



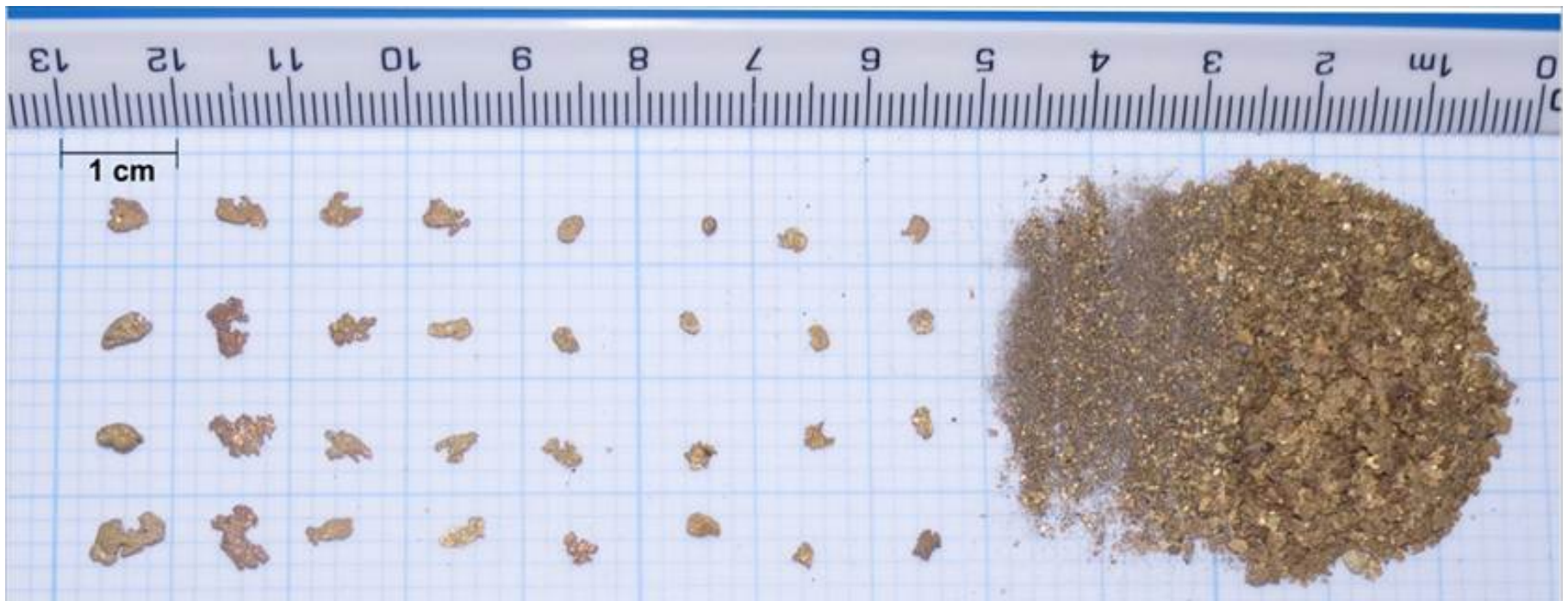
## Rio Novo Gold Toldafria Gold Project Exploration Update

Press Release - October 15, 2012



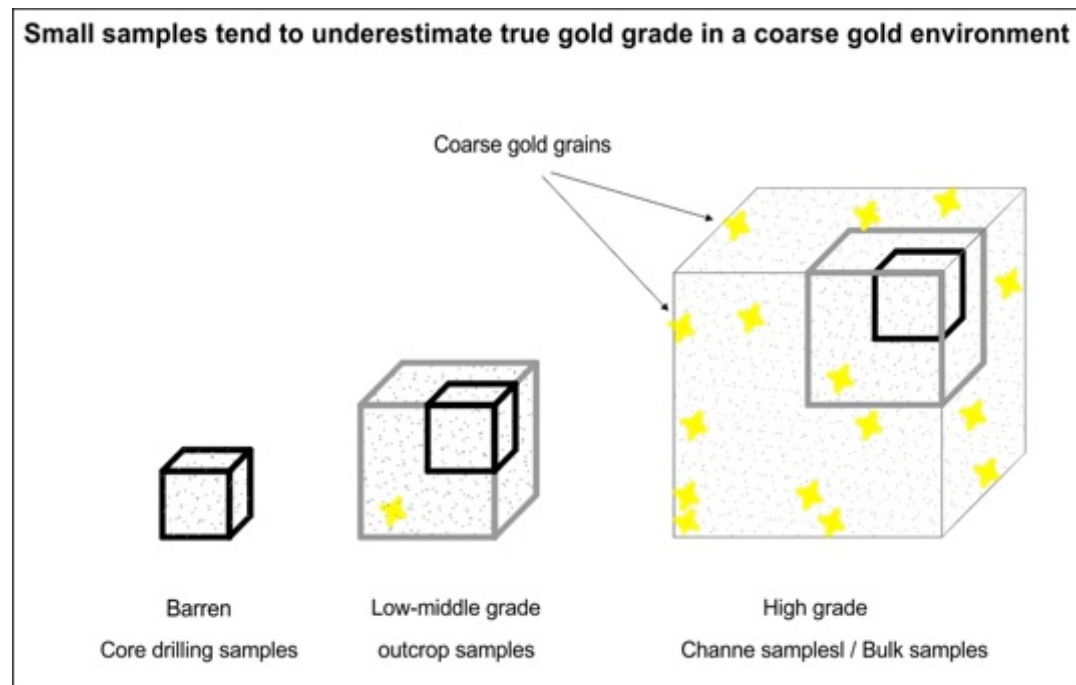
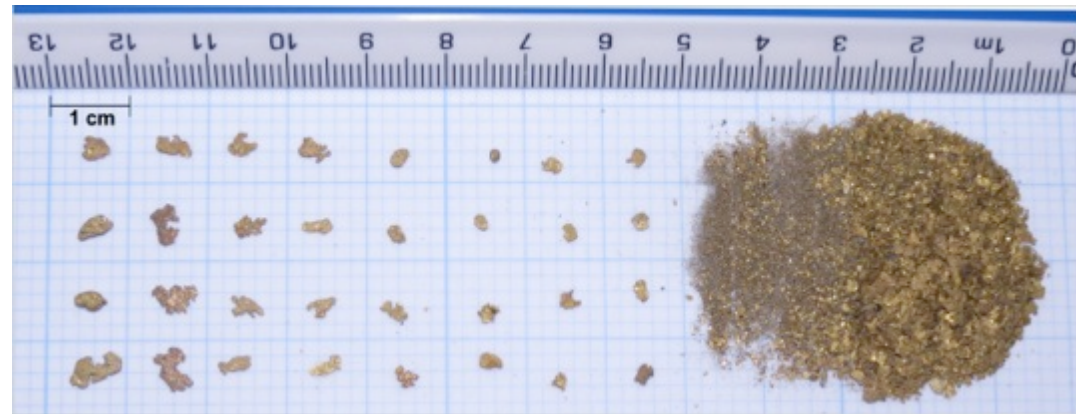
## TOLDAFRIA - COARSE GOLD OCCURRENCES

- Coarse gold recovered by panning the concentrate after the crushing-grinding-concentration process
- Gold extracted from Ramada Tunnel during Bulk Sampling program
- BTF-008 (Ramada Tunnel) - Max: 26.25 g/t; Min: 3.97 g/t; Avg. 9.59 g/t



## TOLDAFRIA –COARSE GOLD OCCURRENCES

- Bulk sampling techniques confirmed the presence of coarse gold in significant quantities
- Encountered significantly “erratic” assay results even when using Bulk samples (Bulk sample 1 primary ore range from 0.7 g/t to 48 g/t).



# ESTIMATION AND REPORTING OF MINERAL RESOURCES FOR COARSE GOLD-BEARING VEINS – S.C. DOMINY ET AL



**Abstract** — “Coarse gold-bearing veins are characterized by high grades that are localized and erratic. Effective sampling of coarse gold-bearing veins is difficult because of the low concentration and erratic nature of the gold particles. Diamond drilling is an effective measure of geological continuity, however, grade distribution can only be reliably obtained from underground development (including close-spaced sampling, bulk sampling, and trial mining).

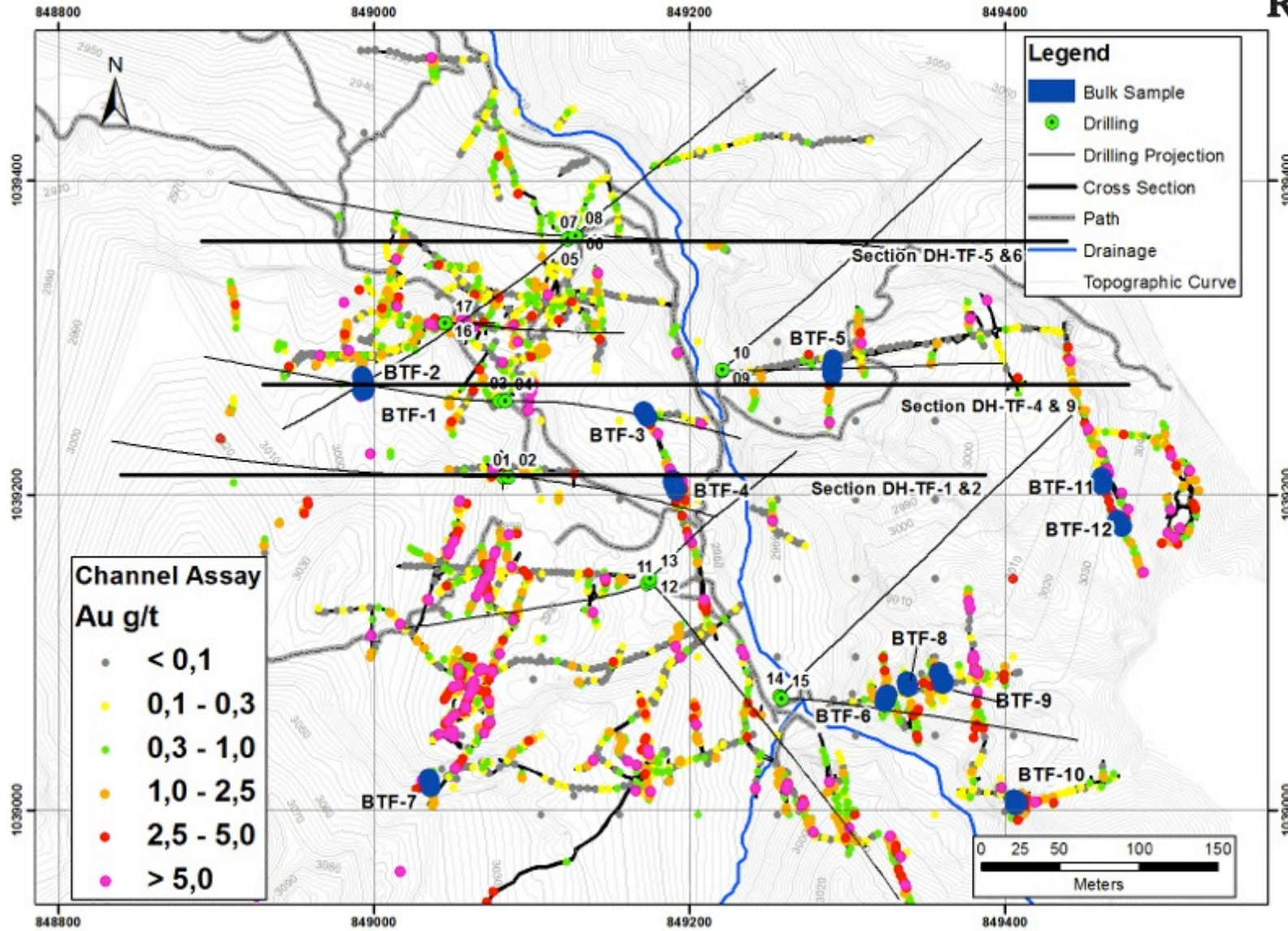
Comparison between surface and underground drilling, underground linear/panel and bulk sampling indicate that drilling and linear/ panel samples generally understate bulk sample grades. Bulk samples are likely to be the closest estimators of true grade.

It is unlikely that anything above an Inferred Resource category can be estimated from surface drilling alone, and at best the grade will only be a global estimate. Underground development, in-fill drilling and bulk sampling/trial mining will be required to delineate Indicated and Measured Resources. Closely spaced development and bulk sampling is likely to be the only way to determine Reserves. The resource estimation process must be driven by a clear geological model that should attempt to understand both geological and grade continuity.

Traditionally, grade interpolation has been undertaken using classical methods, though more recently, computer-based block modelling techniques have been used with some success. Three case histories are presented, documenting the problems of estimating resources in coarse gold-bearing veins and the practical ways in which they were approached”. © 2001 Canadian Institute of Mining, Metallurgy and Petroleum. All rights reserved.



# DDH & BULK SAMPLING LOCATION

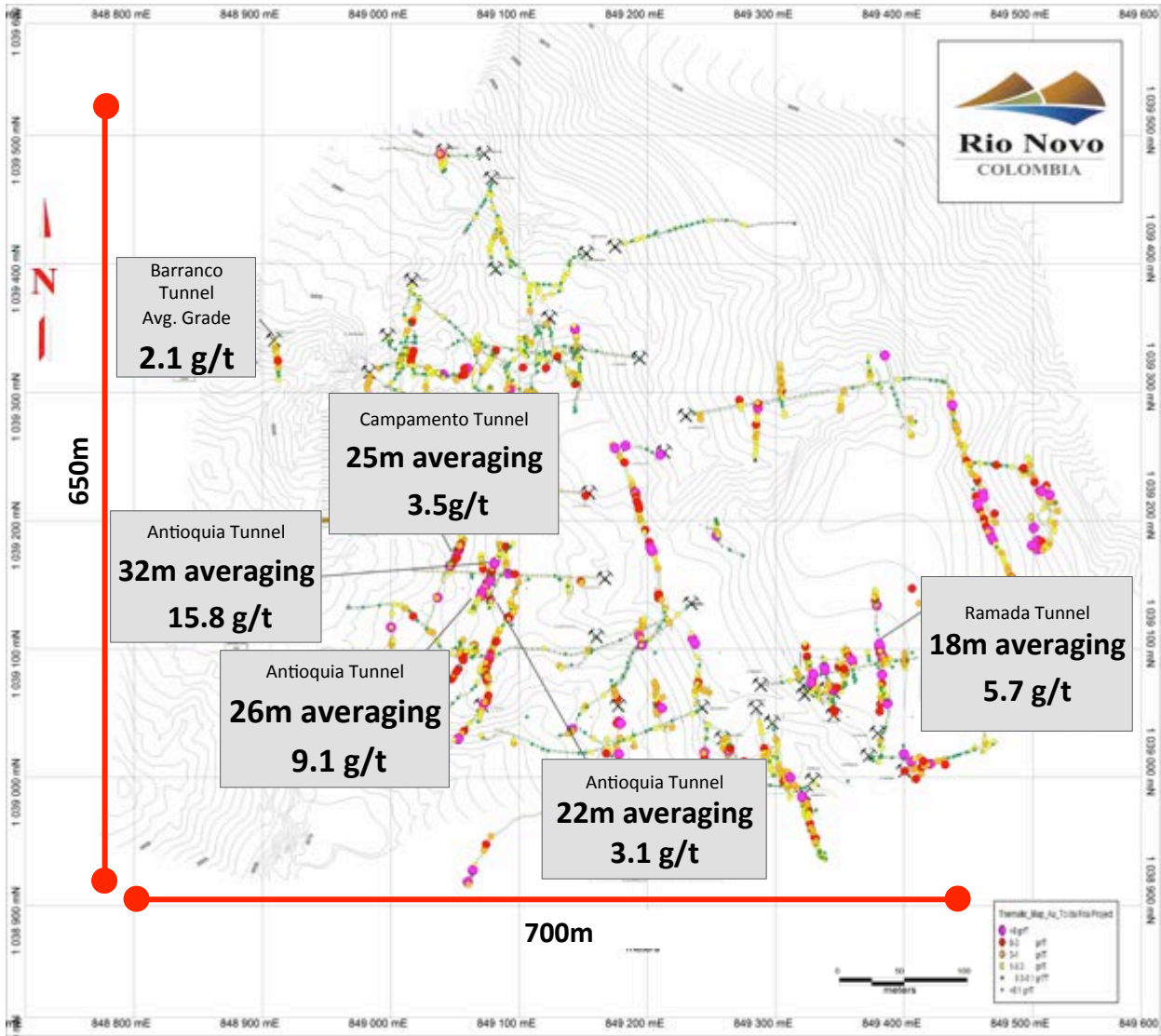


# BULK SAMPLING RESULTS



BLOCK_ID	LOCATION	SAMPLE_TYPE	ANALYSIS_TYPE	N° SAMPLES	MAX_Au	MIN_Au	AVERAGE_Au_g/T
BTF-001	MINA ACARO	PRIMARY ORE	FIRE_ASSAY	20	46.88	0.77	10.09
BTF-001	MINA ACARO	CONCENTRATE	FIRE_ASSAY	21	12.22	1.86	9.05
BTF-001	MINA ACARO	TAILS	FIRE_ASSAY	5	2.19	1.75	1.95
BTF-001	MINA ACARO	PAN CONCENTRATE	FIRE_ASSAY	3	380.92	200.79	276.92
BTF-002	MINA ACARO	PRIMARY ORE	FIRE_ASSAY	20	23.43	0.44	4.04
BTF-003	MINA LA ANTIOQUIA	PRIMARY ORE	FIRE_ASSAY	20	5.88	2.5	4.04
BTF-003	MINA LA ANTIOQUIA	CONCENTRATE	FIRE_ASSAY	10	61.08	15.97	34.56
BTF-003	MINA LA ANTIOQUIA	TAILS	FIRE_ASSAY	10	18.27	3.04	8.74
BTF-003	MINA LA ANTIOQUIA	MUD	FIRE_ASSAY	10	2.84	1.93	2.27
BTF-003	MINA LA ANTIOQUIA	PAN CONCENTRATE	FIRE_ASSAY	1			123.9
BTF-004	MINA LA ANTIOQUIA	PRIMARY ORE	FIRE_ASSAY	20	13.53	6.63	8.76
BTF-004	MINA LA ANTIOQUIA	CONCENTRATE	FIRE_ASSAY	10	325.93	17.42	70.9
BTF-004	MINA LA ANTIOQUIA	TAILS	FIRE_ASSAY	10	55.45	5.26	16.39
BTF-004	MINA LA ANTIOQUIA	MUD	FIRE_ASSAY	10	4.89	3.03	3.89
BTF-004	MINA LA ANTIOQUIA	PAN CONCENTRATE	FIRE_ASSAY	1			349.13
BTF-005	MINA EL ENCUENTRO	PRIMARY ORE	FIRE_ASSAY	20	9.04	5.42	6.8
BTF-005	MINA EL ENCUENTRO	CONCENTRATE	FIRE_ASSAY	10	172.94	39.78	65.46
BTF-005	MINA EL ENCUENTRO	TAILS	FIRE_ASSAY	10	4.87	3.58	4.02
BTF-005	MINA EL ENCUENTRO	MUD	FIRE_ASSAY	10	2.88	1.63	2.32
BTF-005	MINA EL ENCUENTRO	PAN CONCENTRATE	FIRE_ASSAY	1			105.5
BTF-006	MINA EL BALCON	PRIMARY ORE	FIRE_ASSAY	20	4.67	0.72	2.22
BTF-006	MINA EL BALCON	CONCENTRATE	FIRE_ASSAY	10	160.5	25.68	66.05
BTF-006	MINA EL BALCON	TAILS	FIRE_ASSAY	10	2.15	1.18	1.61
BTF-006	MINA EL BALCON	MUD	FIRE_ASSAY	10	0.67	0.41	0.57
BTF-006	MINA EL BALCON	PAN CONCENTRATE	FIRE_ASSAY				37.61
BTF-007	MINA EL MIRADOR	PRIMARY ORE	FIRE_ASSAY	20	21.96	4.4	8.03
BTF-008	MINA LA RAMADA	PRIMARY ORE	FIRE_ASSAY	20	26.25	3.97	9.59
BTF-009	MINA LA RAMADA	PRIMARY ORE	FIRE_ASSAY	20	12.32	1.54	4.69
BTF-009	MINA LA RAMADA	CONCENTRATE	FIRE_ASSAY	10	75.71	13.55	40.22
BTF-009	MINA LA RAMADA	TAILS	FIRE_ASSAY	10	18.53	1.98	5.62
BTF-009	MINA LA RAMADA	MUD	FIRE_ASSAY	10	2.5	0.81	1.46
BTF-009	MINA LA RAMADA	PAN CONCENTRATE	FIRE_ASSAY	1			171.7
BTF-010	MINA EL RETIRO	PRIMARY ORE	FIRE_ASSAY	20	11.1	6.31	8.34

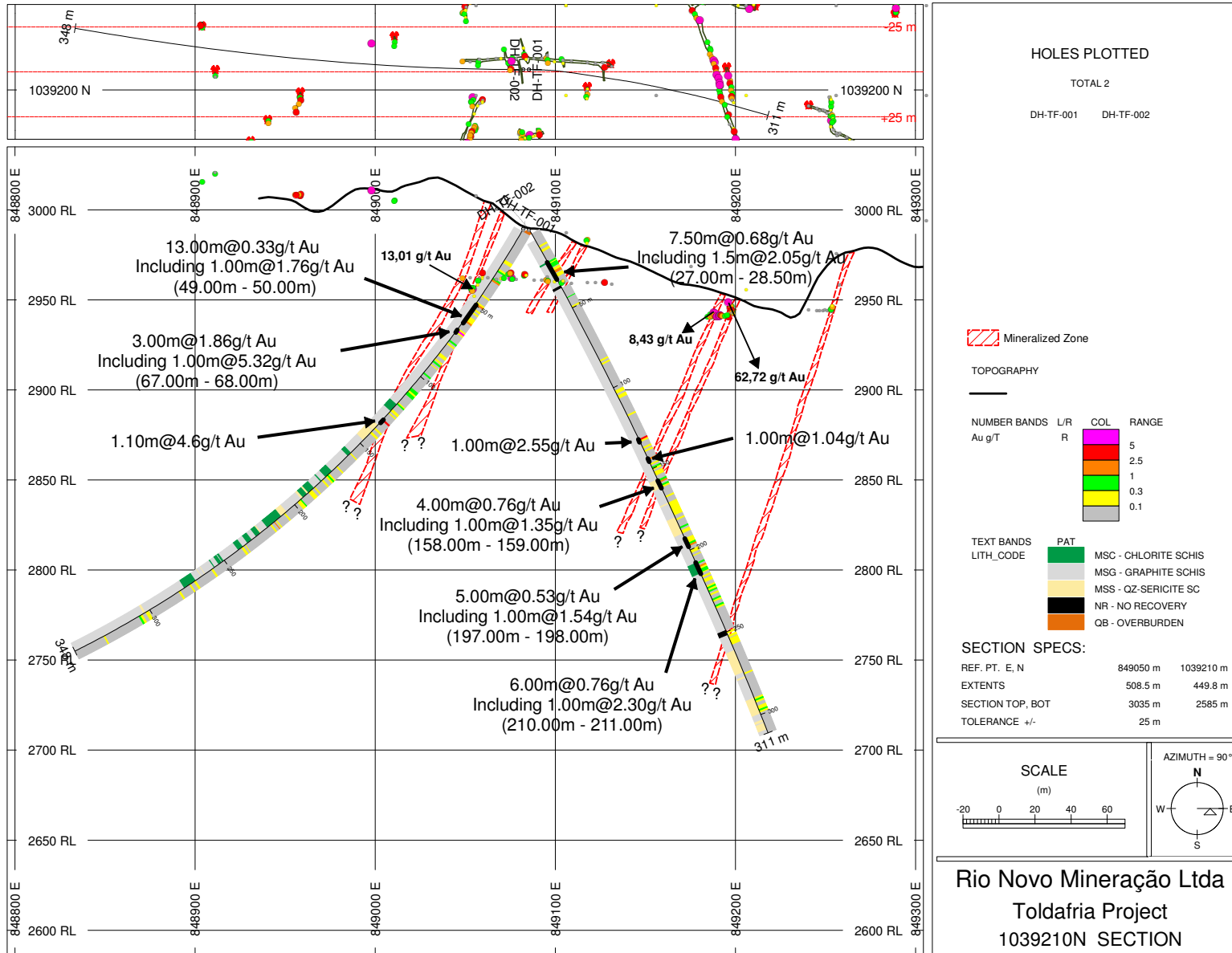
# CHANNEL SAMPLING LOCATION AND RESULTS (AVG.)



- 2011-12 Surface sampling has increased mineralized footprint to 650m x 700m (from 500m x 550m)

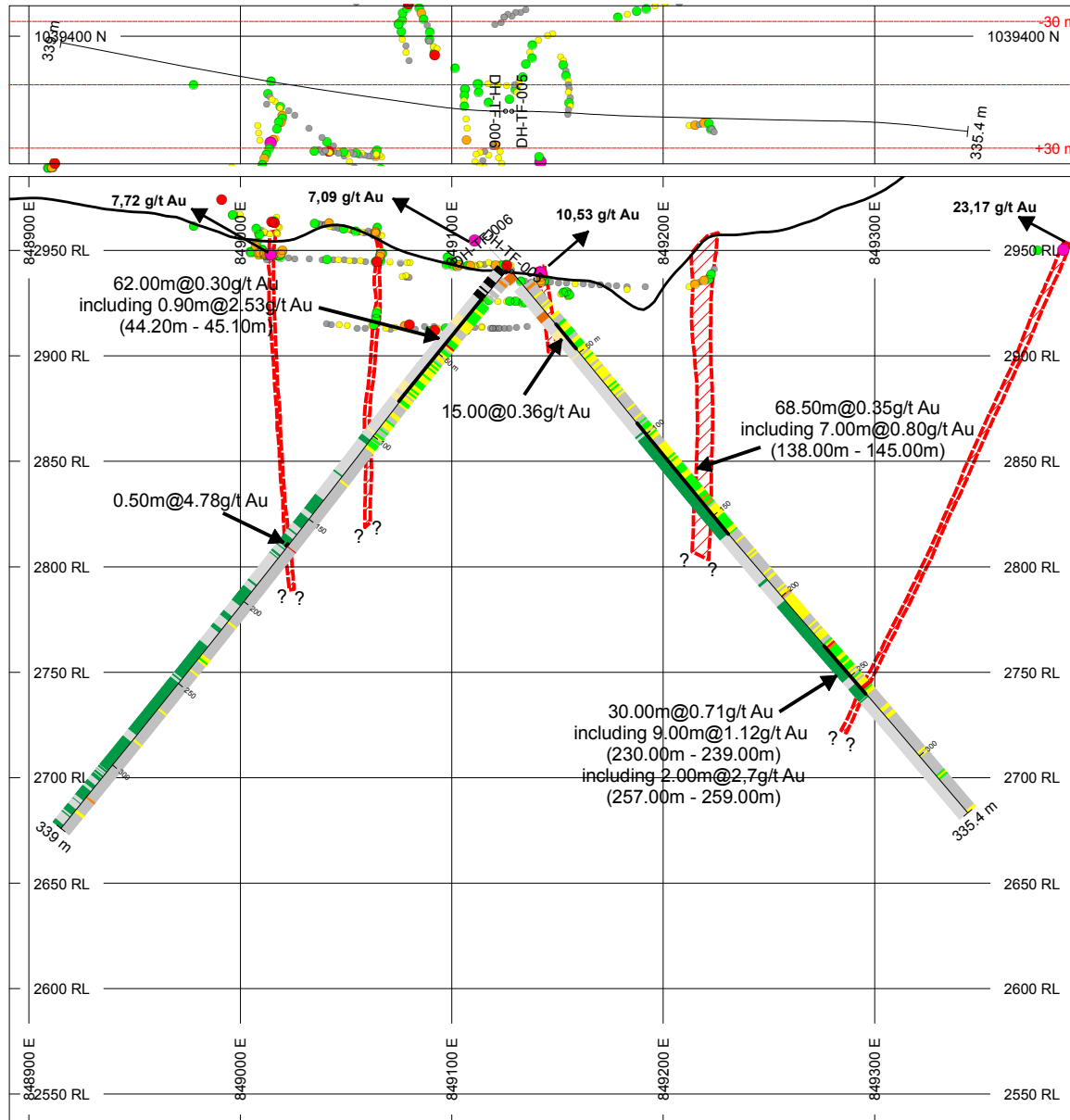
NOTE: The grades described on the map reflect preliminary exploration efforts by channel + chip samples only, and have not yet been confirmed in an NI 43-101 technical report.

# CROSS SECTION – TF-001 AND TF-002





# CROSS SECTION – TF-005 AND TF-006



**HOLES PLOTTED**

TOTAL 2

DH-TF-005    DH-TF-006

**Mineralized Zone**

**TOPOGRAPHY**

— Topography

NUMBER BANDS	L/R	COL	RANGE
Au g/T	R		
		5	
		2.5	
		1	
		0.3	
		0.1	

**TEXT BANDS**

LITH_CODE	PAT
	MSC - CHLORITE SCHIS
	MSG - GRAPHITE SCHIS
	MSS - QZ-SERICITE SC
	NR - NO RECOVERY
	QB - OVERBURDEN

**SECTION SPECS:**

REF. PT. E, N	849145 m	1039377 m
EXTENTS	508.5 m	449.8 m
SECTION TOP, BOT	2985 m	2535 m
TOLERANCE +/-	30 m	

**SCALE**

(m)

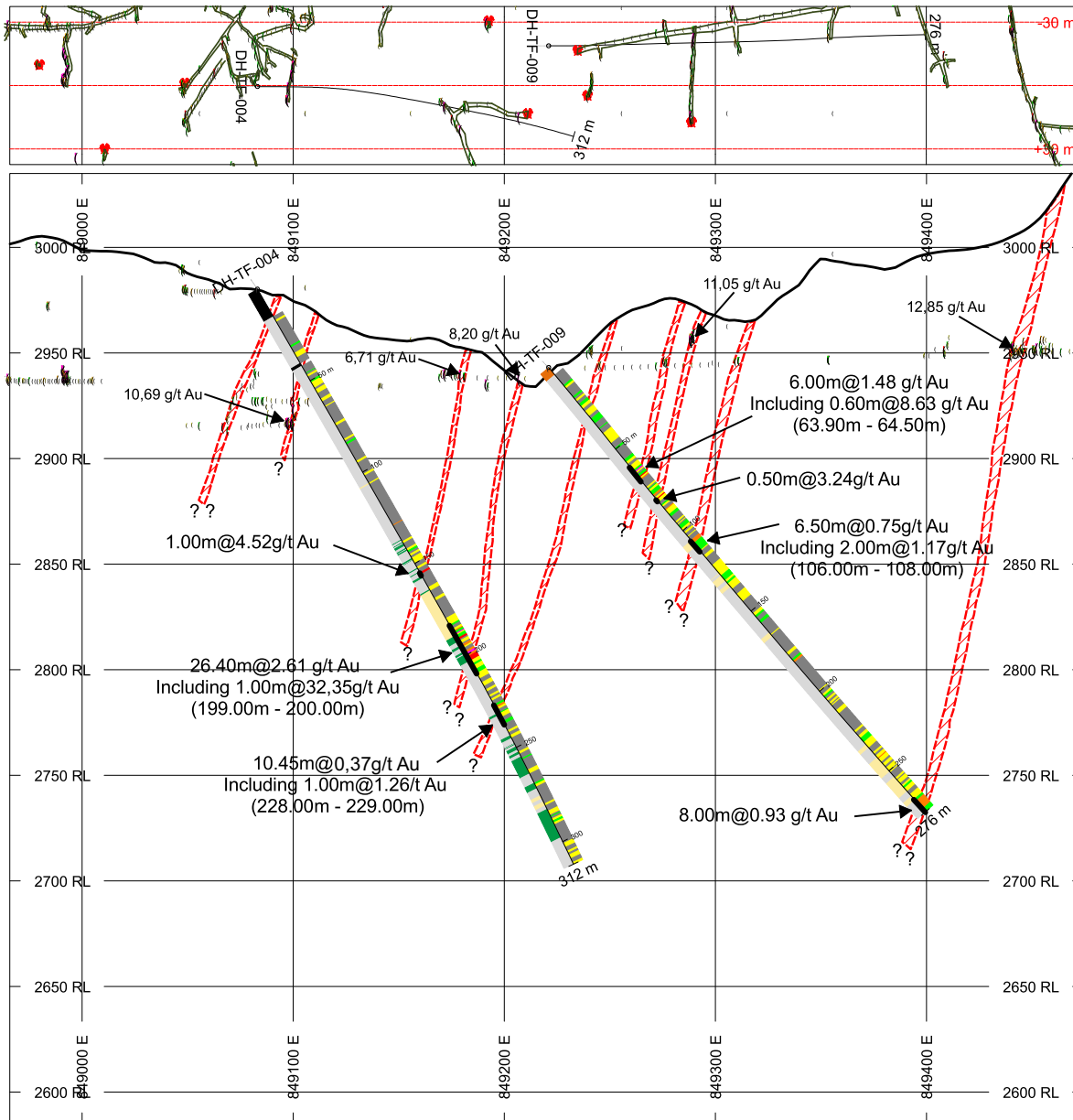
20 0 20 40 60

**AZIMUTH = 90°**

N  
W E  
S

**Rio Novo Mineração Ltda**  
Toldafria Project  
1039377N SECTION

# CROSS SECTION – TF-004 AND TF-009



**HOLES PLOTTED**

TOTAL 2

DH-TF-004 DH-TF-009

**Mineralized Zone**

**TOPOGRAPHY**

TOPO\_GRD\_TOLDAFRIA.GRD

COL	RANGE
5	5
2.5	2.5
1	1
0.3	0.3
0.1	0.1

MSC - CHLORITE SCHIS	Green
MSG - GRAPHITE SCHIS	Grey
MSS - QZ-SERICITE SC	Yellow
NR - NO RECOVERY	Black
QB - OVERBURDEN	Orange

**SECTION SPECS:**

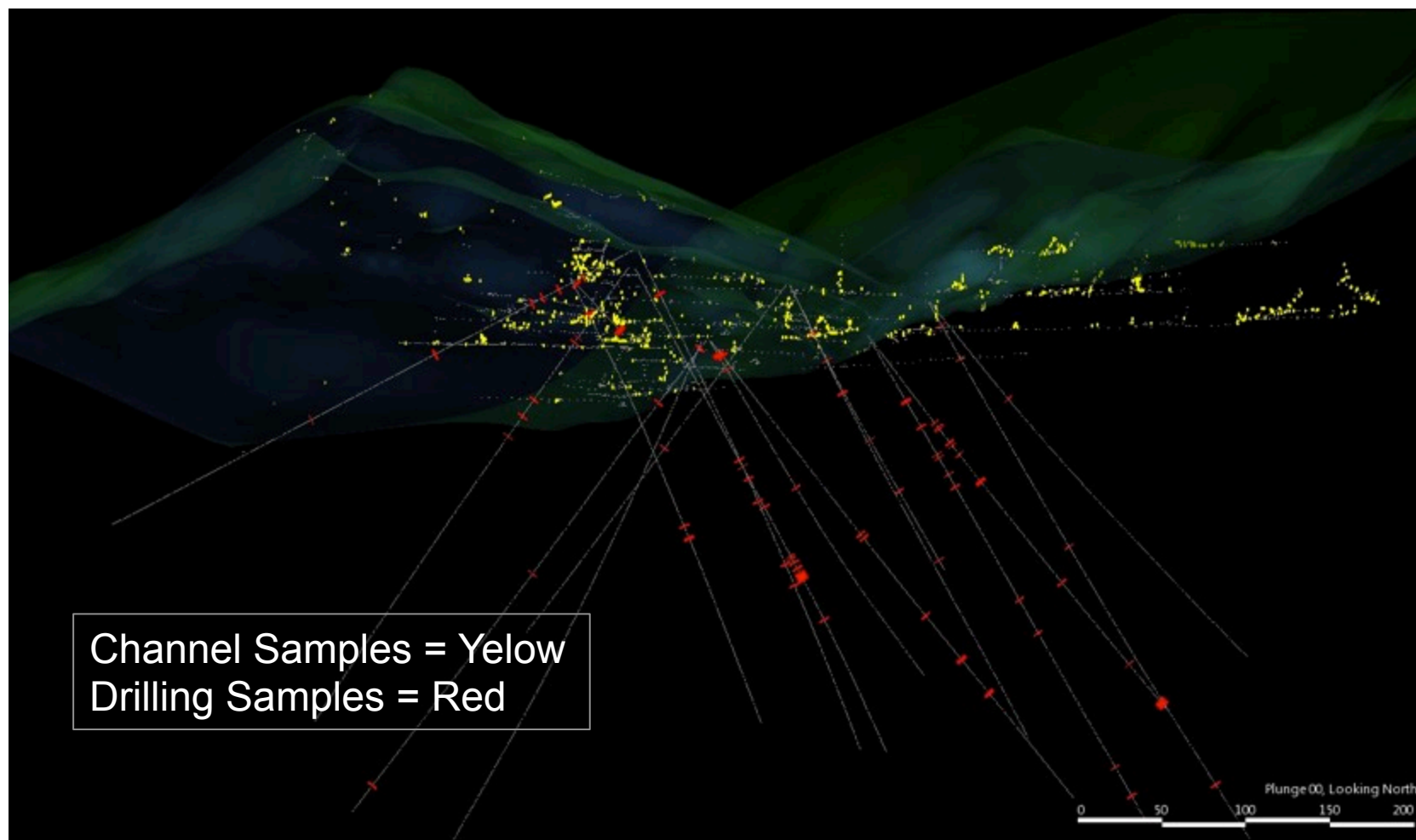
REF. PT. E, N	849220 m	1039260 m
EXTENTS	508.5 m	449.8 m
SECTION TOP, BOT	3035 m	2585 m
TOLERANCE +/-	30 m	

**SCALE** (m): 0 to 60

**AZIMUTH = 90°**

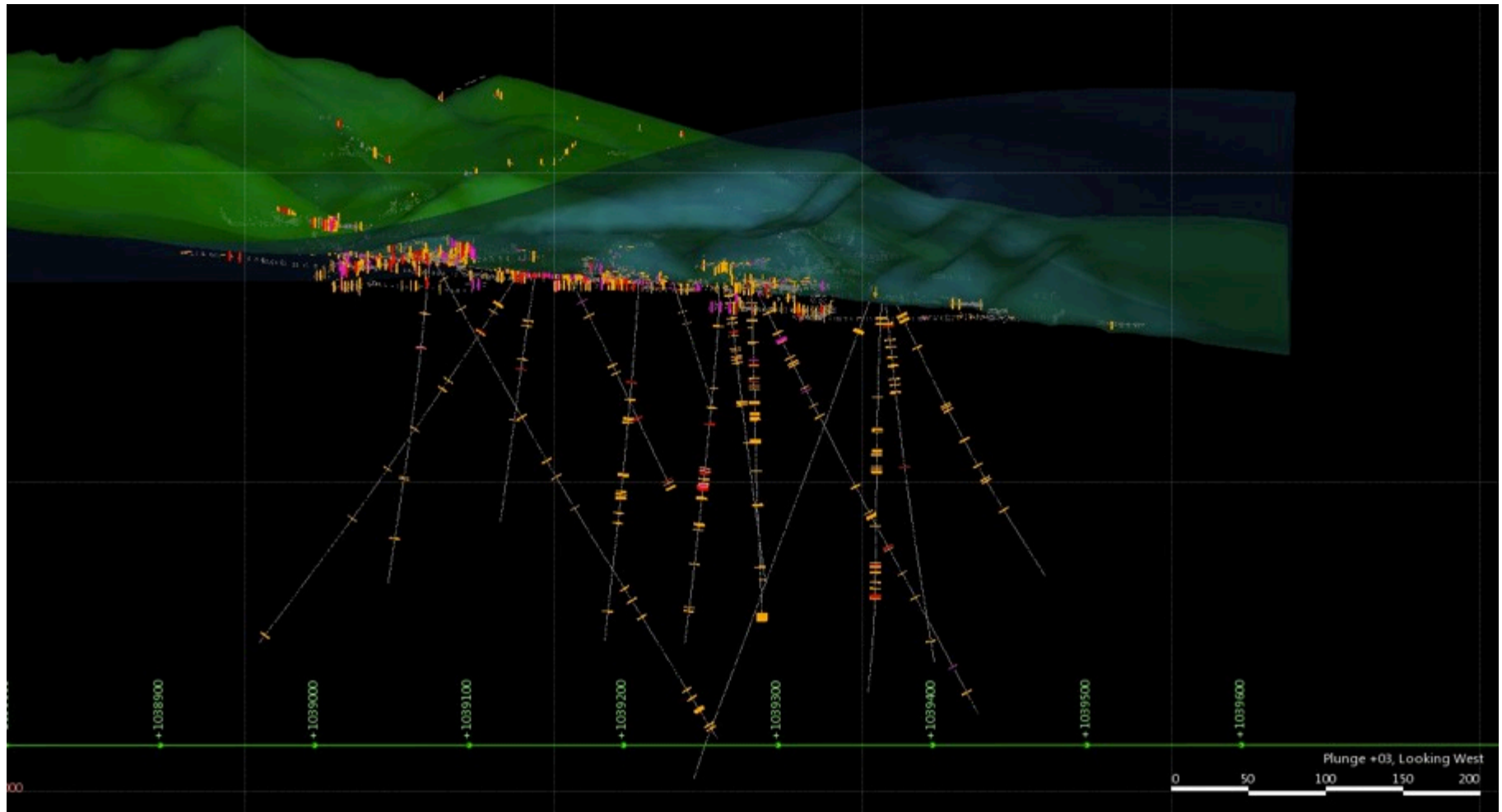
Rio Novo Mineração Ltda  
Toldafria Project  
1039260N SECTION

## 3-D VIEW – >1 G/T LOOKING NORTH



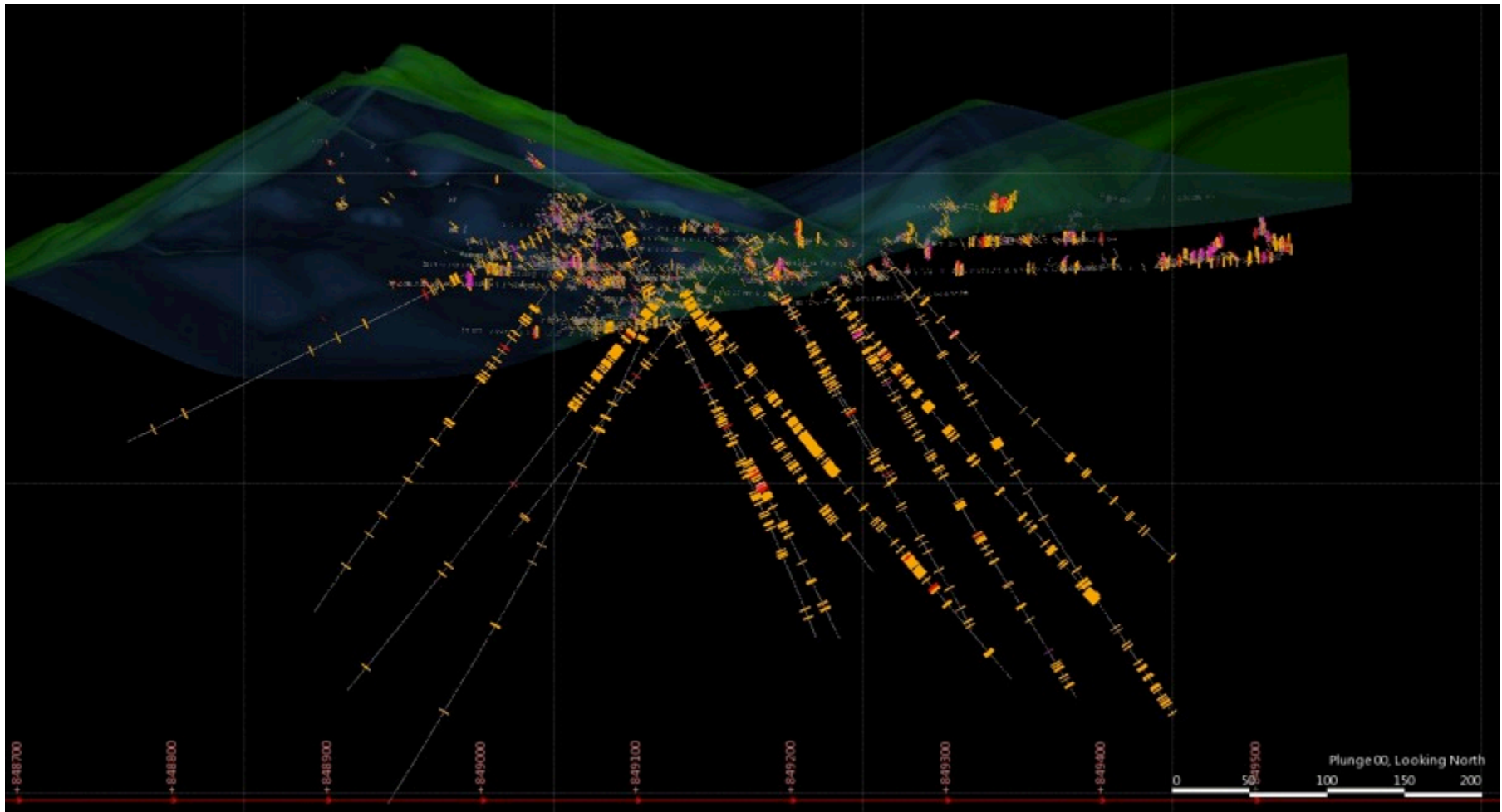
Channel Samples = Yellow  
Drilling Samples = Red

# 3-D VIEW – 0.5-1.0 G/T LOOKING WEST

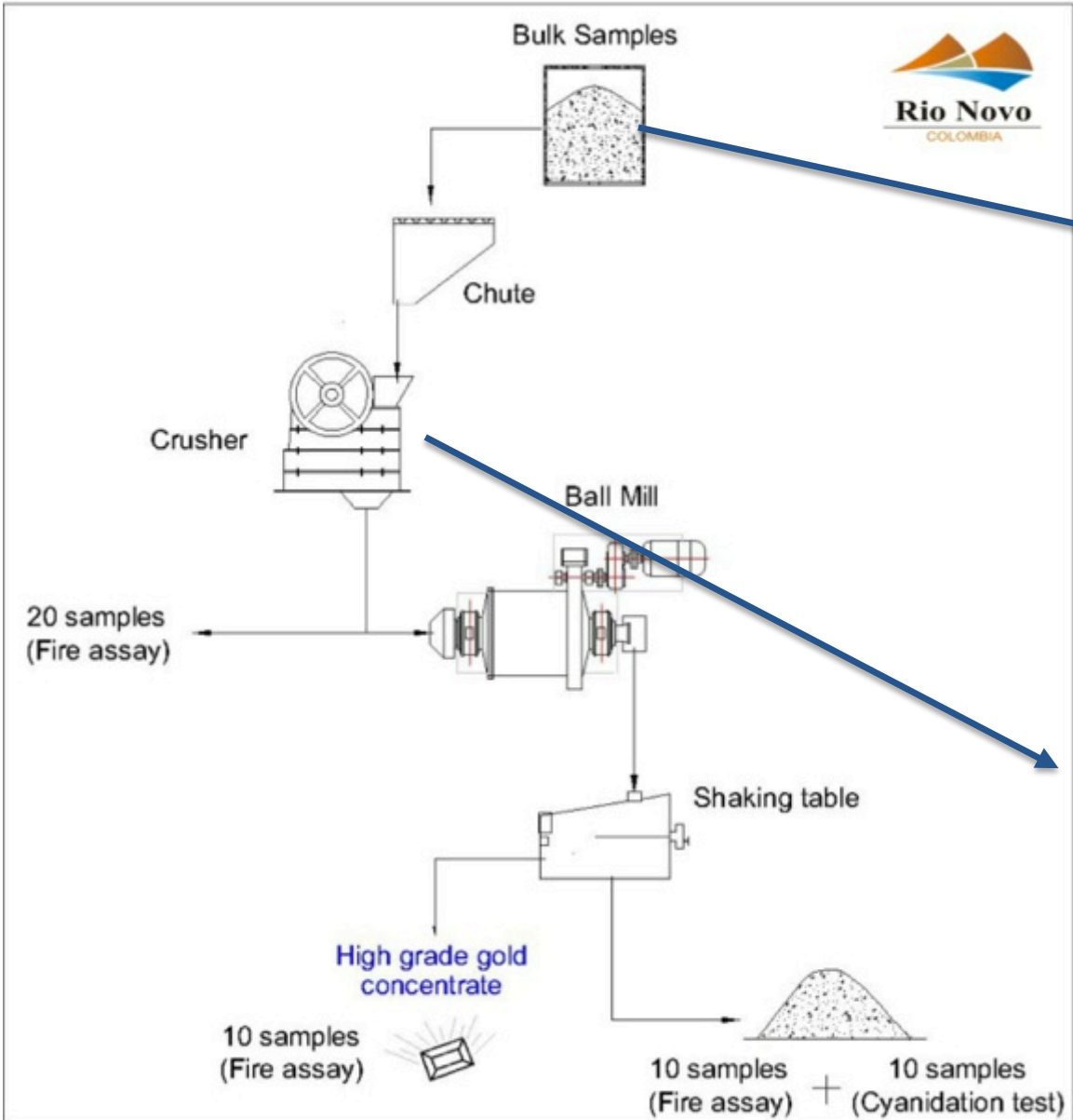




# 3-D VIEW – 0.2-0.5 G/T LOOKING NORTH



# BULK SAMPLING PROCESS



# BULK SAMPLING PROCESS

