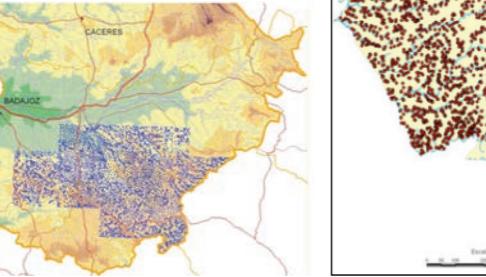
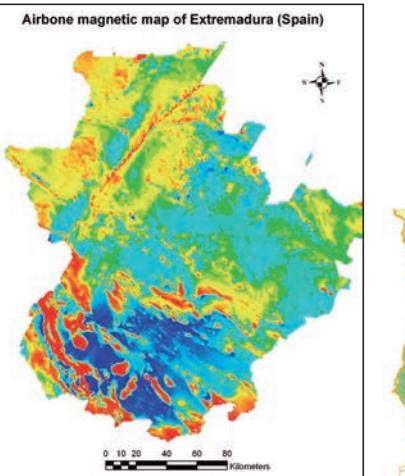


Reasons to invest in the mining sector of Extremadura (Spain)

1. Strong geological and mineral potential. Rich mining history. More than 1,000 metallic deposits registered. Strong exploration possibilities.
2. Legal stability, low taxes, special aids and incentives implemented with the objective of promoting the economic growth of Extremadura. (More information: www.investinextremadura.com).
3. Regional government friendly and proactive to develop the mining sector.



4. Highly developed geological, geochemical, geophysical and mineral occurrence data. Geological maps at scale 1:50,000 are available for the whole of Extremadura. Airbone magnetometric and radiometric surveys cover 80% of Extremadura and a gravimetric survey at a density of 1 point per km² is available for the entire territory. Different geochemical surveys on the Ossa Morena zone and other parts of Extremadura are available. Other geological and mining reports and maps available are: "The mining in Extremadura", (1992); "The Mineral occurrence map of Extremadura" (2007); "The geological map of Extremadura at 1:250,000" (2010), etc.
5. All geological and mineral resources data of Extremadura is available at the SIGEO website (<http://sigeo.gobex.es>), where you can interactively consult the mining rights map and all the geological, geochemical, mineral resources and geophysical information of Extremadura in GIS format.



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Dirección General de
Industria, Energía y Minas

JUNTA DE EXTREMADURA
Consejería de Economía e Infraestructuras



EXTREMADURA (SPAIN), A MINING REGION IN EUROPE

- Two metallic mines: Aguablanca (Ni-Cu) and La Parrilla (W).
- New discoveries: San José (Li) and Alconchel (Cu-Fe-Au) deposits.
- More than 1,000 metallic deposits and occurrences. Strong exploration possibilities.
- SIGEO, a powerful interactive website to access Extremadura geological and mining data: <http://sigeo.gobex.es>.
- Mining-friendly regional Government. Strong business incentives and support for foreign investment.

JUNTA DE EXTREMADURA

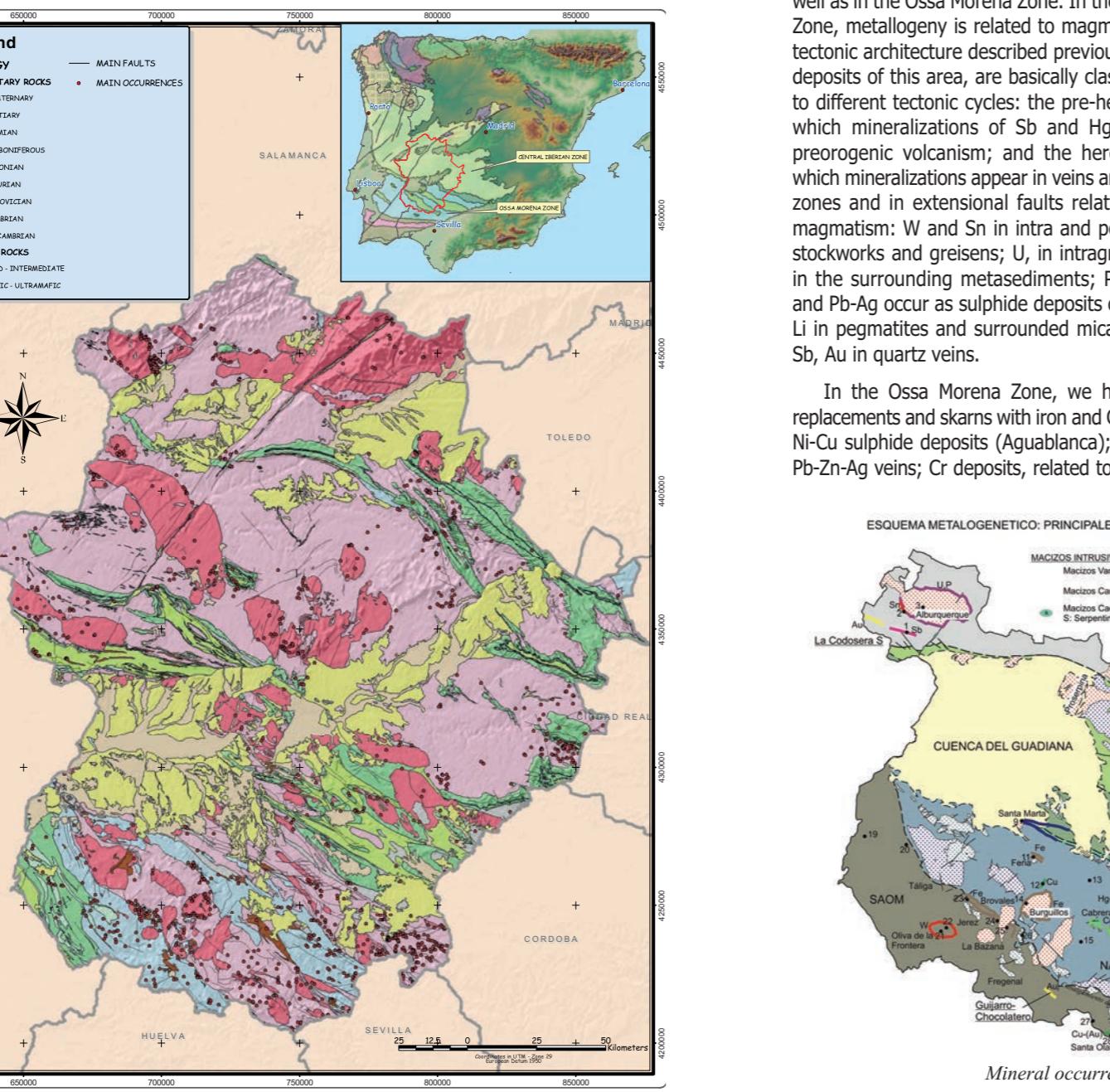
Extrémadura is an Autonomous Region located in the southwest part of Spain, close to the border of Portugal, that comprises the provinces of Cáceres (in the north) and Badajoz (in the south). It covers an area of 41,634 km² and has just over 1.07 million inhabitants.

Regional geology

The geology of the Extremadura region is characterised by the presence of two of the major tectonostratigraphic zones of the Variscan Iberian Massif: the Central Iberian Zone (CIZ) to the north, and the Ossa Morena Zone (OMZ) to the south.

The Slate and Greywacke Complex Domain (SGCD) is the biggest domain of the CIZ in Extremadura. Stratigraphy of the SGCD consists of Neoproterozoic-Lower Cambrian succession, formed by a succession of shales and sandstones, occasionally levels of conglomerates and volcano-sedimentary rocks. One of the CIZ essential characteristics is the great abundance of granitic batholithes syn-post Variscan orogeny, with ages from 325 to 300 Ma and with peraluminous potassium rich character.

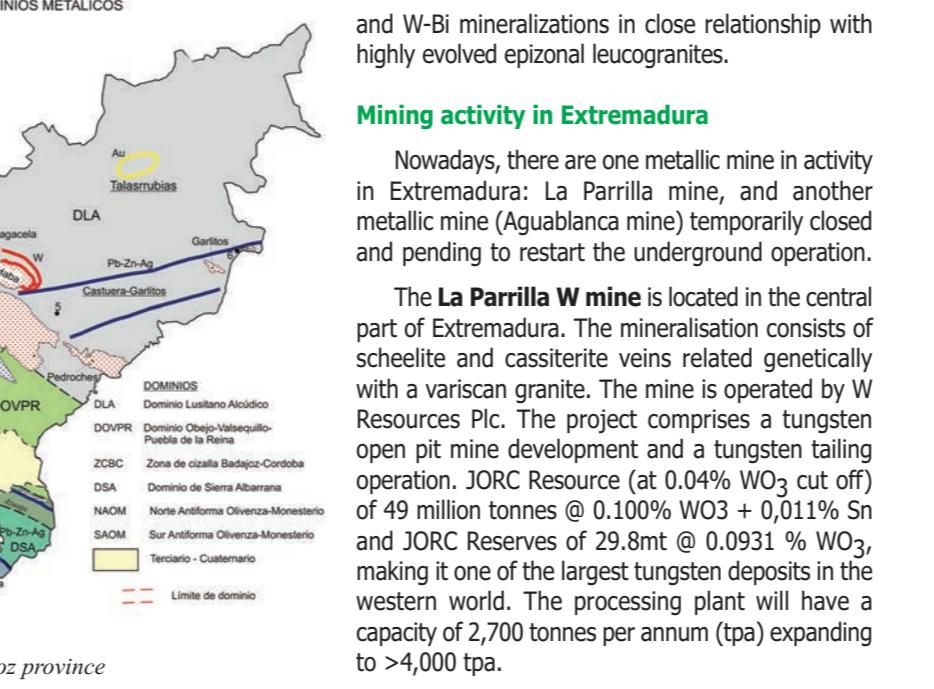
The Ossa Morena Zone (OMZ) is the other major tectonostratigraphic unit of the Variscan Iberian Massif represented in the Extremadura region. This zone contains sedimentary rocks belonging to a complex polyphase accretionary system ranging in age from late Riphean to late Carboniferous. In the OMZ also occurs an important volume of igneous rocks and a great variety of plutonic and volcanic rock types, alkaline to calc-alkaline series can be found, related with three main magmatic events, the Cadomian and Variscan orogenic cycles and to the intermediate extensional phase mainly developed in Ordovician times.



Mineral deposits

More than 1000 ore deposits are registered in Extremadura distributed in the Central Iberian Zone, as well as in the Ossa Morena Zone. In the Central Iberian Zone, metallogeny is related to magmatic activity and tectonic architecture described previously. The mineral deposits of this area, are basically classified according to different tectonic cycles: the pre-hercynian cycle in which mineralizations of Sb and Hg are related to preorogenic volcanism; and the hercynian cycle, in which mineralizations appear in veins and lodes in shear zones and in extensional faults related to collisional magmatism: W and Sn in intra and perigranitic veins, stockworks and greisens; U, in intragranitic veins and in the surrounding metasediments; Pb-Zn, Pb-Zn-Cu and Pb-Ag occur as sulphide deposits of vein type; Sn-Li in pegmatites and surrounded micas (zinnwaldite); Sb, Au in quartz veins.

In the Ossa Morena Zone, we have to mention replacements and skarns with iron and Cu-Au; magmatic Ni-Cu sulphide deposits (Aguablanca); Cu-Au-Bi veins; Pb-Zn-Ag veins; Cr deposits, related to ultrabasic rocks



Mining activity in Extremadura

Nowadays, there are one metallic mine in activity in Extremadura: La Parrilla mine, and another metallic mine (Aguablanca mine) temporarily closed and pending to restart the underground operation.

The **La Parrilla W mine** is located in the central part of Extremadura. The mineralisation consists of scheelite and cassiterite veins related genetically with a variscan granite. The mine is operated by W Resources Plc. The project comprises a tungsten open pit mine development and a tungsten tailing operation. JORC Resource (at 0.04% WO₃ cut off) of 49 million tonnes @ 0.100% WO₃ + 0,011% Sn and JORC Reserves of 29.8mt @ 0.0931 % WO₃, making it one of the largest tungsten deposits in the western world. The processing plant will have a capacity of 2,700 tonnes per annum (tpa) expanding to >4,000 tpa.

The **Aguablanca Ni-Cu mine** is located close to the southern border of Extremadura and represents the only known nickel-sulphide deposit in the southwestern Europe. The mine is operated by Valoriza Minería, S.L.U., and the mineralisation consists mainly in massive to semimassive pyrrhotite, pendlandite, chalcopyrite and pyrite, genetically related to mafic and ultramafic intrusions in the Lower Carboniferous of the Ossa Morena Zone. The initial Aguablanca's mineral reserves, reported above a 0.2% Ni cut-off, were 15.7 Mt at 0.66% Ni, 0.46% Cu and 0.47 g/t PGM. Current operations consist of maintenance but the new owner is working to restart the exploitation on an underground operation. The underground mineral reserves are 3.45 Mt @ 0.6% Ni and 0.5% Cu. Processing facilities: on-site milling and flotation (1.9 mtpa capacity).

Mineral exploration activity in Extremadura

Nowadays, there are several companies that are exploring different metallic deposits.

- Valoriza Minería, S.L.U., and Plymouth Minerals Ltd., have discovered a new **lithium** deposit at the **San José (Valdeflórez) mine**, near Cáceres. Lithium mineralisation is hosted in mica minerals (zinnwaldite) related to a buried granite with Sn-W-Li occurrences mined historically. Plymouth released a maiden JORC Resource of 92.6Mt @ 0.60% Li₂O and 0.03% Sn (0.10% Li cut off) (1.3Mt Lithium Carbonate Equivalent LCE), with higher-grade core (16.5 Mt @ 0.9% Li₂O and 0.04% Sn (0.35% Li cut off)), with additional Exploration Target of 80-120Mt at 0.5-0.6% Li₂O of additional mineralised material, open at depth and along strike.
- Valoriza Minería, S.L.U., is conducting an aggressive exploration programme in the Ossa-Morena zone. The project most advanced is **Las Herrerías de Alconchel** (Badajoz), an iron oxide-copper-gold mineralisation hosted by a volcano-sedimentary formation of lower to middle Cambrian age, on the Ossa Morena zone. Other projects are the **Guijarro-Chocolatero** gold project, located south of Badajoz province, and the **La Vicaria** (Badajoz) project, a VMS-type Cu (+Co and Au) mineralisation located on the Ossa Morena zone.
- Mineral Exploration Network, Ltd. in joint venture with Metal Tiger PLC, is exploring for gold, antimony, tungsten, in the **Logrosán** zone (Cáceres province). Preliminary results are very encouraging in Majadacaliente, San Cristobal South, El Agujoncillo and El Serranillo occurrences.
- Emerita Resources Corp., a Forbes & Manhattan company, is investigating the gold deposit of **Las Morras** in Casas de Don Pedro (Badajoz province).
- Mineral Exploration Network, Ltd., is conducting an initial exploration programme for zinc, lead and silver in the **Plasenzuela-Trujillo** zone (Cáceres province) with old mine sites (La Sevillana and La Serafina mines).
- MATSA, a Mubadala and Trafífigura company, is starting exploration at the old Sn, W, Nb, Ta **Desquites** mine in Torrecilla de los Ángeles (Cáceres province).
- Other companies are investigating the lead, zinc, copper VMS deposit of **Las Herrerías** in Puebla de la Reina (Badajoz), the tin-lithium deposit of **Tres Arroyos** in Alburquerque (Badajoz), the chromite deposit of **Cabeza Gorda** in Calzadilla de los Barros (Badajoz province), and different Sn-W-Bi deposits distributed around Extremadura (**Virgen de Gracia, Mari Juli, Santa María mine**).
- Mineral Exploration Network, Ltd., and Ormond Mining plc., have lodged several exploration licences applications for gold at the **La Codosera** zone (Badajoz province) and the **Valencia de Alcántara** zone (Maria Rosa old mine); and MATSA for copper at the **Ossa Morena** zone (Badajoz province).

