12. DATA VERIFICATION

WGM collected six samples, 3 from Mine 1 and 3 from Mine 2, during its November 2013 site visit. Samples were collected to confirm the overall mining grade, rock density and range of oxide minerals as well as accessory minerals, as part of its mineral resource review and planning purposes and the upgrading, modernization of operational standards and expansion at the mine two sites. These samples were analysed at SGS Tianjin Mineral Laboratory, Tianjin, PRC using standard analytical techniques for phosphate ores. The results of the analyses confirmed the general tenor of the grade and specific gravity of the ore as reported in the Chinese geological reports.

In November and December, 2013, the Sichuan Institute of Geology and Mineral Development Geochemistry Team completed a program of sampling and assaying of Mine 1 primarily from the exploration levels below the current mine. The locations of the samples are detailed in Table 8. The samples were assayed for SrO, P_2O_5 and acid insolubles according to the standard Chinese protocols. The assay results confirm the historic reported phosphate grades and the quality of the phosphorite mineralization.

During its November 2013 visit, WGM also observed the various steps of this fully integrated Phosphate operation from mining through final processing. WGM personnel reviewed development and mining practises at Mines 1 and 2 as well as mine access roads, minesite fixed facilities and toured the new process plant.

WGM accompanied by Mr. Luo mine general manager, visited Mine 1 Well #15. WGM was able to confirm that development and production stoping was underway on 5 levels or wells at Mine 1, employing 84 contract miners at this underground operation. The safety condition of the access path to the portal was noted. The ground condition underground was as observed in previous site visits. The drift was graded to prepare for the installation of railed transportation system, but no actual installation has taken place. Newly purchased loading equipment was inspected. However, no actual loading operations were observed to verify the productivity. The three WGM samples were taken at three stope preparation locations. A drilling crew was also interviewed at a development face, and the drillers proved skilled and experienced.

WGM accompanied by Mr. Xu, superintendent at Mine 2 also visited Level 1950 at Mine 2. The visit was focused on the development work completed in 2013. At Mine 2, there were 5 levels or wells under development employing an additional 69 contract miners for a total of 153 total contract miners employed at the two mines. Three samples were taken where mineralization was intersected in the drift. The ground condition was examined, and a rockfall damaging utility installation was observed at an unsupported intersection. The safety condition for the access path to enter the adits was noted to be improving, but still requires additional attention. Detailed discussions were also conducted regarding the development rate,

TABLE 8.
MINE 1

Location	Sample Number	Sample Length (m)	Assay Results		
			$\omega/(SrO)10^{-2}$	$\omega/(P_2O_5)10^{-2}$	$\Omega/(\text{Acid Insoluble Content})10^{-2}$
PD1 (Well 1)	PD1-1H1	1.5	<0.1	0.98	0.75
	PD1-1H2	1.9	<0.1	32.33	4.89
	PD1-1H3	1.9	<0.1	15.4	2.4
	PD1-1H4	1.9	<0.1	0.41	4.68
	PD1-2H1	1.9	<0.1	0.51	0.49
	PD1-2H2	1.9	<0.1	0.32	0.4
	PD1-2H3	1.9	0.18	24.85	3.73
	PD1-2H4	1.2	<0.1	0.61	3.28
PD3 (Well 3)	PD3-1H1	1.7	<0.1	20.06	4.66
	PD3-1H2	1.6	<0.1	21.38	5.7
	PD3-1H3	1.8	<0.1	22.32	6.45
	PD3-1H4	1.9	0.11	31.01	2.23
	PD3-1H5	1.8	0.12	36.99	1.59
	PD3-1H6	1.7	0.13	37.26	0.96
	PD3-1H7	1.8	<0.1	10.54	0.72
	PD3-1H8	1.3	0.16	32.95	2.48
	PD3-2H1	1.2	<0.1	6.1	1.39
	PD3-2H2	1.8	0.32	33.33	5.05
	PD3-2H3	1.2	0.22	34.59	3.98
	PD3-2H4	1.8	0.27	29.77	2.76
	PD3-2H5	1.2	0.4	27.53	3.27
	PD3-3H1	1.8	<0.1	5.59	1.15
	PD3-3H2	1.3	0.36	33.84	6.44
	PD3-3H3	1.8	0.36	31.49	5.2
	PD3-3H4	1.8	0.84	29.75	12.47
	PD3-3H5	2	0.3	37.3	2.6
	PD3-3H6	1.8	0.24	38.21	2.38
	PD3-3H7	1.5	0.22	24.36	3.8
	PD3-4H1	1.6	<0.1	4.13	3.39
	PD3-4H2	2	<0.1	20.82	8.48
	PD3-4H3	2	<0.1	19.91	5.61
	PD3-4H4	2	0.24	23.71	11.6
	PD3-4H5	2	<0.1	1.73	1.52
	PD3-4H6	1.2	0.13	12.52	16.18
	PD3-0H1	1.2	<0.1	0.5	0.32
	PD3-0H2	1.8	3.66	27.22	12.63
	PD3-0H3	1.8	4.88	12.77	46.92
	PD3-0H4	1.8	5.2	13.6	44.42
	PD3-0H5	1.8	5.93	14.64	34.42
	PD3-0H6	1.8	0.31	36.21	4.43
PD4 (Well 4)	PD4-1H1	1.2	0.13	35.35	3.32
	PD4-1H2	1.2	0.17	33.46	7.79
	PD4-1H3	1.5	0.14	28.61	5.7
	PD4-1H4	1.5	0.1	28.81	5.42
	PD4-2H1	1.4	<0.1	6.14	1.27
	PD4-2H2	2	<0.1	24.34	1.85
	PD4-2H3	1.2	<0.1	13.85	2.34
	PD4-3H1	2	0.13	40.33	0.95
	PD4-3H2	2	0.13	22.27	26.53
	PD4-3H3	2	0.18	35.1	8.17
	PD4-3H4	2	0.15	38.34	3.36
	PD4-3H5	2	1.55	27.93	18.02
	PD4-3H6	1.9	0.15	35.12	3.72
	PD4-3H7	2	0.11	34.18	2.96
	PD4-3H8	2	<0.1	33.97	1.63
	PD4-4H1	1.2	<0.1	3.25	1.99
	PD4-4H2	1.1	0.24	30.05	7.54
	PD4-4H3	1.6	0.3	32.51	8.41
	PD4-4H4	2	0.28	26.59	7.83
	PD4-4H5	1.8	0.27	25.63	7.84
PD15 (Well 15)	PD15-1H1	1.85	<0.1	19.54	3.52
	PD15-1H2	2	0.11	35.65	2.35
	PD15-1H3	2	0.12	32.49	3.82
	PD15-1H4	2	<0.1	18.96	3.35
	PD15-1H5	2	<0.1	3.55	1.05
	PD15-2H1	1.5	<0.1	1.51	0.6
	PD15-2H2	1.4	<0.1	2.23	0.78
	PD15-2H3	1.4	<0.1	1.81	1.05
	PD15-2H4	1.3	1.85	22.2	16.62
	PD15-2H5	1.5	1.47	17.82	26.3
	PD15-3H1	1.7	0.13	10.82	3.48
	PD15-3H2	1.6	0.24	35.82	2.59
	PD15-3H3	1.2	0.29	33.87	6.82
	PD15-3H4	2	0.27	35.33	4.48
	PD15-3H5	1.3	0.32	31.93	4.4
	PD15-3H6	1.6	1.15	35.09	4.37
	PD15-3H7	1.3	0.45	31.88	10.28
	PD15-4H1	1.8	0.35	28.52	11.82
	PD15-4H2	1.6	0.44	29.95	11.35
	PD15-4H3	1.5	0.4	32.5	8.78
	PD15-4H4	1.8	0.65	31.23	8.75
	PD15-4H5	1.8	0.56	27.79	14.3
PD2140 (Ele 2140)	PD2140-1H1	1.5	0.17	14.12	3.95
	PD2140-1H2	1.9	0.2	32.3	8.03
	PD2140-1H3	1.9	0.18	37.04	4.34
	PD2140-1H4	1.9	0.16	37.87	3.67
	PD2140-1H5	1.9	0.24	33.59	6.32
	PD2140-1H6	1.9	4.88	25.28	14.31
	PD2140-1H7	1.9	3.21	27.86	10.43
	PD2140-1H8	1.2	0.93	31.99	8.17
	PD2140-1H9	1.2	4.87	29.15	12.41
	PD2140-1H10	1.4	0.8	9.18	25.5
	PD2140-1H11	1.5	0.38	3.91	51.84
	PD2140-2H1	1.5	<0.1	12.89	6.16
	PD2140-2H2	1.3	<0.1	28.11	9.23
	PD2140-2H3	1.3	<0.1	32.84	4.8
	PD2140-2H4	1.6	<0.1	31.19	5.65
	PD2140-2H5	1.8	<0.1	28.39	7.43
	PD2140-3H1	1.4	<0.1	0.84	0.56
	PD2140-3H2	1.2	0.15	35.39	5.32
	PD2140-3H3	1.5	1.76	7.21	68.86
PD2420 (Ele 2420)	PD2420-1H1	1.4	0.21	28.99	3.91
	PD2420-1H2	1.2	0.94	16.31	13.86
	PD2420-2H1	1.5	<0.1	5.03	2.9
	PD2420-2H2	1.5	0.23	33.29	3.58

possible underground drilling options and additional ground control measures to be put in place to ensure the safety and well being of personnel and equipment.

In addition to the contract miners were the company staff, camp maintenance personnel, and contract truckers which reportedly brought the total manpower at the two mines to approximately 200 people, the plant manpower being extra.

WGM observed the tramway operation, loading of trucks from the bins, truck haulage from the mines to the stockpiling operation at the plant site. The haulage roads within 3 kms or so of the mines were roughly graded, lacked crushed granular topping and mainly limited to single lane traffic. Once onto the government maintained roads, the roads were generally well graded and accommodated two way traffic, at higher speeds. The river channel at Section 1 of Mian-Mao highway was clogged with debris derived from upstream due to heavy recent rain fall. The pavement at this section of the road was washed out, and only secondary gravel road was being maintained to allow traffic to pass through. The main tunnel was not damaged. The ground control installation, such as mesh with anchor bolts, on the slope were partially damaged, however, the majority of the installations were intact. Section 2 of the road was noted to remain the same as per the previous visit.

WGM toured the modern state-of-the-art 20,000 tonnes per annum P_4 Plant at the New Gongxing industrial zone processing facility which was operating at steady state during the visit. Both the 10,000 capacity furnaces were charged and operating. WGM paid special attention to the ore stockpile, crushing circuit and ore handling process. WGM observed the process of haulage truck weighting at scale, tonnage and time being recorded and ore being dumped at designated stockpiles. It is also noted that grab samples were taken from each stockpiles as soon as truck finishes unloading. The grab sampling procedure was observed to be up to standard. Two loaders were feeding ores from stockpiles to crushers during the visit, and the process was continuous without much stopping. The two stage crushing circuit was set up to batch process and to differentiate high grade, which is fed to the furnace, and low grade, which is sold to other factories. The low grade stockpiles were observed.

WGM as part of its due diligence for the previous Technical Report of February 2013, had completed four previous site visits to both surface and underground facilities at Cheng Qiang Yan. Access to Shi Sun Xi was not possible in 2010 due to blockage of the access road but access to the new underground development adit was possible in November 2011 and May 2012. Extensive interviews were conducted with the personnel of Mianzhu Norwest Interviews in 2010 which were primarily focused on data handling procedures, data storage and data transfer among other items of importance. In 2010, WGM had also interviewed personnel of the Sichuan Institute of Chemical Engineering and Geological Exploration. WGM also inspected about 5% of the production quality control laboratory sheets and such files as were available that included all aspects of the data collected from the drill holes and trenches as well as individual interpretations resulting from those data. WGM was at that time

satisfied with its review of available technical information and so saw no reason for the collection of independent verification samples.

Normally, the field work conducted by the Institutes, both the Sichuan Institute of Chemical Engineering and Geological Exploration and the Coal Design & Research Institute of Sichuan Province, has many internal and external checks for data verification for each task being performed and protocols in place for rectifying any discrepancies. The same is true for the laboratory procedures employed by the 21st Laboratory of Chemical Geology and Mine of Sichuan Province. Interviews were limited in time and scope at the Sichuan Institute of Chemical Engineering and Geological Exploration because appropriate personnel and files were not available. However WGM was satisfied that the information reviewed and presented reasonably reflects what was presented and observed.

WGM also notes that verification of the west borderline of the Shi Sun Xi's mining license was in dispute until August 2005 due to an overlapping of the west boundary line of the Shi Sun Xi Phosphorite Mine and east boundary line of the Long Lin Phosphorite Mine. The resolution, in summary, moved the west boundary line of the Shi Sun Xi Phosphorite Mine, in parallel, 60 m towards the east. However, in the report "*Additional Exploration of Geological Report for Sichuan Mianzhu Norwest Phosphate Chemical Company Ltd (Shi Sun Xi Phosphorite Mine)*" submitted by Sichuan Institute of Chemical Engineering and Geological Exploration in October, 2005, the phosphorite reserves that were reported were still based on the previous boundary line definition.

The report entitled "*Additional exploration of geological report for Sichuan Mianzhu Norwest Phosphate Chemical Company Ltd (Shi Sun Xi Phosphorite Mine)*" was submitted by Sichuan Institute of Chemical Engineering and Geological Exploration in October, 2005 which contained a "reserves summary" (resources) developed using PRC standards of classification. The reference above indicates an incorrect western boundary line was used in this estimation.

13. MINERAL PROCESSING AND METALLURGICAL TESTING

For this review and report, no direct evidence of previous mineral processing and/or metallurgical testing has been presented for inclusion. In a report (1998) on the Cheng Qiang Yan property, the Sichuan Institute of Chemical Engineering and Geological Exploration indicated that little or no testing had been completed in the preparation of their report. The report stated that, for the Cheng Qiang Yan property, "the mineral type is called "Shi Fang Type", which has been discovered and processed for over 40 years. The processing industry has considerable processing experience on handling this type of mineralization, and based on these experiences, the product from this site can be directly used as chemical reagents or fertilizer".

A similar reference to metallurgical testing was found in the data (Coal Design & Research Institute of Sichuan Province-2006) presented for the review of the Shi Sun Xi property. The phosphorite mine is of the "Shi Fang Type" (the ore in the mine belongs to "Shi Fang Type" phosphorite mine) and has claimed over 40 years history from prospecting to exploitation and has accomplished a lot of research and testing work on mineral processing and utilization. Based on the current situation that the phosphate fertilizer plants and yellow phosphorus plants both in and out of the province make direct use of the phosphate rock, the phosphate rock in this mine is similar to other ore types, which can be directly used in fertilizer or in chemical engineering material processing".

As stated in the direct quotation above, no direct evidence of testing or testing results was made available for review for this Technical report.

The mining operations at Cheng Qiang Yan, under the administration of Mianzhu Norwest, produced, from 2002 until the Wenchuan Earthquake, a total of approximately 379,000 tonnes of phosphate rock that were fed to the electric furnace operations at Hanwang Town Mianzhu City to produce elemental phosphorous (P_4). After access to Cheng Qiang Yan was re-established in 2010 the mine produced 30,000 tonnes in the period after the major rockslide in 2010 and 2011. This operating history demonstrates that end products (P_4. and related) can be produced economically and competitively with this type of operation. For this current study, the production records that survived the Wenchuan Earthquake were reviewed. The records constitute coverage of about 80% of the approximately 183,000 tonnes produced, from mining operations at Cheng Qiang Yan, between 2006 and the Wenchuan Earthquake. This surveyed tonnage averaged about 29.6% P_2O_5 and 2.9% Fe_2O_3 (dry). No other analytes were tracked through these quality control measures. The average size of each of these quality control samples represented about 148 tonnes of mine production. The average moisture content of each of these samples was about 4.6% H_2O. The production of P_4, from this tonnage should be considered a successful metallurgical demonstration for this processing option.

One analyte mentioned during on-site discussions was arsenic (As). No measurements of this analyte were made during exploration and development sampling at either Cheng Qiang Yan or Shi Sun Xi. No measurements of arsenic are made on the mining production samples submitted for analysis from Cheng Qiang Yan. However, periodic measurements are taken as part of the P_4 process control sampling. The arsenic values verbally reported by Mianzhu Norwest management were between 60 and 70 ppm. Since the arsenic typically increases approximately 10-fold during the P_4 production process, this implies that the value in the phosphate rock is about 6 to 7 ppm. There was no evidence that this element had been tracked in the operation from the phosphate rock, waste products and possible releases to the environment which would be normal and required practice in western operations.

Two composite samples from the recent samples collected by WGM in November 2013 returned arsenic (As) results of 16 and 30 ppm respectively.

14. MINERAL RESOURCE ESTIMATES

14.1 GENERAL

In keeping with the practice of USGS Bulletin 1450-B, Bulletin 831 and Bulletin 891, for these types of mineral deposits and by NI 43-101 standards, WGM has applied the following Mineral Resource/Reserve definitions for this Technical Report.

Mineral Resources
All phosphate bearing material with a P_2O_5 content greater than 8% and a thickness greater than 25 cm are considered. Primary focus is concerned with phosphorite bed D_3S^1 on both Mianzhu Norwest's properties. For the two deposits, no outcrop barriers, no boundary buffers, no buffers along faults, no areas of past minor production, and no areas of low-quality or thin material were omitted from the Resource estimates.

Mineral Reserves
No reserves were estimated due to the lack of supporting studies which would allow the use of that category. Conceivably some reserves exist due to past production from the Cheng Qiang Yan deposit and that production would qualify a minor portion of the Resource as Reserves but further work is required for definition.

Within each of the definitions presented above, there are three categories, or levels of definition, which depend upon the density of sampling points used to examine the property and quantify the tonnage. These categories are, in decreasing sample-point density (increased sample spacing).

Measured Resources
For the Cheng Qiang Yan deposit, where continuity has been established, those tonnes found within 400 m of a sampling point whether it is a drill hole or a trench is categorized as Measured. The 400 m radius provides a maximum area around each sample point of 50.92 hectares.

For the Shi Sun Xi deposit, where the continuity is much less well established, the radius was set at 200 m which provides a maximum area around each sample point of 12.57 hectares that contain tonnes of this category. This conservative approach to the Shi Sun Xi deposits does not alter the total estimated tonnage of the deposit but reduces the Resource tonnage considered Measured on a partially explored/defined and geologically complex property. The definition used as a basis for the above specifies that the true extent of the phosphate has been sufficiently measured so that the estimated tonnage is judged to be accurate within 20% of the true tonnage.

Indicated Resources

These tonnages are computed partly from specified measurements and partly from projection of data to a reasonable distance. The recommended maximum projection distance is 800 m for Cheng Qiang Yan deposit and 500 m for the less well defined, and more geologically complex, Shi Sun Xi deposit. Thus, for the Cheng Qiang Yan deposit, the Indicated tonnages fall into a belt that is from 400 m to 800 m around a sampling point. For the Shi Sun Xi deposit, this belt is from 200 m to 500 m around a sampling point.

Inferred Resources

The classification of these tonnages is based largely on broad knowledge of the geologic character of the deposit (bed) and where few measurements are available. The estimates are based primarily on assumed continuation of Indicated areas from which there is geologic evidence. In the case of the Cheng Qiang Yan deposit, most of the estimated Inferred tonnage is located to the west of fault F205 where no data are available for review. A minor portion of the Inferred tonnage is located beyond the 800 m radius which defines the Indicated tonnage. At Shi Sun Xi, the Inferred tonnage is beyond the 500 m radius that defines the Indicated tonnage.

The estimated Resources for the two properties are further divided based on the ramifications of restrictions contained within the mining and exploration licenses of each. As stated elsewhere in this Technical Report, the mining license for the Cheng Qiang Yan deposit restricts control of the resource to elevations between 2,570 and 2,240 m. The mining license for the Shi Sun Xi deposit restricts control to elevations between 2420 and 1,600 m. The exploration license for Cheng Qiang Yan contains no restrictions based on elevations of the phosphorite bed. The same is true for the Shi Sun Xi exploration license.

14.2 DEFINITIONS

The classification of Mineral Resources and Mineral Reserves used in this report conforms with the definitions of the Canadian Institute of Mining Metallurgy and Petroleum ("**CIM**") Council adopted on November 27, 2010. We have followed the guidelines and standards provided in the final version of National Instrument 43-101, which first came into effect on February 1, 2001, was revised on December 11, 2005, and further changed effective June 30, 2011. We further confirm that, in arriving at our classification, we have followed the relevant definitions for the CIM Standards/NI 43-101, as follows:

> A **Mineral Resource** is a concentration or occurrence of diamonds, natural solid inorganic, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

An **Inferred Mineral Resource** is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An **Indicated Mineral Resource** is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

A **Measured Mineral Resource** is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

A **Mineral Reserve** is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

A **Probable Mineral Reserve** is the economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

A **Proven Mineral Reserve** is the economically mineable part of a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

14.3 UPDATED PHOSPHORITE RESOURCE ESTIMATE BY WGM

The Mineral Resource estimate for the Shi Sun Xi Mine is unchanged from the previous estimate since no there is no new material information. Thus, the focus of the update was on the Cheng Qiang Yan mine wherein new trench samples (as described in Section 10) were incorporated into the updated Mineral Resource estimate.

The original Mineral Resource estimates prepared for each of Mianzhu Norwest's Mines used data from each of the properties presented for review. WGM cross checked, and verified data from all known sources available. A portion of the data was lost in the destruction caused by the Wenchuan Earthquake and other data was "lost" in the archives of the institution that performed most of the field programs and wrote past reports for the two properties. These missing data were not included in the Resource estimate.

The estimation of the updated Resources used routines from Geovia's GEMS 6.5 software and are described in Section 14.3.

Other computer model design criteria are as follow, and are unchanged from the previous estimate methodology:

- Phosphorite Density –A constant 3.08 tonnes per cubic metre was used for Cheng Qiang Yan and 3.03 tonnes per cubic metre used for Shi Sun Xi; these are the same as for all past studies conducted and are supported by reports and WGM's recent 2013 sampling (six samples) that showed a specific gravity range from 2.97 to 3.18 g/cm^3;
- Minimum Phosphorite Bed Thickness – 0.25 m; estimates by past PRC work use a minimum thickness of 1.6 m; (Thicknesses ranged from 0.67 m to 13.84 m);
- Phosphorite Subcrops – None were used. The geological history for the Shi Fang type deposit dictates that all weathering phenomena were emplaced millions of years ago and no recent activity accounts for changes;
- Phosphorite Analyses – The data which are contained in individual sample analyses contained in the dataset for each property are limited. The past PRC estimates used various grade cutoffs at various times all dictated by Provincial guidelines although; such cutoffs are not geologically warranted. WGM applied an effective 8% P_2O_5 cutoff basis (resource polygon grades ranged from 17.77% to 35.39%); and,
- Outside Estimate Boundary – The mining license boundary and the exploration license boundary are used for each property.

Table 9 presents the updated M&I Mineral Resource estimate for each property as prepared by WGM for Mianzhu Norwest's license holdings. Average bed thickness and average P_2O_5 content are weight averaged by tonnes from the various applicable polygons resulting from the estimating process (Figures 3 and 9).

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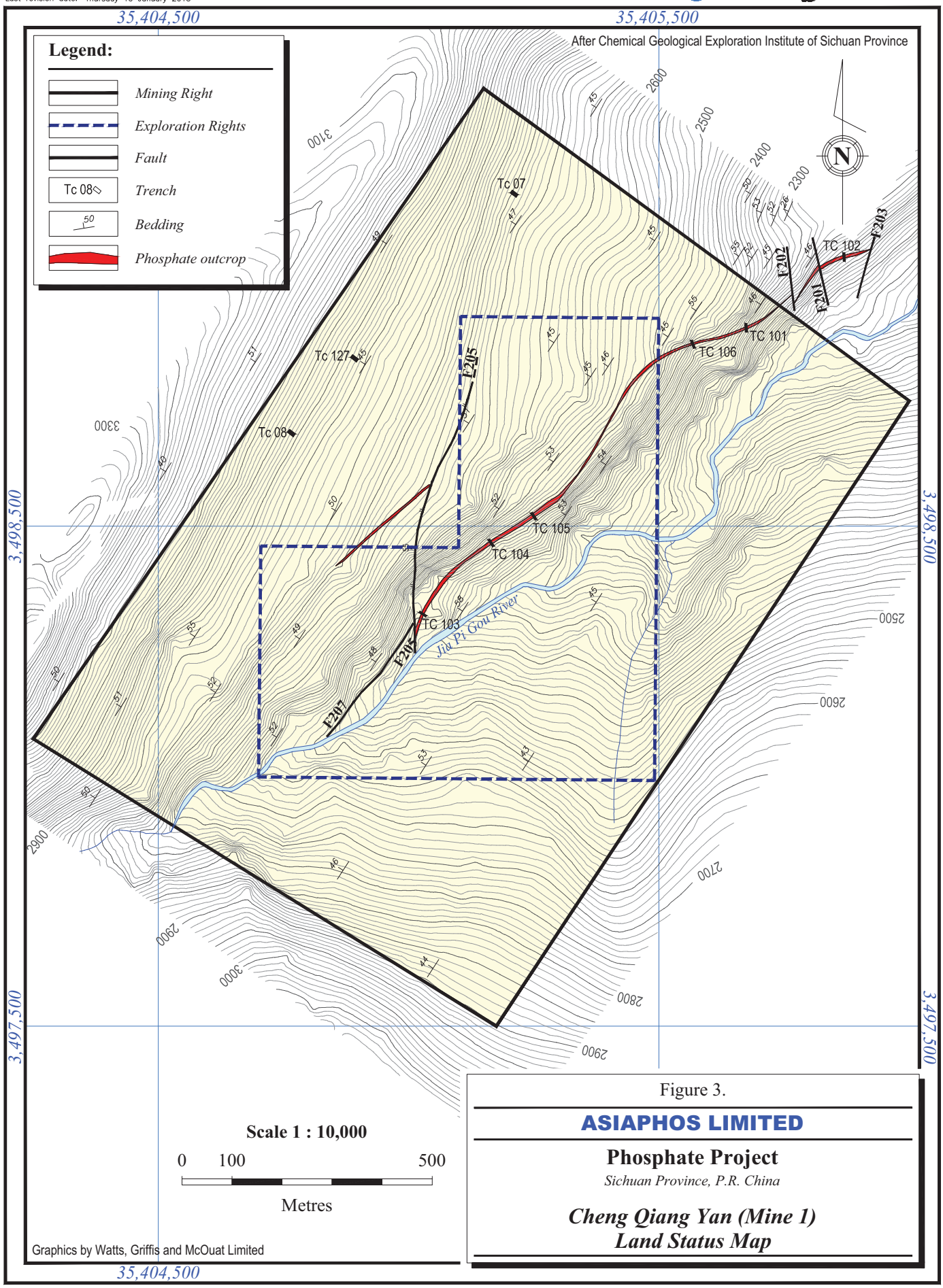

Figure 3.

ASIAPHOS LIMITED

Phosphate Project

Sichuan Province, P.R. China

Cheng Qiang Yan (Mine 1)
Land Status Map

TABLE 9.
TOTAL ESTIMATED M&I PHOSPHORITE RESOURCES FOR MIANZHU NORWEST

		Tonnes (million)	Bed Thk (m)	P_2O_5 (%)
Mining License Area				
Cheng Qiang Yan				
M & I Resource	Measured	2.9	5.88	28.22
	Total	**2.9**	**5.88**	**28.22**
Shi Sun Xi				
M & I Resource	Measured	6.9	6.81	29.25
	Indicated	10.7	7.05	29.77
	Total	**17.6**	**6.96**	**29.57**
Total				
M & I Resource	Measured	9.8	6.53	28.94
	Indicated	10.7	7.05	29.77
	Total	**20.5**	**6.80**	**29.38**
Exploration License Area				
Cheng Qiang Yan				
M & I Resource	Measured	1.2	9.62	26.90
	Total	**1.2**	**9.62**	**26.90**
Shi Sun Xi				
M & I Resource	Measured	0.03	1.37	19.76
	Indicated	1.3	6.18	26.71
	Total	**1.4**	**6.07**	**26.55**
Total				
M & I Resource	Measured	1.3	9.41	26.72
	Indicated	1.3	6.18	26.71
	Total	**2.6**	**7.75**	**26.71**

Notes: Mineral Resources effective December 31, 2013

1. Mineral Resources are estimated at a cutoff value of 8% P2O5, and a minimum phosphorite bed thickness of 0.25 m.
2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
3. The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.
4. The Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council December 11, 2005.
5. S.G. of 3.08 tonnes/m^3 and 3.03 08 tonnes/m^3 used for Cheng Qiang Yan and Shi Sun Xi respectively.
6. Indicated amounts may not precisely sum due to rounding.
7. Inferred Resource cannot be included in total Resource calculation under NI 43-101 Standard.

Table 10 presents the updated Inferred Resources estimate for each property as prepared by WGM for Mianzhu Norwest's license holdings. Average bed thickness and average P_2O_5 content are weight averaged by tonnes from the various applicable polygons resulting from the estimating process (Figure 4 and 10). Details of the updated resource estimate for each zone are tabulated in Appendix 2.

Under NI 43-101 criteria, only Resources under the M&I classification may be considered for inclusion into any mine planning efforts which are required to possibly elevate the categorization of that material to **Reserve** status. The demonstration of economic viability of the tonnage and processes must be established before the category of reserves is used. No Inferred Resources may be included in these efforts.

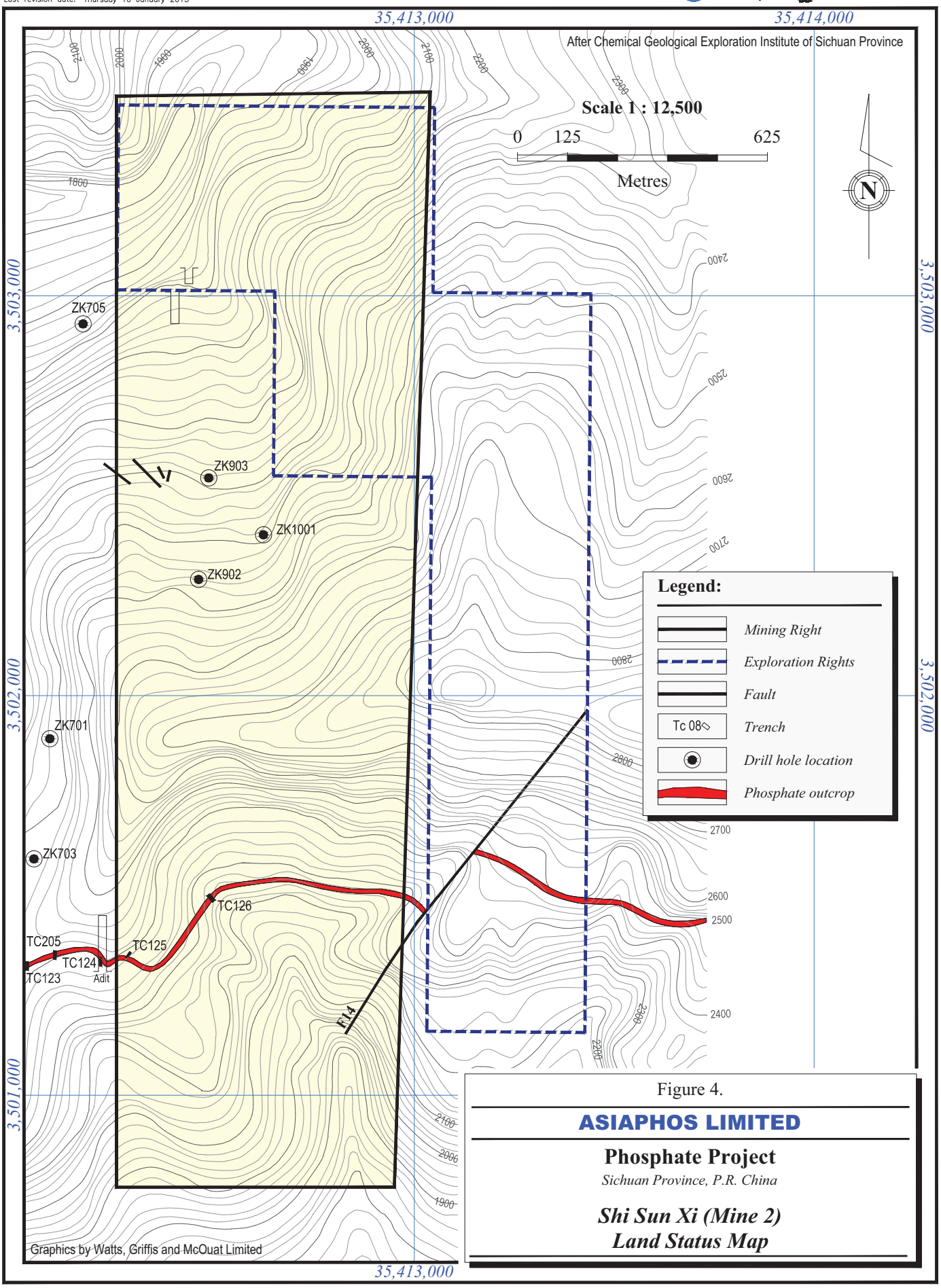

Figure 4.

ASIAPHOS LIMITED

Phosphate Project

Sichuan Province, P.R. China

Shi Sun Xi (Mine 2)
Land Status Map

TABLE 10.
ESTIMATED INFERRED* PHOSPHORITE RESOURCES FOR MIANZHU NORWEST

		Tonnes (million)	Bed Thk (m)	P_2O_5 (%)
Mining License Area				
Cheng Qiang Yan	Inferred	0.9	3.86	26.77
Shi Sun Xi	Inferred	1.8	6.79	30.02
Total		**2.7**	**5.79**	**28.91**
Exploration License Area				
Cheng Qiang Yan	Inferred	-	-	-
Shi Sun Xi	Inferred	16.1	8.07	29.74
Total		**16.1**	**8.07**	**29.74**

* Note: Inferred Resource cannot be included in total Resource calculation under NI 43-101 Standard.

TABLE 11.
SUMMARY OF THE MINERAL RESOURCES FOR MIANZHU NORWEST MINES

Category	Mineral Type	Gross Attributable to licence		Net Attributable to Issuer Assumed at 100%			Remarks
		Tonnes (millions)	Grade (P_2O_5 %)	Tonnes (millions)	Grade (P_2O_5 %)	Change from previous update (%)	
Reserves							Insufficient studies to determine
Proved		-	-	-	-	-	
Probable		-	-	-	-	-	
Total		**-**	**-**	**-**	**-**	**-**	
Resources							
Measured	Phosphorite	11.0	28.69	11.0	28.69	8%	
Indicated	Phosphorite	12.1	29.43	12.1	29.43	0%	
Total		**23.1**	**29.08**	**23.1**	**29.08**	**4%**	
Inferred	Phosphorite	18.8	29.62	18.8	29.62	0%	

Notes: Mineral Resources effective December 31, 2013

1. Mineral Resources are estimated at a cutoff value of 8% P2O5, and a minimum phosphorite bed thickness of 0.25 m.
2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
3. The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.
4. The Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council December 11, 2005.
5. S.G. of 3.08 tonnes/m^3 and 3.03 08 tonnes/m^3 used for Cheng Qiang Yan and Shi Sun Xi respectively.
6. Indicated amounts may not precisely sum due to rounding.
7. Inferred Resource cannot be included in total Resource calculation under NI 43-101 Standard.

This document is the reporting of phosphorite Resources only. No associated mining, metallurgical, economic, marketing or environmental studies have been referenced in the preparation of these Resources. The conversion of the phosphorite Resource to Reserves will require closer spaced drilling and sampling to more accurately define the deposit boundaries and thicknesses as well as the grades. This conversion must be supported by the application of economic factors and mining factors to define the cutoff grade for the portion of phosphorite Resource that is economic and can be classified as reserves. The Mianzhu Norwest mining

operation currently operates with very localized knowledge of grade and thickness based on progressing from the active mining areas. This operating practice can be exposed to changes in grade or production due to geologic factors that may change as the mining is advanced putting production plans at risk. Based on the history to date of the Mianzhu Norwest operations, WGM believes that completion of the necessary drilling and sampling will be successful in conversion of a high proportion of the Resource being classified as reserves after application of the modifying factors.

Although the WGM Mineral Resource estimates are based on one continuous mineralized zone across the licensed areas, it is possible that more complete knowledge of the phosphorite bed thickness and local structure could result in increased or decreased Resources to those currently estimated.

Further development efforts which may include underground development to allow drilling and sampling, are required to elevate the Inferred Resources, or any portion thereof, to the Measured and Indicated categories. This work may take place any time in the future as dictated by Mianzhu Norwest's long-term business planning.

14.4 CHENG QIANG YAN AND SHI SUN XI RESOURCE ESTIMATION METHODOLOGY

For estimating the phosphorite Resources on Mianzhu Norwest's Mines, WGM utilized the software routines contained within the GEMS module (version 6.5) distributed and maintained by Geovia. GEMS permits the management of drill hole data and other measurement information to create plots, maps, model surfaces and solids, and employ sophisticated geostatistics to quantify, visualize and analyze mineral deposits. It places data points into a transformed space in which the correct spatial relationship is maintained for analysis and interpolation purposes. It then transforms the estimates back into their original space.

For each of the two Mianzhu Norwest Mines, WGM followed a stepwise progression through the GEMS software to manage the data, and the project, while developing a computer model for both Cheng Qiang Yan and Shi Sun Xi. The models are a 3D representation of the geology for each site and the interactions of the geology with the mining and exploration licenses. The steps followed, in general, the grouping of activities outlined below:

Project Setup
Project setup with data "workspaces" for the following data elements:

- Polylines (for topography contours, license boundaries, faults, surface outcrops);
- Polygons (for polygonal estimates);
- Wireframes (for faults, topography, mining and exploration license boundaries); and
- Point Areas (for surface trench, drill hole, and underground channel samples).

Data Import and Validation

- Topography contours (digitized from supplied drawings) imported into Polyline workspace;
- Trench locations and drill hole intercepts imported as points into Point Area workspace; and
- Fault lines, surface outcrops and license boundaries imported to Polyline workspace.

Wire-framing

- Solids generated from license boundaries – mine licenses extended to vertical limits as defined. Exploration licenses extended in vertical to deepest extent of seam;
- Topography surface generated from digitized topography contours; and
- Fault lines projected from surface downwards according to strike and dip and fault. Fault surface generated from two lines. In the case of Shi Sun Xi, no attitude data was available for fault F14, so was assumed to be vertical fault.

Inclined Plane Generation

- Fault lines and surface outcrops projected to 3D topography surface; and
- Best-fit inclined plane generated from surface outcrop lines, trench locations, underground channel samples, and drill hole locations.

Geostatistics

Variograms were generated for each deposit to determine if grade distribution trends exist. Currently there are insufficient data to produce meaningful conclusions about sample dependence at either deposit. Consequently, general rules of sample dependence, based on the aforementioned U.S.G.S. Bulletins and years of world-wide experience with sedimentary phosphorite deposits, were used. Basic statistics run on sample population and the sample frequency distribution curves are presented in Figures 5 and 6.

Figure 5. Cheng Qiang Yan Frequency Distribution Curve

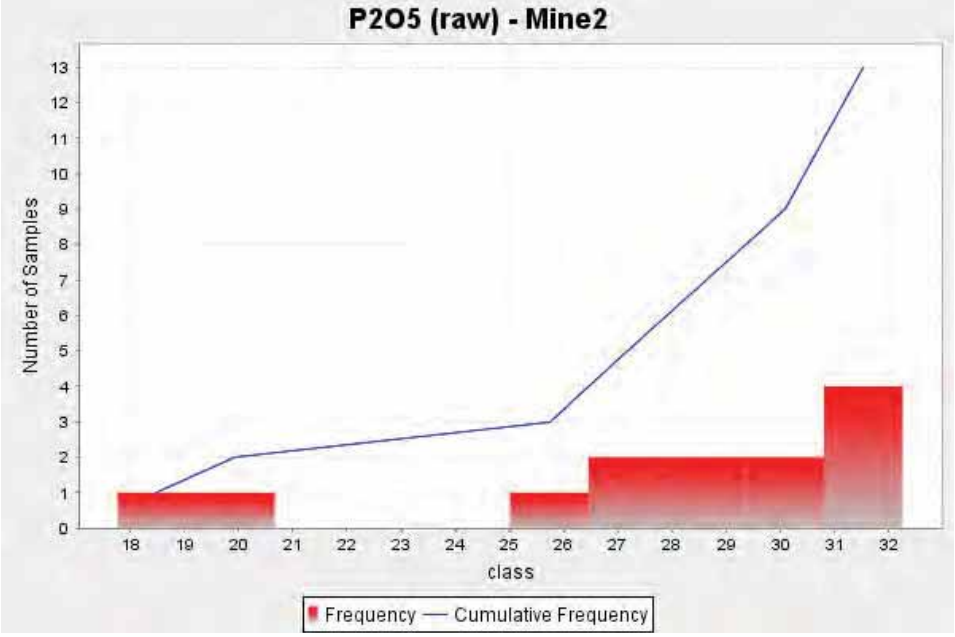

Figure 6. Shi Sun Xi Frequency Distribution Curve

Polygonal Modelling

- License-boundary polygons were generated by intersecting license boundary wireframes with inclined planes. Mine license boundaries were clipped at surface, and below the lowest allowable elevation as follows:

  Cheng Qiang Yan: maximum depth 2,240 m
  Shi Sun Xi: maximum depth 1,600 m

- Grade polygons were generated from trench samples, underground channel samples and drill hole intercepts, and projected to inclined plane. Polygons for "Measured", "Indicated" and "Inferred" categories generated as per the following polygon radii of influence:

	Measured	Indicated	Inferred
Cheng Qiang Yan	400 m	400 m to 800 m	>800 m
Shi Sun Xi	200 m	200 m to 500 m	>500 m

- Final resource polygons were generated by clipping grade polygons against the license boundaries.

Density

As previously described, the bulk density for each deposit was determined by the Geological Institute based on at least 16 sample measurements per property.

- Constant densities for all rock were coded as follows:
  Cheng Qiang Yan: 3.08 tonne/m^3
  Shi Sun Xi: 3.03 tonne/m^3

Recent density determinations by WGM on six samples, 3 from Mine 1 and 3 from Mine 2 confirm these density averages.