

Cuervo Resources Inc.

Management's Discussion and Analysis

NINE MONTHS ENDED DECEMBER 31, 2007

General

This Management Discussion and Analysis ("MD&A") of the financial condition and results of the operations of Cuervo Resources Inc. (the "Company" or "Cuervo") is intended to supplement and complement the Company's unaudited interim consolidated financial statements and related notes as at and for the three and nine month periods ended December 31, 2007. This MD&A should be read in conjunction with those unaudited interim consolidated financial statements, as well as the annual audited financial statements of the Company and the related annual MD&A for the year ended March 31, 2007 and March 31, 2006, which were prepared in accordance with generally accepted accounting principles ("GAAP") in Canada. Additional information regarding the Company can be found on SEDAR at www.sedar.com. All amounts following are expressed in Canadian dollars unless otherwise stated. This discussion and analysis is dated February 28, 2008.

Description of Business

The Company is a reporting issuer engaged in the acquisition and exploration of mineral properties with a primary interest in iron. The Company was incorporated under the *Business Corporations Act* (Ontario) as "2064937 Ontario Inc." on February 11, 2005. On March 14, 2005 the Company amended its articles to change its name to "Cuervo Resources Inc."

The Company filed and received a final receipt from the Ontario Securities Commission, dated May 7, 2007, for a Prospectus for an initial public offering (the "Offering"). Through the mutual reliance review system (National Policy 43-201) this also includes receipts from the securities regulators in Alberta and British Columbia. The Prospectus and associated documentation can be viewed on SEDAR. Jones, Gable & Company Limited agreed to act as agent for the Offering for the Company. The Offering was fully subscribed for five (5) million Units at \$0.50 per unit for gross proceeds of \$2.5 million. Each Unit consisted of one (1) common share and one (1) common share purchase warrant. Each warrant can be exercised to acquire one additional common share at a price of \$0.75 per share for 24 months from the closing date (May 30, 2007), subject to earlier acceleration upon the occurrence of certain specified events. Subsequent to the Offering, the Company had 21,103,000 shares outstanding (31,706,000 fully diluted). The Company began trading on the Canadian Trading and Quotation System Inc. (CNQ) on May 30, 2007 with the trading symbol "IRON". Subsequently the Company began trading on the Frankfurt Stock Exchange (FWB) with the trading symbol "CRR".

The Company is currently focusing its exploration efforts in Perú.

The Company has one subsidiary, Minera Cuervo S.A.C., a Peruvian corporation of which the Company owns 100% of the outstanding shares: 99.7% directly and 0.3% indirectly through a trustee. The financial statements of the Company and Minera Cuervo have been combined as they are affiliated businesses.

As at February 28, 2008, the directors and officers of the Company were:

John M. Siriunas, P.Eng.	President, Secretary and Director
Daniel E. Hamilton, C.A.	Chief Financial Officer
Gordon D. Watts, P.Eng.	Director
Brian Berner	Director, Chairman
Velasquez Spring, P.Eng.	Director
Brian M. Cloney, C.A.	Director

Messrs. John M. Siriunas, P.Eng., Gordon Watts, P.Eng. and Velasquez Spring, P.Eng. are all "Qualified Persons" under the definition of National Instrument 43-101. Mr. Siriunas acts as the primary qualified person for the Company.

Overall Performance

For the nine months ended December 31, 2007 the Company's cash position increased from \$1,449,933 at March 31, 2007 to \$4,514,278 at December 31, 2007. During the nine-month period the Company completed an initial public unit offering of its shares and issued 5,000,000 common shares for gross proceeds of \$2,500,000. A total of 5,311,475 common share purchase warrants and 74,575 agent's option warrants were exercised during the period for additional proceeds of \$3,720,894. All these funds will be used for general working capital purposes and to fund exploration programs for FY 2008, and possibly beyond.

The Company is engaged in the business of preliminary or early stage mineral exploration and mine development. The Company holds no interests in producing or commercial ore deposits. The Company has no production or other revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of ore containing economic concentrations of iron or other mineral resources are discovered. If in the future a discovery is made, substantial financial resources will be required to establish ore reserves. Additional substantial financial resources will be required to develop mining and processing for any ore reserves that may be discovered. If the Company is unable to finance the establishment of ore reserves or the development of mining and processing facilities it will be required to sell all or a portion of its interest in such property to one or more parties capable of financing such development.

The Company is subject to numerous risk factors that may affect its business prospects in the future. These include commodity prices, availability of capital, exploration risks, political and regulatory risks, environmental risks, competition, dependence on key personnel, potential risks relating to mineral titles and aboriginal land claims, currency risk and potential amendments to tax laws.

Selected Annual Information

	For the years ended March 31,	
	<u>2007</u>	<u>2006</u>
Interest income	13,462	-
Profit (Loss) for the year	(942,648)	(277,942)
Profit (Loss) per share	(0.072)	(0.042)
Total assets	2,044,551	368,783
Total long-term liabilities	-	-

Results of Operations

The Company's operations involve the acquisition and exploration of its iron properties in Perú. For the nine months ended December 31, 2007, Cuervo had a net loss of \$3,378,391 (2006 - \$555,113). Details of the expenditures, comprised principally of general and administration costs and exploration costs, contributing to the loss are described below.

	<u>Nine Months ended December 31,</u>	
General and Administrative Costs	<u>2007</u>	<u>2006</u>
Professional fees	\$ 254,988	\$ 94,354
Consulting fees	\$ 157,589	\$ 58,550
Stock-based compensation	\$ 1,071,036	\$ -
General office and Investor Relations	\$ 305,549	\$ 90,604
Foreign exchange (gain) loss	\$ 17,572	\$ (31,894)
Depreciation	\$ 13,041	\$ -
Telecommunications	\$ 19,537	\$ 5,915
Rent	\$ 68,982	\$ 10,314
Interest and bank charges	\$ 1,419	\$ 5,160
Vehicle rentals	\$ 66,378	\$ 29,732
Exploration costs	\$ 1,266,632	\$ 191,772
Wages and benefits	\$ 173,035	\$ 105,928

For the nine months ended December 31, 2007, Cuervo incurred total general, administrative and exploration expenses of \$3,415,758 compared to total general, administrative and exploration expenses of \$560,435 for the nine months ended December 31, 2006. Professional fees of \$254,988 (2006 - \$94,354) were all paid to unrelated parties, legal counsel and auditors. Consulting fees of \$102,750 (2006 - \$58,550) were paid, for administrative and financial management services, to related parties and fees of \$54,839 (2007 - \$Nil) were paid to unrelated parties. General office and investor relations expenses of \$305,549 (2006 - \$90,604) reflect reimbursements by the Company at cost to related parties of \$57,850 (2006 - \$77,037) and payments to unrelated parties of \$247,699 (2006 - \$13,567). Wages and benefits of \$173,035 (2007 - \$105,928) were paid by Minera Cuervo to Peruvian residents for services rendered to Minera Cuervo.

Interest and bank charges reflect the cost of incoming and outgoing wire transfers. Rent is for head office space. Vehicle rentals relate to the subsidiary office in Peru.

The high level of general and administrative expenses in the period reflects sizeable legal fees related to the filing of a prospectus to become a public issuer, the costs of becoming a public issuer and the granting of stock options. The general and administrative expenses are expected to be less going forward.

The foreign exchange loss of \$17,572 (2006 - gain of \$31,894) during the nine-months ended December 31, 2007 primarily reflects the impact of the fluctuating Canadian dollar on monetary assets and expense items. As detailed in Note 2 to the unaudited interim consolidated financial statements, monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing at the balance sheet date. Non-monetary assets and liabilities are translated into Canadian dollars at approximate exchange rates prevailing at the transaction date. Revenues and expenses are translated at average exchange rates prevailing during the period.

Drilling and other exploration expenditures on Minera Cuervo's individual mining concessions are expensed as incurred and amounted to \$1,266,632 (2006 - \$191,772) for the nine months ended December 31, 2007 including \$46,250 (2006 - \$23,250) in consulting fees to a related party.

A total of 2,110,000 stock options had been granted under the Company's stock option plan as of December 31, 2007, resulting in stock compensation expense of \$1,071,036 for the nine months ended December 31, 2007 (2006 - \$Nil).

Related Party Transactions

A total of \$149,000 (2006 - \$96,500) was paid to related parties in the nine month period ended December 31, 2007 for consulting and exploration fees, \$102,750 (2006 - \$73,250) of which was accounted for as consulting fees expenses for financial management, administrative services and investor relations services and \$46,250 (2006 - \$23,250) of which was accounted for as exploration expenses. Of the aforementioned \$102,250, \$22,500 (2006 - \$20,000) was paid to the Chief Financial Officer for financial management services, \$46,250 (2006 - \$23,250) was paid to the President for administrative services, \$34,000 (2006 - \$30,000) were paid to a director of the Company and companies controlled by individuals related to a director of the Company for administrative and investor relations services. The aforementioned \$46,250 (2006 - \$23,250), accounted for as exploration expenses, was paid to the President for geological consulting services.

A total of \$57,850 was reimbursed to related parties for out of pocket expenses incurred by the related parties on behalf of Cuervo during the nine month period ended December 31, 2007. Of the aforementioned \$57,850, \$32,001 was reimbursed to the President for travel costs, \$7,348 was reimbursed to the Chief Financial Officer for Promotion costs, and \$18,501 was reimbursed to a company controlled by a director for travel and promotion costs.

Management of Cuervo believes that the amounts paid to related parties are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

Summary of Quarterly Results

Selected financial information for the first three quarters of FY 2008, the four quarters of FY 2007 and the last quarter of FY 2006 follows:

<i>Fiscal year 2008</i>	4 th Quarter	3 rd Quarter	2 nd Quarter	1 st Quarter
Revenue	-	15,237	22,130	-
Gain (Loss)	-	(1,264,422)	(420,265)	(1,648,254)
Gain (Loss) per share	-	(0.05)	(0.02)	(0.09)
<i>Fiscal year 2007</i>	4 th Quarter	3 rd Quarter	2 nd Quarter	1 st Quarter
Revenue	8,140	5,322	-	-
Gain (Loss)	(387,535)	(174,546)	(182,118)	(198,449)
Gain (Loss) per share	(0.032)	(0.015)	(0.016)	(0.019)
<i>Fiscal year 2006</i>	4 th Quarter	3 rd Quarter	2 nd Quarter	1 st Quarter
Revenue	-	-	-	-
Gain (Loss)	(277,942)	-	-	-
Gain (Loss) per share	(0.042)	-	-	-

Liquidity and Capital Resources

Cash and cash equivalents as at December 31, 2007 was \$4,514,278, the balance of its funds raised during the first 38 months of operations less funds expended. The Company has no long-term debt. Accounts payable and accrued liabilities at December 31, 2007 were \$41,111.

The Company issued 5,000,000 shares at a price of \$0.50 per share for its initial public offering on May 30, 2007 to provide operating capital. The table below is a summary of the outstanding shares as at December 31, 2007:

Date of Issue	Number of Common Shares Issued	Price Per Share/Deemed Price Per Share	Manner of Issue
February 11, 2005	100	\$0.01	Cash
May 30, 2005	4,849,900	\$0.01	For services
July 6, 2005	400,000	\$0.10	Cash
November 16, 2005	3,250,000 ¹	\$0.10	Cash
November 23, 2005	1,150,000	\$0.10	Cash as to 1,000,000 shares and as to 150,000 for services
March 15, 2006	750,000	\$0.10	Cash
June 9, 2006	1,500,000	\$0.30	Cash
October 31, 2006	2,938,000 ²	\$0.50	Cash
November 22, 2006	1,265,000 ²	\$0.50	Cash
May 30, 2007	5,000,000 ^{3,4}	\$0.50	Cash

Date of Issue	Number of Common Shares Issued	Price Per Share/Deemed Price Per Share	Manner of Issue
July - Dec 2007	838,000 ³	\$0.75	Cash
October 11, 2007	500,000 ¹	\$0.15	Cash
Oct/Nov/Dec 2007	3,953,000 ²	\$0.75	Cash
Nov/Dec 2007	74,575 ⁴	\$0.50	Cash
Nov/Dec 2007	20,475 ⁴	\$0.75	Cash
Total	26,489,050		

1 - A total of 500,000 warrants were also issued to a single individual as part of a unit offering. Each warrant was eligible to be exercised to acquire one additional common share at a price of \$0.15 per share, expiring on November 18, 2007. These warrants were exercised on October 11, 2007.

2 – A total of 4,203,000 warrants were also issued. Each warrant could be exercised to acquire one additional common share at a price of \$0.75 per share. On November 8, 2007, the Company exercised its right to accelerate the expiry date of these warrants to December 10, 2007. The previous expiry date was two (2) years from the date of issue. The Company was entitled to accelerate the expiry date of these warrants as common shares of the Company traded on a recognized stock exchange at a closing price of \$1.10 or higher for at least twenty (20) consecutive trading days. Of the warrants outstanding at the beginning of the period, 3,953,000 were exercised at a price of \$0.75 per common share and 250,000 warrants expired.

3 - A total of 5,000,000 warrants were also issued. Each warrant can be exercised to acquire one additional common share at a price of \$0.75 per share. These warrants expire two (2) years from the date of issue. As common shares of the Company traded on a recognized stock exchange at a closing price of \$1.10 or higher for a period of twenty (20) consecutive trading days, the Company is entitled to accelerate the expiry date of these warrants. As at December 31, 2007, the Company has no current plans to accelerate the expiry date on the remaining warrants. During the period ended December 31, 2007, the Company issued 838,000 common shares for gross proceeds of \$628,500 on the exercise these warrants. The balance of warrants outstanding on December 31, 2007 was 4,162,000.

4 – A total of 450,000 Agent’s Option warrants were also issued as part of the Agent’s commission related to the initial public offering. Each Agent’s Option warrant can be exercised to acquire 1) one additional common share at a price of \$0.50 per share; and 2) one additional warrant which can be exercised to acquire one additional common share at a price of \$0.75 per share. The Agent’s Option warrants expire two (2) years from the date of issue. As the common shares of the Company traded on a recognized stock exchange at a closing price of \$1.10 or higher for a period of twenty (20) consecutive trading days, the Company is entitled to accelerate the expiry date of these agent’s option warrants to a period that is 30 days after written notice is given by the Company. As at December 31, 2007, the Company has no current plans to accelerate the expiry date on the remaining warrants. During November/December 2007, the Company issued 74,575 common shares and 74,575 common share purchase warrants on the exercise of 74,575 Agent’s option warrants. An additional 20,475 common shares were issued on the subsequent exercise of common share purchase warrants issued to Agent’s. As at December 31, 2007 there 375,425 Agent’s Option warrants outstanding, and 54,100 common share purchase warrants issued to Agent’s outstanding.

Changes in Accounting Policies including Initial Adoption

Stock-based compensation

Effective April 1, 2005, the Company adopted the revised *CICA Handbook* Section 3870, “Stock-based Compensation and Other Stock-based payments”, which requires that a fair value-based method of accounting be applied to all stock-based compensation payments to both employees and non-employees.

Other

As of April 1, 2007, the Company adopted three (3) new standards issued by the Canadian Institute of Chartered Accountants (CICA). These new standards pertain to 1) financial instruments, recognition and measurement (*CICA Handbook* Section 3855); 2) hedges (Section 3865); and 3) comprehensive income (Section 1530).

Financial Instruments and Other Instruments

The Company’s financial instruments consist of cash and cash equivalents, marketable securities, sundry receivables, advance receivable and accounts payable and accrued liabilities. It is management’s opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Management’s Evaluation of Disclosure Controls and Procedures

Management is responsible for establishing and maintaining a system of controls and procedures over the public disclosure of financial and non-financial information regarding the Company. Such controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported, on a timely basis, to senior management, including the President, acting in the capacity of Chief Executive Officer (CEO), and the Chief Financial Officer (CFO), so that appropriate decisions can be made by them regarding public disclosure.

The system of disclosure controls and procedures includes, but is not limited to, our Disclosure Policy, our Code of Business Ethics, the effective functioning of our Audit Committees, procedures in place to systematically identify matters warranting consideration of disclosure by the Board of Directors and verification processes for individual financial and non-financial metrics and information contained in annual and interim filings, including the financial statements, MD&As, Annual Information Forms and other documents and external communications.

As required by CSA Multilateral Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures was conducted, under the supervision of Management, including the President and CFO, as of March 31, 2007. The evaluation included documentation review, enquiries and other procedures considered by Management to be appropriate in the circumstances.

Based on that evaluation, the President and the CFO have concluded that the design and operation of the system of disclosure controls and procedures was effective as of March 31, 2007.

The President, acting in the capacity of CEO, and CFO are also required to file certifications of our interim filings. Copies of these certifications may be found on SEDAR at www.sedar.com.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of expenses during the reporting period. Actual results could differ from those estimates.

Accounting Standards and Policies - Critical Accounting Estimates

Critical accounting estimates that require judgment are used in the preparation of the consolidated financial statements. The carrying values of mining interests are the lower of the historic cost and the recoverability of the recorded value of the mining interests. The recoverability of the recorded value of mining interests is based on market conditions for minerals, the minerals associated with the properties and the future costs that could be required to develop the properties or the potential for the sale to a third party of the mining interests.

Off-Balance Sheet Arrangements

As at December 31, 2007, the Company does not have any off-balance sheet arrangements.

Other Information

Disclosure of Outstanding Share Data as at December 31, 2007

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited Common Shares	26,489,050 Common Shares
Securities convertible or exercisable into voting or equity shares	5,900,000 warrants exercisable to acquire 5,900,000 common shares expiring as follows: May 30, 2009 - 450,000 @ \$0.50 May 30, 2009 - 5,450,000 @ \$0.75 2,110,000 options exercisable to acquire 2,110,000 common shares expiring as follows: June 4, 2012 - 1,860,000 @ \$1.15 Sept 27, 2012 - 150,000 @ \$1.15 Dec 16, 2012 - 100,000 @ \$2.50	4,966,950 warrants exercisable to acquire 4,966,950 common shares expiring as follows: May 30, 2009 - 375,425 @ \$0.50 May 30, 2009 - 4,591,525 @ \$0.75 2,110,000 options exercisable to acquire 2,110,000 common shares expiring as follows: June 4, 2012 - 1,860,000 @ \$1.15 Sept 27, 2012 - 150,000 @ \$1.15 Dec 16, 2012 - 100,000 @ \$2.50

During the nine months ended December 31, 2007, the Company made the following share issuances:

- a) 5,000,000 shares were issued from treasury for an initial public offering for gross proceeds of \$2,500,000; and
- b) 5,386,050 shares were issued from treasury for the exercise of common share purchase warrants and agent's option warrants for gross proceeds of \$3,720,894.

Share capital at December 31, 2007 consists of 26,489,050 issued and outstanding common shares compared to 16,103,000 at March 31, 2007.

During the nine months ended December 31, 2007, the Company issued a total of 2,110,000 stock options to directors, officers, consultants and employees. Of the stock options issued, 1,860,000 of these options can be exercised at a price of \$1.15 per common share and expire on June 4, 2012; 150,000 options can be exercised at a price of \$1.15 per common share and expire on September 27, 2012; and 100,000 options can be exercised at a price of \$2.50 per common share and expire on December 16, 2012.

In accordance with the requirements of National Policy 46-201, as of March 31, 2007 there were 2,300,000 common shares held in escrow, representing approximately 14% of the outstanding common shares of the Company. The escrowed shares will be released from escrow as to 1/10 thereof on the date that the common shares are listed on a recognized Canadian stock exchange, 1/6 of the remaining common shares 6 months after the listing date, 1/5 of the remaining common shares 12 months after the listing date, 1/4 of the remaining common shares 18 months after the listing date, 1/3 of the remaining common shares 24 months after the listing date, 1/2 of the remaining common shares 30 months after the listing date, and the remaining escrowed common shares on the date that is 36 months after the listing date. A total of 230,000 shares were released from escrow on May 30, 2007 and a further 345,000 shares were released on November 30, 2007, leaving 1,725,000 common shares still held in escrow as at December 31, 2007.

As at February 28, 2008, the Company had 26,543,750 common shares outstanding; 4,180,080 common share purchase warrants outstanding; 365,725 agent's option warrants outstanding; and 2,110,000 stock options outstanding.

Exploration Activities

The Company is focused on exploring and developing its iron properties located in Perú.

Cerro Ccopane

The Company has a 100% interest in ten (10) contiguous mining concessions south of Cuzco in southern Perú; four (4) of these concessions were acquired for a cash payment during the period (see Property Acquisitions, below). The ten concessions cover 5,400 ha. The original six (6) concessions, which cover 3,300 ha, are the subject of a NI 43-101-compliant report entitled "Technical Report on the Cerro Ccopane Iron Project" authored by James A. McCrea, P.Geol. and Ryan Grywul, B.Sc. and dated January 8, 2007. The Cerro Ccopane property constitutes the Company's "property of merit". Effective March 2, 2007, the Company entered into an agreement with the local landowners from the rural community of Huillque for surface rights in the area. The agreement allows the Company to build access roads, a camp and conduct exploration on the property. During the period, the Company carried out mapping, road construction and trenching on the property.

Concession Name	Size (ha)	Department	Province	District
Posada 1	500	Cusco	Chumbivilcas/Paruro	Capacmarca/Omacha
Posada 2	800	Cusco	Paruro	Omacha
Posada 3	900	Cusco	Paruro	Omacha
Posada 5	500	Cusco	Chumbivilcas/Paruro	Capacmarca/Omacha
Posada 6	200	Cusco	Chumbivilcas/Paruro	Chamaca/Omacha
Posada 7	400	Cusco	Paruro	Omacha
Huini II	200	Cusco	Paruro	Omacha
Huini III	600	Cusco	Chumbivilcas/Paruro	Capacmarca/Omacha
Huini IV	800	Cusco	Chumbivilcas	Capacmarca/Colquemarca
Alizandra	500	Cusco	Paruro	Omacha

The Company's Category "C" Environmental Assessment regarding the Cerro Ccopane property was given final approval by the Ministerio de Energía y Minas del Perú as Directoral Resolution No. 229-2007 MEM/AAM on July 11, 2007. This approval allows the Company to commence advanced exploration including diamond drilling on concessions Posada 2 and Posada 5.

Diamond drilling commenced on July 29, 2007. The Company has under contract MDH S.A.C. of Lima, Perú By the end of the period 6,067.55 m had been drilled in 49 drill holes and three (3) drills were at work on the property. The program of diamond drilling by the Company's wholly owned subsidiary Minera Cuervo S.A.C. ("Minera Cuervo") is currently being focussed on the Orcopura (also known as Wiychaucassa or Posada 2) zone of mineralization. The Company is targeting near surface, relatively flat-lying iron mineralization (magnetite ± hematite). Results from the first 29 drill holes were announced in press releases dated October 22nd, October 30th, November 1st, November 15th and December 6th, 2007. Those results are summarized below:

ODH – 01	Total depth 147.25 m, vertical, 3805 m AMSL (ODH - 02, ODH - 03)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	0 - 131.25	131.25	131	57.31	2.18	0.03	0.05	0.12
Includes	15.00 - 49.50	34.5		58.01	0.3	0.04	0.04	0.1
	60.00 - 87.00	27		59.98	3.39	0.03	0.03	0.16
	92.00 - 131.25	39.25		60.3	3.72	0.03	0.05	0.16
ODH – 02	Total depth 68.30 m, -45° to grid north, 3805 m AMSL (ODH - 01, ODH - 03)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	1.40 - 47.05	45.65	32	52.75	0.05	0.06	0.19	0.06
Includes	20.05 - 45.55	25.5		58.31	0.05	0.05	0.19	0.06
ODH – 03	Total depth 189.45 m, -60° to grid south, 3805 m AMSL (ODH - 01, ODH - 02)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	0 - 149.00	149	129	53.92	1.35	0.05	0.07	0.11
Includes	27.50 - 48.50	21		56.27	0.92	0.05	0.06	0.14
	53.20 - 132.00	78.8		59.48	1.47	0.04	0.06	0.12
ODH – 04	Total depth 100.05 m, vertical, 3755 m AMSL (ODH - 05, ODH - 06)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	4.50 - 78.50	74	74	60.29	0.79	0.04	0.08	0.1
Includes	15.50 - 78.50	63		62.61	0.92	0.03	0.08	0.12
ODH – 05	Total depth 130.65 m, -45° to grid north, 3755 m AMSL (ODH - 04, ODH - 06)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	3.00 - 108.00	105	74	60.4	1.36	0.04	0.04	0.09
Includes	34.50 - 108.00	73.5		62.94	1.9	0.02	0.04	0.1
ODH – 06	Total depth 125.00 m, -45° to grid south, 3755 m AMSL (ODH - 04, ODH - 05)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	1.70 - 92.70	89.5	63	56.57	0.71	0.05	0.04	0.07
Includes	15.50 - 62.00	46.5		63.5	0.13	0.04	0.02	0.04
	70.20 - 88.20	18		60.8	2.14	0.03	0.06	0.06
ODH – 07	Total depth 177.00 m, vertical, 3750 m AMSL (ODH - 08)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	0 - 71.00	71	71	53.94	0.83	0.08	0.07	0.11
Includes	0 - 37.50	37.5		61.55	0.25	0.1	0.06	0.16
	46.00 - 68.00	22		55.23	1.49	0.04	0.09	0.07
Other	75.50 - 81.50	6		54.66	3.87	0.03	0.12	0.11
	138.50 - 152.35	13.85		59.42	4.05	0.06	0.07	0.12
ODH – 08	Total depth 178.90 m, -60° to grid south, 3750 m AMSL (ODH - 07)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	5.30 - 106.64	99.84	86	46.79	1.42	0.05	0.08	0.11
Includes	5.30 - 43.70	38.4		53.41	0.09	0.04	0.05	0.12
	56.60 - 67.20	10.6		59.07	0.42	0.07	0.07	0.1
	79.64 - 93.14	13.5		55.94	3.46	0.06	0.08	0.12
ODH – 09	Total depth 88.25 m, vertical, 3725 m AMSL (ODH - 10)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	6.50 - 55.30	48.8	48	56.77	1.34	0.03	0.12	0.11
Includes	6.50 - 41.00	34.5		60.56	0.56	0.03	0.09	0.11
ODH – 10	Total depth 96.15 m, -45° to grid south, 3725 m AMSL (ODH - 09)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	0 - 81.60	81.6	58	54.45	0.3	0.04	0.11	0.09
Includes	3.30 - 35.20	31.9		61.46	0.05	0.03	0.11	0.07
	41.20 - 50.20	9		60.98	0.07	0.05	0.07	0.06
ODH – 11	Total depth 105.70 m, vertical, 3725 m AMSL (ODH - 12)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	0 - 34.00	34	34	55.06	0.02	0.07	0.08	0.02
Includes	0 - 23.50	23.5		59.81	0.02	0.07	0.08	0.03
Other	44.95 - 53.95	9		50.81	12.81	0.11	0.1	0.11

	74.90 – 83.90	9		53.69	4.53	0.1	0.11	0.1
	87.41 – 90.41	3		53.37	2.65	0.11	0.09	0.11
ODH – 12	Total depth 100.30 m, -60° to grid south, 3725 m AMSL (ODH - 11)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	1.50 – 39.05	37.55	32	57.51	0.03	0.04	0.1	0.04
Includes	1.50 – 18.32	16.82		59.94	0.04	0.04	0.06	0.04
Other	45.05 – 55.55	10.5		56.82	3.24	0.13	0.07	0.13
Other	59.83 – 81.50	21.67		57.45	3.61	0.12	0.08	0.12
Includes	62.00 – 72.50	10.5		62.29	3.66	0.01	0.07	0.15
ODH – 13	Total depth 52.2 m, vertical, 3711 m AMSL (ODH - 14)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	0 – 22.50	22.5	22	53.76	0.08	0.11	0.08	0.11
Includes	3.00 – 7.50	4.5		59.64	0.04	0.05	0.07	0.11
	10.80 – 22.50	11.7		57.42	0.12	0.04	0.09	0.11
ODH – 14	Total depth 88.25 m, -45° to grid south, 3711 m AMSL (ODH - 13)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	7.80 – 36.85	29.05	20	59.68	0.06	0.08	0.04	0.08
Includes	7.80 – 16.80	9		63.03	0.03	0.05	0.03	0.07
ODH – 15	Total depth 95 m, vertical, 3727 m AMSL (ODH - 16, ODH - 17)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	No intersections of mineralization							
ODH – 16	Total depth 128.25 m, -45° to grid north, 3727 m AMSL (ODH - 15, ODH - 17)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	16.65 – 46.65	30	21	59.83	3.07	0.01	0.07	0.17
Other	66.15 – 90.15	24		57.6	3.35	0.02	0.08	0.11
Other	93.15 – 99.15	6		57.13	3.52	0.03	0.09	0.11
ODH – 17	Total depth 195.40 m, -45° to grid east, 3727 m AMSL (ODH - 15, ODH - 16)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	17.00 – 29.00	12		54.4	2.76	0.01	0.09	0.14
Other	33.50 – 60.50	25.5	17	52.29	3.8	0.01	0.11	0.08
Other	72.40 – 80.10	7.7		57.13	4.77	0.01	0.1	0.07
Other	102.6 – 122.65	20.05		53.87	5.29	0.02	0.12	0.1
Other	157.65 – 180.0	22.35		54.07	4.03	0.03	0.09	0.11
ODH – 18	Total depth 106.75 m, vertical, 3769 m AMSL (ODH - 19, ODH - 21)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	5.50 – 40.00	34.5	34	62.97	0.37	0.12	0.03	0.03
Other	78.15 – 82.65	4.5		55.94	3.12	0.02	0.13	0.05
Other	91.65 – 99.15	7.5		56.32	4.28	0.03	0.06	0.12
ODH – 19	Total depth 177.20 m, -60° to grid south, 3769 m AMSL (ODH - 18, ODH - 21)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	1.60 – 51.40	49.8		63.99	0.42	0.07	0.06	0.06
Other	56.25 – 72.10	15.85		63.93	0.05	0.07	0.09	0.36
Other	80.90 – 133.70	52.8	43	54.2	3.53	0.03	0.07	0.11
ODH – 20	Total depth 188.40 m, vertical, 3676 m AMSL (ODH - 22, ODH - 25, ODH - 28)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	37.90 – 53.70	15.8		53.68	3.31	0.03	0.08	0.13
Other	76.25 – 148.15	71.9	71	55.07	3.78	0.02	0.09	0.1
Other	153.85 – 166.0	12.15		56.95	3.62	0.03	0.08	0.1
ODH – 21	Total depth 133.05 m, -45° to grid east, 3769 m AMSL (ODH - 18, ODH - 19)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	8.95 – 123.20	114.25	80	56.73	2.53	0.03	0.07	0.11
ODH – 22	Total depth 145.50 m, -46° to grid south, 3676 m AMSL (ODH - 20, ODH - 25, ODH - 28)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	7.44 – 94.85	85.15	60	57.46	3.9	0.05	0.08	0.11
ODH – 23	Total depth 155.45 m, vertical, 3703 m AMSL (ODH - 24, ODH - 26, ODH - 27, ODH - 29)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	15.80 – 140.15	112.1	112	44.07	3.47	0.09	0.07	0.1

ODH – 24	Total depth 116.80 m, -45° to grid south, 3703 m AMSL (ODH - 23, ODH - 26, ODH - 27, ODH -29)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	12.80 – 43.60	30.8	21	53.5	0.97	0.03	0.12	0.13
ODH – 25	Total depth 95.60 m, -60° to grid west, 3676 m AMSL (ODH - 20, ODH - 22, ODH - 28)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	7.10 – 27.85	20.75		47.1	3.24	0.05	0.19	0.09
Other	33.10 – 80.35	47.25	38	55.44	4.16	0.05	0.12	0.12
ODH – 26	Total depth 85.25 m, -45° to grid west, 3703 m AMSL (ODH - 23, ODH - 24, ODH - 27, ODH - 29)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	15.30 – 60.85	45.55	31	50.9	1.72	0.05	0.22	0.23
ODH – 27	Total depth 81.60 m, -45° to grid north, 3703 m AMSL (ODH - 23, ODH - 24, ODH - 26, ODH - 29)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	32.00 – 37.90	5.9	4	56.09	4.37	0.02	0.09	0.18
Other	56.70 – 61.20	4.5		53.12	2.91	0.01	0.11	0.14
ODH – 28	Total depth 118.40 m, -45° to grid east, 3676 m AMSL (ODH - 20, ODH - 22, ODH - 25)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	8.50 – 28.40	19.9		52.04	3.19	0.03	0.12	0.09
Other	37.60 – 60.95	23.35	16	55.66	3.33	0.02	0.04	0.08
Other	69.30 – 77.10	7.8		55.61	3.92	0.03	0.05	0.13
Other	82.70 – 109.50	26.8		48.45	3.76	0.05	0.08	0.08
ODH – 29	Total depth 103.75 m, -50° to grid east, 3703 m AMSL (ODH - 23, ODH - 24, ODH - 26, ODH - 27)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	20.10 – 41.20	21.1	14	44.37	0.53	0.06	0.07	0.1
Other	64.90 – 69.40	4.5		51.44	3.09	0.02	0.08	0.1

* TVD – approximate total vertical depth from top to bottom of intersection

The following list describes the general locations of the first 29 diamond drill holes reported on:

ODH – 01, ODH – 02 and ODH – 03 were drilled from the same location (platform), ODH – 01 being a vertical drill hole, ODH – 02 being drilled toward grid north at an inclination of 45° and ODH – 03 toward grid south at 60°. The site was selected as being central to the known surface expression of iron-bearing mineralization within the Orcopura zone. Elevation of the location is 3805 m AMSL;

ODH – 04, ODH – 05 and ODH - 06 were drilled from a second platform at a point 100 m to the (grid) east of ODH – 01 etc. ODH – 04 was a vertical drill hole, ODH – 05 was drilled toward grid north at an inclination of 45° and ODH – 06 toward grid south at 45°. Elevation of the location is 3755 m;

ODH – 07 and ODH – 08 were drilled from another platform 110 m to the (grid) south of ODH – 01 etc. (*i.e.* on the same section as ODH – 01 etc.). ODH – 07 was a vertical drill hole and ODH – 08 was drilled toward grid south at an inclination of 60°. Elevation of the location is 3750 m.

ODH – 09 and ODH – 10 were drilled from the same location (platform), ODH – 09 being a vertical drill hole and ODH – 10 being drilled toward grid south at an inclination of 45°. The site was located 100 m to the (grid) south of holes ODH – 07 and ODH – 08. Elevation of the location is 3725 m AMSL; and

ODH – 11 was a vertical hole drilled from a platform at a point 100 m to the (grid) east of ODH – 07 and ODH – 08 and 100 m to the (grid) south of holes ODH – 04, ODH – 05 and ODH – 06. Elevation of the location is 3725 m.

ODH – 12 was drilled from the same location (platform) as ODH – 11, ODH - 11 being a vertical drill hole and ODH – 12 being drilled toward grid south at an inclination of 60° to a depth of 100.3 m. The site was located 100 m to the (grid) east of holes ODH – 07 and ODH – 08 and 100 m to the (grid) south of holes ODH – 04, ODH - 05 and ODH – 06. Elevation of the location is 3725 m AMSL; and

ODH – 13 and ODH – 14 were drilled from the same platform, ODH- 13 being a vertical hole (total depth 52.2 m) and ODH – 14 being drilled toward grid south at an inclination of 45° to a total depth of 88.25 m.

This site was located at a point 100 m to the (grid) east of holes ODH – 09 and ODH – 10 and 100 m to the (grid) south of holes ODH – 11 and ODH – 12. Elevation of the location is 3725 m. Holes ODH – 13 and ODH – 14 along with ODH - 09 and ODH – 10 were all drilled to test and study the southern contact of the mineralized body.

ODH – 15, ODH – 16 and ODH – 17 were all drilled from the same location (platform), ODH - 15 being a vertical drill hole to a depth of 95 m, ODH – 16 being drilled toward grid north at an inclination of 45° to a depth of 128.25 m and ODH – 17 being drilled toward grid east to a depth of 195.40 m. The site was located 100 m to the (grid) west of holes ODH – 07 and ODH – 08. ODH – 15 was collared just outside the known limits of surface mineralization and did not encounter any mineralization at depth. No samples were taken from this hole for analysis. Elevation of the location is 3727 m AMSL; and

ODH – 18 was a vertical hole (total depth 106.75 m). This site was located at a point 100 m to the (grid) west of holes ODH – 01, ODH – 02 and ODH - 03. Elevation of the location is 3769 m.

ODH – 19 and ODH – 21 were all drilled from the same location (“platform”) as ODH – 18 (previously announced), ODH – 19 was drilled toward grid south at an inclination of 60° to a depth of 177.20 m and ODH – 21 was drilled toward grid east to a depth of 133.05 m. This site was located at a point 100 m to the (grid) west of previously announced holes ODH – 01, ODH – 02 and ODH - 03. Elevation of the location is 3769 m;

ODH – 20, ODH – 22, ODH – 25 and ODH – 28 were all drilled from the same platform, ODH – 20 was a vertical drill hole to a depth of 188.40 m, ODH – 22 was drilled toward grid south at an inclination of 46° to a depth of 145.50 m, ODH – 25 was drilled toward grid west at an inclination of 60° to a depth of 95.60 m and ODH – 28 was drilled toward grid east at an inclination of 45° to a depth of 118.40 m. The site was located 100 m to the (grid) west and 50 m to the (grid) north of holes ODH – 18, ODH – 19 and ODH – 21. Elevation of the location is 3676 m AMSL; and

ODH – 23, ODH – 24, ODH – 26, ODH – 27 and ODH – 29 were all drilled from the same platform, ODH - 23 was a vertical drill hole to a depth of 155.45 m, ODH – 24 was drilled toward grid south at an inclination of 45° to a depth of 116.80 m, ODH – 26 was drilled toward grid west at an inclination of 45° to a depth of 85.25 m, ODH – 27 was drilled toward grid north at an inclination of 45° to a depth of 81.60 m and ODH – 29 was drilled toward grid east to a depth of 103.75 m. The site was located 100 m to the (grid) east of previously announced holes ODH – 04, ODH – 05 and ODH – 06. Elevation of the location is 3703 m AMSL.

All drill holes were logged and sampled at the project campsite on the property under the direction of Minera Cuervo’s senior geologist, ing. Abraham Castillo Ll. Exploration work and content of this release has been carried out under the supervision of Mr. John M. Siriunas, P.Eng., the designated qualified person for Cuervo under the definition of NI43-101. A nominal sampling interval of 1.5 m is currently being used within sections of typical iron mineralization. Analyses were performed by SGS Minerals Services at their laboratory facilities in Lima (Callao), Perú. Iron (Fe) analyses reported were performed by titration methods, sulphur (S) were carried out with a LECO furnace and all other analyses reported herein, being phosphorus (P), manganese (Mn) and copper (Cu), were by performed ICP-AES after a multi-acid (“total”) digestion. Laboratory check analyses were performed on approximately 10% of the samples submitted while field duplicate samples are submitted on a rate of approximately 5% of the total samples sent to the laboratory. The Company is satisfied with the reproducibility of analyses for the elements reported.

A program of geophysical surveying including magnetics and gravity that was commenced in December 2006 was executed at a slower than expected pace due to weather conditions and the topography of the property. A final report prepared by VDG del Perú S.A.C. was received in June, 2007. This report was updated, with new interpretations based on the early results from the drilling program, in December, 2007.

The Company also received the results of a preliminary low-intensity magnetic separation (Davis Tube) metallurgical study in December. A total of twenty (20) samples selected from the early stages of its on-going diamond-drill program were submitted for this study. Each sample represented 1.5 m of drill-core length.

The Company recognized at an early stage that many of the samples submitted for analysis, while reporting iron contents in excess of 55%, also returned elevated sulphur and copper values; this was not to be totally unexpected given the geological setting and metallogeny of other deposits and occurrences in the Apurimac – Andahuaylas skarn belt. For example, the belt hosts such deposits as the Tintaya Mine which is being

exploited by Xstrata Inc. for its copper content.

The Company believes that the metallurgical issues can be addressed in a relatively simple manner. The preliminary Davis Tube results indicate that most of the contained sulphur-bearing minerals as well as the copper can be removed with limited processing while producing a very high-grade iron ore concentrate. Silica values were also found to be within acceptable limits by analyses carried out as part of this testing.

The Company commissioned Frank Hanson Consulting of Kila, Montana, to prepare a study of transportation alternatives related to conceptual mining development at or in the vicinity of the Cerro Ccopane property. A draft report was made available to the Company at the end of the period.

Other Cuervo Properties

The Company has a 100% in nineteen (19) other mining concessions in Perú totaling 7,264 ha; seven (7) of these concessions were acquired during the period for a cash payment (see Property Acquisitions, below). All eighteen concessions are prospective for iron mineralization. Only limited prospecting and sampling has been carried out on these concessions to date. The concessions are listed below:

Concession Name	Size (ha)	Department	Province	District
Blanquita II	100	La Libertad	Trujillo	Poroto
Charango 1	300	La Libertad	Trujillo	Poroto/Simbal
Charango 2	100	La Libertad	Trujillo	Poroto
Francisca Victoria IX	64	La Libertad	Trujillo	Simbal
Francisca Victoria XI	100	La Libertad	Trujillo	Simbal
Arena Dorada	400	La Libertad	Trujillo	Poroto/Simbal
Tigre I	100	La Libertad	Trujillo	Poroto
Palosanto 2007 - I	400	La Libertad	Trujillo	Poroto
Sabrina I	200	Ancash	Santa	Chimbote
La Gringa Ga	200	Ancash	Santa	Chimbote
Flamenco 1	400	Ancash	Aija	Aija
Flamenco 3	600	Ancash	Aija	Aija
Iron Mine	500	Ancash	Aija	Aija
Posada 4	1,000	Apurimac	Aymareas	Colcabamba/Lucre
Fierroando 1	200	Cusco	Chumbivilcas	Capacmarca
Huini I	400	Apurimac	Aymaraes	Lucre
Alexia 2007 - I	600	Ica	Nazca	Marcona
Sur 1	1,000	Arequipa	Islay	Islay
Huini V	600	Cusco	Chumbivilcas	Capacmarca/Colquemarca

The concessions can be grouped in the following property areas; concessions within a designated area may or may not form contiguous groups but nonetheless are located geographically near to each other:

Northern Perú

Trujillo 1,564 ha in eight (8) concessions
 Chimbote 400 ha in two (2) concessions
 Ancash 1,500 ha in three (3) concessions

Southern Perú

Arequipa 1,000 ha in one (1) concession
 Marcona 600 ha in one (1) concession
 Apurimac 1,600 ha in three (3) concessions
 Cerro Ccopane 600 ha in one (1) concession in the vicinity, but not contiguous with the main property

Property Acquisitions

On October 25, 2007 the Company's wholly owned Peruvian subsidiary, Minera Cuervo S.A.C., completed the acquisition of a 100% interest in fourteen (14) mineral concessions covering a total of 5,600 ha in Perú. The concessions were acquired from Minera La Gran Posada S.A.C., an arm's-length party. Consideration for the concessions was an all cash transaction totaling \$CDN326,909.

The Company continues to assess other potential properties for acquisition.

Outlook

The Company plans to advance its mining properties by exploration and development work. The work programs will be designed to attempt to delineate resources of iron ore, in particular of high grade and/or direct-shipping ore, on each property and perform economic and other studies that could eventually lead toward a decision regarding the feasibility of production.

Subsequent Events

The common shares of the Company traded on the Canadian Trading and Quotation System, Inc. ("CNQ") at or above \$CDN1.10 for a period of twenty (20) consecutive trading days (December 3, 2007 to January 4, 2008). This allows the Company, at its discretion, to accelerate the expiry date of the remaining warrants and agent's options associated with the May 30, 2007 initial public offering to thirty (30) days from date of notice by the Company. Warrants and agent's options which are not exercised within that time period would be void and of no further force or effect. The Company has no current plans to accelerate the expiry date on the remaining warrants and agent's options.

Subsequent to December 31, 2007, the Company issued 54,700 common shares upon exercise of common share purchase warrants and agent's option warrants for cash totalling \$38,600.

Subsequent to period end, the Company's wholly-owned subsidiary, Minerva Cuervo, acquired a 100% interest in four (4) separate mineral concessions covering a total of 2,300 ha of prospective iron ore properties in southern Peru in the general area of the Company's Cerro Ccopane Property.

The program of diamond drilling by Minera Cuervo continued on the Orcopura zone of mineralization. Approximately 8,000 m of drilling in 65 holes had been completed as at the date of this report. Results from drill holes ODH - 30 through ODH - 48 were reported in press releases dated January 15th, February 5th and February 12th, 2008. The following table presents a list of the intersections that were sampled from those drill holes:

ODH - 30	Total depth 154.75 m, vertical, 3665 m AMSL (ODH - 32, ODH - 34, ODH - 35)								
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)	
	2.00 - 13.80	11.8		47.14	0.1	0.04	0.05	0.11	
	Other 20.30 - 44.60	24.3	24	57.41	1.89	0.03	0.1	0.09	
	Other 48.40 - 79.70	31.3		38.57	2.55	0.07	0.07	0.06	
Other 124.50-136.40	11.9		49.03	3.55	0.04	0.08	0.2		
ODH - 31	Total depth 94.80 m, vertical, 3635 m AMSL								
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)	
	No intersections of mineralization								
ODH - 32	Total depth 94.15 m, -50° to grid east, 3665 m AMSL (ODH - 30, ODH - 34, ODH - 35)								
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)	
	24.40 - 46.30	21.9	16	62.55	0.07	0.04	0.08	0.06	
ODH - 33	Total depth 411.60 m, vertical, 3630 m AMSL								
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)	
	26.90 - 384.20	356.5	356	41.29	4.81	0.04	0.07	0.1	
	Including 26.90 - 73.60	45.9		56.75	3.38	0.06	0.06	0.11	
	Including 84.20 - 88.70	4.5		60.33	4.07	0.06	0.05	0.12	
	Including 97.50 - 185.30	87.8		54.95	3.57	0.04	0.08	0.12	
Including 252.50-307.40	54.9		54.24	3.52	0.02	0.09	0.11		

ODH – 34	Total depth 96.90 m, -45° to grid north, 3665 m AMSL (ODH - 30, ODH - 32, ODH - 35)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	5.35 – 80.55	75.2	53	45.42	2.62	0.04	0.08	0.12
Including	5.35 – 28.20	22.85		49.4	0.44	0.03	0.04	0.11
Including	68.80 – 80.55	11.75		51.37	3.9	0.04	0.08	0.15
ODH – 35	Total depth 108.45 m, -60° to grid south, 3665 m AMSL (ODH - 30, ODH - 32, ODH - 34)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	20.10 – 84.45	64.35	55	55.39	2.62	0.05	0.06	0.08
ODH – 36	Total depth 60.00 m, vertical, 3640 m AMSL (ODH - 37, ODH - 38)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	3.20 – 18.35	15.15	15	45.34	1.97	0.18	0.09	0.09
ODH – 37	Total depth 49.50 m, -45° to grid south, 3640 m AMSL (ODH - 36, ODH - 38)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	6.47 – 20.10	13.63	9	48.26	2.3	0.04	0.07	0.1
ODH – 38	Total depth 73.20 m, -45° to grid east, 3640 m AMSL (ODH - 35, ODH - 36)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	9.70 – 33.70	24	20	58.43	3.36	0.04	0.07	0.18
ODH – 39	Total depth 126.50 m, vertical, 3690 m AMSL (ODH - 42, ODH - 43, ODH - 45)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	28.60 – 47.85	19.25		51.38	3.32	0.02	0.07	0.12
Other	83.50 – 113.25	29.75	29	55.36	4.79	0.09	0.06	0.07
ODH – 40	Total depth 241.45 m, -45° to grid north, 3630 m AMSL (ODH - 33)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	19.90 – 25.00	5.1		55.56	2.19	0.04	0.08	0.09
Other	39.10 – 70.50	31.4		57.16	3.67	0.02	0.06	0.1
Other	87.10 – 153.90	66.8	47	60.54	3.72	0.02	0.06	0.09
Other	158.5 – 192.40	33.9		41.01	2.32	0.07	0.09	0.06
ODH – 41	Total depth 217.55 m, vertical, 3665 m AMSL							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	0.35 – 104.85	104.5	104	56.16	2.33	0.05	0.07	0.16
Other	115.78 – 155.3	39.52		46.65	4.01	0.05	0.09	0.13
ODH – 42	Total depth 129.10 m, -60° to grid east, 3690 m AMSL (ODH - 39, ODH - 43, ODH - 45)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	27.20 – 98.20	71	61	52.45	2.68	0.03	0.06	0.13
ODH – 43	Total depth 112.25 m, -60° to grid south, 3690 m AMSL (ODH - 39, ODH - 42, ODH - 45)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	10.30 – 73.50	63.2	54	45.17	3.31	0.05	0.07	0.13
Including	56.75 – 73.50	16.75		53.17	3.88	0.05	0.07	0.11
ODH – 44	Total depth 115.60 m, -45° to grid south, 3665 m AMSL (ODH - 41, ODH - 46, ODH - 47)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	4.00 – 93.45	89.45	63	61.33	0.62	0.05	0.05	0.07
ODH – 45	Total depth 135.25 m, -45° to grid north, 3690 m AMSL (ODH - 39, ODH - 42, ODH - 43)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	51.00 – 69.00	18	12	51.78	3.3	0.09	0.08	0.09
Other	100.0 – 114.30	14.3		49.07	2.85	0.06	0.23	0.07
ODH – 46	Total depth 77.30 m, -45° to grid north, 3665 m AMSL (ODH - 41, ODH - 44, ODH - 47)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	3.70 – 38.35	37.65	26	58.17	0.69	0.04	0.04	0.13
ODH – 47	Total depth 105.25 m, -45° to grid west, 3665 m AMSL (ODH - 41, ODH - 44, ODH - 46)							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	1.30 – 85.00	83.7	59	62.11	2.34	0.04	0.05	0.15
ODH – 48	Total depth 74.20 m, vertical, 3727 m AMSL							
	INTERSECTION (m)	WIDTH (m)	TVD (m)*	Fe (%)	S (%)	P (%)	Mn (%)	Cu (%)
	26.00 – 54.00	28	28	58.19	2.55	0.03	0.05	0.12

* TVD – approximate total vertical depth from top to bottom of intersection

Risks and Uncertainties

The Company's business of exploring and developing mineral properties is highly uncertain and risky by its very nature. In addition, the ability to raise funding in the future to maintain the Company's exploration and development activities is dependent on financial markets that often fail to provide necessary capital.

Regulatory standards continue to change making the review process longer, more complex and more costly. Even if an apparently mineable deposit is developed, there is no assurance that it will ever reach production or be profitable, as its potential economics are influenced by many key factors such as commodity prices, foreign exchange rates, equity markets and political interference, which cannot be controlled by management.

Forward Looking Statements

This discussion may contain forward-looking statements that involve a number of risks and uncertainties including statements regarding the outlook for the Company's business and operational results. By nature, these risks and uncertainties could cause actual results to differ materially from what has been indicated. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined from estimates, capital and operating costs varying significantly from estimates, delays in or failure to obtain governmental, environmental or other project approvals and other factors including those risks and uncertainties identified above. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information as a result of new information, future results or other such factors which affect this information, except as required by law.