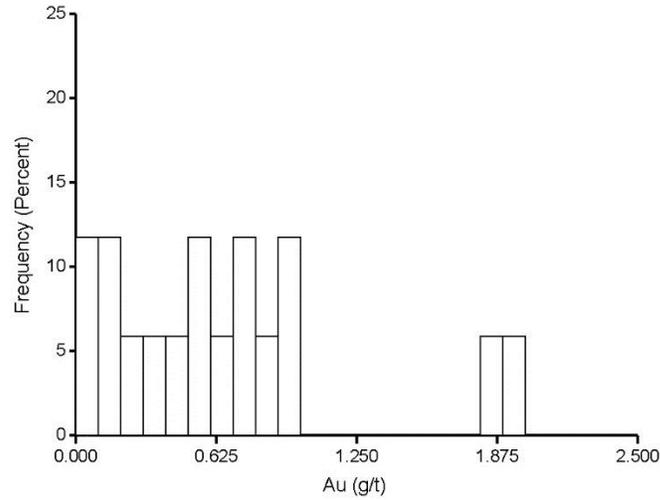
N	13
m	0.706
σ^2	0.340
σ/m	0.826
min	0.070
$q_{0.25}$	0.180
$q_{0.50}$	0.501
$q_{0.75}$	0.950
max	2.258

Class width = 0.100
The last class contains
all values ≥ 2.400

Moreira Gomes - MZ-4: Au (g/t)



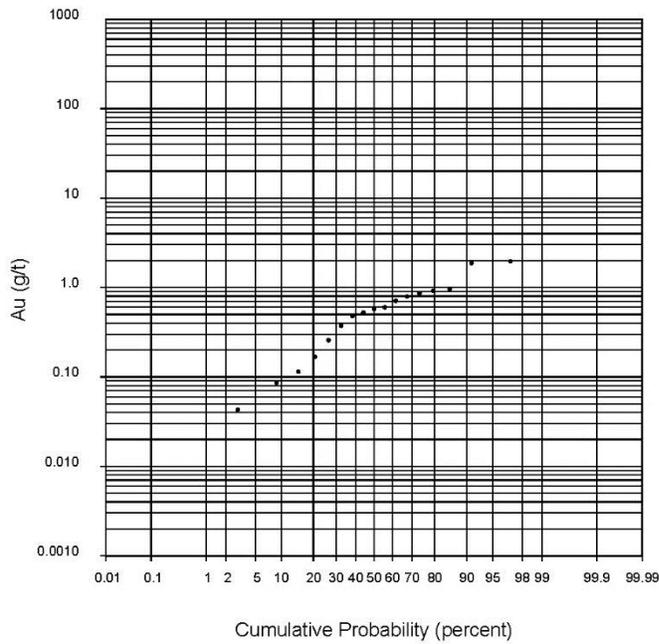
Moreira Gomes - MZ-5: Au (g/t)



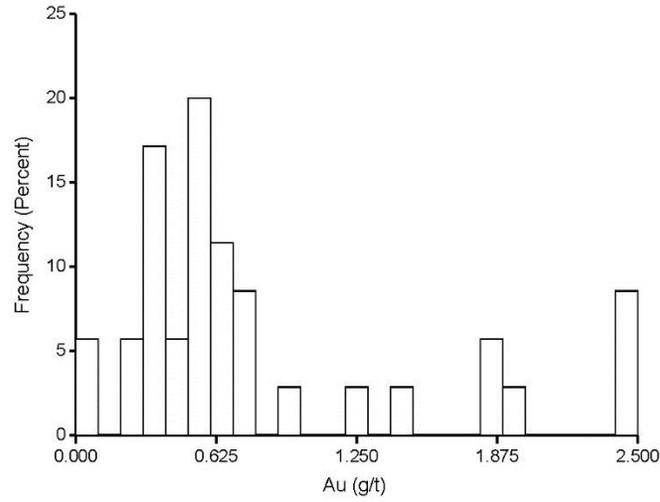
N	17
m	0.665
σ^2	0.291
σ/m	0.811
min	0.043
$q_{0.25}$	0.168
$q_{0.50}$	0.579
$q_{0.75}$	0.793
max	1.967

Class width = 0.100
The last class contains
all values ≥ 2.400

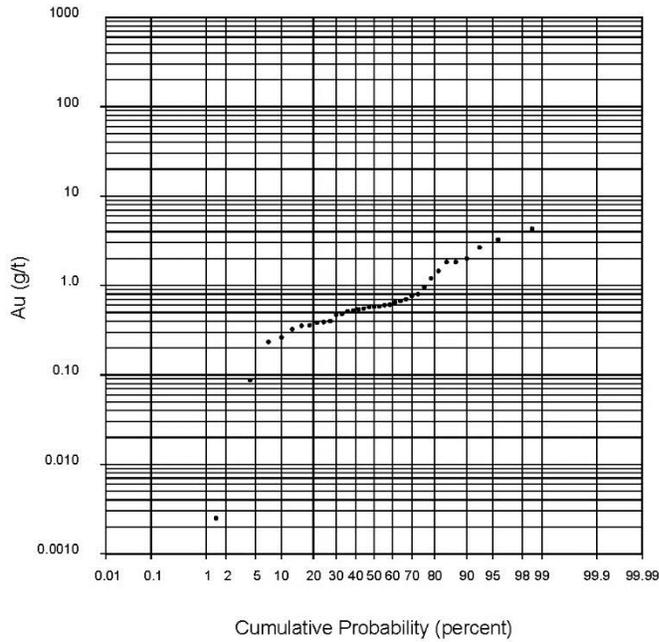
Moreira Gomes - MZ-5: Au (g/t)

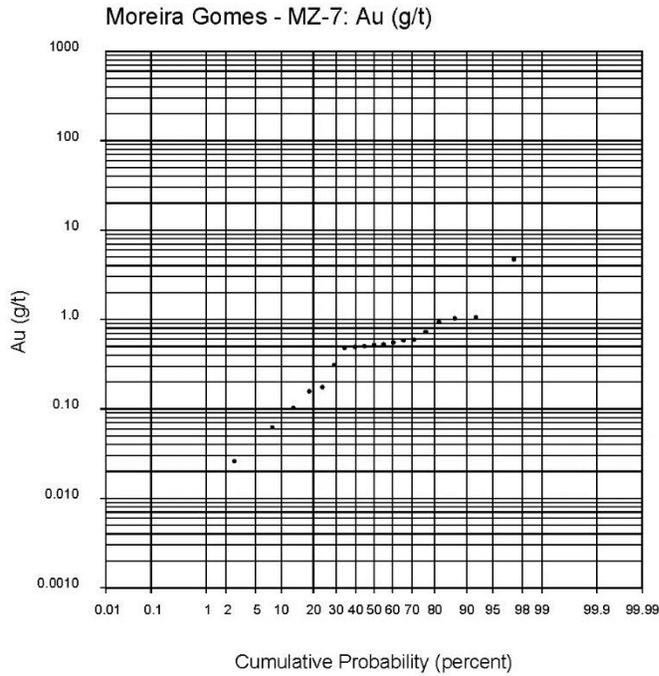
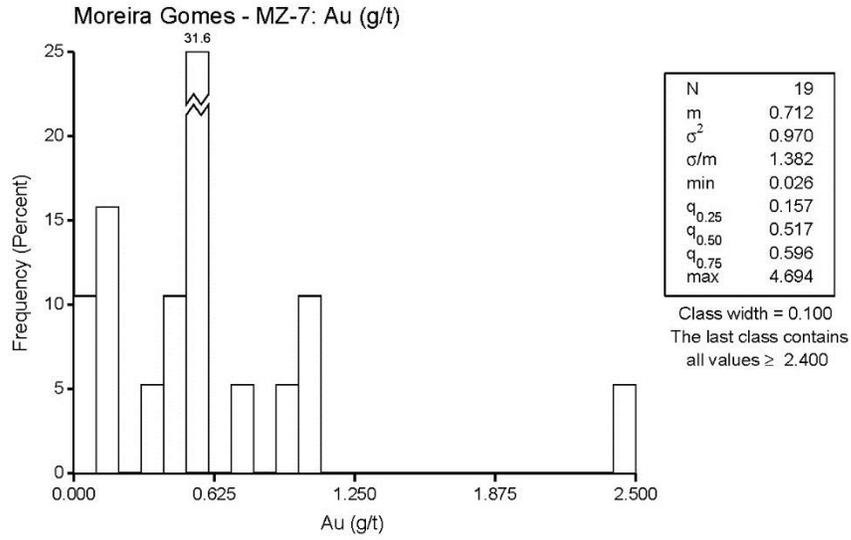


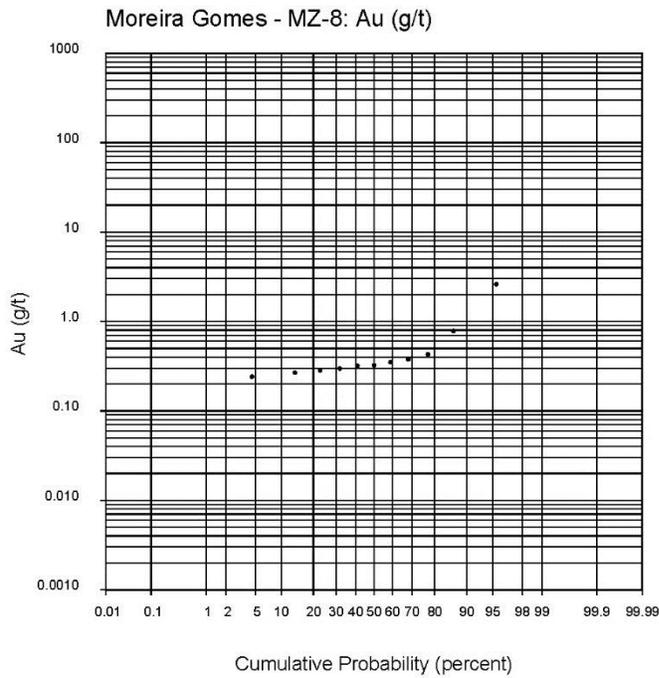
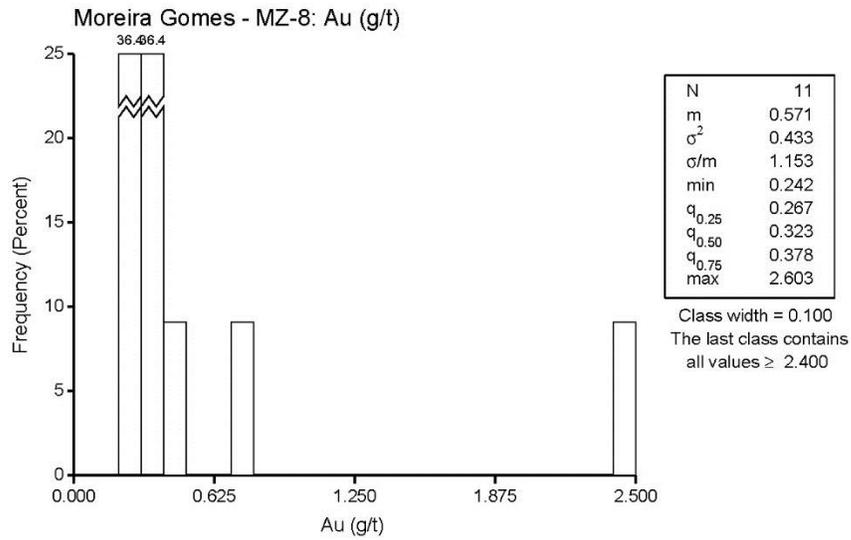
Moreira Gomes - MZ-6: Au (g/t)

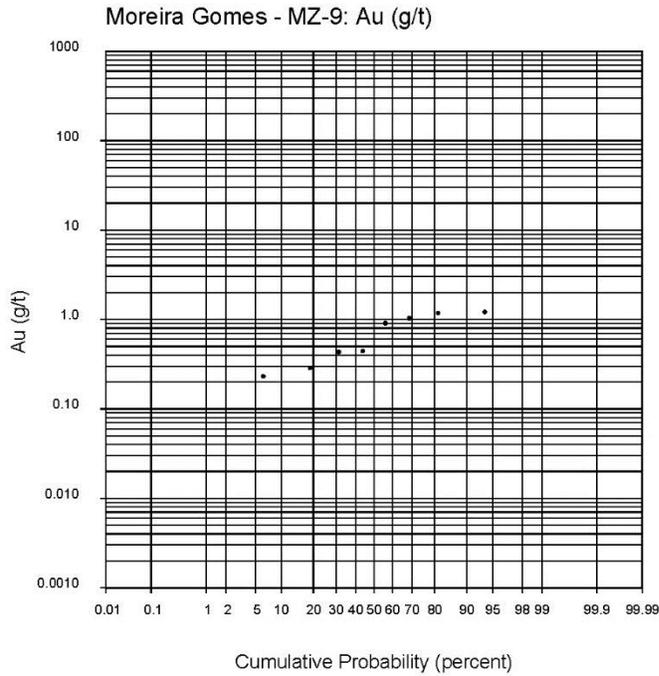
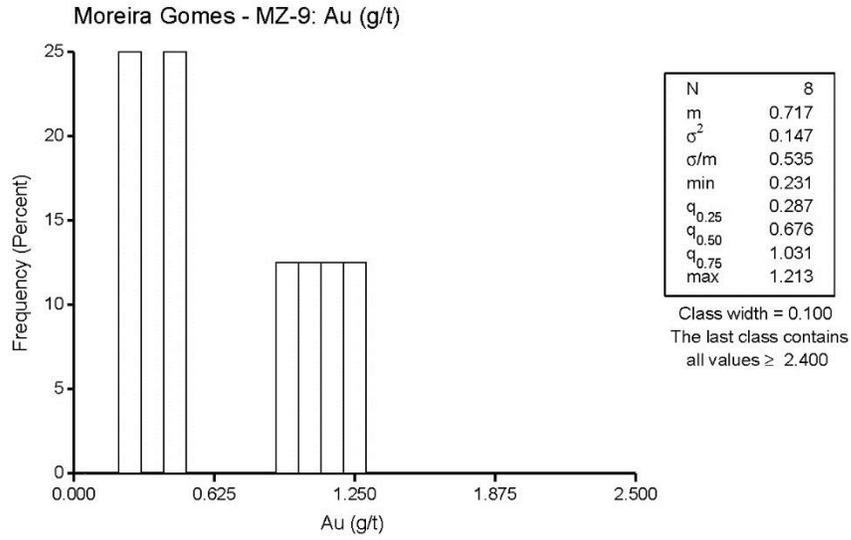


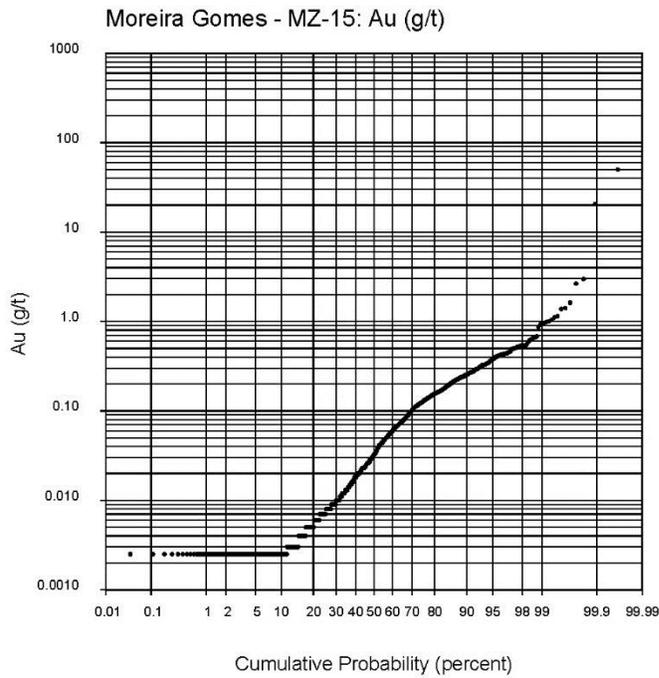
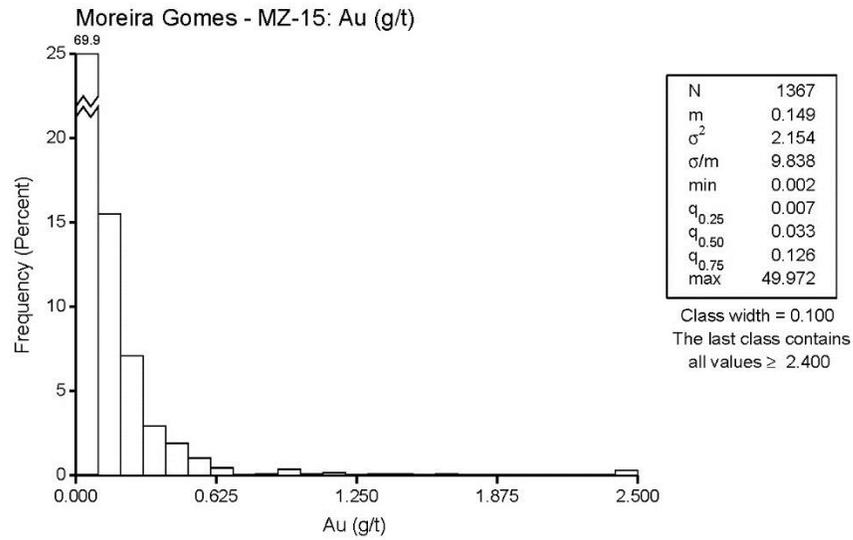
Moreira Gomes - MZ-6: Au (g/t)



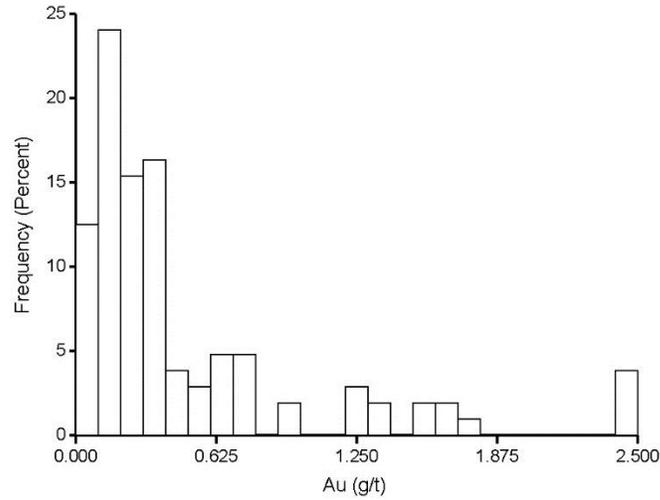




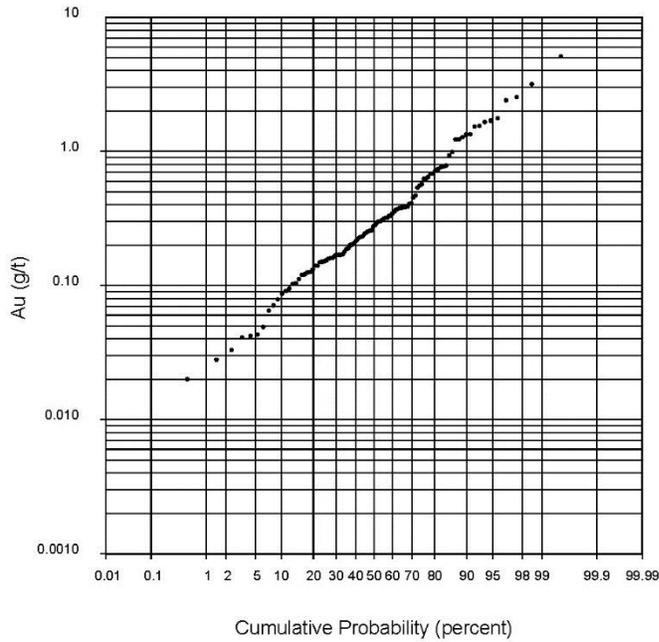




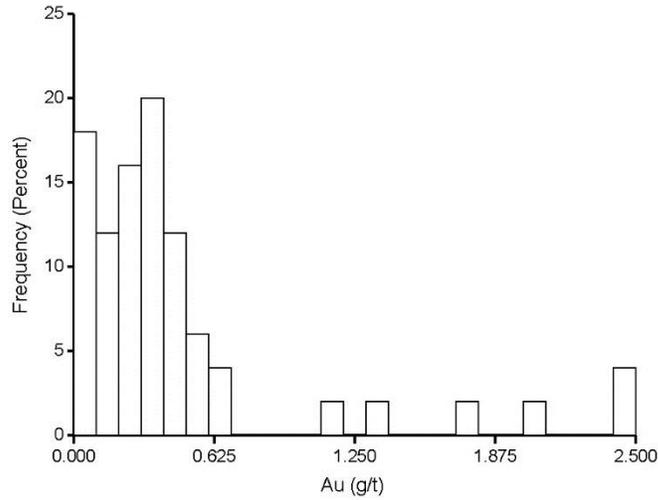
Jerimum de Baixo - MZ-1: Au (g/t)



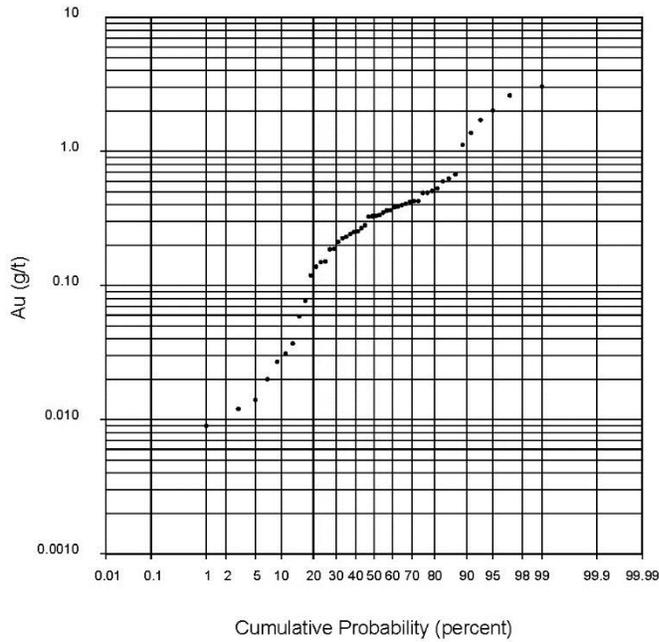
Jerimum de Baixo - MZ-1: Au (g/t)



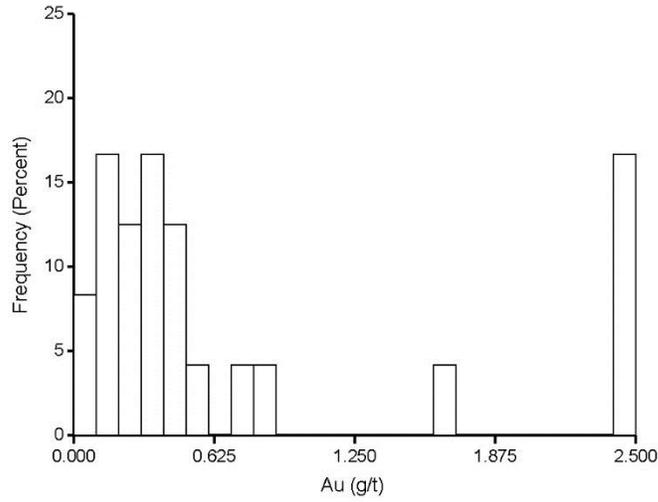
Jerimum de Baixo - MZ-2: Au (g/t)



Jerimum de Baixo - MZ-2: Au (g/t)



Jerimum de Baixo - MZ-3: Au (g/t)



N	24
m	1.387
σ^2	5.959
σ/m	1.761
min	0.020
$q_{0.25}$	0.190
$q_{0.50}$	0.363
$q_{0.75}$	0.798
max	9.388

Class width = 0.100
The last class contains
all values ≥ 2.400

Jerimum de Baixo - MZ-3: Au (g/t)

