Nickel – Bend Project (Ni & Cu ±PGM)

Summary
The Bend nickel sulphide prospect is located approx. 150km SE of Bulawayo (Southern Zimbabwe). The prospect is defined by the presence of multiple nickel in sulphide accumulations over <400m “strike” within ultramafic units; komatiitic and peridotitic flows and sills. Nickel mineralization occurs as finely disseminated sulphide, in sulphide veining, and as sulphide droplets. Ni mineralization is associated with Cu and there is evidence for associated PGM as given from Ni concentrate results with 4.4g/t PGM.

AMag Analytical Signal RTP
The host ultarmafic units lie at the base of the Reliance Fm, of the Upper Greenstones of the Archean Belingwe Schist Belt. Low grade metamorphism has allowed the preservation of primary textures.

Previous work on the Bend Ni prospect includes soil geochem surveys at varying sample densities, AMag, PEM, trenching, drilling (percussion and diamond), and laboratory work. Results from this work has confirmed the presence of Ni sulphide mineralization and mineralizing process in host ultramafic units but did not test the prospective FW to these units (per the komatiitic exploration model) nor sufficiently investigate the strike extensions of the ultramafics or other ultramafic sequences within the stratigraphy.

Previous Work 1971-1992
Previous work on the Bend Ni prospect was carried out by AAC (and PV JV), Messina, and Falconbridge. Although Lonrho and African Asbestos also held the prospect, they did not perform any known significant work. Previous work includes phased soil geochemical surveys, airborne and surface geophysical surveys, trenching, percussion and diamond drilling, petrography and metallurgical test work.

Anglo American Corp. & Prospecting
Soil geochemical surveys on 150m by 25m grid for 38,154 samples with follow up on areas containing >1,000ppm Ni or >100ppm Cu results. Ten follow up grids at 50m by 25m for 4,483 samples; yielded up to 6,300ppm Ni and up to 430ppm Cu. Trenching totaling 1,275m yielded up to 6,000ppm Ni and up to 510ppm Cu. Initial percussion drill hole yielded two intersections of 6,000ppm Ni and 750ppm Cu over 27m (7-34m), including 11,500ppm Ni and 2,400ppm Cu over 2m (22-24m), and 11,200ppm Ni and 1,650ppm Cu over 1 metre (35-36m). This hole was followed by 17 percussion holes totalling 600m to assist in the design of a diamond drilling program. Four DDHs were completed (B1 to B4). DDH B3 intersected 0.65% Ni and 0.06% Cu over 24.5m including 4.05% Ni and 0.63% Cu over 0.95m. Three of the 4 DDHs were reportedly incorrectly collared to intersect the mineralization. Flotation tests yield a concentrate with between 15-20% Ni.

Messina Development Company 1976
Completed 4 DDHs for 1,256m; all intersecting Ni mineralization. The Company also completed petrography and flotation test work on 20 samples from hole B5. Petrography identified Ni minerals millerite (NiS), pentlandite (Fe,Ni)S and heazlewoodite (Ni,Fe)S. Metallurgical test work yielded poor Ni recoveries of 60% but indicated up to 4.4g/t PGM in concentrate.
DDH B5 (195m, -60º) 0.51% Ni/13.1m
DDH B6 (417m, vert.) 0.56% Ni/35m (330-375m)
DDH B7 (280m, -60º) 0.69% Ni/8m (130-140m) and **1.35% Ni/4m** (260-266m)
DDH B8 (364m, -70º) 0.87% Ni/10m (330-340m)

Lonrho 1981
Detailed soil geochemical surveys at 25m by 10m for 1,300 samples yielded up to 7600ppm Ni and up to 800ppm Cu.

Falconbridge 1992
Completed 5 DDHs 770.7m; each intersecting Ni mineralization in multiple zones.

DDH Bend 01 (140m, -55º) 0.42% Ni 0.08% Cu/8.00m in upper zone, 0.65% Ni 0.09% Cu/2.22m in lower zone, and **9.01% Ni 0.03% Cu/0.39m** in footwall stringers
DDH Bend 02 (150.7m, -55º) **2.64% Ni 0.55% Cu/0.60m** in upper zone and 0.82% Ni 0.05% Cu/0.50m in lower zone
DDH Bend 03 (150m, -50º) 0.68% Ni 0.07% Cu/1.00m in sulphide stringers
DDH Bend 04 (150m, -45º) 0.16% Ni 0.29% Cu/ 1.00m
DDH Bend 05 (180m, -45º) 0.73% Ni 0.17% Cu/0.90m

**Key Points for the Bend Nickel Prospect and surrounding region**
- High grade Ni sulphide mineralization intersected in multiple drill holes in multiple zones.
- FW contact (model driven prospective horizon) at Bend remains untested.
- Large Ni soil geochemical anomalies and ultramafic (possible Ni sulphide host) remain untested.
- Modern geophysical EM methods used for potentially super conductive massive sulphide bodies not applied.
- Prospect identifies well with komatiitic genetic model known globally for large economic accumulations of nickel sulphide; Raglan (Canada), Pechenga (Russia). Kambalda (Australia), Fortaleza (Brazil).
- Zimbabwe offers a large number of Ni occurrences and Ni hosting environments for further investigation.

Zimbabwe past Ni producers (6) RED, Ni occurrences GREEN, other occurrences associated with ultramafic, Cr, or PGE (non Great Dyke) **PURPLE, BNC** refinery, **BNC & Empress** smelters; major roads, railways & cities.
Conclusions and Recommendations

Available examined information indicates that the Bend Nickel Prospect and surrounding region has untested potential for the discovery of komatiite style Ni-Cu±PGM sulphide deposits. At Bend, the mineralizing process is well established as evidenced from drill hole intersections. Associated Cu mineralization and larger Ni and Cu soil anomalies spatially associated with the favourable ultramafic rock units are encouraging and provide substantial additional area for investigation. For immediate follow up at Bend, it is recommended that the investigation focus on footwall accumulations of sulphide as prescribed in the komatiite model until a Bend specific model can be generated and applied.

An opportunity may present itself whereby the shortfall of feed to the Empress refinery may sufficiently enhance the economics and interest in the Bend Ni prospect (and other similar Ni sulphide prospects) to warrant investment towards development.

Note: Caution that available information does not provide for details of potential portion of Ni results from silicates (non ore).