

resulting income produced will be \$37,316,000 for a profit of \$18,284,840.

AU Production in Ounces	Year 1	Year 2	Year 3	Year 4	Year 5
Gold Produced-Cieneguita	7,250	19,800	20,400	20,400	20,400
Gold Revenue-Guazapares	0	0	16,800	36,000	49,200
Gold Mine Acquisition	0	0	0	0	31,200
Total	7,250	19,800	37,200	56,400	100,800

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Gold Produced-Cieneguita	2,755,000	7,524,000	7,752,000	7,752,000	7,752,000
Gold Revenue-Guazapares	-	-	6,384,000	13,680,000	18,696,000
Gold Mine Acquisition	-	-	-	-	10,868,000
Total Revenue	2,755,000	7,524,000	14,136,000	21,432,000	37,316,000
Net Income (loss)	\$ 1,349,950	\$ 3,686,760	\$ 6,926,640	\$ 10,501,680	\$ 18,284,840

Financial Summary	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$ 2,755,000	\$ 7,524,000	\$ 14,136,000	\$ 21,432,000	\$ 37,316,000
% Growth	-	173%	88%	52%	74%
Gross Profit	1,405,050	3,837,240	7,209,360	10,930,320	19,031,160
% of Revenue	51%	51%	51%	51%	51%
EBITDA	1,349,950	3,686,760	6,926,640	10,501,680	18,284,840
% of Revenue	49%	49%	49%	49%	49%

1.11 Funds Sought

In order to initiate mining operations at El Oro, the company requires an investment of US \$2 million.

1.12 Use of Proceeds

Proceeds will be used in the following manner:

- \$1.5 million for equipment and capital costs to return El Oro to an operating mine.
- \$0.5 million for working capital.

1.13 The Opportunity

El Oro is in a unique position in that it has strong contacts in Mexico and has claims on proven gold reserve properties with previous mining histories that it can exploit to considerable financial advantage in a time of the rise of gold as a desirable market commodity. It's association with Mineral Rio Tinto has given El Oro the mining expertise and business know how necessary to bring mining properties to production. This will open the opportunity to acquire reserves defined by other companies in the region.

Conservatively, El Oro may generate US \$18 million in profit by the fifth year of operations. This figure does not include profit from reserves that may be discovered with future exploration on El Oros claims. This opportunity is attractive as the current market potential is strong for gold and precious metals and El Oro offers proven reserves with substantial cash flow to fund future operations.

