

Delirio Breccia Target Area – Technical Summary of Phase I Exploration Results – SAMEX INCA Project

A program of surface chip-channel sampling and nine drill holes in the Delirio breccia pipe complex have provided the following results:

- Blasting and bulldozer work to construct road access and drill pads across the west end of the **Delirio West breccia lobe** (Plate 1 - Figure 1) exposed variable amounts of oxide-copper mineralization. Analytical results on continuous chip-channel samples along the new access road cut (Trench TDL-1) give an average grade of 0.40% total copper and 0.511g/mt gold over a 167-meter horizontal width. Visible coarse gold was also observed in several hand samples of oxide-copper mineralized breccia (Plate 1 - Figure 3).

- Results for the chip sampling show that the marginal parts of the **Delirio West breccia lobe** carry significantly higher grades of 0.89% total copper and 2.250 g/mt gold over a 13.0 meter horizontal width (part of the northwest margin) (Plate 1 - Figure 9) and 0.73% total copper and 0.196 g/mt gold over a 23-meter horizontal width (southwest margin). The central part of the breccia lobe is lower grade because of two factors: presence of larger un-mineralized blocks, and some leaching out of copper by supergene processes.

- Four drill holes spaced across the **Delirio West breccia lobe** show that the oxide-copper mineralization has an average vertical thickness of 134 meters positioned below the access road level (2015 meters elevation) (Plate 2 - Figure 3). Based on assays of the drill core, the average grade for the oxide-copper mineralization is 0.19% total copper and 0.104 g/mt gold, however, this is likely understating the actual grades. High water pressure used during core drilling appears to have flushed possibly significant quantities of oxide-copper and gold mineralization out of the open-spaced voids in the breccia and disintegrated core from the well-mineralized, upper parts of the drill holes (Plate 2 – Figures 4, 5 & 8).

- An oxide target has been outlined at the **Delirio West breccia lobe**, with dimensions permissive for 20 to 25 million metric tons of oxide-copper mineralization. The potential target size is based on a model developed by the Company using available geological information which, although thought by the Company to be a reasonable explanation for the occurrence of identified mineralization in the Delirio target area, has yet to be proven by drilling and other exploration activities. This target is readily accessible and ideally positioned for open-pit mining with a very low waste to ore ratio. The mineralization could have a potential average grade of >0.20% to >0.50% total copper with a significant gold credit. Uncertainty stated in this possible grade range is due to the problem noted above, where mineralization in-filling the breccia open space was washed out by water pressure during core drilling. In order to better determine the actual average copper and gold grades, the next phase of exploration should include an alternative way to re-test (twin) the core holes to optimize recovery of the oxide-copper mineralization and gold, or in lieu of drilling, obtain bulk samples from surface open cuts and/or underground tunnels and mine raises.

- Below the oxide cap at the **Delirio West breccia lobe**, copper-sulfide and molybdenite mineralization devoid of accessory pyrite was found to persist to great drilling depths of over 400 meters (open-ended). For the area drill tested, coarse-grained, splotches of copper- and molybdenum sulfide mineral occur with potassic alteration, as infill in the breccia; and proved to be sparse and erratically scattered. The average grade of sulfide intersections over the entire length of the drill holes (210 meters, average vertical drill thickness) gives an average grade of <0.1% (663 ppm) total copper, 0.049 g/mt gold, and overall negligible amounts of molybdenum. Pockets of copper sulfide mineralization carry 0.13% to 0.33% total copper over lengths of 3.0 to 16.0 meters (Plate 2 - Figures 6, 7). Numerous intervals of significantly anomalous molybdenum (122 to 277 ppm) were also intersected with variable lengths of 4.5 to 36.0 meters. A strong IP anomaly, whose center is positioned 150 meters to the northeast of the D-L1 drill panel and centrally over the Delirio breccia complex, is likely related to a much stronger concentration of deeper-seated, copper-sulfide mineralization. Perhaps, the drill holes completed along panel D-L1 are located peripherally in weaker, distally positioned, primary copper-sulfide mineralization

- At the **Delirio East breccia lobe** (Plate 1 - Figure 1), two drill holes (DDH-D-L2-02 and DDH-D-L3-01) (Plate 3 - Figure 3) found that the breccia there is pervasively sericite altered and strongly leached via supergene processes leaving behind scattered pockets of relict oxide-copper mineralization. The strong leaching effects reach vertical depths of +270 meters below the surface of the ridge. DDH-D-L2-02, which drilled down across the breccia pipe; intersected a pocket of residual oxide-copper mineralization from 30.0 to 66.0 meters which ran 0.25% Cu over 36 meters. Also, in this hole, an interesting mineralized interval of covellite and chalcocite (Plate 3 – Figures 5, 6) replacing chalcopyrite was clipped from 279.60 to 306.95 m. and carried a range of anomalous copper values from 165 ppm to 8370 ppm (0.84%) and averages 1681 ppm (0.17%) over 27.35 meters. Of importance, the occurrence and character of this mineralization is similar to secondary copper-sulfide minerals which comprise the enriched blanket of high grade ore (+5% CuT) beneath the supergene

leached capping in the sericitized breccia at the nearby Manto Cuba mine. Further exploration core drilling down into the **Delirio East breccia lobe** is certainly warranted to search for a significantly thick interval of enriched (high-grade), secondary copper-sulfide mineralization, and also test deeper seated, primary, copper-sulfide mineralization.

Delirio Breccia Complex Overview – The Delirio Breccia complex is developed within an extensive monzonite intrusion of the regional batholith, and is comprised of two lobes: **Delirio West** and **Delirio East**, which boldly outcrops as a steep-sided, rugged ridge that rises to 200 meters above the surrounding terrain (Plate 1 - Figures 1, 2). Both lobes measure at the surface 150- to nearly 200-meters across (diameter) and together are +800-meters long with an east-northeast elongate direction heading toward a wide expanse of gravel-covered llano (high plains). Individually, both of the lobes are, by far, the two largest breccia pipes known to occur in the district. The **Delirio East** breccia lobe is the larger of the two measuring over 500 meters in the elongate direction. There are significant geologic differences between the two lobes. Immense, roof pendant-like blocks, cappings of strong tourmalinization/silicification, and pervasively sericite-altered breccia characterize the **Delirio East** breccia lobe. The **Delirio West** breccia lobe lacks the immense monzonite blocks and significantly sized areas of intense tourmalinization/ silicification, plus was not affected much by sericite alteration or later supergene leaching of copper content, but at depth is strongly potassically altered with primary copper sulfide content. These differences are now understood to have important exploration implications on the style and occurrence of copper mineralization. The **Delirio West** breccia lobe has a thick capping of oxide-copper mineralization with a significant gold content that directly overlies deeper primary copper- and molybdenum-sulfide. Hence, this lobe was not affected much by supergene leaching and the oxide-copper mineralization is largely preserved, though no secondary enriched copper-sulfide zone was formed. In contrast, a significantly thick, upper part of the **Delirio East** lobe was pervasively affected by supergene leaching facilitated by the porous and permeable nature of the sericitized breccia. Strong leaching of copper occurred leaving behind outcropping relict pockets of oxide-copper mineralization scattered over a wide area, which have been prospected by hand-dug open pits by small miners. Importantly, perhaps the leached copper has been mobilized to greater depths within the breccia pipe of the **Delirio East** lobe to form a significant target comprised of an extensive and thick, enriched zone of secondary copper-sulfide mineralization.

Historically, mining on the Delirio breccia complex has been only carried out intermittently in the 1990's at the Delirio mine open cut located at the southwest margin of the **Delirio West** lobe (Plate 1 - Figures 1, 5, 6, 7, 8). In the period 1991-92, approximately 250,000 metric tons of oxide-copper ore with an overall average grade of 1% CuT (0.89% CuSol) was reportedly mined to a 35-meter depth. The current size of the open cut (90-meters long, 45-meters across, and 75-meters deep) indicates that an additional estimated 350,000 metric tons of oxide-copper ore, probably with similar grade (0.75% to 1% CuT), was later produced in the mid- to late-1990's. The breccia ore material was sorted to produce an up-graded feed for processing at the near-by Chatal acid-leach plant. The mine is located where a previous owner of the property, in 1991, had drilled a cluster of 11 shallow churn drill holes and several, small-diameter, core holes on outcropping breccia and oxide-copper mineralized showings. A report and cross sections dating from this exploration program show drill-hole intersections of oxide-copper mineralized breccia grade from 0.51% to 1.54% CuT; averaging 0.74% to 0.83% CuT over 40 to 95 meters vertical depth extent (depending on the depth limits of the holes) from the surface. These results were used by the owner to start the open-cut mining initially on a selectively outlined block of better-grade oxide ore containing 142,000 metric tons with an average grade estimated in the report to be 1.4% CuT. (Although SAMEX has not verified these grades, the grades are consistent with SAMEX chip-channel sampling of mineralized material above and to the east of the pit head wall.) Copper-sulfide mineralization was noted on old cross sections to have been intersected in several core holes at depth below the oxide-copper mineralization, but there is no indication, these intersections were ever assayed. Also, of interest, no gold assays are shown in the report summarizing the 1991 drilling. Dry placer workings for detrital gold, with no known production statistics and now abandoned, extend downslope in drainages for well-over one-kilometer distance to the west, and no doubt were derived from erosion of, the **Delirio West** breccia lobe. Surprisingly, the only previous exploration drilling of the Delirio breccia complex previously carried out was that described above in the vicinity of the Delirio mine and, nearby, at a second small, hand-excavated, open cut on another oxide-copper mineralized outcrop showing.

Scope of Phase I Exploration Work Program – Phase I exploration of the Delirio breccia complex was a broad-based reconnaissance effort that entailed: geologic mapping, geophysical IP surveys, surface chip-sample geochemical sampling, and core drilling.

Geologic Mapping - Detailed geologic mapping was completed over the area and, for the first time, outlined the entire large size of the Delirio breccia complex, and demonstrated that it is comprised of two lobes, which appear to be two nearly coalesced, large pipes slightly offset by faulting.

Geophysical IP Survey - Two lines (Lines 5 & 10) of regional phase-domain IP diagonally were run across the complex (Plate 4 - Figure 2). Line 5 has an “a” spacing of 100 meters and is positioned over the rugged ridge at the central part of the complex; the second line (Line 10) used an “a” spacing of 200 meters and is located 200 meters to the northeast of Line 5 crossing the **Delirio East** lobe. A strong IP anomaly (to 24 milliradianes) was identified on Line 5 (Plate 4 - Figures 3, 5), but its map position as determined by modeling is significantly (erroneously) displaced to the southwest and well off of the Delirio breccia complex (see Plate 4 – Figures 4, 6 for interpreted position). A deeper-seated weaker anomaly (13 milliradianes) was detected on Line 10 and too is displaced to the south of the breccia complex.

Channel rock-chip sampling – Channel rock-chip sampling (122 samples) was carried out continuously across fresh outcrop produced from considerable road blasting at **Delirio West** breccia lobe and a satellite target of stockwork veinlets (Plate 1, Figure 2). Samples were analyzed for copper, molybdenum, silver, and gold. Check metallic-screen fire assay analyses of 53 of these samples investigated the relationships between gold grades and gold particle size of oxide-copper mineralized breccia material.

Core Drilling – Seven holes of a ten-hole, reconnaissance core-drilling program in the area were completed in the Delirio complex (Plate 1 - Figure 1). The holes were drilled along three lines spaced 200 meters apart (panels D-L1, D-L2, & D-L3) crossing the west, central and east parts of the breccia complex, respectively. Considerable blasting and bulldozer work was required to construct drill pads and access roads. Four holes (DDH-D-L1-01, -02, -03, & -04) totaling 1435.20 meters were completed along panel D-L1 crossing the west part of the **Delirio West** breccia lobe. Two holes (D-L2-01 & -02) totaling 773.10 meters were drilled from the same platform on panel D-L2 at the west end of the **Delirio East** breccia lobe near the central part of the complex. Two other drill holes were located on line D-L2 that are outside of the Delirio breccia complex. DDH-D-L2-03 tested beneath an outlying (satellite) area of outcropping stockwork quartz-sericite veinlets, pods of tourmalinized/ silicified breccia and oxide-copper mineralization positioned north of the Delirio breccia complex. The second hole (DDH-D-L2-04) at the southeast end of D-L2 tested an altered/mineralized zone with copper and molybdenum sulfide mineralization northeast of the Tucumana mine (Plate 3 - Figures 3, 6). A single hole (D-L3-01) 357.25 meters was completed on panel D-L3 to test beneath copper and molybdenum anomalies identified from trench sampling in a covered part of the **Delirio East** breccia lobe. All of the drill holes were geologically logged, split and sampled, and assayed for copper and gold; and also geochemically analyzed for a suite of base metals including molybdenum. Results for DDH-D-L3-01 and DDH-D-L2-04 were previously reported in News Release 6-08.

Delirio West Lobe - Surface Sampling Results – At the west end of the **Delirio West** lobe, blasting across the steep-side hill to construct the access road and drill pads for panel D-L1 produced considerable fresh outcrop of oxide copper-mineralized breccia. Notably, several samples of breccia, with tourmaline, oxide-copper and limonitic minerals that contain visible coarse gold were found during the construction (Plate 1 – Figure 3). Continuous rock-chip channel sampling (89 samples) was carried out along the base of the outcrops, at depths generally two to three meters below the original surface. The chip sample line averages 0.40% CuT and 0.511 g/mt Au over a 167.25-meters sampled length. This sample line is broadly sinuous, but represents most (166.25 meters) of the 182.0-meters horizontal true width (diameter) of the **Delirio West** lobe at this location (see channel sample line TDL-1 Au & Cu histograms on Plate 2 – Figure 3). At the surface level, the outer margins of the breccia are much better mineralized than the central part of the breccia pipe. The chip-sample line across the northwest margin averages 0.65% CuT and 1.175 g/mt Au over 37.55 meters width (includes: 0.89% CuT and 2.250 g/mt Au over a 13.0 meter segment); and the southwest margin averages 0.73% CuT and 0.196 g/mt Au over a 22.85 meters width. The chip line across the southwest margin is 30 meters northeast of the headwall of the Delirio mine open cut and has a similar average, copper content as that reported for the mine production. The central part of the breccia averages over a 138.75 meters sampled width - a lower copper grade (0.29% CuT) although the strongly anomalous gold content remains (0.286 g/mt average Au grade). Because gold is not easily re-mobilized by supergene processes, this implies some degree of leaching away of the copper content in the central core area. Importantly, at least some of the gold was spotted to occur in places as visible, coarse-grained, masses to three millimeters across (“BB”-sized) with colorful oxide-copper mineralization and also with residual iron-oxide minerals. Using a one-kilogram split from the coarse rejects of the chip samples, the gold grades were re-checked for three segments of the chip-channel line (53 of the samples) using a metallic-screen, fire-assay technique. Check, metallic-screen fire-assay analyses using much larger, one kilogram splits of sample rejects confirmed the overall averaged gold grades and importantly demonstrate the significant presence and erratic distribution of coarse gold in some of the samples. Future gold assays from drill core, RVC cuttings, or bulk samples should entail using larger sample size and a metallic screen fire assay check.

Drilling Results – Delirio West Lobe – Panel D-L1 – All four of the drill holes (DDH-D-L1-01, -02, -03, and -04) spaced approximately 50 meters apart along panel D-L1 across the southwestern part of the **Delirio West**

lobe intersected oxide-copper mineralization and three continued down into deeper, primary copper-sulfide mineralization; the latter persisting to final drilling depths of 400 meters, open-ended. The drilling clearly shows that the breccia pipe has near-vertical, steep walls, which at drilling depths of 200 meters, begin to gradually converge downward. The upper +200 meters of the breccia pipe is comprised of jostled and rotated, large monzonite blocks that range from 0.3 to over 3.0 meters in length. The collapse processes to the form the breccia caused the blocks to fall and pile up within the pipe chamber as a jumbled mass creating open spaces, which contain inter-block breccia material of small clast size (5 to 20 cm.). The upper-most, central part of the breccia pipe is comprised of very large blocks of the monzonite roof which must have sagged down and, although fractured, did not form much open-space breccia amenable to being well-mineralized. At higher levels, the inter-block breccia is variably in-filled by oxide-copper mineralization formed mostly in-situ via supergene alteration of sites of original primary copper-sulfide minerals (chalcopyrite). At greater depths, the character of the breccia changes to smaller blocks and clasts, more-tightly packed, and with abundant void in-fill of tourmaline, quartz, and anhydrite gangue and scattered coarse splotches of copper sulfide (chalcopyrite) and coarse plates of molybdenite. The void in-fill is typically the locus of potassic alteration as secondary biotite and pinkish K-feldspar. Superposed sericitic alteration is only weakly developed throughout the breccia pipe of the **Delirio West** lobe; and at depth, the sulfide zone is devoid of any accessory pyrite.

Oxide-Copper Zone - The combined average grade of the four, drill-hole intersections through the oxide-copper mineralization in the upper part of the breccia pipe runs 0.20% CuT and 0.107 g/mt Au over an average 132.0 meter vertical thickness. In part, this lower grade - compared to the grades of the Delirio mine and the surface-chip sampling, perhaps reflects that DDH-D-L1-01, -02, and -04 are positioned in the central area of the pipe which, at high levels, tends to be poorer mineralized. However inspection of the core from upper parts of all these holes revealed another possible contributing factor, in that some intervals of washed-out open voids and disintegrated core where oxide-copper mineralization and especially free gold were likely flushed out of the breccia with pressurized heavy water use during core drilling. Hence, core drilling through the thicker blocks and inter-block breccia did not yield intact core intercepts. The large monzonite blocks tended to competently core, but the inter-block breccia, where oxide-copper mineralization is nested, commonly broke up and the small clasts were spun around and milled by the high-speed drilling rotation. As a result, in some intervals, much oxide-copper and gold content was likely washed out (Plate 2 - Figure 5). To obtain more-representative samples to check these core-drilling results, the next phase of exploration should utilize another drilling technique in twinning the holes along panel D-L1, and/or bulk sampling. The dimensions (with widths of +180 meters- surface to 150 meters-at depth and length of 250 meters) of the **Delirio West lobe** and established vertical depth extent (down to approximately the 1870 meter elevation level) are permissive for a target of at least 20 to 25 million metric tons of oxide-copper mineralization. Of this, a smaller, perhaps +six million metric tons of higher-grade, oxide-copper mineralization appears to be present around the marginal parts of the breccia pipe. (The potential target size is based on a model developed by the Company using available geological information which, although thought by the Company to be a reasonable explanation for the occurrence of identified mineralization in the Delirio target area, has yet to be proven by drilling and other exploration activities.) The target essentially comprises the west part of the steep ridge above the surrounding valley level and is readily accessible for mining via open pit with a small waste to ore ratio. Surface chip sampling and previous mining would seem to point to a possible average grade for the oxide-copper target that might range from 0.40% to greater than 0.75% CuT with a recoverable important gold credit.

Copper-Sulfide Zone – Below the oxide-copper mineralization at the Delirio West breccia lobe, three of the core holes (DDH-D-L1-01, -02, and -04) progressed down to drilling depths of up to 400 meters finding that the breccia hosts scattered, variable amounts of copper sulfide (chalcopyrite and locally bornite) and molybdenite associated with potassic alteration (Plate 2 - Figure 3). The chalcopyrite occurs as coarse-grained splotches in-filling void space. Coarse plates of molybdenite too occur here and there in the void open spaces. A thick, tourmaline-bearing, aplite dike was also intersected by the holes and found to be weakly mineralized with finely disseminated chalcopyrite and molybdenite. The distribution of the copper- and molybdenum-sulfide mineralization proved to be sparse and erratic. The average grade of the entire sulfide intercepts for all the holes is 663 ppm (0.07%) total Cu, 0.049 g/mt Au, and 95 ppm Mo over a 210 meter average vertical thickness. Narrower intervals run 1258 ppm (0.13%) to 3295 ppm (0.33%) total copper over widths of 3.0 to 16.0 meters. Similarly, anomalous values of molybdenum (>100 ppm) ranging from 122 ppm to 277 ppm over widths of 4.5 to 36.0 meters are also present. The D-L1 drill panel is located toward the far west end of the Delirio West lobe and perhaps is distal to centrally positioned, better concentrations of copper- and molybdenum sulfide mineralization suggested by the geophysical IP survey to be located 150 meters to the northeast.

Drilling Results – Delirio East Lobe –The **Delirio East breccia lobe** is positioned centered on the rugged ridge, which prohibited being able to build access roads and drilling a systematic series of drill holes across the lobe in similar fashion to that carried out along D-L1 on the west lobe. Also, because of the greatly elongated shape of the Delirio East Lobe – two drill panel locations (D-L2 and D-L3) were chosen and oriented across the

breccia pipe. Only, two angled core drill holes (D-L2-02 and D-L3-01) were completed down across the breccia pipe. Results of D-L3-01 were previously reported in News Release 06-08. Initially for drill panel D-L2, a single drill pad was planned to be positioned at a central location near the middle of the west end of the breccia pipe. From this location, multiple holes would be drilled oriented inclined northward and southeastward along the trend line of the D-L2 panel and steeply down into the breccia pipe. Blasting difficulties with the hard tourmalinized outcrops and steep terrain lead to settling on a less-than-optimal platform location toward the south margin of the pipe. DDH-D-L2-01 is a vertical hole first attempted from the platform (Plate 3 – Figures 2, 3), which at a shallow depth of 34 meters, drilled through the contact of the breccia and down into wallrock monzonite variably laced by intervals with abundant tourmaline veinlets with minor chalcopyrite content. The inclined second drill hole from the same pad (DDH-D-L2-02) completed a diagonal intersection down across the entire breccia pipe. From 0.00 to 137.0 meters, DDH-D-L2-02 intersected sericite-altered and heavy tourmalinized mosaic breccia; including a pocket of residual oxide-copper mineralization 30.0 to 66.0 meters which analyses show to average 0.24% Cu. An interval of an aplite dike (137.0 to 143.00 meters) and a thick block of monzonite (143.0-165.0 meters) with weakly anomalous copper content was then intersected. Cracked brecciated blocks and intervals of mosaic breccia which are annealed with strong potassic feldspar alteration and also affected by superposed sericite + tourmaline alteration to a 307.0 meters drilling depth – over most of this interval residual iron-oxide minerals and sparse oxide-copper (chrysocolla) are present. However, the lower part of this interval (279.60 to 306.95 meters) contains numerous occurrences of covellite and chalcocite (Plate 3 – Figures 4, 5), locally replacing relict chalcopyrite. The nature of the occurrences is quite similar in character to the secondary copper-sulfide mineralization which comprises the enriched blanket within the nearby Manto Cuba breccia pipe and which was mined for high-grade ore (+5% CuT). Within the **Delirio East** lobe, primary copper-sulfide mineralization was not reached by drilling at either DDH-D-L2-02 or to the east at DDH-L3-01. However, both of the holes intersected great widths of leached/oxidized breccia with residual Fe-oxide minerals and pockets or occurrences of Cu-oxide minerals showing that at one time the breccia was mineralized with copper sulfide, but leaching and mobilization of the copper to greater depths where re-precipitation typically occurs as secondary copper-sulfide with enriched grades. This is supported by DDH-D-L2-02, which clipped what appears to be the possible roof to an enriched zone of secondary copper-sulfide mineralization. In light of these results, the presence of secondary copper-sulfide mineralization points to the good possibility of a good target comprised of a thick, horizontal interval of much-enriched, secondary copper-sulfide zone occurring in the **Delirio East** breccia lobe. Based on the intersection of covellite and chalcocite intersected by DDH-D-L2-02, the roof to this mineralization is at an elevation just below 1850 meters and would be readily accessible via driving a short decline (350 meters long) from the side of the ridge below the Tucumana mine and just above the valley level. The +550 meters length, +150 meters width, and assuming an enriched zone with the same thickness (90 meters) as at Manto Cuba would suggest a target size of 20 to 25 million metric tons of perhaps high-grade, secondary copper-sulfide mineralization; below which primary copper-sulfide mineralization may prove to also comprise an important target. (The potential target size is based on a model developed by the Company using available geological information which, although thought by the Company to be a reasonable explanation for the occurrence of identified mineralization in the Delirio target area, has yet to be proven by drilling and other exploration activities.)

Displaced IP Anomaly – Line 5 – IP line 5 (“a” spacing of 100 meters) crosses the central, high, rugged part of the Delirio breccia complex in a diagonal (oblique) fashion (Plate 4 - Figure 2) – going up the steep north face and dropping down the steep south face of the ridge. Raw IP data and modeling of the electrical responses along Line 5 identified a strong IP anomaly to 23 milliradianes – positioned strangely well off of the Delirio breccia complex and in an area of outcropping propylitically altered monzonite (Plate 4 – Figures 3, 5). A vertical drill hole D-J-01 (Plate 2 - Figure 3, Plate 4 - Figures 3, 4, 5, 6) was positioned in the center of this map position of this anomaly and drilled to a depth of 275 meters. The hole intersected propylitically-altered monzonite with local tourmaline veinlets with minor chalcopyrite content below the level of oxidation (+/-48 meters). More highly anomalous copper values (107 to 2510 ppm) are present from 0.0 to 66.00 meters and are mostly associated with chrysocolla occurrences along fractures. Disseminated chalcopyrite with quartz-tourmaline veinlets and sericite-alteration devoid of pyrite appears at a depth of 48.0 meters and continues to sporadically present to the end of the hole and provide numerous, low-level anomalous copper values (105 to 1130 ppm for the two-meter lengths of sampled core). These occurrences appear to be related to the outlying fracture and alteration halo to the west lobe of the Delirio breccia complex. The overall very sparse abundance of fine-grained chalcopyrite blebs intersected in DDH-D-J-01 would not explain the intensity of the IP anomaly generated by modeling to be positioned at this location. Copper sulfide in greater abundance may be present at depth within the central part of the Delirio breccia complex and the strong electrical response expressed by the IP anomaly would be best explained to be due to it. Considering the steepness of the ridge crossed by the IP line, perhaps the displacement was caused by a terrain effect causing a shift in plotting from where the anomaly was actually being detected. IP line 5 crosses the ridge over 100 meters higher and 150 to 200 meters northeast from drill line DDH-D-L1 where drill holes encountered copper-sulfide mineralization at drilling depths of around 135 meters. By shifting the IP anomaly to a central position over the Delirio breccia complex (Plate 4

- Figure 4) and projecting the drill holes to the section at this location (Plate 4 - Figure 6) shows a good fit for the depth of the top of the anomaly being positioned close to the boundary separating oxide-mineralization (above) and sulfide-mineralization (below). The IP anomaly is interpreted to be due to concentrations of copper-sulfide mineralization at depth within the central part of the Delirio breccia pipe. In retrospect, the drill holes completed on panel D-L1 may be too far west and in the outer margin where primary copper-sulfide mineralization might be distally weaker in abundance.

IP Results – Line 10 – IP Line 10 (“a” spacing of 200 meters) diagonally crosses the east part of the **Delirio East** breccia lobe (Plate 4 - Figure 2) and similarly, IP Line 5, down the steep south slope to the ridge. A low to moderate intensity, deeper-seated, anomaly to 13 milliradianes was detected and plotted via modeling to be located to the south of the area of the breccia pipe and to the south of the Tucumana mine breccia pipe. As on IP Line 5, the steep terrain effect may have caused the plotting of this IP anomaly to be displaced off of a causative source positioned below the considerable thicknesses of leached/oxidized breccia breccia intersected by DDH-L3-01.

Satellite Target – An elongate, northwest-trending area of outcropping, quartz-tourmaline-sericite veinlets, pods of tourmalinized/silicified breccia, and oxide-copper mineralization - measuring 150-meters long and 60-meters across is positioned 20 to 70 meters north of the Delirio breccia complex (Plate 3 - Figure 2 “North Satellite Target”). The dominant direction of the veinlets is east northeastward and northwest-to-north forming a stockwork-like pattern. Another prominent outcropping of a large (40-meters long) pod of tourmalinized/silicified breccia with relict oxide-copper oxide minerals is located some 80 meters further to the north in an area of monzonite laced with tourmaline veinlets. These geologic features are typical of those found in roof rocks overlying concealed, well-mineralized breccia pipes elsewhere on the INCA property (ex. Providencia West). Bulldozer work and blasting produced fresh outcrops of the satellite zone, which was utilized to collect continuous chip-channel samples (42 samples; 84 meters long) (Plate 3 - Figure 3 see TDL-2 trench histograms for Au & Cu). Analytical results show highly anomalous values for copper (typically between 700 ppm to 8180 ppm) and gold (0.025 to 0.468 ppm). The entire outcrop exposure, though oxidized and leached to an extent averages 0.26% total copper and 0.080 ppm gold over the 76.0 meter sampled length (60-meter width of the zone). DDH-D-L2-03 was then sited to drill an angle hole beneath the outcrop area. This hole intersected variable amounts of tourmaline-quartz-sericite veinlets (0.00 to 62.40 meters) and at depth (62.40 to 238.45 meters) K-feldspar-tourmaline+/-sericite veinlets with minor amounts of disseminated chalcopyrite cutting propylitically altered monzonite. The lower part of the hole (203.40 to 238.45 meters) was highly fractured and clay-altered due to faulting. Anomalous copper values are plentiful throughout the hole (typically 189 ppm to 1510 ppm) and gold values are typically at elevated detectable levels (0.010 to 0.048 ppm). The nature of the minor veining, and alteration intersected in the drill hole is different than that exposed and is more typical of crossing through the halo to a near by breccia pipe.

Discussion – Two targets have been outlined at the Delirio breccia complex, which deserve more exploration drilling. The upper part of the **Delirio West** breccia lobe retains a thick cap of oxide-copper mineralization; with underlying sporadic primary copper sulfide with potassic alteration. Drilling coupled with geologic mapping have helped outline dimensions which give good credence that a target of 20 to 25 million metric tons of oxide-copper mineralization could be present beneath the ridge. (The potential target size is based on a model developed by the Company using available geological information which, although thought by the Company to be a reasonable explanation for the occurrence of identified mineralization in the Delirio target area, has yet to be proven by drilling and other exploration activities.) Problems though with washing out of in-fill oxide-copper mineralized material from breccia voids during drilling has made the copper and gold analytical results on core difficult to reconcile in light of known mine grades and surface chip-channel sample results. In the next phase of exploration, some type of bulk sampling, in lieu of drilling, would help to get a better understanding of the distribution of copper and gold grades. In contrast, the **Delirio East** lobe is much more strongly affected by secondary superposed sericite alteration. Elsewhere on the INCA property, breccia pipes affected by strong secondary sericite alteration tend to be much-better mineralized at depth with primary copper sulfide (ex. Manto Cuba, Providencia) and, if exposed to erosion, are highly susceptible to supergene processes of leaching and re-mobilization of copper resulting in formation, at greater depth, of thick, higher-grade “blankets” of enriched secondary copper-sulfide mineralization (ex. Manto Cuba, San Pedro cluster, San Antonio). At these locations, the secondary copper-sulfide zone with much-enhanced grades was concealed beneath a leached cap of breccia (Manto Cuba) or veinletted monzonite (San Antonio), which is mostly depleted in copper and contains abundant residual iron-oxide minerals. This same situation has been identified at the **Delirio East** breccia lobe where a target of an enriched zone of secondary copper-sulfide mineralization may be present over a large area at depth within this breccia pipe. The large surface dimensions outlined by geologic mapping (+500 meter length) and the two drill holes through oxidized and leached breccia show widths of the **Delirio East** breccia lobe to be 150 meters, or more, across which is permissive for a target of 20 to 25 million metric tons of enriched secondary copper-sulfide mineralization. (The potential target size is based on a model developed by

the Company using available geological information which, although thought by the Company to be a reasonable explanation for the occurrence of identified mineralization in the Delirio target area, has yet to be proven by drilling and other exploration activities.) Deeper drilling is highly warranted to test beneath the levels of leaching and enrichment in the Delirio breccia complex for primary copper sulfide mineralization. The primary copper-sulfide mineralization could also be extensive and of better grade than that intersected at depth at the **Delirio West** breccia lobe along drill panel D-L1; and as supported by the IP anomaly identified on Line 5. In addition, the satellite target just to the north of the Delirio breccia complex also warrants further exploration for a concealed mineralized breccia pipe beneath the outcropping stockwork veinlet zone and prominent silicified/tourmalinized breccia outcrops.

The Delirio targets are conceptual in nature, there has been insufficient exploration to define a mineral resource within the Delirio area and it is uncertain if further exploration will result in discovery of a mineral resource within the Delirio breccia targets.

Table – Assay Results – Surface Chip-Channel Sampling - Delirio West Breccia Lobe

Location	Sample Sequence	Sample Length m.	Estimated Width m.	CuT %	CuSol %	Au g/mt	notes
Southwest Margin	TDL-01>-11	22.85	22.85	0.73	0.63	0.196	Well-mineralized breccia; near head wall to open cut.
Central Core	TDL-01-11A>-11J	20.00	17.00	0.34	0.24	0.529	Breccia; supergene leaching effects, residual Fe-oxide minerals.
Central Core	TDL-01-11K>-11R	26.80	26.00	0.16	0.08	0.126	Interval of large weakly mineralized breccia blocks.
Central Core	TDL-12>41	60.00	56.00	0.32	0.25	0.320	Interval with some weakly mineralized large blocks; supergene leach effects.
	TDL-42>45	7.40	7.40	0.08	0.05	0.308	Aplite dike; some supergene leach effects.
Northwest Margin	TDL-46>70	50.55	38.00	0.65	0.57	1.175	Breccia; includes 2.55 meters of aplite dike.
----- Inner Margin -----	TDL-46>57	24.55	24.00	0.47	0.39	0.176	Breccia; includes 2.55 meters of aplite dike.
----- Outer Margin -----	TDL-58>70	26.00	14.00	0.83	0.74	2.109	Well-mineralized breccia.
Average Grades		187.60	167.25	0.40	0.33	0.511	

Table – Metallic-Screen Fire Assay Results – Surface Chip Channel Sampling – Delirio West Breccia Lobe

Sample no.	Length m.	Est. Width m.	Wt.Avg. Au Total (+)(-) combined ppm-g/mt	Wt.Avg. Au (+) Fraction ppm-g/mt	Wt.Avg. Au (-) Fraction ppm-g/mt	Sum Sample Wts. (+) g.	Sum Sample Wts. (-) g.	Sum Sample Wt. (+)(-) g.	Wt. Avg. Au T 30 g. ppm	Wt. Avg. Au T Check 30 g. ppm
TDL-1>11	22.85	22.85	0.304	3.020	0.158	629.40	10205.70	10835.10	0.152	0.158
TDL-11K>11R	26.80	26.00	0.098	0.112	0.097	382.84	7802.30	8185.14	0.093	0.099
TDL-12>31	40.00	38.00	0.453	7.463	0.202	746.61	18798.10	19544.71	0.208	0.186
TDL-58>70	26.00	14.00	1.739	21.10	0.657	680.90	11179.20	11860.10	0.617	0.704

Note:

(+) - +150 mesh coarse fraction.

(-) - -150 mesh fine fraction.

Table - Drill Intercepts – Oxide-Cu Cap – Delirio West Breccia Lobe

Drill Hole No.	From m.	To m.	Vertical Thickness m.	CuT ppm	CuT %	CuSol %	Au g/mt ppm	Mo ppm
DDH-D-L1-01	0.00	149.00	149.00	2183	0.22	0.164	0.110	29
	0.00	71.00	71.00	2831	0.29	0.214	0.142	4
DDH-D-L1-02	0.00	137.00	119.00	1360	0.13	0.097	0.086	12
	53.00	99.00	40.00	1695	0.17	0.138	0.079	6
DDH-D-L1-03	0.00	126.00	126.00	2981	0.30	0.249	0.142	25
	166.00	200.00	34.00	63	0.01	0.001	0.011	95
	0.00	96.00	96.00	3321	0.34	0.284	0.052	30
DDH-D-L1-04	104.00	126.00	22.00	2316	0.24	0.178	0.508	14
	0.00	124.50	124.50	1256	0.13	0.088	0.081	10
	0.00	22.50	22.50	1847	0.23	0.152	0.138	8
Wt. Average Grades	79.50	103.50	24.00	2252	0.24	0.189	0.038	19
			134.10	1939	0.19	0.148	0.104	19

Table – Delirio West Breccia Lobes – Assay Results – Sulfide Zone

Drill Hole No.	From m.	To m.	Vertical Thickness m.	CuT ppm	CuT %	CuSol %	Au g/mt ppm	Mo ppm
DDH-D-L1-01	149.00	299.00	150.00	642	0.06	0.003	0.027	61
	299.00	321.00	22.00	1457	0.13	0.011	0.156	232
	321.00	400.40	79.40	386	0.04	0.002	0.027	84
DDH-D-L1-02	137.00	215.00	67.55	1160	0.12	0.009	0.028	179
	215.00	285.50	61.00	924	0.11	0.002	0.022	71
	285.50	350.00	55.90	321	0.04	0.002	0.015	8
DDH-D-L1-03	126.00	166.00	40.00	621	0.07	0.010	0.013	25
	200.00	269.80	69.80	100	0.01	0.002	0.010	7
DDH-D-L1-04	124.50	136.50	12.00	419	0.04	0.011	0.027	51
	136.50	151.50	15.00	176	0.02	0.003	0.080	156
	151.50	171.00	19.50	561	0.06	0.008	0.025	268
	171.00	210.50	39.50	613	0.07	0.005	0.108	78
	195.50	203.00	7.50	2056	0.22	0.013	0.253	103
	210.50	237.50	27.00	138	0.02	0.002	0.023	94
	237.50	240.50	3.00	3295	0.32	0.027	2.730	55
	240.50	255.50	15.0	183	0.02	0.003	0.014	41
	255.50	276.50	21.0	841	0.08	0.010	0.067	82
	276.50	354.50	78.00	231	0.03	0.002	0.032	31
	354.50	366.50	12.00	42	0.01	0.001	0.011	29
	366.50	415.00	48.50	122	0.01	0.002	0.012	3
Wt. Average Thickness & Grades			210.00	663	0.07	0.005	0.049	95

Table – Delirio West Breccia Lobe - Sulfide Zone – Anomalous Molybdenum Intersections

Drill Hole	From m.	To m.	Length m.	Mo ppm	Range ppm	Cu ppm	Au ppm
DDH-D-L1-01	141.00	159.20	18.20	166	44-502	1059	0.012
	293.00	325.00	32.00	226	31-1170	1168	0.126
	333.80	354.00	20.20	122	74-192	560	0.016
DDH-D-L1-02	129.00	157.00	28.00	122	17-292	1010	0.035
	167.00	173.00	6.00	219	110-338	1069	0.026
	175.00	191.00	16.00	277	130-745	1523	0.033
	199.00	215.00	16.00	258	33-468	1718	0.017
	221.00	233.00	12.00	243	135-525	605	0.014
DDH-D-L1-04	136.50	172.50	36.00	220	52-739	407	0.047
	188.00	198.50	10.50	151	98-180	775	0.343
	230.00	236.00	6.00	245	151-308	238	0.045
	261.50	266.00	4.50	194	120-301	1496	0.071

Table – Delirio West Breccia Lobe – Sulfide Zone - Anomalous Sulfide Copper Intersections

Drill Hole	From m.	To m.	Length m.	CuT ppm	CuT Range ppm	Mo ppm	Au ppm
DDH-D-L1-01	207.00	221.00	14.00	1320	638-1950	14	0.025
	236.90	245.00	8.10	1309	530-1740	38	0.017
	311.00	321.00	10.00	1362	1090-1780	102	0.166
	340.00	346.00	6.00	1258	903-1460	154	0.030
DDH-D-L1-02	155.00	159.00	4.00	1737	1580-1895	182	0.050
	167.00	171.00	4.00	1405	1240-1570	224	0.028
	185.00	191.00	6.00	2773	2450-3380	357	0.055
	237.00	253.00	16.00	1984	464-3930	71	0.029
DDH-D-L1-04	195.50	203.00	7.50	2056	1180-3310	103	0.253
	237.50	240.50	3.00	3295	2910-3680	54	2.730
	263.00	266.00	3.00	2060	1840-2280	231	0.086

Table – Summary Analytical Results – DDH-D-L2-02 – Delirio East Breccia Lobe

Sample Interval	From m.	To m.	Length m.	CuT Wt. avg. ppm	CuT Range ppm	Au Range ppm	Notes
D-L2-02-01>-15	0.00	30.00	30.00	287	21-776	<0.005-0.058	Leached, sericite-altered and tourmalinized breccia, residual Fe-oxide minerals.
D-L2-02-16>-34	30.00	66.00	36.00	2440	260-11600	0.012-0.985	Pocket of relict oxide-Cu Mineralization in sericite-altered and tourmalinized breccia.
D-L2-02-35>71	66.00	136.90	70.90	675	118-1950	0.010-0.236	Leached, sericite-altered breccia, residual Fe-oxide minerals.
D-L2-02-72>75	136.90	143.20	6.30	110	75-143	0.005-0.010	Aplite dike
D-L2-02-76>88	143.20	165.00	21.80	270	92-1010	0.010-0.814	Weakly fractured monzonite block, Fe-oxide minerals on fractures.
D-L2-02-77>147	165.00	279.60	114.60	188	28-727	<0.005-0.134	Leached, brecciated monzonite, K-feldspar altered; with superposed sericite + tourmaline; residual Fe-oxide minerals.
D-L2-02-148>170	279.60	306.95	27.35	1681	165-8370	0.020-0.579	Secondary Cu-sulfide-mineralized interval of K-feldspar altered, brecciated monzonite; chalcocite and covellite occurrences, locally replacing relict chalcopyrite.
D-L2-02-171>174	306.95	315.00	8.05	120	33-347	0.006-0.047	Border zone monzonite; crackle fractured with sericite alteration; some relict K-feldspar alteration; relict propylitic alteration.
D-L2-02-175>220	315.00	404.00	89.00	150	30-1300	<0.005-0.146	Wallrock monzonite – propylitically altered; local K-feldspar alteration of crackle-fractured intervals; local chalcopyrite occurrences with sericite-tourmaline altered veinletted intervals.

Table – Assay Results – Surface Chip-Channel Sampling – Satellite Zone Of Stockwork Tourmaline-Quartz-Sericite Veining Delirio West Breccia Complex -

Location	Sample Sequence	Sample Length m.	Estimated Width m.	CuT %	CuSol %	CuT Check ppm	Au g/mt	notes
	TDL-2-5>30	52.0	52.0	0.26	0.21	2517	0.075	Few anomalous Zn – 126 to 171 ppm
	TDL-2-31>42	24.0	24.0	0.26	0.17	2517	0.090	Anomalous Zn - 105 to 236 ppm
Totals	TDL-2-5>42	76.0	76.0	0.26	0.20	2517	0.080	

Table – Summary Analytical Results – DDH-D-L2-03 – Satellite Target – Delirio Breccia Complex

Sample Interval	From m.	To m.	Length m.	CuT Wt. avg. ppm	CuT Range ppm	Au Range ppm	Notes
D-L2-03-01>-20	2.40	62.40	62.00	131	25-367	<0.005-0.012	Propylitically altered monzonite; scattered tourmaline-quartz veinlets; sericite alteration halos – with disseminated chalcopyrite.

D-L2-03-21>24	62.40	74.40	12.00	541	242-1220	0.011-0.048	Propylitically altered monzonite; abundant K-feldspar + tourmaline crackle veinlets; disseminated chalcopyrite.
D-L2-03-25>43	77.40	128.40	51.00	164	50-383	0.006-0.017	Propylitically altered monzonite; abundant K-feldspar + tourmaline veinlets ; sericite alteration; sparse disseminated chalcopyrite.
D-L2-03-44>49	128.40	146.40	18.00	869	481-1510	0.012-0.036	Propylitically altered monzonite; abundant K-feldspar + tourmaline veinlets; sericite alteration; variable amounts of disseminated chalcopyrite along veinlets.
D-L2-03-50>64	146.40	188.40	42.00	446	150-938	<0.005-0.038	Propylitically altered monzonite; abundant K-feldspar + tourmaline veinlets; variable amounts of disseminated chalcopyrite along veinlets.
D-L2-03-65-69	188.40	203.40	15.00	120	63-189	<0.005-0.006	Fault zone; highly fractured; local K-feldspar veinlets; minor chalcopyrite.
D-L2-03-70>81	203.40	238.45	35.05	248	21-781	<0.005-0.027	Fault zone; related clay alteration; local relict K-feldspar veinlets with superposed sericite alteration; variable disseminated chalcopyrite.
Totals		238.45		289	21-1510	<0.005-0.036	

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The geologic technical information in this report was prepared by Robert Kell, Vice-President Exploration for SAMEX MINING CORP. and Phil Southam, Geologist. Mr. Kell and Mr. Southam are "qualified persons" pursuant to Canadian Securities National Instrument 43-101 concerning Standards Of Disclosure For Mineral Projects. Geochemical analyses on samples were performed by ALS Chemex, an internationally recognized and ISO certified laboratory complying with the international standards ISO 9001:2000 and ISO 17025:1999. Except where otherwise noted, the analytical and test data underlying the information disclosed herein was verified by or under the supervision of Mr. Kell and Mr. Southam.

This report includes certain "forward looking statements". Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward-looking statements that involve various risks. Actual results could differ materially from those projected as a result of the following factors, among others: risks inherent in mineral exploration; risks associated with development, construction and mining operations; the uncertainty of future profitability and uncertainty of access to additional capital.

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.