

# Grande Iron Ore Project

Investment

# Introduction

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# Introduction

- ▶ The Iron Ore Project is based on the extraction of Iron Ore on areas located on Brazil. Divided in five DNPM processes, the total extension of the area is of 37,679.78 hectare.
- ▶ Detailed information can be found on the next pages.

# Area Information

- ▶ Total area available for work: 37,679.78 ha
- ▶ All fees and taxes are paid according to DNPM rules, which through a research license has authorized the extraction of 300,000 Ton of Iron Ore per area at this time (Total of all areas: 1,500,000,000 Tons).
- ▶ With this research license, we are able to extract and sell iron ore, generating funds that will be enough to make the drill job, the iron ore exploration project, environmental impact study, reforestation and other processes, to have final authorization to operate (With no limits of extraction volume).

# Logistics

- ▶ The nearest existing port is 175Km away from the areas through highway, an asphalt road with an average level of traffic.
- ▶ The intention is to acquire an area from 50,000m<sup>2</sup> to 100,000m<sup>2</sup> to build a port for iron ore, and other minerals loading. The most adequate area would be on the northern region near the big city. The areas involved on the project are approximately 100Km from the big city.

# Geophysical Data

- ▶ According to the geophysical data collected from the CPRM PROJECT, on the scale of 1,500,000 and interpreted by Cordani scale of 1,100,000 anomalies were found in several sites
- ▶ **Site 01 (AE04):**  
A large area with magnetic trend with extension of 15km NW by 5km, which was mapped by CPRM (Companhia de Pesquisa de Recursos Minerais) and Charnoquito.  
On the entire area iron was found, which are more concentrated on the north-west anomaly of 1500 nT in amplitude with dimensions of 2.5km by 2.5 km.
- ▶ **Anomaly:**  
 $5000 \times 1200 \text{ Mts Mts Mts} \times 50 \times 4.18 =$   
Density of 1,254,000,000 Ton. (One billion two hundred and fifty-four million tons).





# Geophysical Data

## ▶ **Site 2 (AE05):**

A magnetic NNW trend (6km) which is not well defined possibly because of a complex magnetic signature of BIF. The magnetic amplitudes values vary, but are near to 500 nT.

## ▶ **Anomaly:**

$3000 \times 1000 \text{ Mts Mts Mts} \times 50 \times 3.20 =$   
Density of 480.000.000 Ton. (Four hundred million tons).

## ▶ **Site 3 (AE06):**

A clear trend nWw magnetic, with a maximum range of 8km. Training and amplitudes (400nT) of magnetic anomalies are not typical of the BIFs.

## ▶ **Anomaly:**

$1000 \times 600 \text{ Mts Mts Mts} \times 50 \times 3.0 =$   
density of 5.400.000 Ton. (Five million and four hundred thousand tons).



# Geophysical Data

- ▶ MINERAÇÃO found several occurrences of iron ore outcrops at SITE 1, SITE 2, SITE 3, mostly in the form of Itabirito, magnetite, hematite, largo, etc.
- ▶ Samples were collected at points of magnetic anomalies and sent to the laboratory for analysis. The results of analysis and original location of samples are presented on the next pages.





# Sample Analysis

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Sample	FE%
UCRE 2	42,68
UCRE 2	53,46
UCRE 2	43,84
FBJ02	59,24
FBJ03	39,56
FBJ04	59,27
FBJ09	65,67
FBJ011	48,92
FBJ014	53,06
SAMPLE	42,68
SAMPLE	53,46
SAMPLE	43,84
SPG-06	46,42
CAMILO	58,00
FBJ 01	22,80

Sample	FE%
FBJ 09	58,10
FBJ 05	58,30
FBJ 01	53,40
Adauto	56,80
Adervandro linha	56,70
Serra Pelada	55,20
SPG-BJ	33,60
SPG-FE	44,70
FEJIRI	39,06
FEJIRI	38,95
JIRIPO	44,53
KMLA -	61,99
ADAUTO	65,92
A-NAYARA	47,37
B-NAYARA	47,20

# Sample Analisis

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Sample	FE%
FEADALTO	66,15
FEADALTO	68,35
FEJI	49,05
FMRIA JOSÉ	52,10
FGJ 05 SP	57,88
FGJ 06 SP	55,57
FGJ 07 SP	55,94
FEGALE 02	65,29
FEGALE 06	65,88
FEMUTUM 02	61,95
FEGALE 09	67,44
GALEN	64,84
696/SPG	65,03
742	42,77
791	56,33

Sample	FE%
833	43,44
834	44,76
836	42,90
842	56,92
845	39,48
887	46,00
897	38,77
FEMUTUM 2	60,30
FEGALE 9	66,49
FEMUTUM 2	32,28
FEGALE	59,17
01- MUTUM AP	59,78
MORRO Q 02	56,49
HEMAT 01	54,57
HEMAT 02	44,67



# Sample Analysis

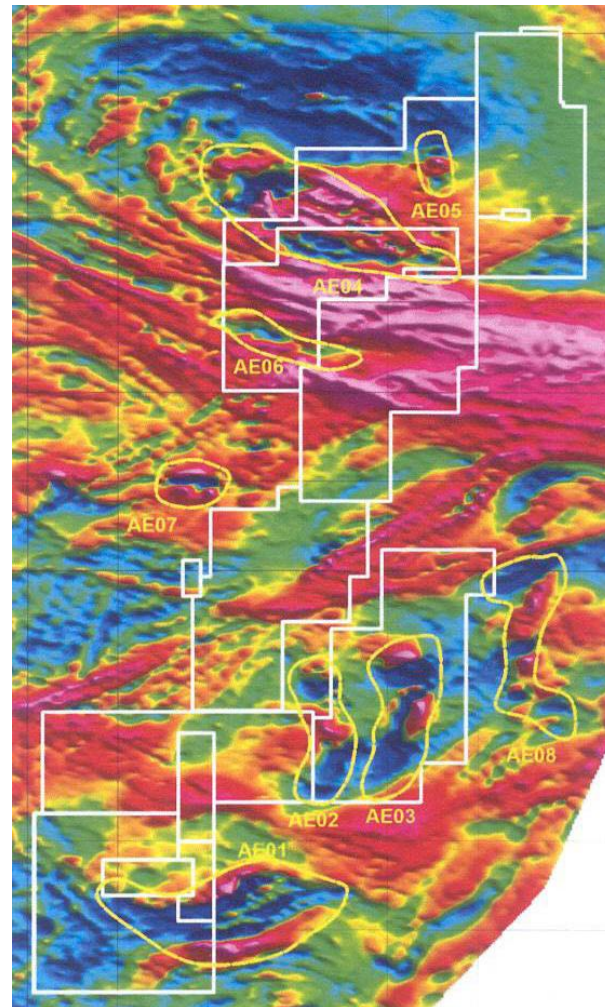
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Sample	FE%
FEADALT	48,03
FEADALT	59,00
FEGALE 6	65,54
FEGALE 9	61,61
FEGALE	37,80
BRUNA	40,37
CAMILA	63,35
FEREG 01	36,87
FEREG 03A	34,23
FEJW 02	46,61
FEVALD 02A	60,23
FEVALD 02B	36,83
KMLA 02	51,31
KMLA 03	64,26
FEJI 16	56,29

Sample	FE%
BRUNA 02	44,96
BRUNA 03	42,82
NEGA 02	50,22
NEGA 04	59,65
NEGA 05	55,40
NEGA 06	54,02
NEGA 08	54,44
RAI 03	61,12

# Aeromagnetometry Results

- ▶ The geophysicist map presented on this page was generated from a preliminary study of aerial geophysical interpretation, produced by Cordani and supervised by our technical staff.
- ▶ Results shown on the map are based on size, length and depth of possible mining bodies.



# Geophysical Data - others

- ▶ Below there are information about the cases of iron ore found by our team.
  - ▶ Occurrence Nêga-02:
    - ▶  $200 \times 500 \text{ Mts Mts Mts} \times 60 \times 3.24$
    - ▶ Density of 19,440,000/ton.
  - ▶ Occurrence Nêga-04:
    - ▶  $150 \times 400 \text{ Mts Mts Mts} \times 70 \times 4.32$
    - ▶ Density of 18,354,000/ton.
  - ▶ Occurrence Nêga-05:
    - ▶  $180 \times 400 \text{ Mts Mts Mts} \times 60 \times 4.70$
    - ▶ Density of 20,304,000/ton.
  - ▶ Occurrence Nêga-06:
    - ▶  $150 \times 500 \text{ Mts Mts Mts} \times 60 \times 3.91$
    - ▶ Density of 17,595,000/ton.
  - ▶ Occurrence Nêga-07:
    - ▶  $200 \times 500 \text{ Mts Mts Mts} \times 60 \times 3.73$
    - ▶ Density of 22,380,000/ton.
  - ▶ Occurrence Nêga-08:
    - ▶  $150 \times 450 \text{ Mts Mts Mts} \times 60 \times 3.12$
    - ▶ Density of 12,636,000/ton.
  - ▶ Occurrence MOUNTAIN Kamil:
    - ▶  $1200 \times 150 \text{ Mts Mts Mts} \times 70 \times 4.24 =$  Density of 53,424,000/ton.
  - ▶ Total reserves of iron ore inferred:
    - ▶ 1,903,533,000/ton. (One billion nine hundred and three million five hundred thirty-three thousand tons)
- ▶The total amount of the results above can vary, since the calculation of area was determined by only 50% of areas checked "in loco" as well as the inability to search mines with more than 50 meters of depth, which leads us to infer an inexact value, that can still be used as reference. It is suggested surface geophysical surveys (Mag-land) in order to create a model in 3 dimensions to confirm the exact quantity of iron ore available on the reserves.



# Partership Intentions

Our client's intentions is a partnership on the extraction of iron ore on the five areas which are 37,679.77 hectars wide, enabling a large research project and exploration of iron ore and other minerals. We intend on receiving the value of US\$ 100,000,000.00 (One hundred million U.S. dollars) upon the signing of the contract, and exploration royalties of 15% (fifteen percent) on the liquid profit resulted by sell of mineral resources extracted from the areas.



We are is always available to visit our areas with our Geologist, providing access to outcrops.