



Damash Minerals

SIGUIRI

Licence information

SIGUIRI

OVERVIEW OF SENEGAL

Located at the extreme west of the African continent, Senegal is between 8 and 12 ° 16 ° 41 north latitude and 11 ° 21 and 17 ° 32 'west longitude (Fig. 1). The country is bordered by the Atlantic Ocean to the west, Mauritania to the north, Mali to the east, Guinea Bissau and Guinea to the south southeast. The Gambia is an enclave entire length in southern Senegal, within which it penetrates deeply. Covering an area of 196,722 km², Senegal, whose capital is Dakar, approximately twelve (12) million unevenly distributed within fourteen (14) administrative regions (density 61.1 inhabitants / Km² and rates population growth: 2.34%).

GOLD

The future zone of gold mineralization has been mapped in the southern part of the license area. The longitudinal extent was about 6 miles. Throughout the area are arranged artisanal mining past and present. The width of the zone is between 40 and 350 meters. Artisanal miners are extracting minerals strongly altered and disintegrated at depths up to 10 meters. The material containing gold is represented by quartz stockworks and quartz veins short of a thickness of up to 0.8 meters. On the southeast side of the zone of gold mineralization mapped, craft workers operate vein zones oriented at angle down to the length of the mineralized zone. Based on discussions with local artisanal miners and the results of the inspection of the gold mines, the total length of the mineralized zone of the license should be about 12 km A14.

Figure 4 :

Location of the license Siguri in relation to known gold occurrences and gold mining operations shown on the geological maps and aerial magnetic (bottom cards are a geological map of Guinea, scale 1:1000000, and a magnetic card air BRGM. compiling location of iron occurrences from different sources

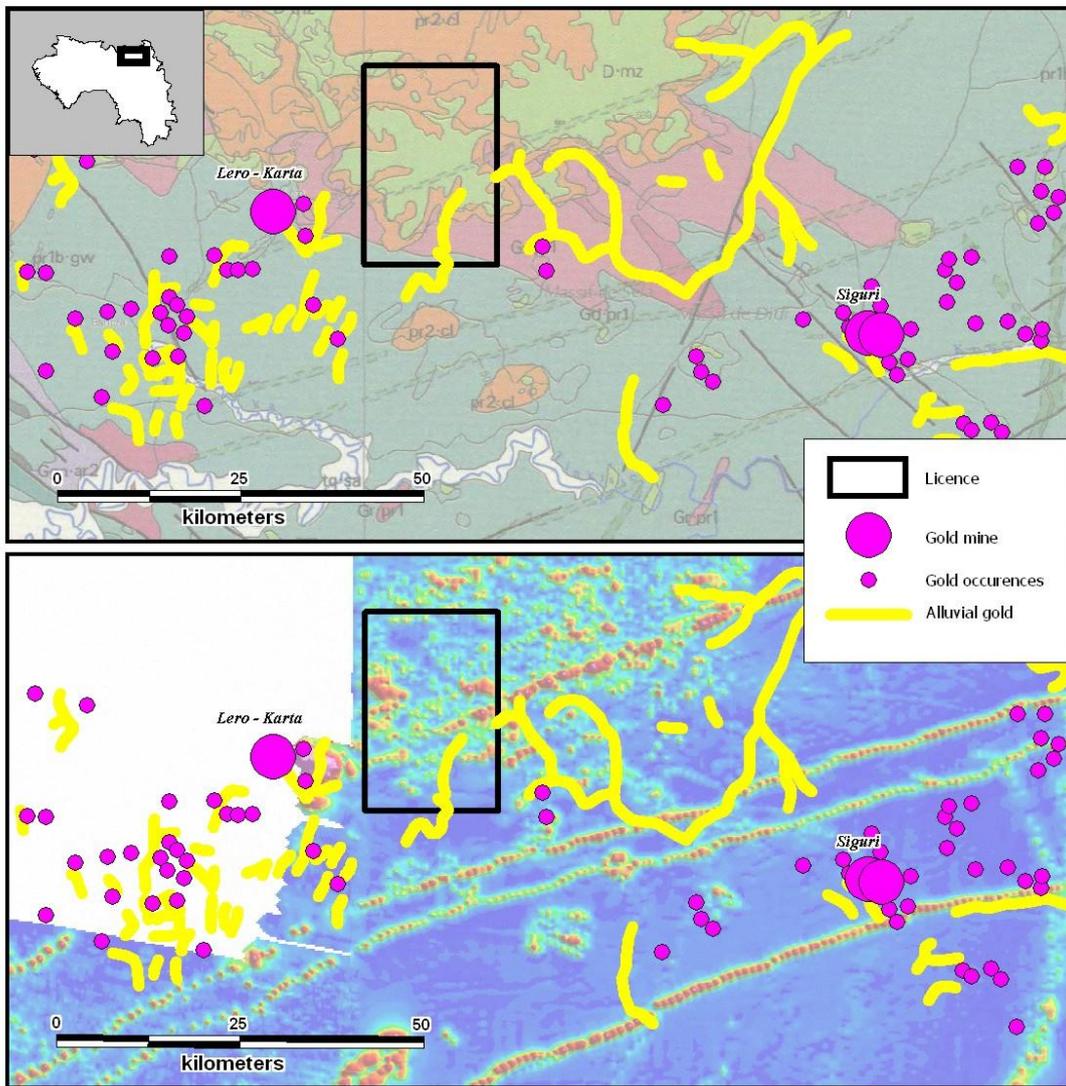


Figure 5 :

Results of field observations on location and license Siguri gold exploration targets immediate (bottom - Geological Map of Guinea, scale 1:1000000)

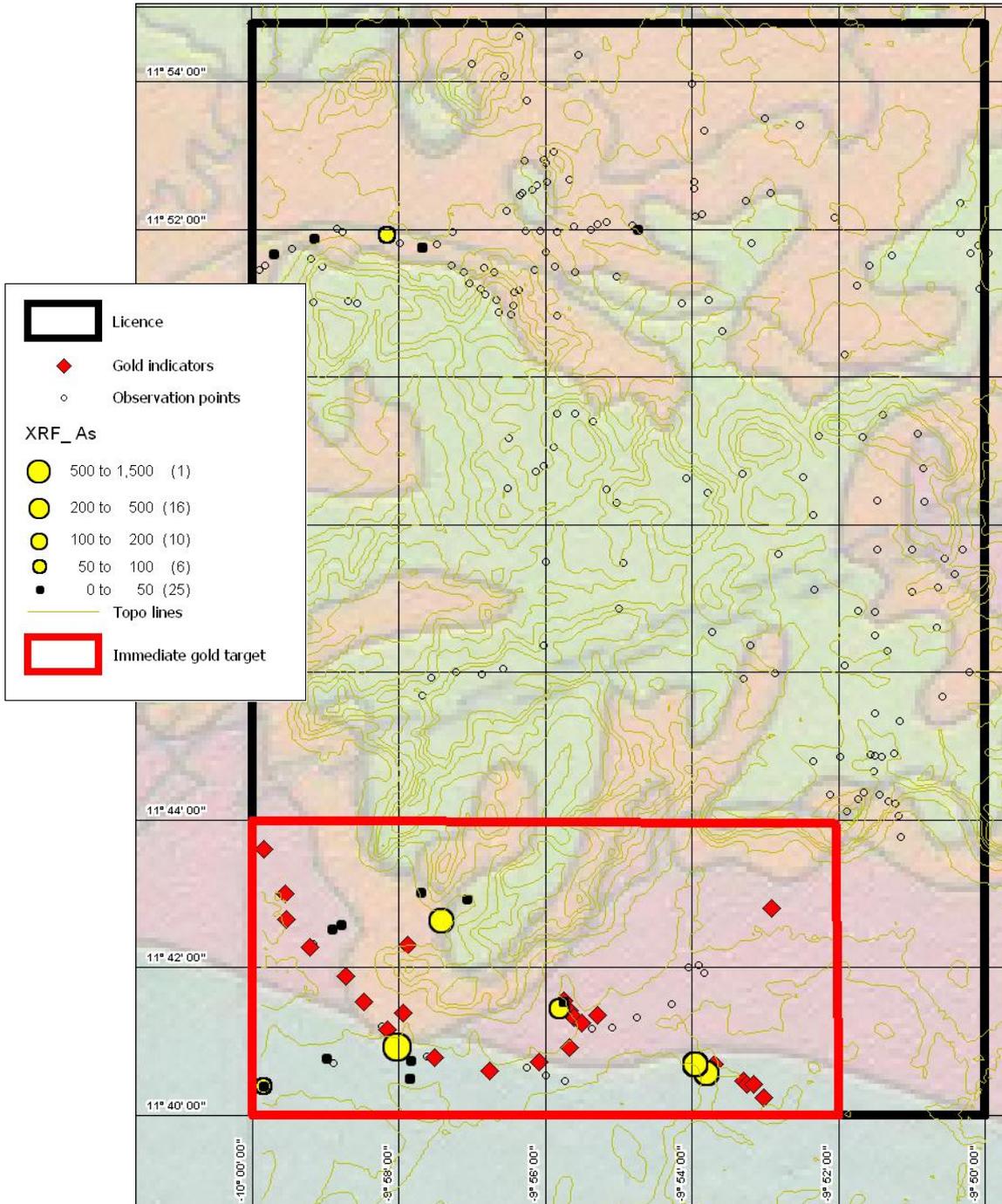


Figure 6 :

Artisanal miners working in the area of gold mineralization to the south of the license Siguiri



Rock types the older Birimian sediments include a clay formation on the top and a layer of coarser arkosic in their lower part, with gold occurrences more common in the latter. Apart from the latest dolerites and sandstones, there is virtually no recent outcrops. Disintegration and large laterite has resulted in economic laterite and saprolite gold deposits, with the primary gold mineralization occurring in quartz vein deposits in the Birimian sedimentary units. There are three main types of mineralization in Birimian sedimentary units:

- stockwork of quartz and quartz-carbonate-albite-sulfide laminated (Fayalala);
- gold-pyrite mineralization disseminated in the structures of hematite-carbonate-silica highly fractured (Lero Karta), and
- skarn mineralization with magnetite-epidote demoted (Firifirini once Siguirini)

Siguiri Basin can be divided into two distinct formations - Training and Training Matagania high low Firifirini. Training Matagania is dominated by inter-bedded shales and siltstones, best represented in the southern part of the concession Dinguiraye. Training includes siltstones intercalated Firifirini and arkosic sandstone or greywacke and occasional conglomerates, which are more prevalent in the northern part of the concession Dinguiraye. Deformation and metamorphism appears to have been much more moderate in the basin Firifirini than in other areas of the Birimian of West Africa. The stratigraphy of the basement is essentially sub-horizontal and faults and releases are rare. Primary mineral assemblages reflect the weakness of regional metamorphism and are characterized by a broad monoclinial folding. Any stratigraphy has been the intrusion of dolerite dykes and sills mass during the Jurassic period, associated with the breakup of the Gondwana landmass. More resistant to erosion and laterite, these intrusions are large hills and cliffs, and magnetic susceptibility can be distinguished from magnetic data carriers. At the regional level, the gold occurrences are more numerous in the coarse-grained arkosic unit (Training Siguiri). Lithologic sequences in the corridor Lefa is dominated by sediments and consists mainly of arkosic siltstones with subordinate horizons real arkoses.

Mineralization is preferentially developed in the more permeable sediments, altered, and having coarser grains, inside and near structures oriented in the direction (east, north-east) and fracture zones oriented in the direction (north, north-east). Mineralization is localized by a combination of lithological and structural controls. Direction and dip of the mineralized zones, and to a lesser extent, the mode of mineralization vary considerably from one deposit to another. Gold mineralization is mainly associated with the stockwork and quartz-carbonate-sulphide laminated to stockwork vein albite-carbonate-sulphide or as hematitic breccia sulphide. Pyrite is the dominant sulfide type. Gold is widely developed in fractures of pyrite grains, rarely exceeding 50 microns, and are not immune. Alteration and large-scale laterite mineralization and host rocks surrounding led to the development of economic laterite and saprolite gold deposits. Both residual and transported laterites, with a thickness of up to 15m, host economic gold mineralization, averaging generally around 1 to 2 g / t Au over large lateral areas. The average saprolite mineralization tends to be slightly higher (1.5 to 5 g / t Au), but it is usually developed on smaller areas with a width varying between 2 and 30m. The oxidation base extends over 100m, but it can be locally depressed areas of fracturing and brecciation. The breadth and quality of the first mineralized zones appear somewhat different from their counterparts in the saprolite profile.

The similarity of geology, geological structures further from mine Lero Karta to the point of license area with a high potential for discovery of significant gold deposit with a mineral potential of the same magnitude as the resources of the mine Lero Karta. The fact that the license area is located near the mine operational Lero Karta and not far from Siguiri (AngloGold Ashanti) makes the region even more attractive.

BAUXITE

With reconnaissance mapping, 13 sites potentially rich in bauxite business had been delimited. Potential sites are located in the central and northern part of the licence (Figure 7). The quality of the aluminum oxide is a commercial level. The estimate of the actual level of quality could be made by the program bites.

It is recommended that programs bites delimiting the extent of the area of intervention to assess the economic potential of bauxite. See the section below on the proposed work program.

THERE IS NO BAUXITE MINES OPERATING IN THE IMMEDIATE VICINITY. IT IS ADVISABLE TO CARRY OUT AN ECONOMIC MODEL BASED ON CONCEPTUAL DIGS BEFORE STARTING ANOTHER EXPLORATION PROGRAM.

FIGURE 7

DIAGRAM SHOWING GEOMORPHIC AREAS FOR PROSPECTING BAUXITES (RED) AND WELL TEST MODEL PROPOSED FUND FIELD (SRTM3)

