

**Volta Resources Inc.**

**Annual Information Form**  
for the year ended December 31, 2010

**March 30, 2011**

## Table of Contents

	Page
<b>GENERAL INFORMATION</b> .....	3
Metric Equivalents .....	3
Gold Prices .....	3
Currency Exchange Rates.....	3
<b>NOTE REGARDING FORWARD-LOOKING INFORMATION</b> .....	4
<b>CORPORATE STRUCTURE</b> .....	5
<b>GENERAL DEVELOPMENT OF THE BUSINESS</b> .....	5
Three Year History .....	5
<b>DESCRIPTION OF THE BUSINESS</b> .....	7
<b>RISK FACTORS</b> .....	9
<b>MINERAL PROPERTIES</b> .....	14
BURKINA FASO.....	15
<i>Mineral Tenure</i> .....	15
Kiaka Gold Project: .....	16
Gaoua Project: .....	23
Kampti Gold Project: .....	35
Titao Gold Project: .....	43
Bansie Joint Venture Project:.....	46
GHANA.....	46
<i>Mineral Tenure</i> .....	46
Bui Gold Belt: .....	47
Sefwi Gold Belt:.....	47
Newmont Joint Venture:.....	48
MALI .....	48
<i>Mineral Tenure</i> .....	48
South Mali Project:.....	48
<b>DIVIDENDS</b> .....	49
<b>CAPITAL STRUCTURE</b> .....	49
<b>MARKET FOR SECURITIES</b> .....	49
<b>DIRECTORS AND OFFICERS</b> .....	50
<b>PROMOTERS</b> .....	53
<b>LEGAL PROCEEDINGS AND REGULATORY ACTIONS</b> .....	53
<b>INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS</b> .....	53
<b>TRANSFER AGENT AND REGISTRAR</b> .....	53
<b>MATERIAL CONTRACTS</b> .....	53
<b>INTEREST OF EXPERTS</b> .....	53
<b>AUDIT COMMITTEE INFORMATION</b> .....	54
<b>ADDITIONAL INFORMATION</b> .....	55
<b>SCHEDULE A – AUDIT COMMITTEE CHARTER</b> .....	56

## GENERAL INFORMATION

All dollar amounts expressed in this Annual Information Form are shown in Canadian dollars, unless otherwise stated.

### Metric Equivalents

Conversion rates from imperial measures to metric to imperial are provided below.

Imperial Measure	Metric Unit	Metric Measure	Imperial Unit
1 acre	0.4047 hectare	1 hectare	2.4711 acres
1 foot	0.3048 meter (m)	1 meter (m)	3.2808 feet
1 mile	1.6093 kilometre (km)	1 kilometre (km)	0.6214 mile
1 ounce (troy)	31.1035 grams (g)	1 gram (g)	0.0322 ounce (troy)
1 pound	0.4536 kilogram (kg)	1 kilogram (kg)	2.2046 pounds
1 short ton	0.9072 metric tonne (t)	1 metric tonne (t)	1.1023 short ton
1 ounce (troy) / short ton	34.2857 grams metric / tonne	1 gram / metric tonne	0.0292 ounce (troy) / short ton

### Gold Prices

The following table sets forth the annual high, low and average price of gold for the periods indicated, as well as the price of gold at the end of each such period, as determined in the afternoon on the London Bullion Market (US dollars per ounce).

	2010	2009	2008	2007	2006	2005	2004
High	1,421.00	1,218.25	1,011.25	841.10	725.00	536.50	454.20
Low	1,058.00	813.00	712.50	608.40	524.75	411.10	375.00
Average	1,224.52	972.97	871.96	695.39	603.77	444.45	409.17
End of period <sup>(1)</sup>	1,410.25	1,104.00	865.00	836.50	635.70	513.00	438.00

<sup>(1)</sup> Determined in the morning.

### Currency Exchange Rates

The following table details the exchange rates of Canadian dollars to US dollars for the calendar years 2004 to 2010. The high, the low and the average exchange rates are presented for these periods. These exchange rates are expressed in Canadian dollars and represent the noon buying rate for the US dollars at the Bank of Canada.

	2010	2009	2008	2007	2006	2005	2004
High	1.0778	1.2704	1.2969	1.1853	1.1726	1.2704	1.3968
Low	0.9946	1.0594	0.9719	0.9170	1.0990	1.1507	1.1774
Average	1.0299	1.1481	1.0660	1.0748	1.1342	1.2116	1.3015

The following table details the exchange rates of Canadian dollars to Euros for the calendar years 2004 to 2010. The high, the low and the average exchange rates are presented for these periods. These exchange rates are expressed in Canadian dollars and represent the buying rate for Euros at the Bank of Canada.

	2010	2009	2008	2007	2006	2005	2004
High	1.5067	1.6492	1.6635	1.5473	1.5230	1.6133	1.6807
Low	1.2478	1.5380	1.4738	1.3882	1.3716	1.3771	1.5556
Average	1.3661	1.5851	1.5602	1.4690	1.4244	1.5085	1.6169

## **NOTE REGARDING FORWARD-LOOKING INFORMATION**

This Annual Information Form contains forward-looking statements which involve known and unknown risks and uncertainties. These forward-looking statements include estimates and statements as to management's expectations with respect to, among other things, the size and quality of the Company's mineral reserves and resources, progress in the development of mineral properties, future production, capital and mine development costs. You can identify forward-looking statements by the use of words such as "may", "will", "should", "plans", "anticipates", "believes", "estimates", "predicts", "intends", "potential" or the negative of such terms or other comparable terminology.

These forward-looking statements are based on current expectations and are naturally subject to uncertainty and changes in circumstances that may cause actual results to differ materially from those expressed or implied by such forward-looking statements. Factors that may cause actual results to vary include, but are not limited to, changes in commodity prices, changes in currency exchange rates, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), unanticipated operational difficulties, delays in receipt of governmental approvals, unanticipated events relating to environmental, health and safety matters and changes in general economic conditions or conditions in the financial markets. Our ability to predict the results of our operations or the effects of various events on our operating results is inherently uncertain. Therefore, we caution you to consider carefully the matters described under the heading "Risk Factors" and elsewhere in this Annual Information Form as well as those risk factors discussed or referred to in the Company's annual Management's Discussion & Analysis filed with the securities regulatory authorities in the provinces of Ontario, British Columbia, Alberta and Manitoba and available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com). Such factors and many other factors beyond our control could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by the forward-looking statements.

The reader is cautioned not to place undue reliance on forward-looking statements. The forward-looking information contained herein is presented for the purpose of assisting investors in understanding the Company's expected financial and operational performance and the Company's plans and objectives and may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statements contained herein except in accordance with applicable securities laws.

## **CAUTIONARY NOTE TO UNITED STATES SHAREHOLDERS**

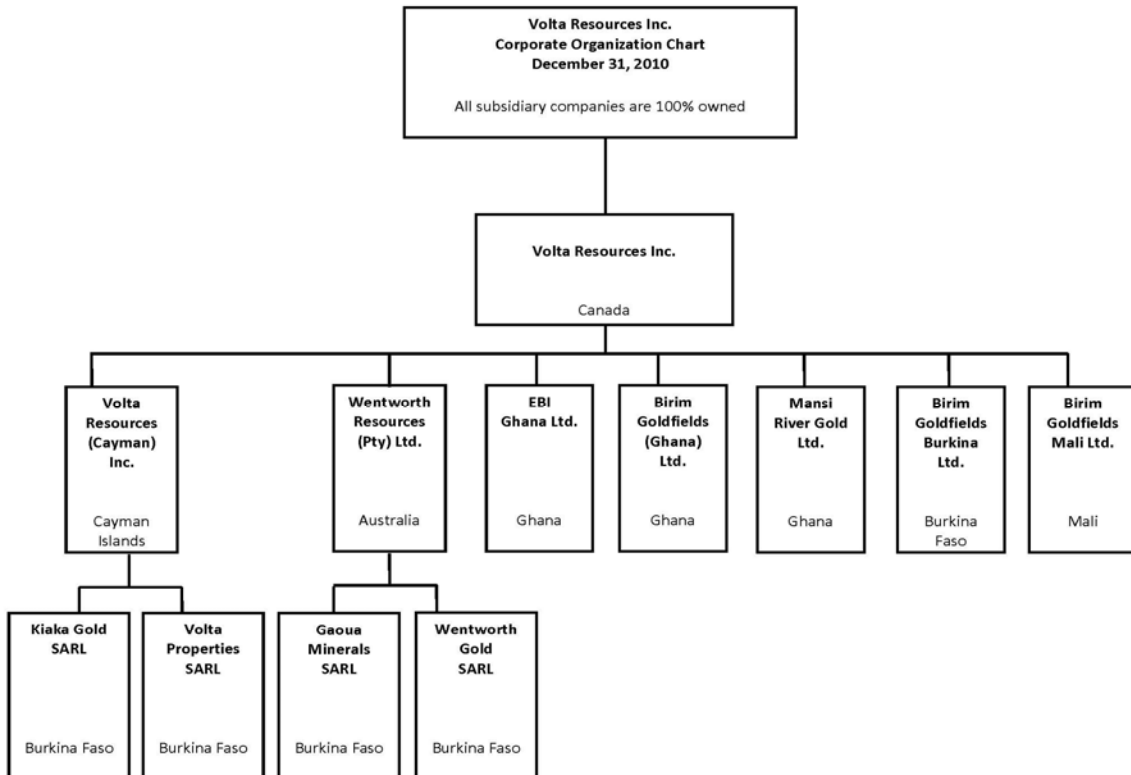
This Annual information Form uses the terms "Indicated" and "Inferred" Resources. United States shareholders are advised that while such terms are recognized and required by Canadian regulations, the Securities and Exchange Commission of the United States does not recognize them. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimated of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. United States shareholders are cautioned not to assume that all or any part of Indicated Mineral Resources will ever be converted into Mineral Reserves. United States shareholders are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists or is economically or legally mineable.

## CORPORATE STRUCTURE

By Articles of Amalgamation dated March 31, 2008, Goldcrest Resources Ltd. (“**Goldcrest**”) and Birim Goldfields Inc. (“**Birim**”) amalgamated under the *Business Corporations Act* (Ontario) (the “**OBCA**”) to form Volta Resources Inc. (“**Volta**” or the “**Company**”).

The Company’s head and registered office is located at 67 Yonge Street, Suite 602, Toronto, Ontario, M5E 1J8.

The following chart illustrates the inter-corporate relationships among the Company and its wholly-owned subsidiaries, including the jurisdiction of each entity:



## GENERAL DEVELOPMENT OF THE BUSINESS

### Three Year History

The following are the significant events that have influenced the general development of the Company’s business over the last three completed financial years.

- By Articles of Amalgamation dated March 31, 2008, Goldcrest and Birim amalgamated under the OBCA (Ontario) to form Volta.
- On October 21, 2009, the Company closed a private placement, on a bought deal basis, pursuant to which the Company raised net proceeds of \$7,653,594 through the issue of 25,194,075 common shares of the Company at a price of \$0.33 per share.

- Pursuant to the terms of a purchase and sale agreement (the “**Kiaka Acquisition Agreement**”) with Randgold Resources Limited (“**Randgold**”), the Company purchased a 90% interest in the Kiaka Gold Project in Burkina Faso (the “**Kiaka Property**”) from Randgold, effective November 13, 2009. The aggregate consideration for the purchase of the Kiaka Property comprised 20,000,000 common shares of the Company, and \$4,000,000 payable in equal instalments on each of the dates that are 6, 12, 18 and 24 months after November 13, 2009.
- In March 2010, the Company closed a private placement with International Finance Corporation (“**IFC**”) for gross proceeds of \$4,000,000. The Company issued 5,405,404 common shares and 2,702,702 warrants. Each warrant entitles IFC to acquire one common share of the Company at an exercise price of \$1.03 per share before March 23, 2015. The expiry date of the warrants would be accelerated if at any time during the warrant exercise period, the 15-day volume weighted average price of the Company exceeds \$1.55. IFC has a further option to subscribe for an aggregate amount of \$4,000,000 of units comprising shares and warrants at prices dependent on the price of the Company’s shares at the time of exercise of the units.
- On June 2, 2010, the Company issued 22,258,000 special warrants at a price of \$1.55 per special warrant for net proceeds to the Company of \$32,438,889. On July 14, 2010, the special warrants were converted into 22,258,000 common shares of the Company, following a receipt for a final short form prospectus.
- In June 2010, the Company received \$3,291,928 on exercise of 3,196,047 warrants issued as part of its previously reported March 2010 private placements.
- On June 29, 2010 the Company announced its maiden National Instrument 43-101 (“**NI 43-101**”) compliant resource estimate at its Kiaka Property. This resource establishes an initial total amount of gold ounces at the high end of its original gold resource goal, and demonstrates significant future potential. Volta completed 111 drill holes totalling 17,112 meters, which were used to develop this maiden resource estimate. Indicated Resources at Kiaka, using a 0.6 g/t Au cut-off, total 41,250,000 tonnes @ 1.04 g/t gold for 1,384,000 ounces and Inferred Resources of 15,900,000 tonnes @ 0.90 g/t gold for 480,000 ounces.
- In October 2010, the Company acquired a parcel of land in Ouagadougou, Burkina Faso, on which to build administrative offices for its Burkina Faso operations. The land comprises 1,500 square meters and was acquired at a cost of \$216,675.
- To date, the Company has completed more than 24,000 meters of its previously announced Phase II 50,000 metre drilling program at Kiaka, carried out to infill and extend to depth, its existing resource. Results to date indicate continuation of mineralization at depth as well as verification of mineralization with infill holes.
- At the Kiaka Property, IP gradient array and ground magnetic geophysical surveys have identified several new geophysical anomalies with similar characteristics as the main Kiaka zone. These will be drill tested in the near future.
- During 2010, the Company completed additional geochemical, geophysical and trenching programs at its Nassara project located within the Gaoua project in Burkina Faso that has refined the target area over a 3.5 kilometre strike. The Company then drilled over 30 RC holes along this strike length and identified three north-westerly plunging ore shoots, each with a strike length between 400 and 600 meters. The gold mineralization occurs in quartz veining hosted along the sheared contact between volcanic flows and graphitic schists. Highlights were 9 meters @ 11.5 g/t gold, 5 meters @ 6.5 g/t gold and 19 meters @ 2.22 g/t gold.
- The Company has completed an extensive scout geochemical auger drilling campaign that identified several gold anomalies on the Company’s wholly-owned Titao project in north-western Burkina Faso. Significantly, the program has identified a large gold anomaly on the northern-most tested target, Toulfe, where gold results for samples taken in saprolite, at the base of the holes, regularly exceed 0.1g/t gold with a peak of 2.18g/t gold.
- In February 2011, the board of directors of the Company (the “**Board**”) approved the adoption of a shareholder rights plan agreement (“**SRP**”) which was adopted to provide adequate time for the Board and the Company’s shareholders to assess any unsolicited take-over bid (a

"Bid") which might be received, to provide the Board with sufficient time to explore and develop alternatives for maximizing shareholder value and to provide the Company's shareholders with an equal opportunity to participate in the Bid and protect them from unfair or coercive tactics. The SRP is subject to the ratification by the shareholders of the Company at the Company's next annual meeting of shareholders.

- On March 21, 2011 the Company announced the appointment of Alexander J. Davidson as a director of the Company. Mr. Davidson has over 30 years of international mining company experience in designing, building, implementing and managing gold and base metal exploration and acquisition programs throughout the world. Mr. Davidson currently consults to companies in the mining industry, prior to which he was Executive Vice President, Exploration and Corporate Development with Barrick Gold Corporation, responsible for their international exploration programs and Corporate Development activities.

## **DESCRIPTION OF THE BUSINESS**

Volta Resources Inc. is an exploration and development company focused on properties in West Africa. Its primary assets include the Kiaka gold project, the Gaoua copper-gold porphyry project and the Kampti and Titao gold projects in Burkina Faso. The Company is also active in Ghana and Mali, West Africa.

### **Specialized Skill and Knowledge**

The Company is dependent on the services of key executives, including a small number of highly skilled and experienced executives and personnel. Various key executives of the Company have lived and operated in the countries in which Volta is active and have a good knowledge of the operating environment. These personnel also have a solid understanding of the geology of the Birimian greenstone belts and a good understanding of the bureaucratic systems within the countries in which it operates. See also "Risk Factors".

### **Competitive Conditions**

Competition exists for the limited number of mineral acquisition opportunities available. As a result of this competition, some of which is from large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mining properties on terms it considers acceptable. Volta has key personnel that have spent years working in the countries that Volta is active and have created relationships and have good understanding of the conditions which may give the Company a competitive advantage. See also "Risk Factors".

### **Cycles**

The climate, in the areas that the Company operates has a dry season from November to April and a wet season from May to October. Average rainfall is between 1,000 mm and 1,100 mm. Mean monthly temperatures vary between 25°C and 30°C with temperature extremes of 45°C and 16°C. The Company is able to operate on some, but not all, of its properties year-round.

### **Environmental Protection**

The Company's activities in Ghana, Burkina Faso and Mali all remain at the exploration stage; consequently, the impact on the environment and host communities is very low. The Company remains committed to all of the objectives laid out in its Environmental Policy and carries out its activities in a careful and responsible manner, implementing its own operational guidelines and general "best practice" guidelines as provided in the E3 Initiative of the Prospector & Development Association of Canada.

The Company's early stage exploration activities have a very low impact on the environment. Procedures implemented under our environmental guidelines ensure that even minimal impact is mitigated as much as possible.

There are no forest or wildlife reserves areas within the Company's concession areas. Some concessions do border on forest reserves, but our activity does not impact on these areas and has no impact on biodiversity.

In Ghana, the Bui Dam is under construction at the Bui Gorge which is approximately 20 kilometers north of the Company's closest drill projects. The Company's concessions are all downstream from the Bui Dam and, therefore, the Company believes, do not impact on the catchment area. The Company's environmental permits, however, have been withheld for various properties downstream from the Bui Dam due to the Ghana Environmental Protection Agency (the "EPA") considering that any mining in the area may have an impact on the structural integrity of the dam. The Company has provided the EPA with an independent expert technical opinion contradicting that assumption.

Despite meetings and correspondence with government officials and repeated requests for formal explanations for the refusal to grant the EPA permits ("EPA Permits"), the Company has not been provided with any technical justification for withholding the renewal of the EPA Permits. The Company believes it has met all of the requirements and conditions pertaining to the renewal of these EPA Permits and therefore believes it is in full compliance. All other statutory conditions required to maintain the prospecting licenses in good standing have been met.

The Ghanaian Ministry of Environment, Science and Technology has initiated the establishment of a committee to review the decision of the EPA. The Company still awaits feedback.

In Burkina Faso, the Kiaka Property is located on the upper reaches of the Bagre Dam, which is on the Nakambe River. A number of rivers do traverse our concessions but our activities do not impact on these rivers.

## **Foreign Operations**

The Company conducts exploration and development activities in West Africa. The Company's foreign mining investments are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on the Company's earnings or the viability of its affected foreign operations, which could have a material and adverse effect on the Company's future cash flows, results of operations and financial condition.

The Company's business may be adversely affected by political, economic and social changes in West Africa. A change in government or a change in policy by the government of countries in which the Company is or may become active could adversely affect the Company's business by, among other factors, changes in laws, regulations and the interpretation thereof, restrictions on currency conversion, import and export restrictions or the expropriation of private enterprises. Local tribal authorities in West Africa exercise significant influence with respect to local land use, local labour and local security. No assurances can be given that the co-operation of such authorities, if sought by the Company, will be obtained and, if obtained, maintained. The Company's business is subject to the usual risks associated with carrying on business in a developing country, which may include, among others, labour disputes, invalidation of governmental orders and permits, corruption, uncertain political and economic environments, war, civil disturbances and terrorist actions, arbitrary changes in laws or policies of particular countries, foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on gold exports and



increased financing costs. These risks may limit or disrupt the Company's projects, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation. See also "Risk Factors".

## **Employees**

At the end of its 2010 financial year, the Company, directly and through its subsidiaries, employed approximately 80 persons at its head office in Toronto, as well as at its exploration sites in Burkina Faso and Ghana.

## **Risk Factors**

The business of the Company entails numerous risks normally associated with mineral exploration and development. An investment in the Company should be considered highly speculative for a variety of reasons. An investment in the Company should only be undertaken by persons who have sufficient financial resources to enable them to assume such risks. In addition to the usual risks associated with investment in a business, the following are descriptions of specific risk factors applicable to the Company and its business, which should be considered:

### ***Nature of Mineral Exploration***

Mineral exploration and development is extremely competitive and involves a high degree of risk. The Company must compete with a number of other companies that have greater technical financial resources. It involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Many of these other companies not only explore for and produce ore but also carry out refining operations and market the ore and other products on a worldwide basis. The mining of minerals is highly speculative and involves greater risks than many other businesses. The business requires very large capital expenditures in advance of anticipated revenues from operations. Many exploration programs do not result in the discovery of mineralization and any mineralization discovered may not be of sufficient quantity or quality to be profitably mined. The Company could become subject to liability for pollution, cave-ins, blow-outs and other hazards against which it cannot insure or may elect not to insure against.

### ***Exploration, Development and Operating Risks***

There are a number of risks inherent in any exploration and development program, relating to the discovery and location of economic ore bodies, the development of appropriate metallurgical processes, the receipt of necessary governmental permits, licenses and permits and the construction of mining and milling facilities.

The Company's activities have been limited to the highly speculative business of acquiring and exploring properties in the hope that commercial quantities of gold or other minerals will be discovered. At the present time, none of the Company's properties contain a known commercially mineable mineral deposit. The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties, which are explored, are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, including, but not limited to the following: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Because so few properties which are explored ever become producing

mines, investors must be prepared for the possibility that the Company will be unsuccessful and that they could lose their entire investment.

In the event that the Company places any of its properties into production, of which there can be no assurance, it would face numerous risks associated with mining operations. These risks include adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes, and the inability to maintain the infrastructure for its production activities. Future development activities, of which there can be no assurance, would depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important factors, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could make it very difficult, if not impossible, to engage in any development activities and force the Company to incur expenses that it had not planned on spending.

### ***Uncertainty of Resource Estimates***

The figures for mineral resources at the Company's projects are estimates and no assurances can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. The ore grade actually recovered may differ from the estimated grades of the mineral resources.

### ***Industry Condition***

The marketability of minerals which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of mineral markets and processing equipment and government regulations, including regulations relating to prices, taxes, royalties, land tenure and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The probability of the Company not receiving an adequate return on invested capital will be dependent upon market price for gold. Gold prices fluctuate dramatically and are affected by numerous industry factors, such as interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand for precious metals, forward selling by producers, central bank sales and purchases of gold, production and cost levels in major gold producing regions such as China, Australia, South Africa and the Commonwealth of Independent States (CIS) Region, and the political and economic conditions of major gold, copper or other mineral-producing countries throughout the world. Moreover, gold prices are also affected by macro-economic factors such as expectations for inflation, interest rates, currency exchange rates and global or regional political and economic situations. The current demand for, and supply of, gold affects gold prices, but not necessarily in the same manner as current demand and supply affect the prices of other commodities. The potential supply of gold consists of new gold mine production plus existing stocks of bullion and fabricated gold held by governments, financial institutions, industrial organizations and individuals. Since mine production in any single year constitutes a very small portion of the total potential supply of gold, normal variation in current production do not necessarily have a significant effect on the supply of gold or its price.

### ***Uncertainty of Title***

Although the Company has obtained title opinions with respect to certain of its properties and has taken reasonable measure to ensure proper title to its properties, there is no guarantee that title

to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interests. Title insurance generally is not available for mining claims in Burkina Faso, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. The Company has not conducted surveys of the claims in which it holds direct or indirect interests; therefore, the precise area and location of such claims may be in doubt. Accordingly, the properties may be subject to prior unregistered liens, agreements, transfers or claims and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

### ***Additional Funding***

If the Company's program of exploration and development is successful, additional funds will be required for further exploration and development work to identify an economic ore body or to bring any such ore body to production. The only source of future funds available to the Company is through the sale of additional equity capital or borrowing the funds. There is no assurance that such funding will be available to the Company. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Company or providing the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial condition. In addition, if the Company is able to raise funds through the sale of additional equity capital, it is likely that investors will experience dilution of their interests, which could result in a decrease in the value of the Company's common shares. To date, the Company has generated no revenues to offset its costs and anticipates that no revenues will be generated until the Company's projects are in production, which is not anticipated to occur in the short-term.

### ***Government Regulation***

The construction, development and operation of a mine, including the construction and operation of a mill, typically entail compliance with the applicable environmental legislation or review processes and the obtaining of land use and other permits, water licenses, and similar authorizations of overall mining operations are subject to the constraints contained in such legislation.

Mining operations in Burkina Faso are subject to laws relating to the protection of the environment. Mining operations are also subject to laws which seek to maintain health and safety standards by regulating the design and use of mining methods and equipment. Various permits from government bodies are required for mining operations to be conducted; no assurance can be given that such permits will be received. Compliance with such laws may cause delays and require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company. Additionally, the Company may be subject to liability for pollution or other environmental damage which it may elect not to insure against due to prohibitive premium costs and other reasons.

The Company believes that it is in compliance in all material respects with such existing laws. Changing government regulations may have an adverse effect on the Company.

### ***Licenses and Permits***

Although the Company either currently holds or has applied for all consents which it requires in order to carry out its operations, the Company cannot be certain that it will receive the necessary permits on acceptable terms or at all, in order to conduct further exploration and to develop its properties. The failure to obtain such permits, or delays in obtaining such permits, could adversely affect the operations of the Company. Government approvals and permits are currently and may in the future be required in connection with the operations of the Company. To the

extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing its mining operations or from proceeding with planned exploration or development of mineral properties.

### ***Environmental Risks and Hazards***

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Government and other approvals, and permits are currently, and may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing its mining operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional into equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

### ***Lack of Operating Profits***

The Company has incurred operating losses on an annual basis for a number of years primarily arising out of the costs related to continued exploration and development of mineral resource properties including costs written off on properties no longer being pursued by the Company. As of December 31, 2010, the Company had an accumulated deficit of \$36,251,980. It is anticipated that the Company will continue to experience operating losses for fiscal 2011. There can be no assurance that the Company will ever achieve significant revenues or profitable operations.

### ***Politics of West Africa***

The Company conducts exploration and development activities in West Africa. The Company's foreign mining investments are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on the Company's earnings or the viability of its affected foreign operations,

which could have a material and adverse effect on the Company's future cash flows, results of operations and financial condition.

The Company's business may be adversely affected by political, economic and social changes in West Africa. A change in government or a change in policy by the government of countries in which the Company is or may become active could adversely affect the Company's business by, among other factors, changes in laws, regulations and the interpretation thereof, restrictions on currency conversion, import and export restrictions or the expropriation of private enterprises. Local tribal authorities in West Africa exercise significant influence with respect to local land use, local labour and local security. No assurances can be given that the co-operation of such authorities, if sought by the Company, will be obtained and, if obtained, maintained. The Company's business is subject to the usual risks associated with carrying on business in a developing country, which may include, among others, labour disputes, invalidation of governmental orders and permits, corruption, uncertain political and economic environments, war, civil disturbances and terrorist actions, arbitrary changes in laws or policies of particular countries, foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on gold exports and increased financing costs. These risks may limit or disrupt the Company's projects, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation.

#### ***Dependence on Key Personnel***

The Company is dependent on the services of key executives, including the directors of the Company and a small number of highly skilled and experienced executives and personnel. The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers. Due to the relatively small size of the Company, the loss of the Company's key personnel or its inability to attract and retain additional highly skilled employees may adversely affect its business and future operations. The Company does not maintain key man insurance on any of its management personnel.

#### ***Currency Risk***

Foreign exchange risk arises since most of the Company's costs are in currencies other than the Canadian dollar. Fluctuations in exchange rates between the Canadian dollar and the Euro and to a lesser extent the U.S. dollar, could materially affect the Company's financial position. Management periodically considers reducing the effect of exchange risk through the use of forward currency contracts but has not entered into any such contracts to date.

#### ***Competitive Conditions***

Significant and increasing competition exists for the limited number of gold acquisition opportunities available. As a result of this competition, some of which with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mining properties on terms it considers acceptable.

#### ***Global Economy***

The credit crisis and related instability in the global financial system, although somewhat abated, has had, and may continue to have, an impact on our business and our financial condition. We may face significant challenges if conditions in the financial markets do not continue to improve. Our ability to access the capital markets may be severely restricted at a time when we would like,

or need, to access such markets, which could have an impact on our flexibility to react to changing economic and business conditions.

### ***Infrastructure***

The Company's exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important factors which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's exploration activities and its financial condition.

### ***Conflicts of Interest***

Certain of the Company's directors and officers serve as officers and/or directors of other resource exploration companies which are themselves engaged in the search for additional opportunities. Accordingly, situations may arise where these persons are presented with, or identify, resource exploration opportunities that may be or perceived to be in competition with the Company for exploration opportunities. Any decision made by any of such directors and officers involving the Company should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the OBCA and other applicable laws.

### ***Market Price for the Company's Common Shares***

The market price of the Company's common shares, like that of the common shares of many other natural resource companies, has been and is likely to remain highly volatile. Results of exploration activities, the price of gold, copper, and other metals, period-to-period fluctuations in the Company's operating results, changes in estimates of the Company performance by securities analysts, market conditions for shares of natural resource companies in general, and other factors beyond the control of the Company, could have a significant, adverse impact on the market price of the Company's common shares.

### ***Dividend Policy***

The Company has never paid a dividend and it is unlikely that it will declare or pay a dividend until warranted. The declaration, amount and date of distribution of any dividends in the future will be decided by the Board from time-to-time, based upon, and subject to, the Company's earnings, financial requirements and other conditions prevailing at the time.

### ***Future Sales of the Company's Common Shares by Shareholders***

Sales of a large number of the Company's common shares in the public markets, or the potential for such sales, could decrease the trading price of the Company's common shares and could impair the Company's ability to raise capital through future sales of the Company's common shares or securities convertible into common shares.

### ***Mineral Properties***

The Company has projects in Burkina Faso, Ghana and Mali. The primary focus of the Company's activities, however, is on its properties in Burkina Faso and accordingly, more detailed information is provided on its Burkina Faso operations and licenses, and summary information is provided on its Ghana and Mali operations and licenses

The Company's interests in all mineral licenses in Burkina Faso, Ghana and Mali are subject to a 10% carried interest granted to the respective government when a project proceeds to the exploitation phase.

## BURKINA FASO

The information set forth herein regarding the Kiaka Property is based upon two independent technical reports entitled "Technical Audit of Kiaka Gold Project, Burkina Faso" dated September 2009 (the "**Parsons Report**") and "Mineral Resource Estimate of Kiaka Gold Project, Burkina Faso" dated July 12, 2010. The reports were prepared under the supervision of Ben Parsons, MSc, AusIMM, of SRK Consulting (UK) Ltd. ("**SRK**") a qualified person for the purposes of NI 43-101. The full texts of the reports are available at [www.sedar.com](http://www.sedar.com).

The information set forth herein regarding the Gaoua Project is based upon two independent technical reports, the Gow Report (see below) and the independent technical report entitled "Mineral Resource Estimation for the Gaoua Project, Burkina Faso", dated March 2009 (the "**SRK Report**"). The SRK Report was prepared by Dr. Lucy Roberts, a qualified person for the purposes of NI 43-101, and reviewed by Martin Pittuck of SRK, a qualified person for the purposes of NI 43-101. The full text of the Gow Report and the SRK Report is available at [www.sedar.com](http://www.sedar.com).

The information set forth herein regarding the Kampti Project and the Titao Sud Project is based upon the independent technical report entitled "Technical Report on Five Permits in Burkina Faso" dated February 4, 2008 (the "Gow Report"). The Gow Report was prepared under the supervision of Neil N. Gow, P.Geo, Consulting Geologist, a qualified person for the purposes of NI 43-101.

### **Mineral Tenure**

The Company has 5 projects comprising 9 separate licences in Burkina Faso. They are shown in the table below.

PROJECT	LICENSE NAME	LICENSE NO.	AREA (km <sup>2</sup> )	STATUS
Kiaka	Kiaka	2007 07-116/MCE/SG/DGMGC	184.00	Valid
Gaoua	Malba	2008 08-209 MCE/SG/DGMGC	191.20	Valid
Gaoua	Souhouera	2009 09-019 MCE/SG/DGMGC	250.00	Valid
Gaoua	Danyoro	2009 09-020/MCE/SG/DGMGC	250.00	Valid
Kampti	Kampti III	2008 08 042/MCE/SG/DGMGC	244.50	Valid
Titao	Titao 1	2008 08-037/MCE/SG/DGMGC	48.25	Valid
Titao	Titao Sud	2008/08-041/MCE/SG/DGMGC	204.00	Valid
Titao	Barga II	2008 08-100/MCE/SG/DGMGC	230.00	Valid
ACC JV	Bansie	2008 08-037/MCE/SG/DGMGC	48.24	Valid

## **Kiaka Gold Project:**

### **Project Description and Location**

The Kiaka Project was acquired from Randgold in November 2009 and is located in south central Burkina Faso, approximately 120 kilometers southeast of the capital Ouagadougou. The Kiaka permit is an exploration permit initially covering an area of 244 km<sup>2</sup>, and was guaranteed to Randgold on 17th June 2004 for a period of 3 years by arête No2004/00/083/ MCE/SG/DGMGC. On 13 August 2007 the permit was renewed for the first time for a period of 3 years by the arête No2007/ 07/116/ MCE/SG/DGMGC. The permit has since been reduced to 184km<sup>2</sup>. The Company has the right to explore the property until June 2013 and intends to apply for a mining license during the current renewal period.

The permit or license is held by Kiaka Gold SARL, a wholly-owned Burkina Faso subsidiary of Volta. A local company (GEP Minerals) owns a 10% interest which is carried to the feasibility stage, where after they will participate, with Volta assisting GEP Minerals to secure project financing.

### **Accessibility, Climate, Local Resources and infrastructure**

#### ***Accessibility***

The Kiaka project is located 140 km south east of the capital city of Ouagadougou and can be accessed by road in approximately 2 hours. Ouagadougou is a city with modern services that has direct air service to Europe. In addition, the neighbouring countries are accessible via a network of roads as well as by regularly scheduled air services.

The road links between Ouagadougou and the project are good for the majority of the distance. The initial 100 km from Ouagadougou to Manga is the N5 which forms the main access between Ouagadougou and the Ghana border at the town of Paga. South east of Manga the road changes to a further 20 km of laterite gravel road and finally 20 km of dirt road of variable quality.

The project camp is situated at the southern portion of the property and is accessible for the majority of the year. The last 20 km of the journey in its current state can cause some accessibility issues during the rainy season, but in general the terrain is relatively flat and can therefore be accessed by 4WD vehicles. Concrete causeways have been constructed to allow streams to be passable in places. Within the last 5 km there currently are no causeways and therefore restrictions exist during periods of heavy rain for 2 to 3 days at a time until the water level subsides. Two areas of low lying swampy ground exist which can extend for 200 to 300m which currently are not reinforced and therefore can be impassable during the rainy season. Further restrictions in access exist to the northern portions of the property is limited during the rainy season (July to September), as the Nakamba River, also known as the White Volta, bisects the property and currently no bridges exist.

Exploration at the Kiaka deposit typically takes place between November and June during the dry season and therefore access to the camp and the deposit are not limited.

#### ***Climate***

The climate of the region is sub-saharan tropical, with warm, dry winters and hot, wet summers. The general climate for the region is semi-arid, with a rainy season lasting from June to September/October. A dry season follows between November and February which is followed by a hot season for the rest of the year. Daytime temperatures range from 35 to 45 degrees celsius in the dry season and from 30 to 35 degrees celsius in the wet season. The average temperature at night ranges between 15 to 25 degrees. The annual rainfall is in the order of 895 mm per annum with the majority of the rain falling between levels during the wet season can increase to



between 40 to 80 %. A general decrease of annual rainfall has been observed in Burkina Faso with the weather during recent years but 2009 has provided more typical wet season conditions.

### ***Physiography***

The area around the Kiaka Deposit is generally flat with low hills ranging between 220 to 300 meters in elevation above mean sea level. To the east of the main orezone the White Volta River or Nakambe River runs southwards towards Ghana. The location of the Nakambe River or White Volta River which runs through the property and lies approximately 1.5 km to the east of the Kiaka Main Zone means processing and domestic water requirements can be met easily. The proximity of the river to the main orezone will require further studies as to the potential environmental impact of mining activities and definition of the high-water mark when the river fills during the rainy season and the Bagre Dam is full.

### ***Infrastructure***

The property is located near a number of potential local resources which could be utilised after completion of further studies. A high voltage power line is located 20 km north of the Kiaka Main Zone, which runs from a hydroelectric facility at Bagre Dam to the southeast (35 km) of the property and services the national grid and Ouagadougou. Due to a general shortage of electrical power in Burkina Faso the Company has reviewed alternative options. Currently there is no communication system within the local area but cellular telephones work intermittently within areas of the property. An abundance of unskilled local workforce is available in the area in close proximity to the property. Local towns are relatively small and will only provide basic provisions and therefore most provisions and equipment will be sourced from Ouagadougou. The town of Manga is situated approximately 40 km from the current camp and is the largest of the regional centres. Fuel can be obtained from local filling stations however there will be a requirement for an onsite bulk storage facility on commencing any future major exploration programmes. Skilled workers and general services could be sourced from the capital city of Ouagadougou.

### **History**

No history of the project ownership is known prior to the purchase of the exploration rights by Randgold.

### **Geological Setting**

The Kiaka deposit is geologically situated in a part of the principal West African gold producing area and is associated with the Paleoproterozoic rocks of the Birimian Orogeny. The Kiaka Project is located at the intersection of the Tenkedogo Belt and the Markoye Fault Zone. The latter is a regional structure along which gold deposits of economic interest have been located. Gold mineralisation at Kiaka is low grade and associated with a broad silicabiotite-chlorite alteration system. Sulphide mineralisation comprises pyrrhotite (85%), fine pyrite (9%), and arsenopyrite (4%), found either as disseminations or contained within regional deformation fabrics. The sulphide content does not show a strong correlation with gold grade.

### **Exploration**

The main deposit within the exploration license area is the Kiaka Main Zone ("KMZ"), which extends over some 2.8 km. Randgold has explored the property since 2004, after targeting it on the basis of favourable horizons for gold mineralisation shown on regional scale maps and evidence of Orpailleur activity on the property.

### ***Exploration History and Mineral Resource Estimates***

Randgold began exploration on the property after successfully obtaining an exploration permit to the property on the 17th June 2004. Exploration started with property scale geochemical program (200 x 500m) and a series of pits and a single trench. The pits have been dug by hand through the lateritic cover to saprolite material, with sampling taken from the wall just above the base of

the pit. Initial results were encouraging and therefore during 2005 a further 27 pits were completed and a second trench. The trenches have again been hand dug down to the saprolite material with sampling completed using channel sampling methodology along one trench wall at 2m intervals to provide 2.5 kg samples. Initial drilling was completed in 2005 with 3 diamond drill holes completed.

The main focus of the 2006 exploration program was a move away from manually dug pit samples (although it is noted that a further 15 pits were completed during this period), to Rotary Air Blast (RAB) sampling, which accounted for 260 holes at a combined meterage of 4,401m. In addition to the RAB program a further 5 trenches were dug and sampled and drilling of the project continued using both diamond drilling (DD) and reverse circulation (RC) methods. A total of 17 holes were completed during the year with 6 DD holes and 11 RC holes totalling 1,371m and 1,125m respectively. Exploration at the property continued during the first quarter of 2007 with the focus switched back from drilling techniques to more basic sampling methodology (pits and trenches) over the property with only 2 DD holes completed during this phase. Initial modelling of the Main Zone was completed at the end of this phase by Randgold Resources geologists as a decision was required if the exploration permit should be extended. The decision was taken to extend the initial permit due to the favourable results received. The final stage of exploration was completed during the second quarter of 2008 during which time 2 trenches and 6 DD holes were completed.

Randgold reported a significant in-house “geological resource”, which is not NI43-101 compliant, extending from surface to a depth of 300 vertical meters. The resource is contained largely within a broad wireframe derived from a >0.3 g/tAu grade shell. This resource was based on 24 diamond drill holes, 11 RC holes and 11 trenches centered largely on the KMZ at Kiaka. The KHZ is a 650 meter long N to NE striking mineralized structure, which is generally narrower but higher grade than the KMZ. Some of the better intersections are:

- 172.0 meters @ 1.32 g/t gold
- 122.0 meters @ 2.00 g/t gold
- 82.0 meters @ 1.55 g/t gold
- 208.0 meters @ 1.46 g/t gold
- 45.0 meters @ 2.62 g/t gold
- 70.0 meters @ 1.12 g/t gold

There is significant upside outside of the Kiaka deposit itself, as suggested by anomalous pitting and RB drilling at the Kiaka deposit itself, on parallel zones, extensions and untested anomalism within 2.5 km of the drilled area. In addition, the Kiaka deposit is one of 6 regional targets defined on the property.

Volta completed an aggressive drilling program comprising >22,000 meters in order to produce a NI43-101 compliant resource that will facilitate fast tracking the project toward a development decision. Significantly, Volta has confirmed the extensive widths defined by Randgold on the KMZ zone as well as significant intersections of the KHZ, KIZ and KFZ zones. In addition, higher grade intersections can now be defined within the KMZ which correlate to specific and more intense alteration assemblages that can be traced from hole to hole and section to section.

The table below gives SRK’s Mineral Resource statement. SRK has applied a cut off grade of 0.6 g/t gold for this. Data quality, drill hole spacing and the interpreted continuity of grades controlled by the banding have allowed SRK to classify the majority of the deposit as an Indicated Mineral Resource, deeper parts of the main corridor, strike extents and flanking structures have been classified as Inferred Mineral Resources.

SRK Mineral Resource Statement, Kiaka Gold Project 29th June 2010						
Type	Category	Tonnes (Kt)	Au (g/t)	Metal Au (Kg)	Metal Au (Koz)	
<b>Mineralised Bands</b>	Indicated	16,990	1.42	24,060	773	
	Inferred	4,510	1.40	6,200	200	
<b>Halo Mineralisation</b>	Indicated	24,260	0.78	18,990	611	
	Inferred	11,400	0.80	8,800	280	
<b>Combined Total</b>	Indicated	41,250	1.04	43,100	1,384	
	Inferred	15,900	0.90	15,000	480	

Notes :

Mineralised Bands based on a cut-off grade of 1.0 Au (g/t) within mineralised wireframe

Halo Mineralisation based on a grade bracket of 0.6 – 1.0 Au (g/t) within mineralised wireframe

The following table shows the sensitivity of SRK's block model within the Whittle open pit, at a range of cut-off grades from 0.0g/t to 1.4g/t.

Grade - Tonnage Table, Kiaka Deposit 29th June 2010								
Cut-off g/t	Indicated				Inferred			
	Tonnes Kt	Au Grade g/t	Metal Au Kg	Metal Au K oz	Tonnes Kt	Au Grade g/t	Metal Au Kg	Metal Au K oz
1.40	6,220	1.86	11,550	371	1,320	1.90	2,500	80
1.20	10,100	1.64	16,550	532	2,370	1.60	3,900	120
<b>1.00</b>	<b>16,990</b>	<b>1.42</b>	<b>24,060</b>	<b>773</b>	<b>4,510</b>	<b>1.40</b>	<b>6,200</b>	<b>200</b>
0.80	27,480	1.22	33,440	1,075	9,020	1.10	10,200	330
<b>0.60</b>	<b>41,250</b>	<b>1.04</b>	<b>43,100</b>	<b>1,384</b>	<b>15,900</b>	<b>0.90</b>	<b>15,000</b>	<b>480</b>
0.40	54,090	0.92	49,540	1,593	26,070	0.80	20,000	640
0.20	60,580	0.85	51,630	1,660	33,280	0.70	22,200	720
0.00	61,540	0.84	51,750	1,664	37,350	0.60	22,700	730

SRK considers there to be good potential to find additional resources:

- being open at depth along the main mineralised strike interval,
- along strike to the south where scout drilling has encountered encouraging mineralisation,
- along strike to the north where faulting may have offset the mineralisation to the east of the current drilling coverage; and
- Within the current mineralised wireframes more material is present at lower-grade cut-offs which may add additional ounces to the deposit should more favourable costs be defined than currently assumed.

Volta also plans to follow up on other geophysical targets in the licence area which, SRK agrees, warrant further exploration.

In late September 2010, Volta commenced a drilling program comprising more than 250 holes for approximately 50,000 meters in the Central Area of its Kiaka Gold Project in Burkina Faso, aiming to achieve the following objectives:

- Infill the core of the main deposit defined so far in the Central Area, to 25m x 50m drill spacing in order to raise the category of most of the Indicated Resources to Measured Resources and Inferred Resources to Indicated Resources.
- Extend the drilling depth of the main area of the deposit in the Central Area so that the interval between 200 meters and 300 meters below surface delivers Inferred Resources.
- Extend and infill the drilling north of the main deposit by approximately 450 meters on 50m x 50m drill spacing in an attempt to add additional Indicated and Inferred Resources.
- Undertake additional drilling to the northwest of the main deposit in the Central Area in order to follow up recent favorable intersections achieved in the KHZ zone. This drilling will also attempt to add Indicated and Inferred Resources.
- Extend and infill the drilling south of the main deposit by approximately 400 meters on 50m x 50m drill spacing in an attempt to add additional Indicated and Inferred Resources.

To date, over 24,000 meters of the program have been completed with the following highlights (See *press releases issued by the Company dated November 29, 2010, December 15, 2010, January 6 & 20, 2011, February 22, 2011 and March 3, 2011*);

- 63.6 meters @ 2.68 g/t gold
- 72.3 meters @ 2.15g/t gold
- 146.0 meters @ 1.26g/t gold
- 125.0 meters @ 1.27g/t gold
- 138.0 meters @ 1.13g/t gold
- 296.0 meters @ 1.07g/t gold
- 193.0 meters @ 1.02g/t gold
- 51.0 meters @ 2.11g/t gold
- 216.0 meters @ 1.26g/t gold
- 208.0 meters @ 1.64g/t gold
- 109.0 meters @ 1.36g/t gold

The Company intends to release an updated NI 43-101 resource report prior to the end of June 2011 and to commence a pre-feasibility study in July 2011.

Randgold did undertake petrographic work to study gold deportment. The gold is located on grain margins and is not occluded within sulphides and is therefore unlikely to be refractory. There are also no preg-robbing components. Some preliminary CIL/bottle roll metallurgical test work was also undertaken. The results indicate encouraging recoveries ranging from 80% to 98%, with the majority of the samples returning > 90% recovery. The Company has engaged SGS Lakefield in Johannesburg to undertake further metallurgical test work.

Recent metallurgical tests undertaken by SGS South Africa (Pty) Limited ("**SGS**") indicate that between 40% and 55% of gold at the Kiaka Project should be recoverable by gravity separation in less than 3% of the mass. The combination of recoveries of up to 55% of the gold upfront in a gravity circuit and the gravity tails proving amenable to direct cyanidation, point to overall recoveries in excess of 90% for both high and low grade ores at Kiaka.

There are other mineralized upside targets identified by soil sampling, pitting and RAB drilling within the immediate proximity of KMZ and KHZ, including the Eastern Target, Western 1 Target, Western 2 Target, Northern Target and the Southern Target. These have yet to be tested by RC or diamond drilling.

Regionally, there are another five prospects including Niaogo-Gozi, Kiaka Dam, Kiaka East, Sondo and Gueka. They were identified by Randgold using regional and infill soil sampling, followed up by mapping, rock chip sampling, limited trenching and RAB drilling. These prospects lie within analogous mineralized environments to the Kiaka Main area.

### **Mineralization**

The current extent of the KMZ has been traced for 1.9 km with the widest portion of the deposit measured at 750m along strike with an ore body thickness varying from 4m to 207m (downhole) at its widest portion. Two styles of mineralisation have been identified to date during the exploration programmes. A wide zone that is well defined by a 0.25 to 0.30 g/t halo has been identified within areas of large scale deformation such as the KMZ. Within these broadly mineralised zones, higher grade portions of the main zone have a general northeast trend and have to date been interpreted to plunge at 20 to 30 degrees to the northeast. Continuity of the high-grade zones within the lower grade halo is difficult to access at this early stage and further drilling (infill), will be required to test for continuity. Examination of the diamond drilling shows a relationship between higher grades in the KMZ and the deformation fabrics and increased alteration levels.

Outside of the KMZ hangingwall and footwall structures have been found to be mineralised. The hangingwall (KHZ) and footwall (KFZ) zones tend to be of higher grade but lack the thickness of the KMZ. Mineralisation in the hangingwall and footwall has a strong relationship with the structural controls within the local area. The KHZ has a strike length of 600m at an average thickness of 10m, while the KFZ has a strike length of 700m with thickness ranging from 4m to 47m. These zones remain open along strike.

### **Drilling**

The exploration drilling data focuses on the data collected by Randgold and Volta. The drilling has been completed since 2005 and been run in conjunction with other sampling programmes during the period. Diamond drilling, RC drilling and RAB drilling completed by Randgold at the Kiaka deposit included 295 holes drilled for an aggregate 12,484.0 meters. To date, Volta has completed an additional 234 RC and diamond drillholes for an aggregate of 41,170 meters. The majority of the detailed drilling has been focused on the KMZ and KHZ areas of the deposit. The Company completed an aggressive drilling program comprising >22,000 meters in order to produce the NI 43-101 compliant resource that will facilitate fast tracking the project toward a development decision. Volta commenced a 50,000 meter program following the announcement of the maiden NI 43-101 resource

### **Sampling and Analysis**

Regional soil sampling has been completed in two stages, with the first being a regional geochemical study based on a 200m by 600m grid spacing, with a more detailed study completed over the Kiaka deposit using a 50m by 200m spacing. The regional program has been orientated into a northeast grid to be consistent with the general trend of the rock types and potential mineralisation. Sampling used shallow excavations of 30 cm to 50 cm, with the excavated material crushed by hand and sieved through to a -80 mesh and placed in a sample bag for dispatch. Each sample has been given a unique sample ID which has now been stored within an acQuire database. At the time of sampling additional details such as sampled material, sample condition (wet or dry), and sample colour were recorded. In conjunction with the regional soil

sampling program, work has been completed on proofing the deposit scale geology to update the geological interpretation.

Randgold largely followed the same procedure that Volta is currently applying to sampling and analysis. This comprises RC drill chips being collected at 1m intervals downhole via a cyclone into PVC bags and then weighed prior to riffle splitting. Sample recovery for RC drilling was good. Generally, 1m intervals were taken for diamond core sampling unless geological features were identified requiring smaller intervals. Sample recovery in diamond holes was very good but of moderate quality within the highly weathered zones. The sampling procedures adopted for drilling were consistent with current industry best practise. No distinct bias was evident in RC field duplicate data. Data is verified by completing field duplicates and inclusion of certified standards and blanks. Samples were sent to SGS Morila and SGS Ouagadougou by Randgold and to ALS Chemex in Ouagadougou by Volta for standard preparation followed by gold Fire Assay on a 50g charge. Standards are inserted every 15 samples, field duplicates (in the RC holes only) about every 25 and blanks about every 35 samples. The blanks, certified standards and duplicate assays confirm that all assays used to compile the intersections quoted here have passed Volta's rigorous QA/QC checks

### ***Trenching***

Trenches have been excavated across the Kiaka deposit at approximately 200m intervals along the strike of the KMZ and KHZ anomalies. All trenches have been dug by hand, with sampling being completed at 2m intervals. Samples have an average mass of approximately 2.5 kg. Each sample is bagged and labelled with a unique identification number (sample ID) which is dispatched to the laboratory for sub-sampling.

### ***Pitting***

Pitting has been completed to infill information obtained from the trench analysis. Pits have been dug by hand to saprolite depth. The average sample spacing along pitting lines is 25m with pit lines every 200m to infill or extend information from trenching across the width of the deposit. Sampling has been completed from the wall of the pits just above the base, with samples typically in the order of 50 cm in length. Each sample has been bagged and labelled with a unique sample number. In addition to the sampling, the rock type within each pit has been noted for updating the geological model.

### ***Rotary Air Blast ("RAB") Drilling***

RAB drilling has been completed as an alternative to more labour intensive trenching techniques. A total of 7 lines of RAB drilling have been completed across the deposit during 2006. The aim of the RAB program was to infill or offer supplementary information on the near surface geology across the Kiaka deposit. On each RAB line holes have been spaced at 10m intervals and have an average depth of 16m but range from 3m to 42m in depth. Samples have been collected every 3m at each rod change based on a drilling rod length of 3m. The entire sample has been collected and then passed through a riffle splitter (1:4); all bulk rejects have been discarded at this stage. The sample is then split further to produce a primary sample for the laboratory and a duplicate.

### ***Reverse Circulation ("RC") Drilling***

A single phase of RC drilling was completed during 2006, 11 holes were completed for a total of 1,125m. Samples have been collected based on a 1m sampling interval. A quick log of RC chips was completed at the rig to monitor drillhole advance. Geological logging has been completed onsite geologists by a small number of geologists to ensure consistency in the logging codes used. Volta has integrated the Randgold and Volta drilling results and captured the data in an acQuire project database which contains the relevant rock codes and lithology descriptions. A total of eleven rockcodes have been used during the logging of the RC drilling program with the majority of rocks logged as amphibolite, quartz biotite rock and quartz mica schist.

### ***Diamond Drilling***

The strong relationship defined between lithological changes and structural controls mean detailed logging of the subsurface geology is required. Diamond drilling is therefore preferential at this early stage of the project to allow geologists to interpret the structural conditions underground and review the alteration and geological boundaries.

Geological logging has been completed after mark-up and splitting of the core. Once cut the drill core is placed in metal core trays of good quality. Geological logging has been completed by onsite geologists with number of geologists used limited it has ensured consistency in the logging codes used. All key elements have been logged and the geological logging is deemed to be comprehensive. Randgold have created a project database which contains the relevant rock codes and lithology descriptions. A total of twenty rock codes have been used during the logging. In addition to the major rock codes basic geotechnical parameters have been captured in the logging which details the recovery and RQD measurements. Separate structural logs have been completed within more detailed information including fabric orientation, faults, contacts etc.

### **Security of Samples**

Samples are collected in staple closed bags once taken from the drilling rig and are then transported to the secure camp sample processing and dispatch facilities to be picked up by the laboratory truck. The laboratory truck then takes them to the laboratory directly.

### **Gaoua Project:**

#### **Property Description and Location**

The Gaoua Project is comprised of three contiguous permits located in southwestern Burkina Faso, respectively, the Malba, Souhouera and Danyoro Permits. The permits are located in Poni Province and the capital of Poni Province, Gaoua, lies partly within the project area and are granted under the laws of Burkina Faso. The Gaoua Project is located close to the borders of Ghana to the west and Cote d'Ivoire to the south, approximately between latitudes 10° 10' 55"N and 10° 30' 51"N and longitudes 2° 57' 07"W and 3° 11' 53"W. The current major area of interest is a central core of favourable geology that covers three major prospects, Gongondy, Dienemera and Mt. Biri that lie within the Malba and Souhouera Permits. Historical testing has demonstrated the presence of porphyry copper mineralization at Gongondy and Dienemera.

The work completed by the Company has refined the testing of the major prospects. This work included various geochemical and geophysical surveys. In 2007, the Company completed 41 diamond drill holes with an aggregate depth of about 12,600m. The bulk of the drilling was at Gongondy and Dienemara, the most advanced prospects, but four initial holes were completed at Mt. Biri. The Company also completed geological mapping, stream and soil geochemical mapping of most of the Gaoua Project and geophysical surveys of the three main prospects. The work has demonstrated the presence of significant down hole lengths of mineralization potentially economic for gold and copper. Further work on the three prospects is considered justified by the Gow Report's author (the "Author").

Details of the properties are listed in the table below.

<b><i>Permit Details, Gaoua Project</i></b>			
<b><i>Permit Name</i></b>	<b><i>Number</i></b>	<b><i>Title Date</i></b>	<b><i>Area (km<sup>2</sup>)</i></b>
<i>Malba</i>	<i>2005/05-067/MCE/SG/DGMGC</i>	<i>July 11, 2005</i>	<i>191.2</i>
<i>Souhouera</i>	<i>2005/05-142/MCE/SG/DGMGC</i>	<i>October 13, 2005</i>	<i>250</i>
<i>Danyoro</i>	<i>2006/06-121/MCE/SG/DGMGC</i>	<i>October 4, 2005</i>	<i>250</i>
<i>Totals</i>			<i>691.2</i>

Permits are granted for three years and may be renewed twice for a further three years. The Malba Permit has been renewed twice. The Company holds exploration rights to the property until April, 2011 and intends to apply for new exploration rights to the property. The Souhouera Permit has been renewed until September 2011 and is renewable for an additional three year term. The Danyoro Permit was granted on October 30, 2006. Previously, Danyoro had been held by another party, to whom it was granted on October 4, 2005. The property was transferred to the Company by decree on October 30, 2006. The Company has the right to explore this property until October 2011 and is renewable for an additional three year term. Permits are obtained by map staking. The permits have not been surveyed. There is no requirement under Burkina Faso law for surveying to be carried out.

To obtain and renew permits in Burkina Faso, a number of fees and taxes must be paid. Specifically, there is an initial permit fee of CFAF1 million. On first renewal, a fee of CFAF1.5 million is required, and on second renewal a fee of CFAF 2 million is required. Area taxes are payable annually at a rate of CFAF2,500/km<sup>2</sup> in Year 1, CFAF3,000/km<sup>2</sup> in Year 2, CFAF4,500/km<sup>2</sup> in Year 3 and CFAF6,000/km<sup>2</sup> in Year 4 and subsequent years.

According to Burkina Faso mining law, the Burkina Faso Government is entitled to a free carried 10% equity in all construction and mining projects; there is a royalty on gold of 3% Free-on-Board (“**FOB**”) and a royalty on base metals of 4% FOB; and other taxes are applicable, subject to various tax holidays and exemptions.

Pursuant to the Gaoua Project Earn In Agreement, FMEC had the option to earn a 70% interest in the Gaoua Project by funding exploration through to a feasibility study. In January 2009, FMEC provided notice that it has elected not to proceed with exploration expenditures and payments related to an earn-in agreement on the Gaoua Project. FMEC has not earned an interest in the project and does not retain any back-in rights to the Gaoua project.

The Company holds mineral rights to the Gaoua Project but currently holds no surface rights. Much of the Gaoua Project area is populated by subsistence farmers who hold their property by tradition. To acquire surface rights, the Company must negotiate with the property holders in concert with other people of the area. In areas where there is no current occupation, the Company must negotiate with the local ‘chief’. The central government would not be involved unless negotiations were protracted or the process delayed. If the Company develops one or more mining operations, there is ample room for waste and tailings storage and appropriate mine buildings.

The Gaoua Project properties are early stage exploration. There are no known environmental issues.

The Government of Burkina Faso has a single permit system in place. Once an exploration permit is granted, no other entry or environmental permits are required for exploration work.

### **Accessibility, Climate, Local Resources and infrastructure**

The Gaoua Project is located in Poni Province in south-western Burkina Faso. Access is gained along paved two-lane highways (Highways 1 and 12) from Ouagadougou. The distance from Ouagadougou to Gaoua is 380 km. Gaoua is the provincial capital and has a population of about 26,000 people.

Access within the Gaoua Project is easy. There are many dirt tracks available and when necessary it is possible to travel across country.



## **Climate**

The climate in south-western Burkina Faso is Sub-Saharan with a dry season from November to April and a wet season from May to October. Average rainfall is between 1,000 mm and 1,100 mm. Mean monthly temperatures vary between 25°C and 30°C with temperature extremes of 45°C and 16°C.

Climate does not present major seasonal difficulties. The Company has drilled during the 'wet' season without major problems. The subsistence farmers grow significant areas of millet during the 'wet' season and may discourage access to fields during that period.

## **Local Resources**

There are essentially no resources required for mining available near the Gaoua Project.

Electric power in Burkina Faso is generated using oil that is typically trucked in from the coast of Africa (through either Ivory Coast or Ghana). Over the next few years, plans are in place to join Burkina Faso to the electrical grids of Ivory Coast and Ghana. It is expected that this will improve the reliability and reduce the cost of power in the country.

Water storage for mining and milling will probably have to be constructed prior to the commencement of operations. There are a number of rivers available in the general area and construction of any water storage is likely to be feasible.

There are significant areas of flat land available for mining, buildings and waste and tailings storage.

## **Infrastructure**

The Company rents a compound with office, eating and sleeping facilities for about 15 people within the town of Gaoua. At a separate compound, a new core handling and storage facility has been constructed by the Company. It has full ownership of the surface rights and buildings of the core facility.

## **Physiography**

The Gaoua Project, as with the rest of Burkina Faso, is relatively flat with elevations of about 330 m. Greenstone units tend to form low hills that may in exceptional circumstances rise up to 100m above the surrounding plain. The vegetation is savannah woodland. Along with various grasses, there are two major tree types, nere and karite trees. Locally, baobab trees form small copses.

The thickness of overburden and the depth of weathering are variable. Locally, fresh sulphides are not obtained until depths of about 200 m. In other areas, relatively fresh rocks are exposed at surface. Generally, the amount of outcrop is low. Hand-dug trenches to depths of 2m have been found to be effective in outlining mineralization and allowing mapping of B horizon material.

## **Geological Setting**

### ***Property Geology***

The Gaoua Project is comprised of three permits. The major area of interest at the present time is a north-south belt of rocks located on the Malba and Souhouera Permits. While regional maps are available for the Danyoro Permit, the mapping does not match with Souhouera.

The major geological units strike north-south. They include basaltic and andesitic rocks, together with volcanoclastic units and chemical sedimentary rocks (chert and quartzite). These units are

intruded by diorite and dioritic breccia units. The margins of the supracrustal rocks are various granitic rocks.

Within the Malba and Souhouera Permits, there is a central core of geology that demonstrates the presence of three areas of significant mineralization through historical and recent testing, completed by Goldcrest. The three prospects are respectively, Gongondy, Dienemera and Mt. Biri. These prospects contain mineralization hosted in various phases of the dioritic intrusive units.

The mineralization within the Gaoua Project is considered to be porphyry copper-gold type mineralization. This mineralization type has been confirmed by Sillitoe (1973) and on a recent property visit.

### **Exploration**

Within the Gaoua Project, the major target is a belt of copper-gold mineralization that has been known for some time. Testing has been carried out by public companies and by government and groups representing the United Nations. A history of exploration is summarized in the table below.

<b>SUMMARY OF PREVIOUS EXPLORATION</b>				
<b>Date</b>	<b>Project</b>	<b>Target</b>	<b>Work Completed</b>	<b>Results</b>
1928-1938	Compagnie Equatoriale des Mines (CEM)	Au	Reconnaissance geology. Mining of secondary copper.	Gongondy discovered. Production of 4,850 tonnes grading 8.4% Cu.
1941-1948	Direction Fédérale des Mines et de la Geologie de l'AOF	Au, Cu	Reconnaissance exploration. Subsurface work including 220 pits and 13 hand auger holes	A second lens of chalcocite located 500m NNE of the previously mined lens. Extraction of 96 tonnes of secondary material
1951-1963	BRGM	Cu	Mapping at 1:100,000. Regional geochemistry for Cu. Re-sampling of the CEM workings. Airborne survey (mag., EM, scintillometry)	Copper anomalies located. Further studies in the Gongondy area.
1965-1968	PNUD UPV4 (Special Fund)	Cu, Au, diamonds	Photogeological study at 1:25,000. Ground geophysical surveys over the previous airborne anomalies by HUNTEC. Two diamond drill holes (189.5 m)	Six geophysical anomalies outlined in the Gongondy area. Better understanding of the geology and structure.
1968-1970	Consortium Gaoua (BRGM 26%, Omnimines 25%)	Cu	Soil geochemistry in a number of areas. Some soil auger holes. 16 diamond drill holes.	Outline of a deposit 50m X 140m dipping at 50° and grading 0.9% Cu and 0.6 g/t Au.
1976-1978	PNUD-UPV 74/004	Regional study	7 km <sup>2</sup> soil geochemistry. Mechanical soil auger drilling (102 holes). 3 DDHs, 3 trenches	Gongondy deposit extended north and south.
1982-1985	Projet Minier Gaoua (PMG)	Eval. Of Gaoua deposits	Regional stream geochem. Soil sampling of Dienemera and Gongondy (1,771 samples assayed for Cu and Au). Greater than 125 km <sup>2</sup> covered by soil samples on a 100m X 500m grid. Mapping at 1:10,000. Ground geophysics. 4 DHHs for 1,061 m.	DDH16G returned 79m grading 0.53% Cu and 0.29 g/t Au. Large soil anomaly outlined.

### ***Data Compilation and Review***

Compilation of available data from the previous exploration campaigns was undertaken right from the granting of the first (Malba) property in the area by the company's local geologist and was pursued over years. Data were collected from the Ministry of Mines (Cadastre Minier, data deposited at the Ministry by Billiton and Goldfields) and Bumigeb (Ouagadougou and Bobo-Dioulasso, mainly data from the Project Minier Gaoua and Projet Nations Unies UPV74/004). Reports have been copied, most maps have been scanned and the relevant data digitized. Attempts to obtain the older (pre-1970) data held by the Bureau de Recherches Géologiques et Minières (BRGM) in Orléans, France, were regularly renewed, with limited success (some documents appear not to be available anymore).

### ***Satellite Imagery Studies***

Satellite Imagery Data was acquired for the Company by Australian Geological and Remote Sensing Services Pty. Ltd. (AGARRSS), a specialist consultancy based in Perth, Western Australia, whose brief was to focus on mineral mapping (alteration) combined with aeromagnetic interpretation. ASTER multi-spectral image data was acquired and enhanced.

Mineral mapping of ASTER bands indicate the K-anomalous zones show strong association with Silica, FeOX, both argillic and advanced argillic mineralogy in and around known mineralization. The strongest of these alteration patterns over-lap the targets identified by GeoDiscovery.

Both magnetic and ASTER data mapped consistent linear structures. A structural setting is identified that is similar, in many respects, to that of the Linked Fault Complex model, which has a strong spatial and temporal association with porphyry and epithermal mineralisation in the Andes.

Targets identified by AGARSS to the east of the volcanic belt (over metasediments) are an unusual, globular shape. Argillic signatures are common within metasedimentary sequences, but usually are strike extensive and directly related to certain strata. Due to their shape, possible association with important N- and NW-trending structural controls, and to a lesser extent, with IP and copper-in-soil signatures, these targets require field checking. They might represent alteration haloes in metasediments, concealing buried, porphyry-style mineralized systems.

In June 2008 the company ordered high-resolution satellite imagery (Ikonos, 1m Resolution Bundle, (Pan, Multispectral and True Color Images) over the central part of the Gaoua project permits, covering approximately 408km<sup>2</sup> of the total project area. In-house interpretation of the imagery is on-going.

### ***Airborne Geophysical Studies***

Digital airborne geophysical data was obtained from the Burkina government, and GeoDiscovery Pty Ltd, of Brisbane, Queensland, undertook processing, enhancement and qualitative interpretation of this magnetic and radiometric data in 2004. The work was done by Andrew Mutton who has experience with Lachlan Belt porphyry copper-gold models, the specific exploration model perhaps applicable to the Malba project.

Several geological domains were defined within the greenstone belt, including that associated with basic to intermediate volcanics and complex dioritic intrusions (source of the copper-gold mineralisation).

Prospective target zones were identified as coincident elevated K response and moderate to strong magnetic response. Most of the 18 well defined targets occur within a N-S structural corridor.

A high-resolution helicopter borne magnetic and radiometric survey was undertaken for the Company by New Resolution Geophysics of South Africa (“**NRG**”) in August-September 2008. The survey covered 634km<sup>2</sup> of the Gaoua project area. The area was flown along east-west oriented low heights flight lines spaced 100m apart with regular tie-lines.

The following products were delivered:

- Geosoft format grids of:
  - Total field gradient enhanced magnetics
  - First vertical derivative magnetics
  - Reduced to pole magnetics
  - Analytic signal
  - 4 Channel NASVD processed radiometric data (total count, potassium, uranium and thorium)
  - Calculated digital terrain
  - Geosoft database (or ASCII file) containing appropriate line data.

A preliminary interpretation was made by Dr. Ian Basson, Consultant from South Africa for NRG. It recognizes a total of five domains:

Domain 1 – Eastern Domain, consisting largely of granites with minor basalt relicts in the form of “skialiths”

Domains 2a and b – Central and Western Domains, which consist of relict basalt, basaltic andesite and related extrusives that were deformed with the regional intrusion of arc-parallel plutons.

Domain 3 – Similar to Domain 1, i.e. granites or granitoids, but surrounding Domain 2b.

Domain 4 – The southern half of a nested-coalesced pluton, with dimensions of 11km x 8km, which occurs on the southern tip of a much larger (48km x 26 km) pluton.

Domain 5 – A suite of small, highly flattened or attenuated plutons or stockworks trending parallel to the fabric within the basalts. These stockworks are syn-kinematic and have been flattened, such that their axial ratio (long vs. short axis) averages 7.5. This axial ratio differs significantly from that of the much larger arc-parallel plutons, where it is 1.9.

Further FastMag3D interpretation is currently being carried out by Carl Windels, Consultant from the USA. The preliminary result of this interpretation (in progress) recognizes 30 targets that may warrant follow-up. These targets are being prioritized, with those closely related to known mineralization and those with coincident geochemical and potassic anomalies having the highest priority. The interpretation does not integrate the geologic data and therefore the project geologist should prioritize these targets based on his geologic knowledge of the project. The Company staff is reviewing the preliminary data, adding geological input.

#### ***Preliminary Field Work***

The first phase of the field program has involved identifying and locating by GPS as many of the old workings (drill holes, trenches, pits, etc.) as possible. These workings were used to properly (GIS/Mapinfo) register the various geological, geochemical and geophysical survey maps in a single project database.

#### ***Core Re-logging***

Core from drilling carried out in the late 1970s (United Nations Development Program – UNDP, UPV74/004) and early 1980s (Projet Minier Gaoua - PMG) is in storage at the regional office of the Bureau des Mines et de la Géologie du Burkina (BUMIGEB, the Geological Survey) in Bobo-

Dioulasso. Company geologists and consultants have since the start of the project regularly visited the core storage area. The historical core was re-logged and re-sampled. About 2300 samples from the drillcore (rejects of sawn and split core) of the PMG, properly stored at BUMIGEB Bobo Dioulasso, were re-sampled and re-assayed at ALS-Chemex in 2008. These samples represent mineralized parts of the drill holes. Re-assaying was necessary as earlier assays (1980s) proved unreliable and did not include any QAQC control.

### ***Stream Sediment Sampling***

Stream sediment geochemistry was used as an initial reconnaissance tool to outline potential areas of interest within the permits. 350 stream sediment samples were collected on the Souhouera and Danyoro permits in January-March 2008. The Malba permit was not sampled, as the Company has the data and results from Billiton Metals' survey carried out in the mid 1990s, considered as reliable.

Coinciding copper-gold anomalies were identified throughout the area and three areas were selected for follow-up surveying.

### ***Geological Mapping***

The 3 contiguous permits have been mapped at 1/25 000 scale. The mapping was carried out by Company staff in 2006-2007 assisted by Consultants S. Zonou (Burkina Faso) and A. Tahon (Belgium) in the Malba and Souhouera permits (2006-2007) and M. DeMulder (Belgium) in the Danyoro permit (2007).

A detailed geological survey at 1/10,000 scale was carried out over the central area extending over 144km<sup>2</sup> by local geological consultant Dr ZONOU in December 2006. That area hosts the 3 main prospects: Gongondy, Dienemera and Mont Biri.

### ***Structural Interpretation and Trend Analysis***

A regional structural interpretation and trend analysis was carried out by Dr. Ian Basson, consultant, in April 2008. The study suggests that the area is highly prospective for porphyry Cu-Au (Mo) mineralization for a number of reasons. Firstly, the area occurs directly on a regional Bouger Gravity Anomaly and on the margin of an Enhanced Horizontal Gravity Gradient anomaly, both of which are known to be associated with base metal mineralization in Burkina Faso. Secondly, a direct comparison of the Gaoua area with the Puna area of South America (straddling Argentina, Chile and Bolivia) indicates that major, "accommodating" conjugate faults or fault sets and reverse (transformed into strike-slip faults or shear zones) are not only ubiquitous, but their intersections correspond to the locations of three world-class porphyry Cu-Au (Mo) systems. Structural interpretation of (at the time – early 2008) available aeromagnetic data over the Gaoua area clearly shows that the Mt. Biri and Dienemera prospects exhibit the same structural relationship as the deposits in the Puna area, when using the trend of the preserved volcanic arc as a reference line. On this basis, and using the reasonable assumption that the low grade of deformation and the low degree of deformation have allowed original major structures to be preserved, a further 10 porphyry Cu (Au, Mo) targets may be delineated. Au, although also associated with porphyry copper mineralization, shows a clear distribution along both NE and NNW structural trends, based on Fry/Autocorrelation and Trend analysis. Based on this analysis, a further 7 Au targets may be delineated.

### ***Rock Sampling***

During geological mapping, over 200 rock samples have been collected and over 20 orpillage zones (artisanal gold winning sites) have been recorded and monitored.

Rock assaying is done in the same way as drill core, described in chapters 6.1 and 6.2. Rock anomalism is determined over the mean from total rock assays.

### ***Soil Geochemical Surveys***

Following the regional surveys 2 larger detailed soil-geochemical surveys were carried out over parts of the larger project area that had returned anomalous values. Priority was given to the northern and the western parts for sampling.

The low pyrite/chalcopyrite ratio of the breccia-hosted mineralization and the consequent in-situ oxidation of the chalcopyrite implies that soil geochemistry is an effective exploration technique, except where a surface layer of laterite duricrust is preserved.

### ***Ground Geophysical Survey***

#### ***IP/Gradient Array and MAG Survey***

In late 2006, 1 km<sup>2</sup> in both the Gongondy and Dienemera prospects were test-surveyed with ground magnetic (MAG) and Induced Polarisation (IP) using the Gradient Array method. Subsequently a 30km<sup>2</sup> large area between Gongondy and Dienemera and beyond was surveyed with the IP Gradient Array in 2008. The survey used 300x25m, 200x25m and 100x25m spacings.

Large chargeability highs correlating with low (Dienemera) to high (Gongondy) conductivity were identified. The anomalies seem to broadly run North-South and extend from south of Gongondy to north of Dienemera.

The chargeability high that lies immediately east of the surface projection of the breccia-hosted copper-gold mineralization at Dienemera and Gongondy clearly corresponds to the near-surface position of the pyrite halo as drilled subsequent to the IP survey. The progressive decrease in the chargeability response westwards parallels the westward deepening of the pyrite front. Therefore the chargeability response is largely a reflection of the pyrite halo rather than being a direct indicator of the copper-gold mineralization, within which total sulphide contents are normally less than one-third of those in the pyrite halo.

On the basis of the observations made in the drillcore at Gongondy and Dienemera it is inferred that the km-long anomalies extending between Gongondy and Dienemera define the extension of the footwall pyrite halo or a number of smaller individual pyrite shells surrounding discrete (en echelon-aligned) Cu-Au mineralized lenses.

The chargeability high west of the breccia-hosted copper-gold mineralization at Gongondy has not yet been tested, but is possibly representing the western part of the pyrite shell surrounding the Cu-Au mineralization.

The magnetic signature of the Dienemera-Gongondy corridor must clearly be dominated by the mafic rocks, in particular the dolerite and basalt at Dienemera and the gabbro at Gongondy, all of which contain >10 volume % magmatic magnetite. In contrast, the magnetite contents of the hydrothermal breccias are much lower, ranging from essentially zero at Gongondy to a maximum of 5-volume % in restricted parts of Dienemera. Where magnetite increases as a component of the breccia cement, chalcopyrite contents tend to decrease concomitantly. Magnetometry is unlikely to define the copper-bearing breccias as either highs or lows, although it may detect arc-transverse faults or lineaments that some (but by no means all) investigators claim influence porphyry copper deposit localization elsewhere.

#### ***Dipole-Dipole Gradient Survey***

Seven trial lines of dipole-dipole IP were completed in the Gaoua area by Sagax Afrique (Burkina Faso) in 2006 and 2007 respectively four at Gongondy, one line at Dienemera and two lines at Mont Biri. The results were interpreted by A. Mutton (Geodiscovery, Australia) in 2006 and 2007.

One trial line of dipole – dipole IP was completed at Dienemera. A 2D model of the data using the program Res2Dinv (Geotomo) depicts two quite separate sources, the western-most of limited depth extent, and the eastern-most from about 50m below surface, extending to depth. The gradient array Chargeability map correlates well with the 2D model, depicting a strike-limited chargeable zone coinciding with the western source, and the southern extent of a 700m elongate zone coinciding with the eastern source. The dipole-dipole model infers the source may be plunging to the south. There is little information in the gradient IP pertaining to depth extent or dip of the chargeable source. Based on the resistivity response, neither zone is conductive, so the source was assumed by A. Mutton to be a disseminated sulphide in a moderately resistive host. This was confirmed by subsequent drilling where the eastern zone coincides with an area of abundant pyrite (the pyrite shell of the mineralization) and the weaker western zone with a mixture of disseminated pyrite and Cu-sulphides.

Four lines of dipole – dipole IP were completed at Gongondy. A 2D model of the data using the program Res2Dinv (Geotomo) revealed that:

- the presence of a strong chargeability anomaly
- shows that sources generally are stronger at depth (from about 100m below surface).
- the strongest responses based on Res2Dinv occur on the two northern lines (1140400N and 1139900N)

The chargeability map indicates a good correlation with the near-surface 2D model, but again there is little information in the gradient IP pertaining to depth extent or dip of the chargeable source. The resistivity shows a complex response indicative of near-surface lithological variations. Subsequent drilling clearly confirmed that the chargeability highs relate directly to the presence of abundant disseminated pyrite, representing the pyrite shell east of the Cu-mineralization in the hydrothermal-magmatic breccia.

### **3D Gradient Survey**

1 square km at Gongondy was test-surveyed with Pole-Dipole IP on a 50mx50m grid, totalizing 21 line-kilometre of surveying. The 3D interpretation shows:

- a resistive zone related to a diorite complex
- a coinciding chargeability and conductivity corridor related to the hydrothermal-magmatic breccia
- Chargeability “bubbles” at -150m inferred to be related to pyrite mineralization but which are close to chalcopyrite mineralization (S21G, S18G, S25G, S27G)
- The Chargeability “bubbles” at -300m have not been drill-tested yet
- 

### **Drilling**

Drilling at Gaoua has been conducted by an abundant number of companies and/or international organizations. The data set regarding the older drilling, carried out prior to 1970, is incomplete and has been only used by the Company for geological purposes. The data sets from later drilling in the area concerns four (4) main drilling programmes:

- the program carried by the UNDP (1974-1978) covered the Gongondy and Dienemera prospects as well as the Boussera area, an area occurring in-between Gongondy and Dienemera
- the drilling carried out by the Projet Minier Gaoua (1982-1985) covered the Dienemera and Gongondy prospects as well as the Cissé (Bgomblora) gold target south of Gongondy.
- the program carried by Billiton-Gold Fields Metals BV. (1995-1998) mainly focussed on the search for gold East of Mont Biri.
- and finally the drilling carried out by Gaoua Minerals Sarl (since 2004).

The programmes cover both Diamond drilling and Reverse Circulation (RC) drilling. The following paragraphs refer to the latest drilling phases only.

### ***Reverse Circulation Drilling (RC)***

The mineral resource estimate prepared by SRK Consulting (UK) Ltd. was based on over 1,305 meters in 15 reverse circulation (“RC”) holes on the project, (including drilling on the property prior to Volta acquiring its interest).

Three types of drill Rigs, supplied by two different drilling companies, were used during the drilling carried out by Gaoua Minerals Sarl:

- Ingersoller TW3 (Boart Longyear)
- GK850/4 West Africa Drilling Service (West African Drilling Services - WADS)
- KL900/5-Mercedes T56 West Africa Drilling Service (WADS)

The different drilling companies’ performances were reported as satisfactory with high daily productivity rates and more than acceptable sampling recovery.

### ***Diamond Core Drilling***

Boart Longyear (formerly Saint Lambert) completed the first RC drilling program of Gaoua Minerals at Dienemera and Mont Biri in 2004.

West Africa Drilling Services (WADS) completed all the cored drilling programs of Gaoua Minerals Sarl including the RC-pre-collaring of selected holes. RC pre-collaring and Core drilling was carried out with a GK850/4 rig and a KL900/5 rig. Pre-collars were completed with a 5½ inch drill bit while diamond coring was completed using HQ and NQ triple tube.

Geotechnical logging has recorded the percentage of core recovery, RQD percentage, rock type, and alteration and weathering. This basic geotechnical logging is considered appropriate at this stage of project development.

Both RC and cored holes were surveyed using a single shot camera at the collar and at regular down-hole intervals (every 75m).

The mineral resource estimate prepared by SRK Consulting (UK) Ltd. was based on over 26,661 meters of diamond drilling in 92 holes on the project, (including drilling on the property prior to Volta acquiring its interest). The drilling has encompassed the three main prospects namely Gongondy, Dienemera and Mont Biri.

### **Security of Samples**

Samples are collected in staple closed bags once taken from the drilling rig and are then transported to the secure camp sample processing and dispatch facilities to be picked up by the laboratory truck. The laboratory truck then takes them to the laboratory directly.

### **Sampling and Analysis**

#### ***Stream Sediment Sampling***

When the team reaches the pre-determined site, the location is recorded using GPS. Material from three different sites in the stream are collected and sieved to less than five mm to remove larger rock and laterite pieces. About two kg of material and a smaller witness sample are collected at each site.



A geologist accompanies the sampling team. As well as the location, the geologist records adjacent geology, sample colour and any float geology that is present.

#### ***Soil Sampling***

Soil samples were collected on east-west lines with 200m spacing. Sample stations were generally spaced at 50m intervals but were closed to 25m around the areas of known mineralization at Gongondy and Dienemera. Samples were collected at depths of 0.5m to 0.7m.

Each sampling crew was accompanied by a geologist and soil type, colour, sample depth and any geology were recorded.

#### ***Trench Sampling***

The trenches were all sampled by taking 1m long channel samples along the sides of the trenches. Samples were composited into two meter composites and dispatched for analysis to the ALS Laboratory in Ouagadougou. The Company submitted 933 samples for analysis. As with its other sampling, the Company included nineteen reference samples, nineteen blanks, and forty-six duplicate samples were submitted for assaying.

#### ***Diamond Drill Core***

The entire diamond drill core is logged by company personnel. Core is sampled in 1m intervals. All splitting is completed using a diamond saw. Locally significant amounts of magnetite occur in Dienemera and to a lesser extent at other prospects; the Company has carried out specific gravity readings on all samples. It has been noted that there is no relationship between magnetite content and gold and copper values.

The samples are delivered to the ALS Laboratory by company personnel.

### **Sample Preparation and Analyses**

#### ***Stream Sediment Samples***

All of the stream sediment samples were analyzed at the ALS Laboratory in Ouagadougou. A two kg sample was analyzed using cyanide extractable gold. The sample was placed in a plastic bottle with a weak sodium cyanide solution for a minimum of 24 hours. At the end of the period, it is determined whether there is remaining cyanide in the solution. After settling the solids, cyanide soluble gold is extracted from an aliquot of the solution with DIBK and gold measured by flame atomic absorption spectrometry (“AAS”).

A finely pulverized sample weighing between 25 g and 50 g was digested in aqua regia. The dissolved gold was complexed and extracted into Aliquat336/DIBK and determined by flame AAS.

#### ***Diamond Drill Core***

The drill core was initially crushed at the laboratory to achieve >85% at -3 mm. For the Company core, the entire amount of crushed material was pulverized to achieve .85% at -75 microns.

For gold analyses, a fire assay used on a 50 g sample with an atomic absorption spectrometry (AAS) follow-up is used. The gold bead was digested in 0.5 ml dilute nitric acid in a microwave oven. 0.5 ml concentrated hydrochloric acid was then added and the bead further digested in a microwave oven at a lower power setting. The digested solution was cooled, diluted to a total volume of four ml with demineralized water and analyzed by AAS against matrix-matched standards.

#### ***ALS Laboratory***

The ALS Laboratory in Ouagadougou is part of a large, international company providing analytical services. The company has a good reputation and is certified to carry out gold and base metal analyses. The laboratory was visited as part of the inspection process in Burkina Faso and analytical methods were discussed with the Chief Chemist. In the Author’s opinion, the sample

preparation, security and analytical procedures are adequate for the work currently being carried out by the Company.

#### **Quality Control/Quality Assurance (QA/QC)**

The Company has maintained an appropriate QA/QC program in all of the sampling that it has undertaken. This program has included the use of reference samples, blanks and duplicates. Reference samples used are sourced from Australia and are included at a rate such that 5% of all samples sent for analysis are reference samples. Blanks are included at a rate such that 3.3% of all samples sent for analysis are blanks. Duplicate samples are included at a rate of 2%.

The Company produces a monthly report of exploration activities for internal purposes. All of the analyses received for the month are examined and the QA/QC results tabulated. The Company has maintained close contact with the laboratory on matters regarding QA/QC.

#### **Mineral Resource and Mineral Reserve Estimates**

The Company has received a NI 43-101 compliant resource estimate at its Gaoua copper-gold porphyry project in southern Burkina Faso, West Africa. At a 0.45% copper equivalent cut-off grade, the Dienemera and Gongondy deposits host an initial Inferred Resource of 82,600,000 tonnes grading 0.40% copper and 0.40 g/t gold for a total of 724,880,000 lbs of copper and 1,072,900 ounces of gold.

The mineral resource estimate was prepared by SRK Consulting (UK) Ltd. based on over 26,661 meters of diamond drilling in 92 holes and 1,305 meters in 15 RC. The mineral resource estimate follows the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) definitions standards for mineral resources and reserves, and has been completed in accordance with the standards of disclosure for mineral projects as defined by NI 43-101.

A breakdown of the tonnage and grade, at various cut-offs, for the two deposits are presented below.

DEPOSIT	Cut-off Grade	Tonnage (tonnes)	Copper		Gold		Copper Equivalent	
	>(CuEQ %)		%	lbs	g/t	Oz	%	lbs
DIENEMERA	0.60	9,200,000	0.64	129,632,000	0.25	74,600	0.79	160,276,000
	0.50	18,100,000	0.54	214,510,000	0.22	128,600	0.67	267,421,000
	<b>0.45</b>	<b>23,000,000</b>	<b>0.50</b>	<b>255,075,000</b>	<b>0.21</b>	<b>155,300</b>	<b>0.63</b>	<b>319,009,000</b>
	0.40	27,800,000	0.47	372,802,000	0.20	237,700	0.59	364,424,000
	0.30	41,700,000	0.41	372,802,000	0.18	237,700	0.51	470,687,000
	0.20	57,400,000	0.35	440,704,000	0.15	284,700	0.44	557,769,000
GONGONDY	0.60	27,200,000	0.43	257,279,000	0.62	541,300	0.80	479,946,000
	0.50	45,800,000	0.38	387,793,000	0.52	768,200	0.70	703,936,000
	<b>0.45</b>	<b>59,600,000</b>	<b>0.36</b>	<b>469,805,000</b>	<b>0.48</b>	<b>917,600</b>	<b>0.65</b>	<b>847,236,000</b>
	0.40	78,300,000	0.33	568,793,000	0.44	1,102,200	0.59	1,022,283,000
	0.30	125,900,000	0.28	766,547,000	0.37	1,506,400	0.50	1,386,266,000
	0.20	170,400,000	0.24	893,974,000	0.33	1,793,000	0.43	1,631,641,000
TOTAL	0.60	36,400,000	0.48	386,911,000	0.53	616,000	0.80	640,222,000
	0.50	63,900,000	0.43	602,303,000	0.44	896,800	0.69	971,357,000
	<b>0.45</b>	<b>82,600,000</b>	<b>0.40</b>	<b>724,880,000</b>	<b>0.40</b>	<b>1,072,900</b>	<b>0.65</b>	<b>1,166,245,000</b>
	0.40	106,100,000	0.37	858,921,000	0.38	1,282,500	0.59	1,386,707,000
	0.30	167,600,000	0.31	1,139,349,000	0.32	1,744,100	0.50	1,856,953,000
	0.20	227,800,000	0.27	1,334,678,000	0.28	2,077,700	0.43	2,189,410,000

Figures have been rounded

SRK have constrained the resource in optimized open pits based on reasonable technical and economic parameters which they consider to have reasonable prospects for eventual economic extraction. The table above summarises the in-situ mineral resource stated at a 0.45% copper equivalent (CuEQ) cut-off grade within the defined mineralisation models. CuEQ has been calculated from assumed revenues of US\$3,000/t copper and US\$700/oz gold with metallurgical recovery assumed to be 85% and 70% respectively. Gold grade has been multiplied by 0.6 and added to the copper grade to provide a CuEQ grade. The cut-off grade further assumes typical costs of US\$2/t for mining and US\$10/t for processing and general administration costs. The mineral resource contains a small amount of oxidized mineralization for which metallurgical recovery has not yet been assessed.

The 687.5 km<sup>2</sup> Gaoua project area includes a 35 kilometer long anomalous porphyry trend, clearly defined during a high definition airborne geophysical survey completed late last year and it is along this trend that the Dienemera and Gongondy deposits reside. The deposits outcrop approximately 7 kilometers apart and exhibit similar distinctive geophysical signatures. Similar signatures along the corridor indicate that potential exists for additional deposits that are under transported cover between Gongondy and Dienemera and along the greater 35 kilometer strike extent. There is therefore potential to extend the current resources and significantly enhance the overall potential of the Gaoua copper-gold project.

There is demonstrable upside to significantly increase the copper and gold resources on the Gaoua Project since both Gongondy and Dienemera are open along strike and down dip, and at Mont Biri where wide intersections of comparable grade have already been encountered in early drilling. In addition, 3D inversion of high resolution airborne geophysical data has highlighted numerous other copper-gold targets within the 35 km long “porphyry corridor”. Auger drilling has confirmed one of these geophysical targets, Boussera, which has hitherto been geochemically masked by transported alluvium and lateritic regolith. In addition, scout RC drilling has confirmed extension of the Gongondy deposit to both the west and south, while the deposit remains open to the north and at depth.

The southern Boromo Belt is also delivering stellar exploration success to Volta's neighbours to the Gaoua Project, namely ASX listed Ampella Mining Ltd. at their Batie West Project and Mali Gold's Diouloumba Project. Persistently excellent drilling results from Ampella's Konkera prospect and a major artisanal gold rush to the Tionor site at Mali Gold's Diouloumba point to this region evolving as another major gold camp for the Birimian in West Africa.

A combination of mapping, airborne geophysics and stream/soil geochemistry has identified a number of gold anomalies located on N to NNW trending structures on the Danyoro permit of the Gaoua Project. These are more akin to the typical shear zone hosted gold deposits that are well known in West Africa. Mineralization occurs along regionally extensive shear zones where local jogs and cross-cutting structures has resulted in local dilational settings which have resulted in well mineralized plunging gold ore shoots associated with extensive deformation and alteration.

Trenching over the anomaly encountered a zone of 41m @ 1,89g/t gold, including 20.5m @ 3.56 g/t gold. A 4 hole RC drilling program comprising 4 holes for 408 meters which include intersections of 15m @ 4.45g/t gold, 5m @ 3.96g/t gold, and 7m @ 1.53g/t gold, confirming a significant new gold zone at Nassara. Volta will drill test this style of mineralization at Nassara in the coming year.

### **Kampti Gold Project:**

The Kampti Project is located in Poni Province close to the border with the Ivory Coast. The project comprises a single permit with an area of 244.5 km<sup>2</sup> that is wholly-owned by the Company. The Kampti Project lies within the Houndé Greenstone Belt in western Burkina Faso. The Houndé greenstone belt extends about 300 km north-south, is up to 45 km wide and covers

an area of about 13,500 km<sup>2</sup>. It contains Birimian and Tarkwaian rocks. While Tarkwaian rocks are present in the Houndé greenstone belt, none are known within the Kampti Project. Artisanal workings, both historic and recent, are present within the Kampti Project.

The Company has concluded stream sediment sampling, mapping, ASTER and airborne geophysics interpretation and structural studies at the regional scale to understand regional context and define a number of prospects, all of which will be followed up. Infill soil geochemistry and IP geophysical surveys have been undertaken on 4 prospects. However, the most recent work has focused on drilling at the Mamena-Fofora area in order to assist in understanding the local factors leading to gold mineralization. This work suggests that mineralization is best developed at the intersection of NNW and secondary ENE trending structural trends. This has been tested at the Target Areas A and B at Maména-Fofora prospect on the Kampti Project. Highlights of this program included intersections of 41m @ 3.23g/t gold ("Au"), 5m @ 6.84g/t Au, 6m @ 4.28g/t Au, 8m @ 4.15g/t Au and 5m @ 2.06g/t Au. This program was followed up by further RC drilling (921 meters) in November 2009 at Target Area B. Highlights from this program include intersections of 3m @ 3.06g/t Au, 6m @ 2.49 g/t Au, 4m @ 2.11g/t Au, 17m @ 1.14g/t Au and 4m @ 1.53g/t Au.

**Property Description and Location**

The Kampti Project is located in Poni Province close to the border with the Ivory Coast. The Kampti Project is a single permit with an area of 244.5 km<sup>2</sup> that is wholly-owned by the Company. The Kampti Project is located between latitudes 10° 0' 15"N and 10° 11' 44"N and longitudes 3° 26' 19"W and 3° 33' 24"W. Details of the permit are:

<i>Permit Details, Kampti III</i>			
<i>Permit Name</i>	<i>Number</i>	<i>Title Date</i>	<i>Area (km<sup>2</sup>)</i>
<i>Kampti III</i>	<i>2004/00-123/MCE/SG/DGMGC</i>	<i>September 17, 2004</i>	<i>244.5</i>

A legal opinion prepared by Maître A. René Ouedraogo, Avocat à la Cour and dated January 25, 2008 indicates that the Company has valid title to the Kampti Project, granted under Burkina Faso law.

Permits are granted for an initial three-year period and may be renewed twice for further three year periods. The permit is map staked. The boundaries of the permit have not been surveyed, nor is there any requirement that they be surveyed. The Company has applied for and received a three-year extension for the Kampti Project. The Company is re-organizing its corporate structure in Burkina Faso and title to the Kampti Project is being transferred from one wholly-owned subsidiary to another. The transfer has delayed the re-issue of the permit.

While the Company holds the mineral rights within the Kampti Project, it currently holds no surface rights. Surface rights may be held by traditional owners. If the Company advances the Kampti Project to production, it would have to negotiate with the traditional owners. If there are no traditional owners in the area, the Company would negotiate for surface rights with the local 'chief' of the area. If the Company develops one or more mining operations, there is ample room for waste and tailings storage and appropriate mine buildings.

The Kampti Project is at an early stage of exploration. There are no known environmental issues apparent with regard to the Kampti Project.

**Accessibility**

The Kampti Project may be accessed along a paved road from Gaoua to the town of Kampti, a distance of about 40 km. The town of Kampti lies immediately outside the permit area. The

paved road to Ivory Coast crosses within the eastern side of the permit. Access within the property is along unpaved roads.

### **Climate**

The climate in southwestern Burkina Faso is Sub-Saharan with a dry season from November to April and a wet season from May to October. Average rainfall is between 1,000 mm and 1,100 mm. Mean monthly temperatures vary between 25°C and 30°C with temperature extremes of 45°C and 16°C.

Climate does not present major seasonal difficulties. The Company has drilled during the “wet” season without major problems. The subsistence farmers grow significant areas of millet during the “wet” season and may discourage access to fields during that period.

### **Local Resources**

There are essentially no resources required for mining available near the Kampti Project.

Electric power in Burkina Faso is generated using oil that is typically trucked in from the coast of Africa, through either the Ivory Coast or Ghana. Over the next few years, plans are in place to join Burkina Faso to the electrical grids of the Ivory Coast and Ghana. It is expected that this will improve the reliability and reduce the cost of power in the country.

Water storage for mining and milling will probably have to be constructed prior to the commencement of operations. There are a number of rivers available in the general area and construction of any water storage is likely to be feasible.

There are significant areas of flat land available for mining, buildings and waste and tailings storage.

### **Infrastructure**

The Company has no infrastructure located within the Kampti Project. The Company maintains a house in the town of Kampti. As well as providing office, cooking and sleeping facilities, the house has buildings for storage of RC drill cuttings. Kampti is close enough to Gaoua to allow the office compound and core storage in Gaoua to be used for Kampti Project support, if necessary.

### **Physiography**

The Kampti Project is flat to hilly, reflecting the presence of greenstone rocks. Hills are typically less than 100m high and are often capped with laterite and are flat topped.

The depth of weathering on the Kampti Project is variable. Kaolinization is evident below several of the laterite caps and weathering may be comparatively deep in these areas. Several areas of artisanal mining were visited by the Author and fresh rock was present at 10m to 15m in the areas seen.

### **History**

Hyder Gold Inc. (“Hyder”) acquired a 500 km<sup>2</sup> property in the Kampti area in the mid-1990s. Hyder had undertaken prospecting, soil sampling, mapping and trenching in 1996. Subsequently, Hyder reduced the value of the property to a nominal level (Canadian Mines Handbook, 2002-03). The Company was able to acquire the previous reports of Hyder when it initially acquired the Kampti Project. Subsequent work by the Company has replaced and extended the initial exploration carried out by Hyder.

There are no other reports of exploration work on the Kampti Project.

## **Geological Setting**

### ***Property Geology***

The Kampti Project is comprised of andesitic and dacitic volcanic and volcanoclastic rocks interbedded with fine-grained clastic and chemical sediments, quartzite and chert. These supracrustal rocks have been intruded by mafic and granitic stocks. A diorite intrusion, about 8 km long and up to two km wide has intruded in the Mamena-Fofora area. These rock units strike generally north-south and have steep dips.

Artisanal workings, both historic and recent, are present within the Kampti Project. In the Mamena-Fofora area, about 20,000 artisanal miners were working up to about six months ago. Since then, the number has dropped to about 5,000. Artisanal miners are also working in other parts of the Kampti Project.

Flat-topped laterite-covered hills are present in a number of areas. Weathering appears to be deeper under these hills. The artisanal miners working in the Mamena-Fofora area are reaching fresh rock at depths of less than 10 m.

### ***Deposit Types***

The deposits sought on the Kampti Project are considered by the Author to fit into the “low-sulphide Gold-Quartz Veins” described by Berger (1987) or the “Gold-Only” Deposits in the Superior Province of the Canadian Shield described by Hodgson and McGeehan (1982).

Berger (1987) defined this type of deposit as massive, persistent quartz veins mainly in regionally metamorphosed, volcanic rocks and sedimentary rocks derived from the volcanic rocks. Deposit ages range from Precambrian to Tertiary. The depositional environment is continental margin, mobile belts and accreted margins. The veins are generally post-metamorphic and locally cut granite rocks.

Associated alteration includes quartz and siderite and/or ankerite and albite in veins with a halo of carbonate alteration. Chromium-rich mica and dolomite, and talc and siderite occur in areas of ultramafic rocks. Siderite, disseminated arsenopyrite and rutile may occur in granite rocks. The primary geochemical signature is arsenic while silver, lead, zinc and copper are less effective pathfinders.

Bliss (1987) in a study of 310 deposits of this nature defined them as low tonnage but high grade. However, the tonnage and grade characteristics are usually determined by what it is possible to mine rather than being a fundamental geological feature.

Hodgson and MacGeehan (1982) concluded that new mining camps would occur in the upper part of mafic-ultramafic volcanic sequences at the contact zones of these sequences with clastic or exhalative sedimentary rocks sequences. In this environment the interfingering or juxtaposition of volcanic and sedimentary rocks units, large zones of carbonate alteration of the volcanic rocks, the occurrence of small felsic intrusions or extrusive bodies, are favourable indicators for gold ore zones. Epizonal intrusions of stock to small batholith size and their contact zones are favourable for deposits containing only epigenetic vein and replacement type zones. Arsenopyrite, scheelite, Cr-muscovite, and tourmaline are favourable indicator minerals for gold deposits in all environments.

## **Exploration**

### ***Stream Sediment Sampling***

The initial program of work on the Kampti Project comprised a stream sampling program over essentially all of the property. The results of this work outlined a north-south oriented central zone of higher values. The soil sampling program that followed targeted the corridor of higher values outlined by the stream sediment sampling.

### **Soil Sampling**

Over a period of time, the Company completed a soil sampling program over the entire core area. Prior to commencing the soil sampling program, the Company completed an orientation survey to determine the best protocols for the planned work. Soil samples were collected on east-west lines with 200m spacing. Sample stations were spaced at 100m intervals. Samples were collected at depths of 0.5m to 0.7m. Individual sample sites may not have been sampled because of the presence of areas of laterite cap. Two other areas within the central core were not able to be sampled effectively. One area covered a hill considered sacred by local people. The second area was within an ongoing artisanal gold rush. There was significant ground disturbance, contamination and ongoing activity at the time of the soil sampling.

Subsequently, the Company outlined five areas where significant anomalies had been defined. In-fill sampling was carried out on lines intermediate to the initial sampling. Stations were spaced at 50m on the intermediate lines.

Each sampling crew was accompanied by a geologist and soil type, colour, sample depth and any geology were recorded.

### **ASTER Study**

The Company also commissioned an ASTER study for the Kampti Project (Agar, 2006). The report examined satellite imagery and integrated the interpretations of the imagery with available geophysical data. Agar (2006) identified regional structural patterns that were considered to be similar to Tertiary Andean tectonics. Agar (2006) considered that there was potential for porphyry and epithermal styles of mineralization. Agar (2006) also outlined 12 targets that were ranked based on mineral and geophysical signatures. The ASTER study of the Kampti Project was found to be less useful by the Company.

### **Trenching**

The Company completed four trenches within the Kampti Project. One of the trenches tested a copper anomaly in the south of the permit, while three trenches in the Fofora area tested gold targets. Trenches were hand-dug typically to a depth of two m. The digging was carried out using local labour, while implements were supplied by the Company.

### **Geophysics**

Sagax Afrique S.A. ("**Sagax**") completed an induced polarization (IP)/resistivity survey using a gradient array and a ground magnetic survey. In all, 11 line-kilometers of IP survey were completed with a station spacing of 50 m. Details of the IP survey were: an Iris Instruments model VIP-10000 transmitter powered by a Honda Generator capable of supplying 16 kW of continuous power was used; stainless steel electrodes and aluminum paper was used to transmit current into the ground; primary voltage and apparent chargeability were measured using an ELREC-6 Induced Polarization Receiver manufactured by Iris Instruments; and data was supplied in colour contoured maps and Pseudo-sections.

Details of the magnetic survey were: measurements were completed on stations spaced at 12.5 m. Readings were taken by technicians employed by Sagax; two Overhauser GSM-19 GEM Systems magnetometers were used for the survey. A base station measured the magnetic field at 20 second intervals to allow corrections for diurnal variation; and readings were taken at 2.3m above the ground.

The following conclusions were reached: two main chargeable horizons were identified. The western horizon is apparently associated with gold occurrences that have previously been mapped. The western chargeable horizon is associated with a resistive lithology with a strike of 340°; the chargeable horizons have discontinuities with a strike of N30°; and some of the chargeable anomalies are relative to this N30° structural family but the majority are associated with north-south structures.

The geophysical survey was a useful source of data and gave confidence in the geological model that was developing.

### ***Structural Study***

The Company contracted Dr. I.J. Basson of Tect Geological Consulting (Basson, 2007) to prepare a structural analysis for the Kampti Project. Basson (2007) concluded that mineralization occurs along chargeability zones (outlined by geophysics) and that mineralization is particularly high where chargeability anomalies intersect NNE-SSW-trending secondary structures. Basson (2007) concluded that an interpretation of the RC drilling results appeared to support this conclusion. Basson (2007) concluded that: specific structures should be tested further by drilling oriented east-west; and further geophysics, particularly resistivity, in other parts of the property was justified in order to delineate additional prospective zones.

Basson (2007) made specific recommendations regarding areas that he considers require further testing. The Company plans to test the Basson (2007) recommendations and the Author agrees with these proposals.

### **Mineralization**

A number of areas of mineralization have been identified within the Kampti Project. Most of the mineralization is present in high grade quartz vein structures. The main area of mineralization is located in the Mamena-Fofora area where up until recently, it was estimated that 20,000 artisanal miners were working. At the time of the Author's site visit, the number of miners had dropped considerably to about 5,000. These artisanal miners are recovering gold from narrow quartz veins.

Basson (2007) recognized two periods of veining during his study in the Mamena-Fofora area. An earlier vein set strikes at about 190° and dips westerly at 63°. These veins tend to cut the dominant foliation. Generally, these veins are not mined by the artisanal miners. Basson (2007) concluded that these veins were intruded prior to or during D<sub>1</sub> deformation. Typically, these veins are unmineralized or too low grade to be of interest to artisanal miners.

A second set of veins that strike at about 330° and dip steeply east. These veins are usually brecciated and contain vughs that may contain manganese oxide and/or sulphides. Basson (2007) considered that these brecciated veins were intruded during a period of extension. These veins are considered by Basson (2007) to be contemporaneous with the intrusion of alkali leucogranite. These later veins are of interest to the artisanal miners. These later veins are accompanied by kaolinization, sericitization, silicification and oxidation. The dominant host rocks for these mineralized veins are andesite and basalt.

### **Drilling**

The Company has completed two previous programs of RC drilling on the Kampti Project. The first program was carried out in February 2006, when ten holes, with an aggregate depth of 1,440m were completed. These holes were targeted to test geochemical and geophysical anomalies, and were also guided by the location of some of the artisanal workings in the area. Drilling was carried out by Société West African Drilling Services, a subsidiary of Layne Christensen Company of the United States of America.

The second stage of RC drilling was completed in November and December 2006 when a further 16 holes were completed with an aggregate depth of 2,367m. In all, 3,807m of drilling was completed by the end of 2006.

Drilling results appear to demonstrate that gold is present in high-grade narrow veins that are the targets for the artisanal miners, but that lower-grade gold values are present in the wall rocks to



the veins. The part of the Kampti Project tested by RC drilling is considered to have ongoing potential for larger scale mineable targets.

In June 2008 the Company completed an additional 38 RC holes, representing 2,502 meters, to depths of up to 110m, all at a 55 degree inclination to the west.

The drill program focused mainly on Maména-Fofora (30 holes), an area of intense artisanal gold mining activity in the northernmost portion of the Kampti permit. In addition, a new artisanal gold site, to the west of Maména-Fofora, known as Tiossera was also drill tested (8 holes).

The Company has completed 2,622 meters of RC drilling at Kampti in June 2009 in January 2010, which with previous drilling has generated the following highlights:

- 12 meters @ 6.72 g/t gold
- 28 meters @ 3.64 g/t gold
- 6 meters @ 5.44 g/t gold
- 3 meters @ 63.52 g/t gold
- 8 meters @ 12.34 g/t gold
- 8 meters @ 11.81 g/t gold
- 14 meters @ 2.77 g/t gold
- 41 meters @ 3.23 g/t gold
- 5 meters @ 6.84 g/t gold
- 6 meters @ 4.28 g/t gold
- 8 meters @ 4.15 g/t gold

Several NNW-SSE trending mineralized structures that are being exploited by the artisanal miners occur where the Company has defined coincident chargeable and resistive zones during a gradient array induced polarization ("IP") survey. Interpretation of the drilling undertaken to date, mapping and geophysics suggests that grades and widths of the mineralized envelopes seem to be enhanced where the principal NNW-SSE structures are intersected by NNE-SSW-trending cross-structures.

### **Sampling Method and Approach**

#### ***Reverse Circulation Drilling***

All of the reverse circulation drill holes were sampled in one-meter intervals. For the holes from RC1 to RC10, equal amounts of cuttings from each sample were combined to create two-meter samples that were sent for analysis. For later holes in the second phase, one-meter samples were sent for analysis. Subsequently, the Company decided to test its method of combining the samples and one-meter samples from the earlier drilling were also sent for analysis. No statistical difference between the two-meter and one-meter samples was noted

#### ***Stream Sediment Samples***

When the team reaches the pre-determined site, the location is recorded using GPS. Material from three different sites in the stream are collected and sieved to less than five mm to remove larger rock and laterite pieces. About two kg of material and a smaller witness sample are collected at each site.

A geologist accompanies the sampling team. The geologist records, location, adjacent geology, sample colour and any float geology that is present.

### ***Soil Samples***

Soil samples were collected on east-west lines with 200m spacing. Sample stations were spaced at 100m intervals. Samples were collected at depths of 0.5m to 0.7m. Individual sample sites may not have been sampled because of the presence of areas of laterite cap. Two other areas within the central core were not able to be sampled effectively. One area covered a hill considered sacred by local people. The second area was within an ongoing artisanal gold rush. There was significant ground disturbance, contamination and ongoing activity at the time of the soil sampling.

Subsequently, the Company outlined five areas where significant anomalies had been defined. In-fill sampling was carried out on lines intermediate to the initial sampling. Stations were spaced at 100m on the intermediate lines.

Each sampling crew was accompanied by a geologist and soil type, colour, sample depth and any geology were recorded.

### ***Trenching***

The trenches were all sampled by taking 1m long channel samples along the sides of the trenches. Samples from the earlier trenches were composited into 2m composites and dispatched for analysis to the ALS Laboratory in Ouagadougou. Samples from the recent trench at Kounkana East were not composited and 1m samples were submitted for analysis. The Company submitted 433 samples for analysis. As part of its QA/QC, the Company included nine reference samples, six blanks, and twenty-eight duplicate samples were submitted for assay.

### **Security of Samples**

Samples are collected in staple closed bags once taken from the drilling rig and are then transported to the secure camp sample processing and dispatch facilities to be picked up by the laboratory truck. The laboratory truck then takes them to the laboratory directly.

### **Sample Preparation and Analyses**

#### ***Stream Samples***

All of the stream samples were analyzed at the ALS Laboratory in Ouagadougou. A two kg sample was analyzed using cyanide extractable gold. The sample was placed in a plastic bottle with a weak sodium cyanide solution for a minimum of 24 hours. At the end of the period, the first task to determine was whether there is remaining cyanide in the solution. After settling the solids, cyanide soluble gold was extracted from an aliquot of the solution with DIBK and gold measured by flame atomic absorption spectrometry (“AAS”).

#### ***Soil Samples***

A finely pulverized sample weighing between 25 g and 50 g is digested in aqua regia. The dissolved gold is complexed and extracted into an Aliquat336 solution with DIBK and determined by flame AAS.

#### ***RC Drill Samples***

The Company submitted a two kg sample of RC cuttings to the ALS Laboratory in Ouagadougou. A sample is dried at 108°C, crushed and pulverized. On the Company’s instruction, the entire sample was pulverized. A 50 g sample was submitted for Fire Assay (Code Au-AA24). The bead was digested in 0.5 ml dilute nitric acid in a microwave oven. A further 0.5 ml of concentrated hydrochloric acid was added to the sample and the bead further digested in a microwave at a lower power setting. The digested solution was cooled and diluted to a volume of four ml with demineralized water, then analyzed by AAS against matrix-matched standards.

## **Mineral Resource and Mineral Reserve Estimates**

The Company has not outlined mineral resources or mineral reserves on the Kampti Project at this time.

### **Titao Gold Project:**

The Titao Gold Project is located in a Paleoproterozoic greenstone belt that continues to undergo successful exploration for gold deposits.

### **Property Description and Location**

The Titao Gold Project is located in Yatenga Province in northern Burkina Faso. It is comprised of three contiguous permits that are wholly-owned by the Company. The Titao Gold Project is centred at about UTM 1521000mN and 603000mE. Details of the permits are in the table below:

<b>PERMIT DETAILS, TITAO GOLD PROJECT</b>			
<b>Permit Name</b>	<b>Number</b>	<b>Title Date</b>	<b>Area (km<sup>2</sup>)</b>
<i>Titao Sud</i>	<i>206/06-143/MCE/SG/DGMGC</i>	<i>December 12, 2006</i>	<i>230</i>
<i>Titao I</i>	<i>2010/10-134/MCE/SG/DGMGC</i>		<i>152.86</i>
<i>Barga</i>	<i>2008/08-100/MCE/SG/DGMGC</i>	<i>May 29, 2008</i>	<i>142.17</i>

Permits are granted for an initial three-year period and may be renewed twice for further three-year periods. As with permits in Burkina Faso, the permits are map staked.

While the Company holds the mineral rights within the Titao Gold Project, it currently holds no surface rights. Surface rights may be held by traditional owners. If the Company advances the Titao Gold Project to production, it must negotiate with these traditional owners. If there are no traditional owners in the area, the Company must negotiate for surface rights with the local "chief" of the area. If the Company develops mining operations, there is ample room for waste and tailings storage and appropriate mine buildings.

The Titao Gold Project is at an early stage of exploration. There are no known environmental issues apparent in regard to the Titao Gold Project.

### **Accessibility**

The Titao Gold Project is located northwest of the Burkina Faso capital of Ouagadougou. Access is obtained by paved road, Route No. 2, from Ouagadougou to Ouahigouya, a distance of 194 km and on Route No. 23, a laterite road from Ouahigouya to Djiko, a distance of 145 km. The Titao Gold Project is 45 km east-north-east of Titao.

### **Climate**

Northern Burkina Faso is hotter and drier than the southern part of the country where the Company's other projects are located. The Titao Gold Project lies within the southern Saharan region. Annual rainfall is between 500 mm and 600 mm. Maximum temperatures are likely to be about 47°C to 48°C with monthly average temperatures in the range 25°C to 30°C.

Field programs may be carried out throughout the entire year within the Titao Gold Project.

### **Local Resources**

There are limited local resources in the Titao area. A potential mining activity would have to develop resources. The capital of the Province, Ouahigouya, has a population of about 60,000 people. Unskilled labour is probably plentiful with the country, but skilled labour and technical personnel would have to be developed or imported.

The discussions regarding electric power and water for the other projects are equally appropriate here.

### **Infrastructure**

The Company has not developed any infrastructure on the Titao Gold Project. The Company has an office in Titao.

### **Physiography**

The Titao Gold Project is relatively flat with some low hills. There are no trees within the Titao Gold Project but some grasses and low scrub do grow. Outcrop is poor over much of the central part of the permit because of the presence of a lateritic cap.

### **History**

The Titao Gold area was mapped as part of regional mapping programs carried out under the auspices of B.R.G.M. This work was partly funded by the European Union. Work was commenced in the 1990s and completed in the 2000s.

The Titao Gold area was held by Geonova Explorations Inc. (Geonova) and Incanore Gold Mines Ltd. (Incanore) in the period 1995 to 1999 (Franceschi and Nare, 2007). In 1995, Geonova sold its equity interest in the Titao Gold Project to Incanore for a 1.5% net smelter return royalty. Incanore was a private company. These companies completed work programs that included: soil geochemical surveys at 500m X 500m in 1996. Five anomalous zones were reported and these were followed up in the period 1996 to 1997; and some trenching was completed and material up to 2m wide grading greater than one g/t Au was located. It is reported that this work was managed by C. Gleeson and Associates Ltd.

There are areas where artisanal mining has been carried out.

### **Geological Setting**

#### ***Property Geology***

As the Company is still in the early stages of exploration on the Titao Gold Project, the available geological map is generalized. Further, as noted above, there is essentially no outcrop in much of the Titao Gold Project.

The eastern margin of the Titao Gold Project is comprised of granitic rocks that intrude the greenstone rocks. Within the greenstone rocks, andesite, basalt and various pyroclastic rocks have been recognized, together with local areas of graphitic schist. These rocks strike northeast-southwest and have been extensively deformed.

Much of the central part of the Titao Gold Project is covered by laterite capping. Sand cover is also extensive in parts of the Titao Gold Project.

#### ***Deposit Types***

The Company is seeking gold deposits hosted in the Paleoproterozoic greenstone belts. There are a number of potential models that host gold in this environment. The most likely environment for gold is shear zone-hosted gold.

### **Exploration**

The Company completed an examination of the available literature for the Titao Gold Project. A geological reconnaissance that involved about 150 line-kilometers of traversing was completed.

The Company has completed soil sampling programs in the Songotaba and Samtaba areas. This work was carried out in November and December, 2007 and results have not been received from the laboratory to date.

The Company has also commissioned an ASTER compilation for the Titao Gold Project (Baker, 2007). Baker (2007) did not visit the area. The interpretation was prepared at a 1:50,000 scale. The various greenstone lithologies are cut by a series of northeast-trending shear faults, at least two of which appeared to be of regional extent. Displacement was interpreted as sinistral. These shears are interpreted as being extensional in nature and are potential sites of vein emplacement. Baker (2007) identified nine target areas that he considered were worthy of follow-up.

The Company carried out a helicopter borne geophysical survey over most of the Titao gold project area in late 2008. The interpretation of the radiometrics and magnetics is ongoing and identifying several targets that will be followed up with geochemical auger drilling.

In 2010 a 874 hole (8,249 meters) scout geochemical auger drilling campaign has identified several gold anomalies on the. Significantly, the program has identified a large gold anomaly on the northernmost tested target, Toulfe, where gold results for samples taken in saprolite, at the base of the holes, regularly exceed 0.1g/t gold with peaks of 2.18g/t gold.

### **Mineralization**

The Company has not currently located any new mineralization. Historically, other Canadian companies have completed trenching that has identified vein gold mineralization of comparatively low grade over narrow widths. The Company has also completed sampling of some of the artisanal workings present within the Titao Gold Project.

### **Drilling**

To date the Company has only completed drill testing of the Titao Gold Project utilizing the Company's tractor-mounted power auger rig to sample beneath the transported lateritic and alluvial cover.

### **Sampling Method and Approach**

Apart from grab samples collected in various artisanal workings, the only sampling completed to date has been the soil sampling in two separate areas within the Titao Gold Project. Soil samples were collected on east-west lines spaced at 200m. Samples were collected at 100m centers. Samples were collected from of a depth of 20 cm to 60 cm. A sample of about two kg was typically collected. Samples are passed through a coarse sieve (five mm spacing) to remove large fragments.

If necessary, samples are air dried before being sent to the laboratory. As company policy, QA/QC standards are included at a rate of 5%, blanks are included at a rate of 3.3% and duplicates included at a rate of 2%.

### **Security of Samples**

Samples are collected in staple closed bags once taken from the drilling rig and are then transported to the secure camp sample processing and dispatch facilities to be picked up by the laboratory truck. The laboratory truck then takes them to the laboratory directly.

### **Sample Preparation and Analyses**

Samples were taken by company personnel to the laboratory of ALS Laboratory Group in Ouagadougou. Each sample receives the following treatment: the sample is ground and reduced; ultimately a 25 g sample is dissolved in aqua regia; and the dissolved gold is complexed and extracted into Aliquat 336/DIBK and gold determined by Flame AAS.

### **Data Verification**

The results of the initial soil sampling programs are not yet available. No sampling to verify the work to date was undertaken.

### **Mineral Resource and Mineral Reserve Estimates**

No mineral resources or mineral reserves have been outlined on the Titao Gold Project to date by the Company.

### **Bansie Joint Venture Project:**

The Bansie JV Project comprises only the Bansie permit which is located in western Burkina Faso on the Houde Greenstone Belt.

### **Exploration**

Soil sampling, mapping and trenching undertaken by the Company was followed by an RC drilling program to test the northerly trending mineralized structure being actively mined by artisanal miners, both on the Bansie property and on the Dossi property to the south. The results of the program precluded any further work by the Company.

Consequently, in October 2009, the Company concluded an agreement for ACC Resources Limited ("ACC"), who hold the neighboring Dossi permit, to acquire Volta's wholly-owned Bansie property. ACC is committed to spending a minimum of \$350,000 over three years and Volta has the option to receive \$0.65 per tonne mined or a 2% Net Smelter Royalty for any gold produced on the Bansie permit.

## **GHANA**

### ***Mineral Tenure***

The Company has 4 projects comprising 12 separate licences in Ghana. They are shown in the table below.

PROJECT	LICENSE NAME	LICENSE NO.	AREA (km <sup>2</sup> )	STATUS
Bui	Akrobi-Kakum	LVB 6569/06	150.00	Renewal submitted, pending
Bui	Brohani	LVB 1262/02 (PL7/74)	75.13	Renewal submitted, pending
Bui	Chenchu	LVB 0350/97 (PL7/56)	42.26	Renewal submitted, pending
Bui	Cluster	LVB 6570/06	150.00	Renewal submitted, pending
Bui	Krachikrom	LVB 1832/97 (PL7/57, PL10/97)	36.11	Renewal submitted, pending

Bui	Banda Nkwanta	LVB 6549/06 (PL8/24)	51.50	Renewal submitted, pending
Bui	Parabu	LVB 6551/06	150.00	Renewal submitted, pending
Maluwe	Kalebu	LVB 13181/07 (RL6/69)	370.00	Extension submitted, pending
Maluwe	Kuri	LVB 6552/06	150.00	Renewal submitted, pending
Maluwe	Tinga	LVB 505/95 (PL 8/9)	23.16	Renewal submitted, pending
Newmont JV	Banda Ahenkro	LVB 5439/05	137.05	Conversion to PL submitted, pending
Sefwi	Nkenkasu	LVB 5440/05	150.00	Conversion to PL submitted, pending

### **Bui Gold Belt:**

As at December 31, 2008, the Company held a 100% interest in twelve Bui prospecting licenses, comprising 1,659 km<sup>2</sup>. After various phases of evaluation, the Company has decided to relinquish the Bui East, Tainso West, Nasana, Wewa, Chechewere, As at December 31, 2009, the Company now holds seven prospecting licenses including Akrobi-Kakum, Banda Nkwanta, Brohani, Chenchu, Cluster, Krachikrom and Parabu for 654.9 km<sup>2</sup>. The licenses lie between latitudes 7° 30' 0"N and 8° 30' 0"N and longitudes 2° 0' 0"W and 2° 55' 0"W.

Standard permitting procedures related to exploration on any Prospecting License issued by the Minerals Commission of Ghana requires annual renewal of EPA Permits to be issued by the EPA. The Company has received correspondence and has been verbally informed by the EPA that, other than for its Banda Ahenkro and Nkenkasu licenses, none of the outlined in the table above (the "**Contested Licenses**") will be renewed as they are considered by the EPA to lie within an area of influence of the Bui Dam, which is currently under construction.

The Company has suspended exploration activities on the Contested Licenses and given the uncertainty of the current situation, the Company has determined that the Contested Licenses be written down to a minimal valuation. As a result, a write down of their value in the amount of \$15,238,676 was recorded in the Consolidated Statement of Operations in the Company's Audited Consolidated Financial Statements for the year ended December 31, 2009.

Despite meetings and correspondence with government officials and repeated requests for formal explanations for the refusal to grant the EPA Permits, the Company has not been provided with any technical justification for withholding the renewal of the EPA Permits. The Company believes it has met all of the requirements and conditions pertaining to the renewal of these EPA Permits and therefore believes it is in full compliance. All other statutory conditions required to maintain the prospecting licenses in good standing have been met.

Subsequent to the year end, the Ghanaian Ministry of Environment, Science and Technology has initiated the establishment of a committee to review the decision of the EPA.

### **Sefwi Gold Belt:**

The Sefwi Gold Project comprises the Nkenkasu prospecting license which is currently awaiting conversion from reconnaissance license. It is located within the Brong Ahafo Region of Ghana, approximately between latitudes 7° 13' 0"N and 7° 25' 0"N and longitudes 1° 52' 15"W and 2° 0' 0"W.

The property lies on the Bibiani-Sefwi Greenstone Belt, on strike with Newmont's Ahafo gold mine. The company has completed regional and infill soil sampling and has defined two areas that warrant additional follow up which may include drilling. This work will continue once the company has received confirmation from the Minerals Commission that the conversion to prospecting license has been ratified by the Minister of Mines.

**Newmont Joint Venture:**

The Newmont JV Project comprises the Banda Ahenkro prospecting license which is located within the Ashanti Region of Ghana, approximately between latitudes 6° 12' 0"N and 6°30' 0"N and longitudes 2° 39' 0"W and 3° 2' 30"W

The Company's Banda Ahenkro Property is subject to a Joint Venture Agreement with Newmont Ghana Gold Limited. Under the terms of an August, 2007 agreement, Newmont had been given an initial 49% equity interest in Volta's Banda Ahenkro Property in exchange for waiving their historical back-in right on certain Bui properties. Newmont has the right to earn another 21% (up to 70%) by spending US\$1,500,000 on exploration over four years. Newmont may then elect to earn an additional 10% interest (up to 80%) by completing a feasibility study on the property.

Newmont Ghana continues to explore on the Banda Ahenkro property.

**MALI**

**Mineral Tenure**

The Company has 1 project comprising 2 separate licences in Mali. They are shown in the table below.

PROJECT	LICENSE NAME	LICENSE NO.	AREA (km <sup>2</sup> )	STATUS
South Mali	Massabougou	09-218/MM-SG-DU	125.00	Valid
South Mali	Diele	00001005	110.00	Conversion to EPL submitted, pending

**South Mali Project:**

The South Mali Project is located in SE Mali, approximately between latitudes 10° 48' N and 11° 49' N and longitudes 6° 15' W and 6° 53' W. It comprises two licenses, Massabougou (Permis de Recherche), and Digan (Autorization de Exploration) for a total of 235 km<sup>2</sup>. The licenses are held by wholly-owned subsidiary of Volta Birim Goldfields Mali SARL. The Company had been awarded a third license, Digan, but was not awarded an exploration permit for its Digan license and as a result, during the year ended December 31, 2010, the Company wrote off expenditures of \$175,962 incurred exploring this property.

The South Mali Project is an early stage gold exploration project comprising two properties located in southeastern Mali. The properties were all selected following an extended target generation study undertaken by Volta personnel with extensive experience in the region. The study utilized publicly available data and reports as well as the airborne geophysical database and geological database acquired from the Mali DNGM.

Significant multi-million ounce gold projects in the general area include Randgold/Anglogold Ashanti's Morila Mine and Resolute's Syama Mine in Mali and Randgold's Tongon Mine and Perseus's Tengrela Project in Cote d'Ivoire.



## DIVIDENDS

The Company has paid no dividends to date on its common shares. The Company intends to retain its earnings, if any, to finance the growth and development of its business and does not expect to pay dividends in the near future. The Board will review this policy from time to time having regard to the Company's earnings, financing requirements, its financial condition and other factors considered to be relevant.

## CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of common shares of which there were 133,925,698 outstanding as of the date of this Annual Information Form.

Holders of common shares are entitled to receive notice of any meetings of shareholders of the Company, to attend and to cast one vote per common share at all such meetings. Holders of common shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the common shares entitled to vote in any election of directors may elect all directors standing for election. Holders of common shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Company's board of directors at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of the Company are entitled to receive on a pro-rata basis the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of common shares with respect to dividends or liquidation. The common shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

The Company has adopted a shareholder rights plan agreement ("**SRP**") to provide adequate time for the Board and the Company's shareholders to assess any unsolicited take-over bid (a "**Bid**") which might be received, to provide the Board with sufficient time to explore and develop alternatives for maximizing shareholder value and to provide the Company's shareholders with an equal opportunity to participate in the Bid and protect them from unfair or coercive tactics. The SRP is subject to the ratification by the shareholders of the Company at the Company's next annual meeting of shareholders.

## MARKET FOR SECURITIES

The common shares are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") under the symbol "VTR". The following table sets forth the reported high and low closing prices and trading volume of the shares as reported by the TSX for the year indicated:

Year ended December 31, 2010	High	Low	Close	Volume
January	\$0.99	\$0.67	\$0.75	1,511,800
February	\$0.92	\$0.72	\$0.75	6,599,400
March	\$1.46	\$0.73	\$1.36	43,841,700
April	\$1.70	\$1.31	\$1.51	15,333,700
May	\$1.79	\$1.16	\$1.27	27,152,100
June	\$1.46	\$1.10	\$1.28	13,686,400
July	\$1.36	\$1.12	\$1.21	10,985,200

August	\$1.55	\$1.18	\$1.48	20,481,200
September	\$2.00	\$1.48	\$1.78	15,556,900
October	\$1.87	\$1.61	\$1.81	15,545,200
November	\$2.65	\$1.73	\$2.47	35,599,900
December	\$2.58	\$2.30	\$2.40	9,230,000

## DIRECTORS AND OFFICERS

The following are the names and province/town and country of residence of the directors and executive officers of the Company, their positions with the Company and principal occupations within the past five years, as well as the common shares owned or controlled directly or indirectly.

Name & Province/Town and Country of Residence <sup>(1)(3)(4)</sup>	Position with the Company <sup>(5)</sup>	Principal Occupation	Common Shares of the Company beneficially owned or controlled directly or indirectly <sup>(6)</sup>
<b>Kevin Bullock</b> <sup>(13)(14)</sup> Ontario, Canada	President, Chief Executive Officer and Director (since March 31, 2008)	President, Chief Executive Officer and Director of the Company  From 2003 to 2008, President and Chief Executive Officer of Goldcrest Resources Ltd. ("Goldcrest").	604,471
<b>Victor King</b> Oxford, UK	Chief Operations Officer and Director (since March 31, 2008)	Chief Operations Officer and Director of the Company  From 2006 to 2007, President and Chief Operating Officer of Birim Goldfields Inc. From 2007 to 2008, President and CEO of Birim. Prior to 2006, director Gold Fields International.	225,000
<b>Alan Rootenberg</b> <sup>(2)</sup> Ontario, Canada	Chief Financial Officer and Corporate Secretary (since May 2009)	Chief Financial Officer and Corporate Secretary of the Company  February 2006 to present, President of The M&S Group Inc. Prior to February 2006, Chief Financial Officer, Talware Network Inc.	20,000

<b>Name &amp; Province/Town and Country of Residence<sup>(1)(3)(4)</sup></b>	<b>Position with the Company<sup>(5)</sup></b>	<b>Principal Occupation</b>	<b>Common Shares of the Company beneficially owned or controlled directly or indirectly<sup>(6)</sup></b>
<b>Robert Whittall<sup>(9)(11)</sup></b> Ontario, Canada	Director (since March 31, 2008)	Chief Financial Officer, Excellon Resources Inc. since July 2010.  Corporate Director from June 2009 to June 2010.  From 2003 to 2008, Vice President and Chief Financial Officer and Director of Goldcrest Resources Ltd. Vice President and Chief Financial Officer of the Company until June 2009.	206,744
<b>Guy Franceschi</b> Ghent, Belgium	Vice President Exploration (since March 31, 2008)	Vice President Exploration of the Company  From 2007 to 2008, Vice President Exploration of Goldcrest. Prior to 2007, President, GF Consulting.	496,999
<b>Dylan Pillay</b> Ontario, Canada	Controller (since April 14, 2008)	Corporate Controller of the Company  Prior to April 2008, Group Controller, South America at Kinross Gold Corporation.	Nil
<b>Gordon Bogden<sup>(9)(10)(11)(14)</sup></b> Ontario, Canada	Non-executive Chairman (since June 15, 2010)  Director (since March 31, 2008)	Since 2007, Investment Banker, Gryphon Partners  Prior to 2007, Vice Chairman and Head of the Mining Group, Corporate and Investment Banking at National Bank Financial Inc.	Nil
<b>Lewis Lawrick<sup>(7)(9)(11)(12)(14)</sup></b> Ontario, Canada	Director (since March 31, 2008)	Partner, Raven Hill Partners, a private merchant bank focused principally on the resource sector  Managing Director of Thorsen-Fordyce Merchant Capital Inc., a private merchant bank focused principally on the resource sector.  President and CEO of Anaconda Mining Inc. from 2007 until September 2010	106,924

Name & Province/Town and Country of Residence <sup>(1)(3)(4)</sup>	Position with the Company <sup>(5)</sup>	Principal Occupation	Common Shares of the Company beneficially owned or controlled directly or indirectly <sup>(6)</sup>
Robert Francis <sup>(7)(8)(9)</sup> Ontario, Canada	Director (since June 24, 2008)	Retired as senior partner of the Toronto office of Deloitte & Touche LLP in May 2007	42,000
Alexander J. Davidson <sup>(7)</sup> Ontario, Canada	Director (since March 21, 2011)	Consultant to companies in the mining industry.  Prior to August 2009, Executive Vice President, Exploration and Corporate Development with Barrick Gold Corporation.	Nil

(1) Other than as indicated in (2) below, no director or officer is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity (i) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; (ii) was subject to an event that occurred while that person was active in such capacity that resulted, after the director or executive officer ceased to be a director, chief executive officer or chief financial officer, in the Company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days.

(2) 13 months after resigning as interim Chief Financial Officer of Talware Networkx Inc., TSXV listed company, the common shares of that company were the subject of a cease trade order and the company was delisted from the TSXV.

(3) No director or executive officer or shareholder holding a sufficient number of securities of the Company to affect materially control of the Company is at the date of this Annual Information Form has been, within 10 years before the date hereof, either individually or as a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or its assets.

(4) No director or executive officer, or a shareholder holding sufficient number of securities to affect materially control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

(5) The directors of the Company are appointed and elected until the next annual shareholders' meeting of the Company, or until their successors have been duly appointed.

(6) The directors and officers have provided the information regarding the number of voting securities over which they exercise control.

(7) Members of the Audit Committee.

(8) Chairman of the Audit Committee.

(9) Members of the Corporate Governance & Nominating Committee.

(10) Chairman of the Corporate Governance & Nominating Committee.

(11) Members of the Compensation Committee.

(12) Chairman of the Compensation Committee.

(13) Chairman of the Technical Health and Safety Committee.

(14) Members of the Technical Health and Safety Committee.

The percentage of voting securities of the Company or of any of its subsidiaries (beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and executive officers of the Company as a group), as at December 31, 2010, is 1.27%.

See also "Description of the Business – Risk Factors – Conflicts of Interest" [u](#).

## **PROMOTERS**

No promoters have been involved with the Company within the two most recently completed financial years or during the current financial year.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

There were no legal proceedings to which the Company is or was a party to, or that any of its property is or was the subject of during the financial year ended December 31, 2010, nor are there any legal proceeds known by the Company to be contemplated.

There were no penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority during the financial year ended December 31, 2010, nor any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor making an investment decision. There are no settlement agreements that the Company has entered into before a court relating to securities legislation or with a securities regulatory authority during the financial year ended December 31, 2010.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

No director or executive officer of the Company, no person that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than ten percent (10%) of any class or series of outstanding voting securities of the Company, and no associate or affiliate of any such persons, has a direct or indirect material interest in any transaction within the three most recently completed financial years or the current financial year that has materially affected or will materially affected the Company.

## **TRANSFER AGENT AND REGISTRAR**

The Company's transfer agent and registrar is Equity Financial Trust Company. ("Equity"), at its principal office in Toronto. The Company's register of transfers is located at Equity's offices at 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1.

## **MATERIAL CONTRACTS**

Other than the Kiaka Acquisition Agreement disclosed previously in this Annual Information Form, there are no other material contracts. See "General Development of the Business – Three Year History".

## **INTEREST OF EXPERTS**

SRK was retained by Volta to prepare the independent technical report entitled "Technical Audit of Kiaka Gold Project, Burkina Faso" in accordance with NI 43-101, which report is referred to in this Annual information Form (See "Description of the Business – Mineral Properties – Burkina Faso"). Mr. Ben Parsons of SRK is the "qualified person" as defined by NI 43-101, who compiled and prepared the Kiaka Technical Report. Mr. Parsons declares having no registered or beneficial, direct or indirect in any securities of the Company or of any of its affiliates.

Dr. Lucy Roberts and Mr. Martin Pittuck of SRK, each a "qualified person" as defined by National Instrument 43-101, prepared the independent technical report entitled "Mineral Resource Estimation for the Gaoua Project, Burkina Faso", dated March 2009, in accordance with NI 43-101 and to which this Annual Information Form refers (See "Description of the Business – Mineral Properties – Burkina Faso"). Dr. Roberts and Mr. Pittuck declare having no registered or beneficial interest, direct or indirect in any securities of the Company or of any of its affiliates.

Mr. Neil N. Gow, P.Geo., a “qualified person” as defined by NI 43-101, prepared the technical report entitled “Technical Report on Five Permits in Burkina Faso”, dated February 4, 2008, in accordance with NI 43-101 and to which this Annual Information Form refers (See “Description of the Business – Mineral Properties – Burkina Faso”). Mr. Gow declares having no registered or beneficial interest, direct or indirect in any securities of the Company or of any of its affiliates.

The external auditor of the Company, KPMG LLP, is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

### **AUDIT COMMITTEE INFORMATION**

The following information is provided in accordance with Form 52-110F1 – *Audit Committee Information Required in an AIF* (“**Form 52-110F1**”) of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

#### **Charter and Composition of the Audit Committee**

The charter of the Company’s Audit Committee (the “**Committee**”) is found in Schedule A of this Annual Information Form. The current members of the Committee are Robert Francis (Chairman of the Committee), Lewis Lawrick, and Alexander Davidson. Each of these members is independent, as such term is defined in NI 52-110. Each of the members of the Committee is financially literate, which means that he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

As demonstrated hereafter, all of the members of the Committee have an education and an experience which are relevant to their responsibilities.

Mr. Francis is a retired senior partner of the Toronto office of Deloitte & Touche LLP, with an extensive career in public accounting, which included leading the Resource Sector Mining Group practice. Mr. Francis obtained a B.A.Sc. (Mech.Eng.) from the University of Toronto in 1968 and became a CA in 1972. Bob is a recent graduate of the Institute of Corporate Directors – Directors Education Program. He has served as a Member of the Board of Governors of the William Osler Health Centre for 12 years in various capacities including Vice Chair, Treasurer and Chair of the Operations Management Committee; and was formerly on the Board of the Etobicoke General Hospital as Treasurer and Chair of the Finance Committee. For the past year he served as an Honorary Member of the Board. He currently serves on the Board of Directors of the William Osler Health Centre Foundation. He is a past President of the University of Waterloo Advisory Council, an organization established to bring advice from Canadian industry, business and government to the University in the continuing development of its education, research and administrative programs.

Mr. Lawrick is a partner in Raven Hill Partners, a private merchant bank focused principally on the resource sector. He is also the Managing Director of Thorsen-Fordyce Merchant Capital Inc., a private merchant bank focused principally on the resource sector. Mr. Lawrick holds a B.Com degree, having graduated from the University of Calgary School of Business in 1986. Mr. Lawrick is a member of the board of directors of several public mining and exploration companies including Anaconda Mining Inc., Franconia Minerals Inc., Serengeti Resources Inc. and Bionor Resources Inc.

Mr. Davidson previously served as Executive Vice President, Exploration and Corporate Development with responsibility for Barrick Gold’s international exploration programs and corporate development activities. Prior to joining Barrick in 1993, Mr. Davidson was Vice President, Exploration for Metall Mining Corporation. Mr. Davidson has over 25 years’ experience in designing, implementing and managing gold and base metal exploration and acquisition

programs throughout the world. In April 2005, Mr. Davidson was presented the 2005 A.O. Dufresne Award by the Canadian Institute of Mining, Metallurgy and Petroleum to recognize exceptional achievement and distinguished contributions to mining exploration in Canada. In 2003, Mr. Davidson was named the Prospector of the Year by the Prospectors and Developers Association of Canada in recognition for his team's discovery of the Lagunas Norte Project in the Alto Chicama District, Peru. He received his B.Sc. and his M.Sc. in Economic Geology from McGill University.

The members of the Company's Audit Committee have provided the information disclosed above.

### **Reliance on Certain Exemptions**

The Company confirms that it has not relied on any exemptions identified in section 4 or 5 of Form 52- 110F1 during its most recently completed financial year. The Company further confirms that it has not relied on section 3.8 of NI 52 -110 during its most recently completed financial year.

### **External Auditor Service Fees**

	<u>Year ended December 31</u>	
	<u>2009</u>	<u>2010</u>
Audit Fees <sup>(1)</sup>	104,000	106,628
Audit-Related Fees <sup>(2)</sup>	35,118	-
Tax Fees	29,715	16,620
All Other Fees <sup>(3)</sup>	31,480	21,320

<sup>(1)</sup> Corresponds to the aggregate fees billed by the Company's external auditor for audit services provided to the Company (including the audit of its wholly-owned subsidiaries).

<sup>(2)</sup> Corresponds to the aggregate fees billed by the Company's external auditor for assurance and related services provided to the Company that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under item "Audit Fees".

<sup>(3)</sup> Corresponds to the aggregate fees billed by the Company's external auditor for products and services provided to the Company other than the services reported under items "Audit Fees", "Audit-Related Fees" and "Tax Fees".

The Committee pre-approves all fees.

### **ADDITIONAL INFORMATION**

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorised for issuance under equity compensation plans, will be contained in the management information circular of the Company to be filed in connection with its Annual Meeting of Shareholders for 2011. Additional financial information is also provided in the Company's consolidated financial statements for the year ended December 31, 2010 and in the corresponding management's discussion and analysis. Said management information circular, consolidated financial statements and management's discussion and analysis are or will be available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **SCHEDULE A – AUDIT COMMITTEE CHARTER**

### **VOLTA RESOURCES INC.**

#### **CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

##### **I. PURPOSE**

The Audit Committee is a committee of the Board of Directors (the "Board") of Volta Resources Inc. (the "Company"). The primary function of the Audit Committee is to assist the Board in fulfilling its financial reporting and controls responsibilities to the shareholders of the Company and the investment community. The external auditors will report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities are:

- overseeing the integrity of the Company's financial statements and reviewing the financial reports and other financial information provided by the Company to any governmental body or the public and other relevant documents and overseeing the Company's compliance with legal and regulatory requirements;
- recommending the appointment and reviewing and appraising the audit efforts of the Company's external auditor, overseeing the external auditor's qualifications and independence and providing an open avenue of communication among the external auditor, financial and senior management and the Board;
- serving as an independent and objective party to oversee and monitor the Company's financial reporting process and internal controls, the Company's processes to manage business and financial risk, and its compliance with legal, ethical and regulatory requirements;
- encouraging continuous improvement of, and fostering adherence to, the Company's policies, procedures and practices at all levels.

##### **II. COMPOSITION**

The Audit Committee shall consist of a minimum of three Directors of the Company, including the Chair of the Audit Committee, all of whom shall meet the requirements of Multilateral Instrument 52-110- Audit Committees. All members shall, to the satisfaction of the Board, be "financially literate" as defined in Multilateral Instrument 52-110.

The members of the Audit Committee shall be elected by the Board at the annual organizational meeting of the Board or until their successors are duly elected. The Board may remove a member of the Audit Committee at any time in its sole discretion by resolution of the Board. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by majority vote of the full membership of the Audit Committee.

##### **III. DUTIES AND RESPONSIBILITIES**

1. The Audit Committee shall review and recommend to the Board for approval:
  - (a) The annual audited consolidated financial statements.
  - (b) Review with financial management and the external auditor the Company's financial statements, MD&A and earnings releases to be filed with regulatory bodies such as securities commissions prior to filing or prior to the release of



earnings, as well as financial information and earnings guidance provided to analysts and rating agencies.

- (c) Documents referencing, containing or incorporating by reference the annual audited consolidated financial statements or interim financial results (e.g., prospectuses, press releases with financial results and Annual Information Form when applicable) prior to their release.
- (d) Adequacy of this charter and revisions thereto as necessary.

2. The Audit Committee, in fulfilling its mandate, will:

- (a) Satisfy itself that adequate internal controls and procedures are in place to allow the Chief Executive Officer and the Chief Financial Officer to certify financial statements and other disclosure documents as required under securities laws. Review with management relationships with regulators, and the accuracy and timeliness of filing with regulatory authorities (when and if applicable).
- (b) Recommend to the Board the selection of the external auditor, consider the independence and effectiveness and approve the fees and other compensation to be paid to the external auditor. Review the performance of the external auditor and approve any proposed discharge and replacement of the external auditor when circumstances warrant. Review the annual audit plans of the internal and external auditors of the Company and discuss any significant changes required in the audit plan.
- (c) Monitor the relationship between management and the external auditor including reviewing any management letters or other reports of the external auditor and discussing any material differences of opinion or disagreements between management and the external auditor.
- (d) Periodically consult with the external auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the organization's financial statements. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper.
- (e) Arrange for the external auditor to be available to the Audit Committee and the full Board as needed. Ensure that the auditors report directly to the Audit Committee and are made accountable to the Board and the Audit Committee, as representatives of the shareholders to whom the auditors are ultimately responsible.
- (f) Ensure that the external auditors are prohibited from providing the following non-audit services and pre-approve any permissible non-audit engagements of the external auditors, in accordance with applicable legislation:
  - bookkeeping or other services related to the accounting records or financial statements of the Company;
  - financial information systems design and implementation;
  - appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
  - actuarial services;
  - internal audit outsourcing services;

- management functions or human resources;
  - broker or dealer, investment adviser or investment banking services;
  - legal services and expert services unrelated to the audit; and
  - any other services which the Public Company Accounting Oversight Board determines to be impermissible.
- (g) Review with management and the external auditor of the Company's major accounting policies, including the impact of alternative accounting policies and key management estimates and judgments that can materially affect the financial results.
- (h) Review with management their approach to controlling and securing corporate assets (including intellectual property) and information systems, the adequacy of staffing of key functions and their plans for improvements.
- (i) Review the expenses of the Chair and President of the Company annually.
- (j) Obtaining reports from management and the Company's external auditor that the Company is in conformity with legal requirements and the Company's Code of Business Conduct and Ethics and reviewing reports and disclosures of insider and affiliated party transactions.
- (k) At least annually obtaining and reviewing a report prepared by the external auditors describing (i) the auditors' internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditors, or by any inquiry of investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and (iii) (to assess the auditors' independence) all relationships between the independent auditors and the Company.
- (l) Setting clear hiring policies for partners, employees or former partners and former employees of the external auditors.
- (m) Reporting annually to the shareholders in the Company's Management Information Circular prepared for the annual meeting of shareholders on the carrying out of its responsibilities under this charter and on other matters as required by applicable securities regulatory authorities.
- (n) Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls, or auditing matters, and for employees to submit confidential anonymous concerns regarding questionable accounting or auditing matters.
- (o) Perform such other duties as required by the Company's incorporating statute and applicable securities legislation and policies.
3. The Audit Committee may engage and communicate directly and independently with outside legal and other advisors for the Audit Committee as required.

## **V. SECRETARY**

The Secretary of the Audit Committee will be appointed by the Chair.

## **VI. MEETINGS**

1. The Audit Committee shall meet at such times and places as the Audit Committee may determine, but no less than four times per year. In any event, the Audit Committee shall meet prior to the Company issuing a press release with its quarterly or annual earnings information. At least annually, the Audit Committee shall meet separately with management and with the external auditors.
2. Meetings may be conducted with members present, in person, by telephone or by video conference facilities.
3. A resolution in writing signed by all the members of the Audit Committee is valid as if it had been passed at a meeting of the Audit Committee.
4. The external auditors or any member of the Audit Committee may call a meeting of the Audit Committee.
5. The external auditors of the Company will receive notice of every meeting of the Audit Committee.
6. The Chairman of the Audit Committee will report periodically the committee's findings and recommendations to the Board of Directors.

## **VII. QUORUM**

A quorum is established with a minimum of two Audit Committee members.