Qualified Person's Report

on the

Kubi Project Mineral Assets

of

Nevsun Resources (Ghana) Ltd.

August 2007

for PMI Gold Corporation

by

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3 SUMMARY

Nevsun Resources (Ghana) Ltd. is a wholly owned subsidiary of Nevsun Africa (Barbados) Ltd., which is itself a wholly owned subsidiary of Nevsun Resources Ltd. of Canada, a company listed on the Toronto Stock Exchange ("TSX") and the American Stock Exchange (ASX). Nevsun is seeking to sell its 90% ownership of the Kubi Property, south of AngloGold Ashanti's Obuasi mine. The Ghanaian Government holds a 10% free carried interest in the remainder of the property.

PMI Gold Corporation, a company listed on the Toronto Stock Exchange, Venture Exchange (TSX V), wishes to purchase the Kubi Property and has engaged Golder Associates to prepare this report to comply with National Instrument 43-101, to be submitted in support of their intention to purchase.

The report is predominantly derived from information provided by Nevsun Resources Ltd. and its consultants together with information gathered independently during the course of a site visit to the operation. David Farrow visited Ghana during the week 28 May to 1 June 2007 to inspect the Kubi Project specifically for the purposes of preparing the report for the TSX V. Information provided by Nevsun Resources Ltd. and presented in this document has been released to the TSX and ASX in compliance with its continuous disclosure obligations to those markets.

Golder Associates and David Farrow, the author of this report, were commissioned solely to prepare this Qualified Person's Report for inclusion in the submission to the TSX V and were not involved in the preparation, authorisation or issue of any other aspect of the documentation.

Mineral Resources and Ore Reserves for the Kubi Project are reported in compliance with the CIMM Code. Mineral Resources were estimated, using a geological cut-off defined by the limits of the mineralized zone as shown in Table 3-1.

Table 3.1: Summary of Resources

Deposit	Category T	Tonnage (t)	Grade(g/t Au)	Contained Gold (oz)
Totals by category	Indicated	5133652	3.66	604085
	Inferred	5380392	1.88	315079

The property was initially explored by BHP and subsequently Nevsun in the late 1990's. A significant near surface resource consisting of non-refractory mineralization was optioned by Ashanti (later AngloGold-Ashanti) in 1998 and they have subsequently mined by open pit 500,000 tonnes with an average grade of 3.65g/t Au to produce 59,000 ounces of gold. The "Ashanti Trend" a structural feature that hosts many of the gold deposits in the Obuasi area is interpreted to run through the western part of the Kubi property. Exploration in this area has not been exhaustive and additional potential for Ashanti style deposits is possible.

The Kubi property is being handed back to Nevsun as AngloGold-Ashanti have expressed no interest in developing an underground mine on the Kubi Main trend which still contains significant resources drilled to a depth of 700 meters vertical.

4 INTRODUCTION AND TERMS OF REFERENCE

4.1 Terms of Reference

PMI Gold Corporation instructed Golder Associates to prepare a report for inclusion in a submission for the Venture Exchange of the Toronto Stock Exchange ("TSX") related to the purchase of the Kubi Deposit. Specifically the report was to be prepared by David Farrow who meets the requirements of a Qualified Person for the purposes of reporting in compliance with National Instrument 43-101. Golder Associates will be paid a fee for undertaking this work in line with its normal schedule of fees applying to work of this nature. The payment and quantum of the fee is not contingent upon the successful purchase of the Kubi Prospect.

4.2 The Purpose of the Report

PMI Gold Corporation (PMI GOLD) is a company listed on the Venture Exchange of the Toronto Stock Exchange ("TSX"). PMI GOLD intends to purchase the Kubi Deposit and seeks approval from the Venture Exchange of the TSX. This report has been prepared by Golder Associates to comply with National Instrument 43-101 in support of said purchase.

4.3 Sources of Information

This Qualified Person's report is predominantly derived from information provided by Nevsun Resources Ltd and its consultants together with information gathered independently during the site visit to the property. David Farrow visited site on the 30th May 2007 for the purpose of this report. Information provided by Nevsun Resources Ltd and presented in this document has been released to the TSX and to the ASX in compliance with its continuous disclosure obligations to those markets.

4.4 The extent of Field Involvement of the Qualified Person

Apart from the field visit made especially for the purpose of preparing the report for submission to the TSX V, David Farrow was not involved with any of the field work described in this report.

5 DISCLAIMER

Golder Associates and David Farrow, the author of this report, were commissioned solely to prepare this Qualified Person's Report for inclusion in the submission to the TSX V and were not involved in the preparation, authorisation or issue of any other aspect of the documentation. Golder Associates and David Farrow, the author of this report, has specifically relied on numerous reports which were supplied by Nevsun Resources Ltd. In particular F. W Nielsen January 2002 TECHNICAL REPORT ON THE KUBI PROPERTY GHANA, WEST AFRICA.

6 PROPERTY DESCRIPTION AND LOCATION

6.1 Area of the property

The Kubi Property encompasses an area of 19.16 km² predominantly in the Adansi West District of the Ashanti Region of Ghana and the far south west corner is in Upper Denkyira District of the Central Region.

6.2 Location

Kubi is located 30km south, by road, of the township of Obuasi, 6km north of the town of Dunkwa, and 170km, 4.5 hours by road, northwest of the capital city of Accra. The centre of the concession is located at approximately 6° 00' N Latitude and 1° 44' W longitude. The property is bordered by AngloGold Ashanti Obuasi concession to the North and East, Dunkwa Continental Goldfields to the West and Golden Star and Birim Goldfields to the South. Villages are located at Kubi, Kubi Nkwanta, Jimiludo, Nyamebekyere and Lagos in the concession. Dunkwa is the closest major town to the concession. The Supuma Shelter Belt Forest Reserve covers approximately 45% of the Kubi concession.

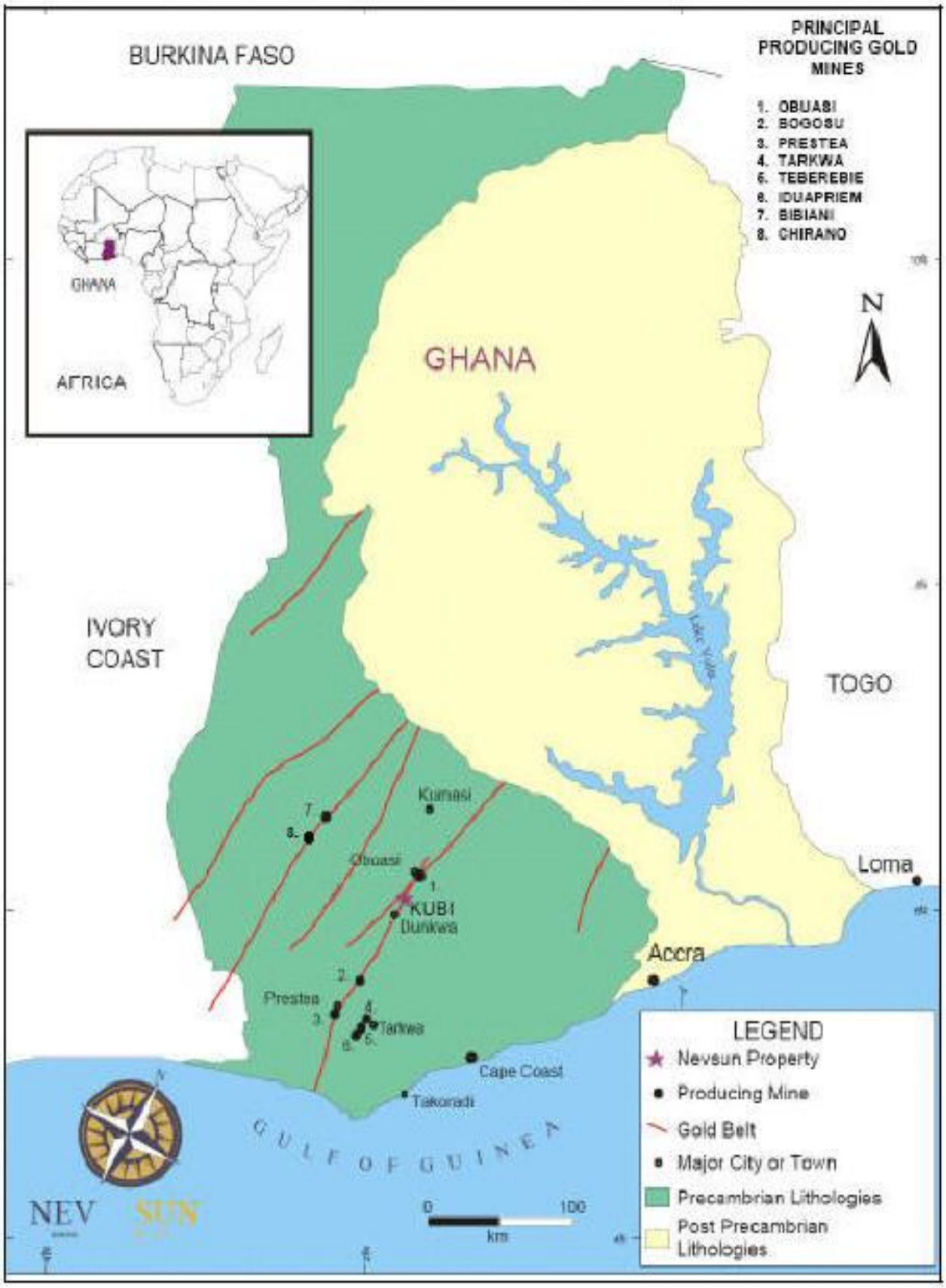

Figure 6.1: Location Map

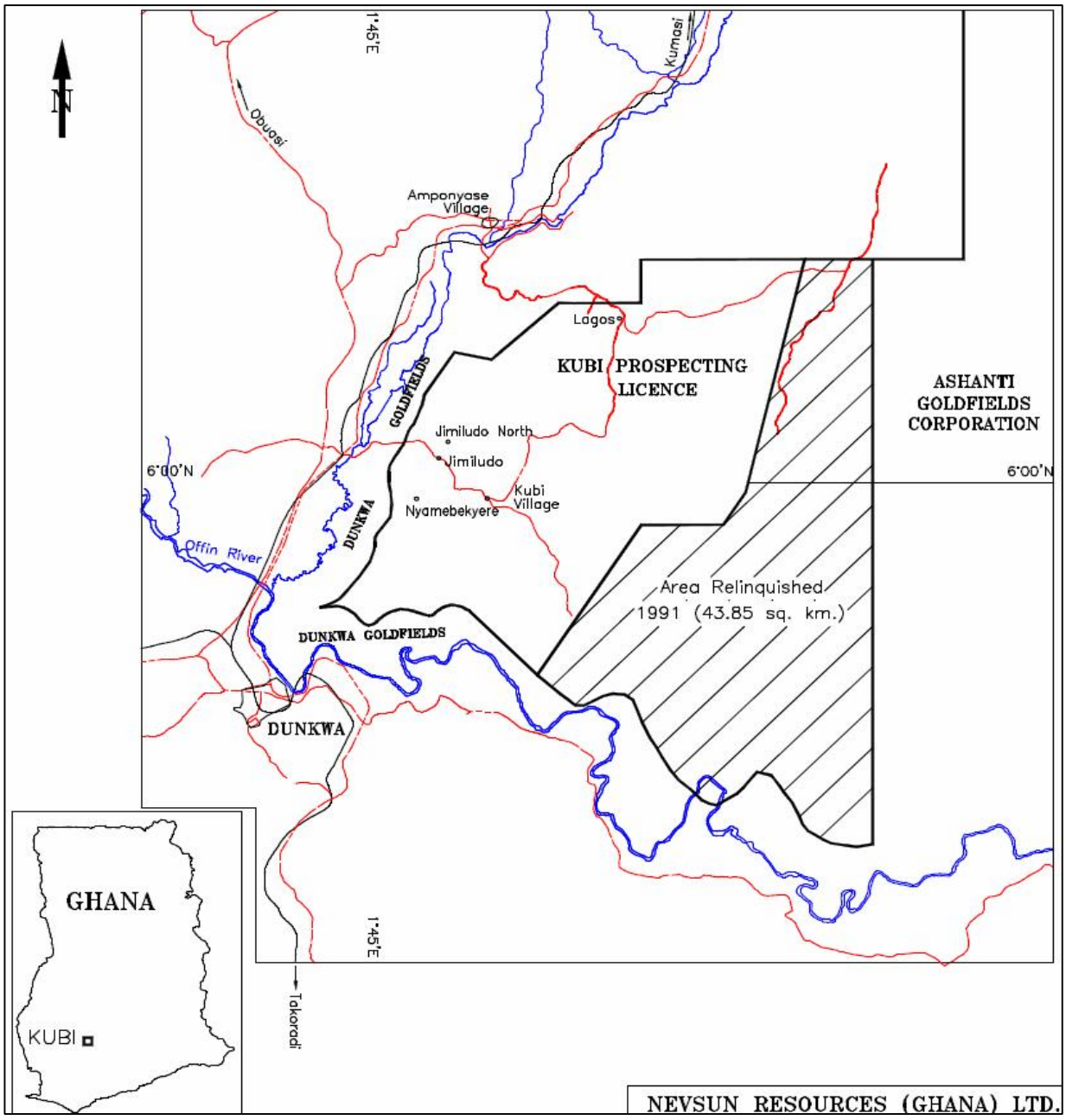

Figure 6.2: Plans for the Kubi Project Concessions

6.3 Property description and location

The Property is held under two Mining Leases granted by the Republic of Ghana on 30 April 1999 and 1 October 2004, for 10 years and 3 years respectively.

Confirmation of the status of the Kubi Leases, signed by the Chief Executive of the Minerals Commission, is attached hereto as Appendix 1.

6.4 Nature of PMI GOLD's Interest in the prospect

PMI GOLD has (will on approval by TSX have) entered into a Letter of Intent with Nevsun Africa (Barbados) Limited of Bridgetown, Barbados, to purchase all of their interest in Nevsun Resources (Ghana) Limited ('NS Ghana'). NS Ghana has entered into contractual agreements with Ashanti Goldfields Company Limited, a subsidiary of AngloGold Ashanti(Ghana) Limited, dated 25 January 1999 and August 2004, wherein NS Ghana assigned its property and mining rights to Ashanti in return for certain cash and royalty interests. Ashanti has completed their mining of the surface oxide reserves pursuant to the August 2004 agreement and has agreed to return the Property interests to NS Ghana. They have also committed to complete the environmental rehabilitation of the areas affected by their mining operations per the terms of the Mining Lease and EPA permit. The Mining leases have been confirmed by the Minerals Commission of Ghana and are in good standing. The re-assignment of the Property to NS Ghana is subject to the approval of the Government of Ghana; such approval should be granted in the normal course of business.

6.5 Legal Survey of the Tenements

The Property boundaries are defined by a series of 'pillar points' in Ghana National Grid degrees Longitude and Latitude, and which are shown in the maps attached to and forming a part of the Mining Leases. In addition, in April thru May 1997, Nevsun contracted McElhanney Consulting Services Ltd of Vancouver Canada, to undertake a boundary survey for the Kubi prospect. They submitted a report titled "Boundary Determination Survey for the Kubi Mining Concessions Dunkwa, Ghana, April to May 1997", which contains all relevant details.

The concession corners are listed in figure 6.3

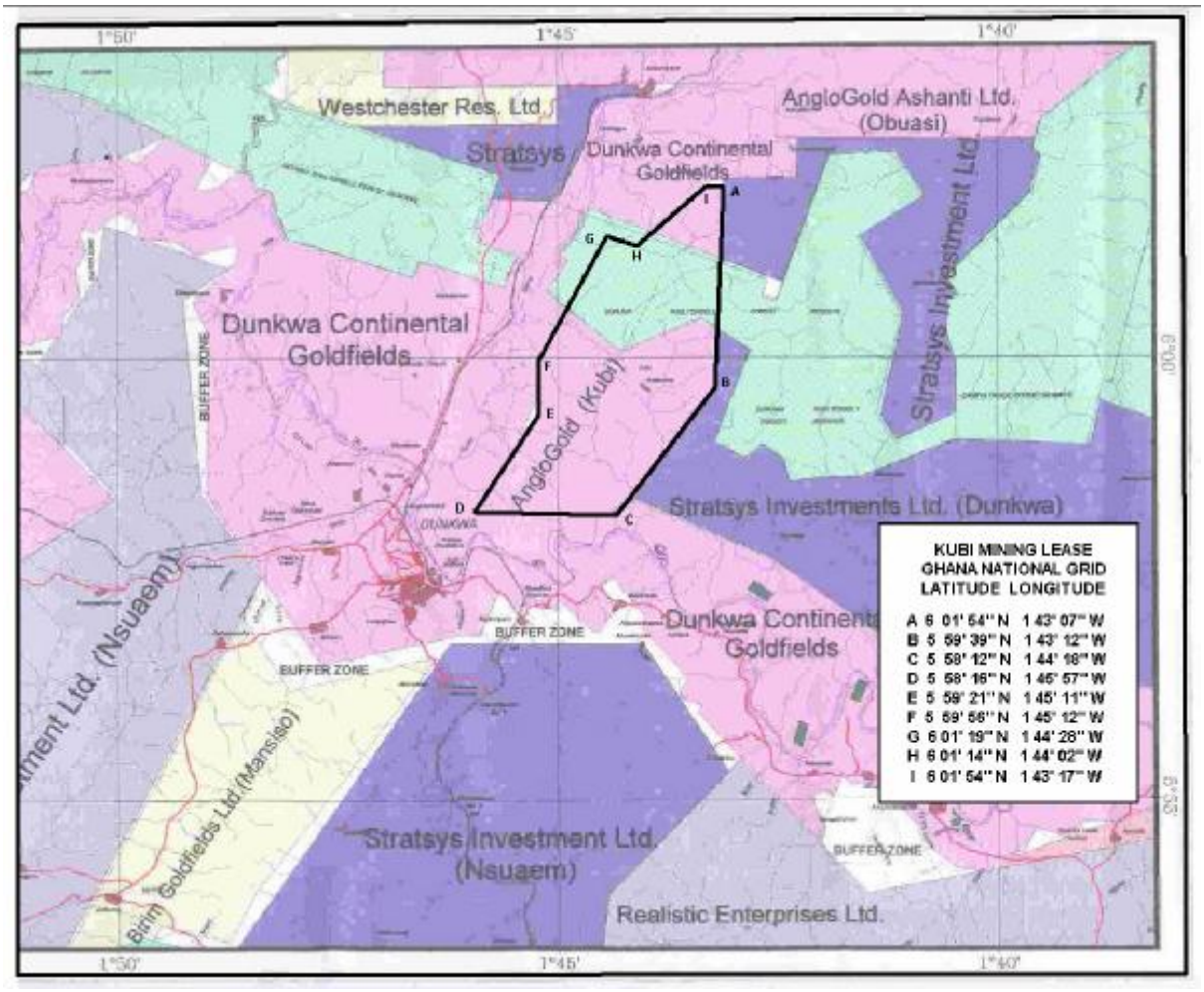

Figure 6.3: Location of prospect.

6.6 Mineral Resources and Mineral Reserves

Mineral Resources and Ore Reserves are reported in compliance with the JORC Code and reconciled to the CIMM Code. Mineral Resources were estimated, using a geological cut-off defined by the limits of the mineralisation as shown in Table 6-1.

Table 6.1: Summary of Mineral Resource Estimate Kubi Mine

Deposit	Category	Tonnage (t)	Grade(g/t Au)	Contained Gold (oz)
Totals by category	Indicated	5,133,652	3.66	604,085
	Inferred	5,380,392	1.88	315,079

The inferred category is low grade, as represented by the current sampling. Geological continuity suggests that additional representative sampling could raise the grade of this category to be comparable with the Indicated category.

In addition the southern zone with few data points contains approximately 250 000 tons, which is currently very low grade, but additional representative sampling could yield similar grades as the northern zone.

NS Ghana has 90% attributable interest in the resources.

6.7 Location of Known Mineralised Zones, Mineral Resources, Mineral Reserves and Infrastructure

The location of know mineralised zones, resources reserves and infrastructure is show in figure 6.4.

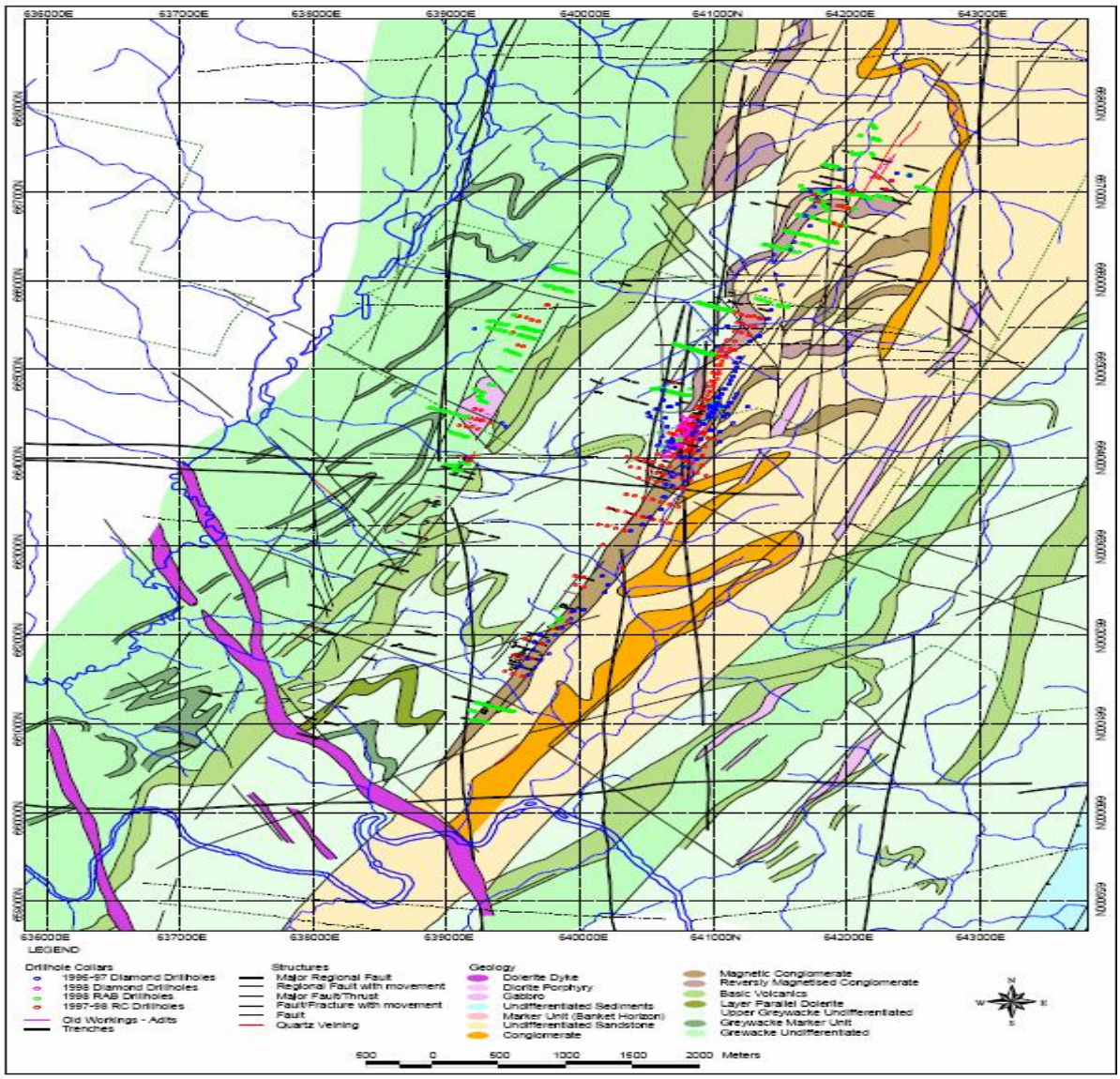

Figure 6.4: Location of Known Mineralised Zones, Mineral Resources, Mineral Resources and infrastructure

6.8 Royalties and Encumbrances

The Property is subject to a 3% net proceeds of production royalty, payable to BHP Minerals Ghana Inc. ('BHP') which was subsequently assigned by BHP to International Royalty Corporation ('IRC'). The Property is also subject to the usual Ghana legislated taxes and royalties.

The rules governing the regulation, control and administration of the mining industry are set out in the Minerals and Mining Law 1986, PNDC L153, the Minerals and Mining (Amendment) Act 1994, Act 475, the Minerals Commission Act, 1993, Act 450, and most recently Minerals and Mining Act, 2006 (Act 703). Two other pieces of legislation, the Minerals (Royalties) Regulations, 1987, L11349, and the Additional Profit Tax Law, 1985 PNDC L122, in addition to PNDC L153 complete the main fiscal regime in which the mining industry operates.

6.8.1 THE MINERALS & MINING LAW, 1986, PNDC L 153

The Mining Law vests all minerals in their natural state in the Government of Ghana for and on behalf of the people of Ghana.

The law states that no person (including body corporate) can export, sell or otherwise dispose of any mineral without a license granted by the Secretary of Lands and Natural Resources (now Minister of Mines & Energy). The Government maintains a right of pre-emption of all minerals extracted, and, unless specified otherwise in a written agreement, it must pay the prevailing market rate together with any ancillary costs connected with transporting the minerals to their current location, or any penalty or damages suffered as a result of the cancellation of transportation plans, or insurance costs.

No mineral right may be transferred or assigned without the written approval of the Minister.

Under Section 8.1 the Government retains a 10% non contributory interest in any mining operation and has the option to acquire a further 20% interest in any mining operation on terms agreed with the holder of the mining lease. On failing to reach agreement on the terms of the acquisition the matter shall be referred to arbitration. In the case of an external company (such as Nevsun Resources (Ghana) Ltd) registered under the Companies Code, 1960 Act 163 arbitration is conducted (Section 31.3):

(I) In accordance with the rules of procedure for arbitration of the United Nations on International Trade law; or

(II) Within the framework of any bilateral or multilateral agreement on investment protection to which the government and the country of which the holder of the minerals rights is a national, are parties; or

(III) In accordance with any other international machinery or the settlement of investment disputes, agreed by the parties.

The Mining Law divides the various licenses that can be granted for a mineral right into three sequential categories.

These are reconnaissance license, prospecting license and a mining lease.

(i) Reconnaissance License (Sections 32-35)

A reconnaissance license entitles the holder to search for specified minerals by geochemical, geophysical and geological means. It does not generally permit drilling, excavation, or other physical activities on the land, except where such activity is specifically permitted by the license. It is normally granted for 12months, and may be renewed for a period not exceeding 12 months, if it is in the public interest. The area extent is negotiable, related to the proposed reconnaissance programme.

(ii) Prospecting License (Sections 36-43)

A prospecting license entitles the holder to search for the stipulated minerals and to determine their extent and economic value. This license is granted initially up to a period of three years covering a maximum area of 150 sq. km. This may be renewed for an additional period of two years but with a 50% reduction or "shedding off" in the size of the license area if requested.

A prospecting license will only be granted if the applicant shows adequate financial resources, technical competence and experience and shows an adequate prospecting programme. It enables the holder to carry out drilling, excavation and other physical activities on the ground.

(iii) Mining Lease (Sections 44-60)

When the holder of a prospecting license establishes that the mineral to which the license relates is present in commercial quantities, notice of this must be given to the Minister and if the holder wishes to proceed towards mining, an application for a mining lease must be made to the Minister within three months of the date of the notice.

A mining lease is granted for a period not exceeding thirty (30) years and is granted over an area not exceeding 50 sq. km or where the holder has more than one lease, an aggregate of 150 sq. km. The government may, if it is satisfied that it is in the public interest to do so, exceed these limits.

An Environmental Impact Statement (EIS) is required before consideration is given to the granting of a mining lease.

On submission of a Full Feasibility Study document demonstrating the viability of the project, and an EIS, the following is required to bring the project into production:

(I) The award of the mining lease, together with a Deed of Warranty covering financial and fiscal concessions and other concessionaire benefits related to the mining industry is negotiated with the Minerals Commission. The Mining lease and Deed of Warranty are standard contracts with the Minerals Commission well versed in the expediting of these documents, having awarded several Mining Leases to foreign gold mining companies within the last five years.

(II) Approval of the EIS by the EPA committee which includes Ministry of Lands, Forestry and Mines, the Forestry Department, the Minerals Commission and The Chamber of Mines.

Section 66-69 sets out the circumstances under which a holder of a mineral right may surrender, have the right suspended or cancelled and the procedures to be followed for any of them to be done.

The Minerals Commission Act 1993, Act 450

Sets up a Minerals Commission ("The Commission") a body corporate formed to regulate and manage the utilization of minerals in Ghana and the co-ordination of the polices in relation to them.

To achieve these purposes, the Commission:

- Makes recommendations of national policy in respect of exploration and exploitation of minerals resources.
- Advises the government on matters relating to minerals.
- Monitors the operation of government policy relating to minerals and reporting.
- Monitors the operations of all individuals or corporations involved in the minerals industry.
- Receives and assesses all public agreements relating to minerals.
- Collates a comprehensive record of the country's mineral resources and the technology of exploration and exploitation.

The Commission is constituted of a Chairman, the Chief Executive of the Commission and seven other members who oversee operations of the Commission. The Chief Executive is responsible for the day to day administration and the implementation of decisions of the Commission and though he has the power to delegate functions he bears the ultimate responsibility for the discharge of the delegated function.

It is significant to note that though the Mining Law states that the Minister can issue licenses, suspend or cancel licenses etc. the Minister acts on the advice of the Commission in exercising his functions and powers under both the Mining Law and the Minerals Commission Act.

6.9 Environmental Liabilities

On the re-transfer of the property interests from AngloGold Ashanti to NS Ghana, there will be no contingent environmental liabilities. All mining on the property was completed by AngloGold Ashanti, and any environmental disturbances are solely to the account of AngloGold Ashanti, pursuant to the conditions of the Mining Leases and EPA permits between AngloGold Ashanti and the Government of Ghana.

6.10 Permits Required to Conduct the Work

(i) On completion of the transaction, NS Ghana will apply for all the additional permits required, including but not limited to Government of Ghana approval of the transfer of the property interests back to NS Ghana if not by then already completed, permits from the Ghana EPA, the Department of Mines, and the Adansi West District Assembly for proposed site improvements and infrastructure.

7 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

7.1 Topography and Land Use

Relief within the Kubi concession is characterised by two major, linear, SW-NE striking ridge forms. In the west of the property the Ashanti trend is dominated by a regionally continuous and dissected range of steep to moderate sloping hills of the Southern Bekansi Range. These hills rise on slopes of sometimes >30 degrees to a maximum of 300m. This range of hills is characteristically very steep sided with slopes often > 30 degrees. This ridge forms a very distinct linear, arcuate trace on a satellite image, geologically manifesting as a result of regional thrusting within the Tarkwaian system. It is known as the Dampaiyau Ridge and is composed of a very hard, annealed, weakly weathered quartzite. Valleys which dissect these ridges generally trend E-W and SE-NW and are possibly related to transfers along this major basin boundary suture.

Regionally this set of ridges is referred to as the Gold Coast Range and can be traced from Konongo in the north, 200km south to the coast at Takoradi. Regionally, this prominent topography hosts the historical deposits of the Ashanti Gold Belt. The Kubi Main deposit is straddled by these two major topographic features. The Kubi Main deposit is situated under a 50 metre high, moderate to steeply (25-30 degrees) sloped hill which peaks at 150m elevation.

The Kubi concession falls within the cocoa-based system of the semi-deciduous forest zone of Ghana. Land is owned by the Akrokerri Stool of the Ashanti Region. Both agricultural and non-agricultural land uses are found on the concession. Agricultural land use predominates, mainly cultivated tree crops like cocoa, oil palm and rubber. Other crops include basic food crops and bush fallow. The non-agricultural land uses include forest reserve used for commercial logging, human settlements with or without accompanying commercial, educational and government administration facilities, undeveloped inland valleys with limited swamps and trunk and feeder roads.

7.2 Access

Kubi is well sited and favourably serviced by major road, rail and air transport routes.

Major access to the property is good. The western boundary is adjacent to the main surfaced trunk road linking the regional capital, Kumasi in the north, through Obuasi, 30km south, to Dunkwa and a further 173km south to the coastal port at Takoradi. The Kubi deposit is accessible by vehicle via the paved

Dunkwa- Kumasi Highway and then 4km east by an upgraded dirt road which passes through the Jimiludo and Kubi Nkwanta villages. The Northern route goes through Amponyase from the paved Dunkwa-Obuasi Highway.

The Kubi Main deposit is 25km hauling distance north to the AAGC Oxide processing Plant at Sansu. It is also approximately 85 km from Golden Star's processing plant at Bogosu.

The main Ghana Rail line from Kumasi to Obuasi to Takoradi passes along the western margin of the concession and stops at the station in Dunkwa. Movement of materials or equipment from the port to site by rail would be straight forward. AngloGold-Ashanti have an operating airstrip 40km to the north at Obuasi.

7.3 Population Centres

The Kubi concession lies in the Adansi West District of the Ashanti Region of Ghana. It is administered from the Municipal town of Obuasi. The district is bounded to the west and north by the Amansie East district, to the east by the Adansi East district and to the south by the Upper Denkyira District Assembly.

The southern boundary coincides with the regional boundary of the Ashanti Region with the Offin River, separating it from the Central Region. The district covers a land area of about 950 sq km with an estimated population exceeding 250,000.

The Kubi concession has 2 major settlements at Kubi Nkwanta and Lagos, which combined have a population of 850. There are 5 additional smaller settlements through the south and east of Kubi Nkwanta. SGS counted 83 hamlets or small family farm stands scatter throughout the concession. No villages or settlements require relocation. Kubi Main Hill is bordering the Forest Reserve 1km west of Kubi and 2km north of Kubi Nkwanta.

7.4 Climate

The concession area falls within the wet semi-equatorial climatic zone of Ghana. It is characterised by an annual double maximum rainfall pattern occurring in the months of May to July and from September to October. The mean annual rainfall for the Kubi concession is estimated to be in the region of 1487 mm. This may vary significantly from year to year as suggested by the data obtained for Dunkwa and Obuasi. (Dunkwa, from 1981 to 1998 recorded 1071mm to 1932mm; Obuasi, from 1995 to 1997 recorded 1436.4 mm to 1666.3mm). The main rainy season occurs between March and July (peaks in May/June) and the minor season from September to November. The dry season is between December and March and a short dry spell in July/August. Maximum temperatures occur between January and April ranging between 25° and 35°C and minimum temperatures between May and December when values ranging between 18° to 24°C.

7.5 Surface Rights and Local Resources

The farm that covers the Kubi Main Deposit has been purchased by NS Ghana and as such minimal additional compensation will have to be paid to mine the hill. Further compensation estimates will have to be made once a final mine design is prepared especially with regards to mine infrastructure, waste dumps or leach pads etc.

8 HISTORY

In the late 1980's BHP carried out stream sediment sampling, soil sampling, VLF-EM and magnetometer surveys, lithogeochemical sampling, trenching, rehabilitated old adits, geological mapping, drilled 12 diamond drill holes, complete a preliminary resource calculation and initiated metallurgical studies.

They discerned that significant gold grades were associated with garnet-hornfels alteration, usually best developed in carbonaceous schists at the Kubi Main occurrence. Sulphides in the form of pyrite, pyrrhotite and minor arsenopyrite make up 3-15% of the altered lithology. Minor quartz veins that cut the zone at various angles could contain coarse, re-mobilised gold.

NS Ghana optioned the property from BHP in 1994 and subsequently retained CME and Company, a consulting firm to manage exploration programs on the property. NS Ghana took over management of the exploration on the property in 1997.

Ashanti, before merging with AngloGold, took ownership of the prospect in 1999 and following a further exploration phase undertook trial mining of the surficial oxide deposits, producing 58696 oz gold from 500230 tons of ore. The mine ceased operation in 2005 and has been undergoing rehabilitation. Ownership reverts to NS Ghana once closure, rehabilitation certificates, and Ministerial approval have been received.

9 GEOLOGICAL SETTING

9.1 Regional Geology

Birimian supracrustal and intrusive rocks of Lower Proterozoic age underlie southwestern Ghana. These rocks form a major part of the Man Shield, which occupies the southernmost third of the West African Craton. Ghana lies within the eastern domain of the Man Shield, which is largely composed of folded and metamorphosed rocks that were intruded by granitoids during the Eburnean orogenic cycle. Clastic sedimentary rocks of the Tarkwaian Group also occur and are believed to represent erosional deposits of earlier lithologies. In Ghana, the Birimian has been divided into lower sedimentary rocks and an upper series of greenstones composed mainly of metamorphosed, basic and intermediate lavas and pyroclastic rocks. More recent concepts on Birimian stratigraphy indicate that the sedimentary and volcanic rocks are syncronous, representing lateral facies equivalents. The Birimian and Tarkwaian series, which are commonly associated with granite intrusions, host all the major gold deposits in the country. The known gold deposits are found along the margins of six volcanic belts. Supracrustal deformation has folded the

rocks giving rise to the northeast trending gold belts, which include the Kibi-Winneba, Ashanti, Asankrangwa, Sefwi-Bibiani and Bole-Navrongo Belts. These volcanic belts are bounded by steeply dipping regional faults and are separated by sedimentary basins.

Dixcove granites are mainly biotitic and hornblende bearing and are referred to as "belt type granitoids" associated with Birimian volcanic and sedimentary belts. Gold mineralization is often associated with Dixcove granites. Younger Cape Coast granites are muscovite bearing and are generally referred to as "basin-type granitoids".

The Kubi concession is comprised of six major NE-SW trending, thrust bound, stratigraphic packages. West to east; Upper Birimian basinal sediments, Lower Birimian volcanics and derived sediments, Lower Tarkwaian conglomerates and grits, a repetition of Lower Birimian volcanic derived sediments, and underpinning the prominent relief along the western boundary, two slices of Mid to Upper Tarkwaian quartzites. Minor stocks, sills and dykes of gabbro, diorite porphyry and quartz feldspar porphyry intrude the package concordant to bedding and pre-existing structures.

Metamorphic grade ranges from lower greenschist facies in the Birimian sediments to upper amphibolite within intrusives and proximal to the main Birimian – Tarkwaian thrust. Major fault orientations are N-S, E-W and NE-SW. Early ductile folding typically isoclinal, is overprinted along ENE trends typically tight to isoclinal, and finally overprinted again by open north-easterly plunging, westerly dipping folds. Generally only north plunging anticlines are preserved.

9.2 Local and Property Geology

The Kubi Main deposit is situated at the intersection of the main NE-SW trending Birimian–Tarkwaian thrust contact and a major N-S trending basement fault. It strikes 1.8km at 020° adjacent to the local grid 4000E, between lines 5200N and 7000N. As part of its exploration program NS Ghana completed detailed geological and structural mapping and logging of trenches, access roads and drill pads, adits and oriented drill core to evaluate the geological complexity of the deposit and to develop an understanding of the three dimensional controls to gold mineralisation within the deposit.

Observations made in the adit mapping indicate that most of the minor fold hinges have been transposed and that rarely does a simple fold pair occur. Further, where kink folds are observed the eastern limb is always shorter than the west, indicating that fold vergence is to the east. The data would tend to indicate that Kubi Main deposit was formed within the core, or hinge zone, of an anti-formal fold.

Faults and shears, as the major dislocation features and obvious structures which will control mineralisation, exhibit two distinct orientation sets. A primary strike parallel set striking 000° – 020°, dipping 85° to the west, and a conjugate E-W set which strike 275° and dip 79° to the north. The primary set correlate well with the primary foliation orientation, and strike of the ore body. Within the three dimensional model of the Kubi geology, a brittle, non-graphitic fault is consistently observed on, or close to, the western contact of the 'Garnet Zone'. It can be traced the length of the deposit. Slickensides observed in the core indicate that the last phase of movement was strike-slip. Kinematic indicators, such as vein offsets and sense of shear on minor thrusts observed in the adits and trenches,

indicate that the sense of movement was sinistral. The secondary set probably represents the E–W transfer faults which clearly displace the Birimian-Tarkwaian contact.

Quartz vein data was compiled to determine the primary fabrics of high grade gold bearing structures. The rose diagram shows a spread of strike orientations between 330° to 020°, with the bulk between 350° to 020°. Pole concentrations observed on the stereonet indicate three preferred orientation vein sets are developed within Kubi Main. A primary strike parallel set striking 000° and dipping vertical. A secondary vein set strikes approximately 338° and dips 55° to the southwest. A third set strikes 017°, dipping 77° to the east. There is close correlation between the primary and tertiary vein sets and the primary fault orientation.

10 DEPOSIT TYPES

Within the Birimian and Tarkwaian rock systems of Ghana there are three major types of gold mineralization:

- Reef, Vein or Lode Gold deposits,
- Auriferous Quartz-pebble Conglomerates and,
- Recent Placer Gold deposits.

The Kubi deposit is considered to be type 1 (Reef, Vein or Lode Gold deposits) mineralisation.

11 MINERALISATION

The Kubi deposit gold mineralization is contained within a north-northeast trending shear zone close to the Birimian-Tarkwaian contact. The mineralization occurs in a 1.0 to 15.0 metre thick garnetiferous horizon within Birimian metasediments. This garnetiferous horizon contains fine grained gold associated with minor (5-15%) pyrite and pyrrhotite as well as some coarser gold which is associated with relatively narrow quartz veins. Some mineralization occurs in quartz veins and veinlets that cross-cut the Birimian- Tarkwaian contact, outside of the main garnetiferous horizon. The deposit is situated at the intersection of the main NE-SW trending Birimian-Tarkwaian thrust and a major north/south trending basement fault. Structurally, it appears that the prominent foliation strikes at approximately 20 degrees and dips steeply to the east while the mineralized zone has a similar strike but dips steeply to the west away from the Birimian-Tarkwaian contact.

The Kubi Main deposit is situated adjacent to the main Birimian – Tarkwaian contact between lines 5200N and 7000N. Seven mineralised zones have been defined within three major generative corridors:

(i) Main Garnet Zone

(ii) Birimian – Tarkwaian contact

(iii) Hangingwall and Footwall Shears.

The ‘Garnet Zone’ constitutes 85% of the Kubi Main Resource. A distinct, laterally persistent rock unit, located within the major boundary shear zone and characterised by dense garnet and amphibole development, pyrrhotite and free gold within quartz veins. At Kubi Main, it can be traced for two kilometres along a consistent 020° strike (5000N – 7000N), and with a shallow dip westerly of 85° - 75°. It is still open at a depth of 700 metres. A ‘Garnet Zone’ equivalent has been intersected with associated grade in boreholes drilled at Kubi South (3400N).

Contacts range from finite welded junctions to moderately sheared gradational boundaries. The core of the unit is generally massive but light strain fabrics do develop shear-parallel along the contacts. Remnant layering fabrics are observed in some intercepts and may be interpreted as possibly sedimentary in origin. Welded contacts, where discernible, are acute to and cross-cut earlier shear fabrics. On close examination of the Garnet Zone, the contacts exhibit a ‘feathering’ of alteration equivalent units within the adjacent sheared sediments. These host rocks exhibit varying degrees of hornfels alteration. Garnet development is ubiquitous throughout the contact zone and Tarkwaian rock package. They crosscut and overprint all earlier fabrics. The intrusives, found adjacent to the west of the Tarkwaian contact, have been identified as ortho-amphibolites, and also exhibit garnet alteration. Variations in both size of individual porphyroblasts and density would seem to be controlled principally by host lithology and/or proximity to major faults. Up to 35% of the rock mass can comprise well formed, euhedral garnets. Larger, 2-5mm, garnets are generally more developed in association with biotite, chlorite, hornblende and minor pyroxenes, in a more massive microcrystalline matrix. Smaller, 1 – 2 mm, pinhead sized garnets are more preferentially represented within argillaceous sediments. The Kawere conglomerate is characteristically polymictic and exhibits a mix of metamorphic assemblages, dominantly controlled by the chemistry of the individual cobbles. Fine, well formed, rosettes of tremolite and actinolite can develop in association with pinhead garnets.

The preferred orientations of quartz vein sets observed at Kubi Main, correlates closely with the predictions made within the Reidel Model for orientation of shear fractures and extension fractures in a brittle – ductile shear zone.

The ‘Garnet Zone,’ rheologically, is perceived to have reacted as a homogenous mass under sinistral shear. The rock package, as a whole, is not, however, a homogeneous mass, and more intimate local controls on mineralisation may be imposed by the presence, attitude and geometry of the Garnet Zone, early cross-faulting, early fabric development and/or proximity along strike or dip of the fracture to the main conduit.

The presence of auriferous, oblique, cross-cutting extension veins should be monitored as they may constitute discrete high grade flares within the mass.

Overall it can be observed that quartz veins straddle and cross-cut the ‘Garnet Zone’, feathering into the surrounding host rock. Detailed selective sampling of both adits and core has demonstrated that although higher gold grades are often associated with quartz veins and zones of appreciable silica flooding, gold mineralisation within the host selvage proximal to the fracturing is also of economic tenor.

12 EXPLORATION

Exploration has occurred in three distinct phases.

12.1 BHP January, 1988 – 1994

12.1.1 GEOPHYSICS

BHP carried out both VLF-EM and magnetometer surveys over the immediate area of the Kubi Main deposit. The magnetometer data clearly defined the magnetite enriched Tarkwaian conglomerates but did not define the Kubi Main mineralisation.

12.1.2 GEOCHEMICAL SURVEYS, TRENCHING AND ADIT SAMPLING

In 1988 BHP carried out a regional soil geochemical survey over a 40 km area in the vicinity of Dunkwa. Strong coincident gold and arsenic anomalies were outlined in the Kubi Main area.

A limited area at Kubi Main, measuring 1700m north-south by 300 to 500m east-west was covered by detailed soil sampling. Lines were 50m or 100m apart and samples were collected at 10 or 25m intervals. A coincident gold/arsenic anomaly exceeding 1000ppb gold was defined over a strike length of 220m.

12.1.3 DIAMOND DRILLING

BHP carried out two phases of diamond drilling on the Kubi property. A total of 12 holes for a total of 1695m were completed. The program defined relatively narrow, mineralized zones over a strike length of 600m and depths of 150m with highly variable gold grades within both the oxide and primary sulphide zones.

12.2 CME 1994 - 1998

12.2.1 GEOPHYSICS

While CME managed the project a number of geophysical surveys were carried out over the Kubi property. With the exception of the dipole-dipole IP survey which was definitive in outlining the Kubi Main mineralisation and displaying its significant strike extent, the surveys did little to directly define the disseminated style of mineralisation found at Kubi Main.

12.2.2 DRILLING

For the period from 1994 to mid-1997 extensive diamond drilling programs were carried out to test the depth extension of the Kubi Main deposit as well as test significant strike length extensions of the Kubi Main zone to both the north and the south.

Under CME management a total of 199 holes (66,196.76m) were drilled along the Kubi trend

12.3 Nevsun 1998-1998

Nevsun completed the following on the Kubi property during 1997-98:

SOILS	143.6 km	5744 samples
GROUND MAGNETICS	179.8 km	10 m stations
DIPOLE – DIPOLE IP	110.9 km	50 m dipoles
RADIOMETRICS	37.5 km	10 m stations
TRENCHING	13.75 km	137 trenches
ADITS & SHAFTS		27 workings
RAB DRILLING	14,296 m	499 holes
RC DRILLING	19,274 m	229 holes
DD DRILLING	2142 m	19 holes

The results of the above are fully covered in separate reports available at Nevsun's offices.

13 DRILLING

Prior to the AngloGold Ashanti surficial drilling, most of the exploration undertaken on the Kubi properties was undertaken by diamond core drilling. All drill hole collars are surveyed. A number of earlier core holes were not surveyed down-hole with respect to azimuth and declination. The database provided to Golder Associates Africa (Pty) Ltd for geological modeling and resource estimation comprised data from 217 diamond core holes of which 212 were used.

14 SAMPLING METHOD AND APPROACH

14.1 Diamond Drilling

All diamond drill core is cut in half longitudinally in intervals of approximately one metre, although sample boundaries conform to geological contacts where appropriate.

15 SAMPLE PREPARATION ANALYSES AND SECURITY

15.1 Implementation and Supervision of Sample Preparation

The CME samples were primarily submitted for assay to Rossbacher Laboratory in Burnaby BC. For further detail see the Analytical Solutions Ltd. memorandum entitled *"Check Assays for Kubi" February 1998.* The CME samples form the bulk of the database.

Under Nevsuns management, core samples were routinely submitted to Intertek Testing Facility at Obuasi for preparation and analysis. The entire sample is oven dried, crushed to –10# using a Rhino Jaw

Crusher and pulverized to 95% passing 75 micron by an LM2 puck pulverizer equipped with a B2000 (2.5 kg) bowl. A 50g sub-split is taken for fire assay decomposition, lead collection, aqua regia digest, MIBK/AAS finish.

With respect to the RAB drill program all composite samples were prepared and analysed by Intertek Testing Services facility at Obuasi. They were oven dried, totally pulverized to 95% passing 75 micron using an LM2 Labtechnics puck pulveriser. 50 g sub-splits were taken for fire assay decomposition, MIBK – A.A.S. finish. Gravimetric checks were conducted on any samples grading 10 g/t Au and over. The concurrent analytical quality control being conducted within the sample stream for RC was considered suffice to cover the batches of RAB samples being analysed at the same time. Blind duplicate submission of one metre intervals will provide an adequate retrospective check on analytical quality.

15.2 Sample Preparation and Analytical Procedures and Protocols

For Core samples, the entire sample is oven dried, crushed to –10# using a Rhino Jaw Crusher and pulverized to 95% passing 75 micron by an LM2 puck pulverizer equipped with a B2000 (2.5 kg) bowl. A 50g sub-split is taken for fire assay decomposition, lead collection, aqua regia digest, MIBK/AAS finish. A full breakdown of the ITS procedures and quality control is listed.

With respect to the RC drilling program all samples were prepared and analysed by Intertek Testing Services facility at Obuasi. They were oven dried, totally pulverized with 95% passing 75 micron using an LM2 Labtechnics puck pulveriser. 50g subsplits were taken for fire assay decomposition, MIBK – A.A.S. finish. Gravimetric checks were conducted on any samples grading 10g/t Au and over.

15.3 Quality Control Measures employed

When Nevsun assumed control of the project from CME, considerable effort was made to review quality control of the prior sampling campaigns. A review by Analytical Solutions Ltd in 1998,(Report on Laboratory Procedures for the Kubi, Juabo Tabaoto and Kakadian Projects of Nevsun Resources Ltd (1994-1996) Lynda Bloom August 1997), raised concerns about the accuracy of the CME results. A number of steps were taken to try and verify the quality of the work and the results. After twinning some holes and duplicate sampling and the lab audits, there were no red flags raised. It was concluded that the CME results could be relied upon.

Post 1996, Quality control was administrated on a number of levels throughout the program. Procedural quality control was devised with the assistance of RSG and the close supervision of the Nevsun geologists. Industry standards and procedures were implemented in each facet of the project.

In order to obtain samples with the minimum of contamination a rigorous adherence to quality sampling measures was employed. This included the cleaning of the cyclone as frequently as possible, cleaning of sample splitters after processing every sample, and the application of controlled tube sampling for wet samples.

Strict adherence to the data management protocol and the geological administrative framework facilitated the internal due diligence program. The standard procedures and collection formats seek to illustrate the quality of data handling achieved on the project. i.e. information capture and subsequent database validation.

Analytical quality control was monitored by the routine submission of commercial Standard Reference Materials (SRM) purchased from GEOSTATS PTY Ltd., and an internally prepared blank alternately at every 25th and 75th sample position. Six gold standards were used as listed below.

G396-2	**120 ppb**	to monitor accuracy and precision of analysis around the soil anomaly threshold
G996-3	**4.81 g/t**	to monitor the accuracy and precision of analysis around the high grade oxide grades
G396-5	**7.25 g/t**	to monitor the accuracy and precision of analysis around the primary model head grade
G396-6	**13.19 g/t**	to monitor the precision and accuracy of analysis in the high grades above 10 g/t Au – the gravimetric assay threshold.
G396-10	**2.56 g/t**	to monitor the precision and accuracy of analysis of the head grade oxide and cut-off for the primary model

Field duplicates were selected for every 15, 40, 65 and 90 sample numbers in a sequence and submitted blind as a batch monthly.

ITS were also enrolled in two internationally recognised laboratory round-robin surveys. GEOSTATS – sample and assay monitoring service, and SGS – Laboratory Quality Services International (LQSI).

Assay information provided by ITS – Obuasi for samples submitted from the Kubi Project in the course of the program were of acceptable standard.

16 DATA VERIFICATION

Golder Associates has not undertaken any primary data verification by way of independently sampling drill holes or surface expressions and assaying those samples. This is considered reasonable given that Kubi has been subject to trial mining by AngloGold Ashanti whose results support the overall grade models. Golder Associates has therefore relied on the assurances of the Directors of Nevsun Resources Ltd that there has been no deliberate misrepresentation of the data provided.

17 ADJACENT PROPERTIES

The AngloGold Obuasi deposit, containing some 55 million ounces of gold is 15 km to the NE. The Kubi Deposit has no other relevant adjacent properties with similar mineralisation.

18 MINERAL PROCESSING AND METALLURGICAL TESTING

BHP completed preliminary metallurgical work on both the oxide and primary mineralization found at the Kubi Main zone. Oxide material from trenches and adits was subjected to bottle roll tests on 1.0 kg samples carried out at S.G.S. Laboratories in Ghana. Samples were pulverized to –150 mesh and bottle rolled for 24 hours. Recoveries from four samples varied from 60.2% to 100%. Bottle roll tests, performed on sulphide material taken from drill core were subjected to the same procedure as above but on only 500 g of material. Gold recoveries varied between 64.4% and 84.4%. BHP carried out similar tests on the sulphide mineralization in their own laboratory in California. Test time was extended to 48 hours and material was pulverized to –325 mesh. Gold recoveries on three tests varied between 97.1% and 98.6%. It was also determined that graphite was in the crystalline state and had no effect on gold recoveries. The pyrrhotite and arsenopyrite had no serious affect on cyanide consumption.

In 1997 Process Research Assoc. of Canada conducted test work on the Kubi ores. Floatation test recovered 91.6% of the gold into 7.1% of the mass. Initial cyanidation tests indicated that recoveries exceeding 97% were readily attainable but that long leach times were required due to the presence of coarse gold. A work bond index of 15.8kWh/tonne was determined.

In 1998 Kappes, Cassidy and Associates (Nevada) were contracted to test the static leach characteristics of the ore types and assess the physical and chemical attributes of the Kubi material for possible Heap Leach processing. The average gold recovery on oxide material from column leach tests was 90.4% at a crush size of -25mm. However, only 33.5% recovery was obtained on primary material at a crush size of -9.5mm.

In 1996, Nevsun instructed CME to have preliminary metallurgical work carried out on the Kubi Main sulphide material. CME contracted OROCON Inc. (Vancouver). OROCON subsequently subcontracted the work to PROCESS RESEARCH ASSOCIATES (Vancouver) (PRA) to actually carry out the testing.

Approximately 200kg of mineralized core was received by PRA. Various tests were conducted, including:

- Cyanidation tests, pulverizing 80% to –200 mesh using extraction times of 72 hours.
- Flotation tests
- Amalgamation tests
- Bond Work Index determinations

Additional cyanidation tests were subsequently done using various grinds and extraction times. A gravity concentration test at 75% passing –200 mesh was also carried out. In addition, active graphite material was added to cyanidation tests to determine the effects this would have on gold recoveries. Amalgamation tests reported a potential gold recovery of 62.8% while gravity concentration tests indicated recoveries of 66%. Flotation tests reportedly recovered 91.6% of the gold into 7.1% of the

mass. Further testing to determine possible gold recovery by leaching the flotation concentrate, and possibly the tailings, was recommended. Cyanidation tests indicated recoveries in the order of 97% were possible, but long leach times, in excess of 50 hours, were required. The presence of undissolved coarse gold seemed to be problematic. Gravity concentration in the milling circuit was suggested.

The presence of graphite within the mineralisation indicated there may be some pregnant solution robbing. A Carbon-in- Leach circuit was recommended. Using a mixture of Kubi mineralization and graphitic schist, (initially using a gravity concentrate), produced recoveries of 79.4% to 90.6%, depending on the test conditions and the sample head grade.

Further work was recommended to optimise recoveries and test potential plant flowsheets.

In April, 1998 Nevsun contracted LAKEFIELD RESEARCH LTD. (Toronto) to conduct additional test work, focusing on the gravity separation and dynamic cyanide amenability of the Kubi oxide ores.

As part of the current exploration program Nevsun have conducted a number of 1kg bottle roll tests on individual intervals within the resource model to assess the variation of recovery with depth and ore type.

19 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

RESOURCE ESTIMATE 2007

Previous resource estimates had been undertaken by PHA Consulting in 1997 had not incorporated geostatistical techniques. Grades were calculated using moving averages, which are know to be unreliable in highly skewed populations. Golder, having undertaken a review of previous work re-estimated the deposit in July and August 2007 using current geostatistical best practises and techniques which incorporate the effects of the highly skewed dataset.

19.1 Geological Modelling

This deposit is structurally complex, but due to the lack of structural data, interpretations of geological structures were not considered during modelling. It was assumed that the deposit is continuous and wireframes were constructed with this assumption in mind. Typically three-dimensional wire frame models (triangulations) are constructed from the available geological data and then filled with blocks. The geological boundaries within the model are used to constrain the interpolation of grades.

19.1.1 DEPOSIT GEOLOGY

Golder carried out a geological modelling exercise based on the initial field work interpretation provided by the client in the form of an Excel file. All the modelling was completed using Vulcan ® Software incorporating all the diamond drilling campaigns operated in the area. Golder modelled garnet alterations zones as areas of high grade mineable geological zones, mainly due to its linear relationship between metal content and garnet occurrence. Golder modelled zones where sufficient garnet

intersections were intersected. A zone to the west of the main Kubi Zone was not modelled due to a minimum number of bore hole intersections as well as the lack of structural data to aid modelling. Golder modelled the following garnet zones as 3 bodies. A new geological model was created from scratch to verify previous interpretations. This modelling focused primarily on the garnet zone, with limited interpretation due to minimal information in other areas. Golder perceives that some of the regions previously modelled have too little data to model with any reliability. The new model is shown in figure 19.1. Due to minimal data in zones 2 and 3, all resource calculations were performed only for the northern orebody of Kubi Main.

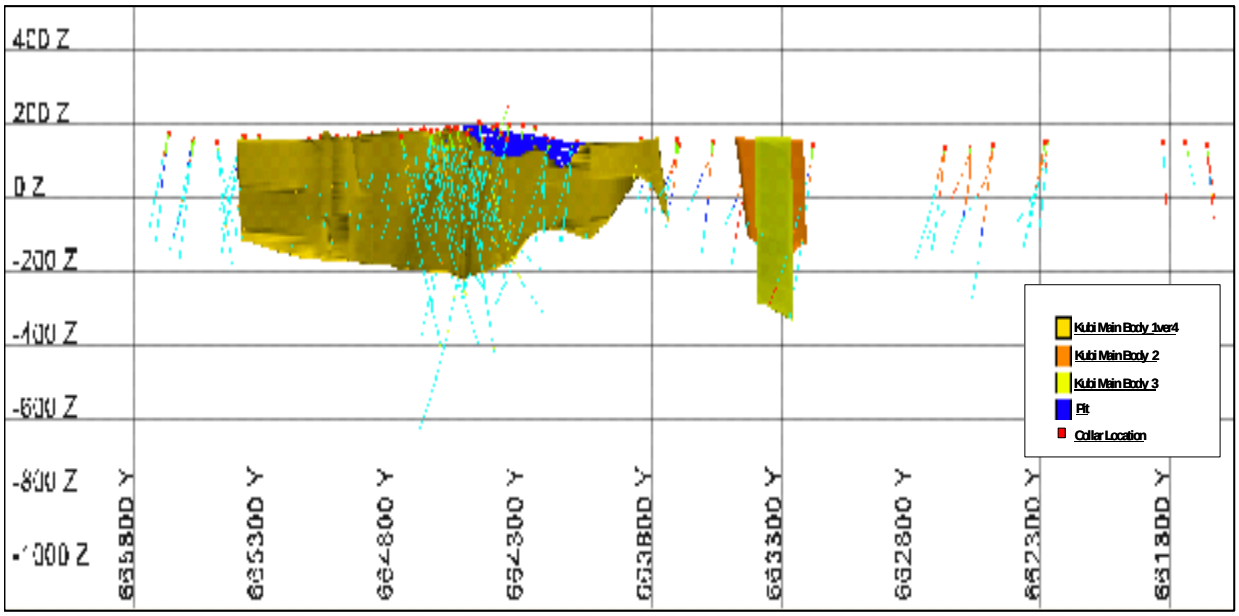

Figure 19.1: Geological Model

19.1.2 Compositing, Domaining and Data Flagging

All available data falling into the Garnet zone was used in the estimation process. The data is very positively skewed, with some extreme high grade anomalies.

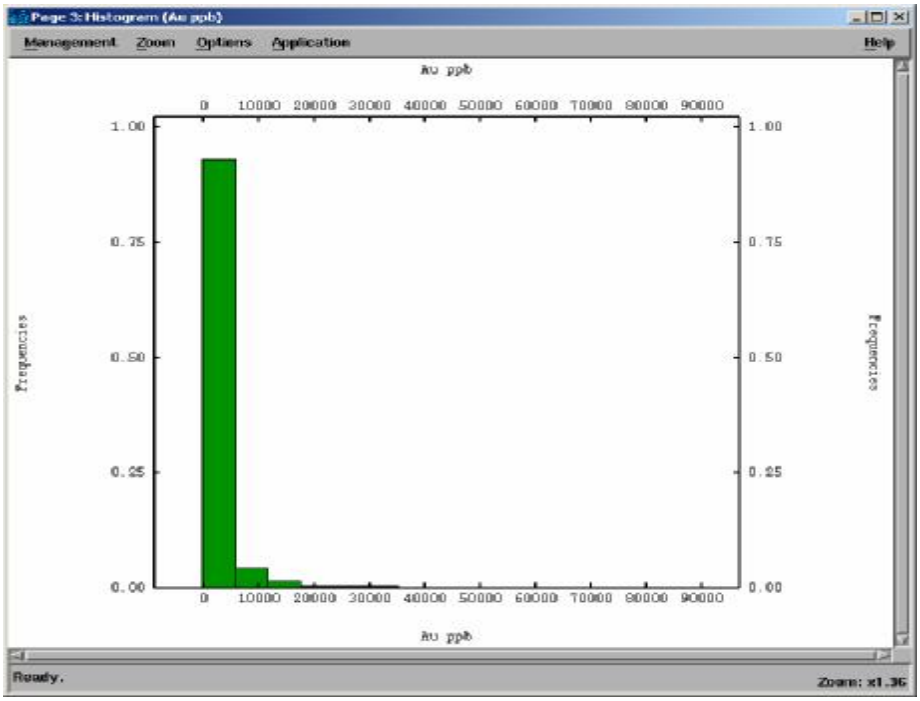

Figure 19.2: Histogram of Raw data

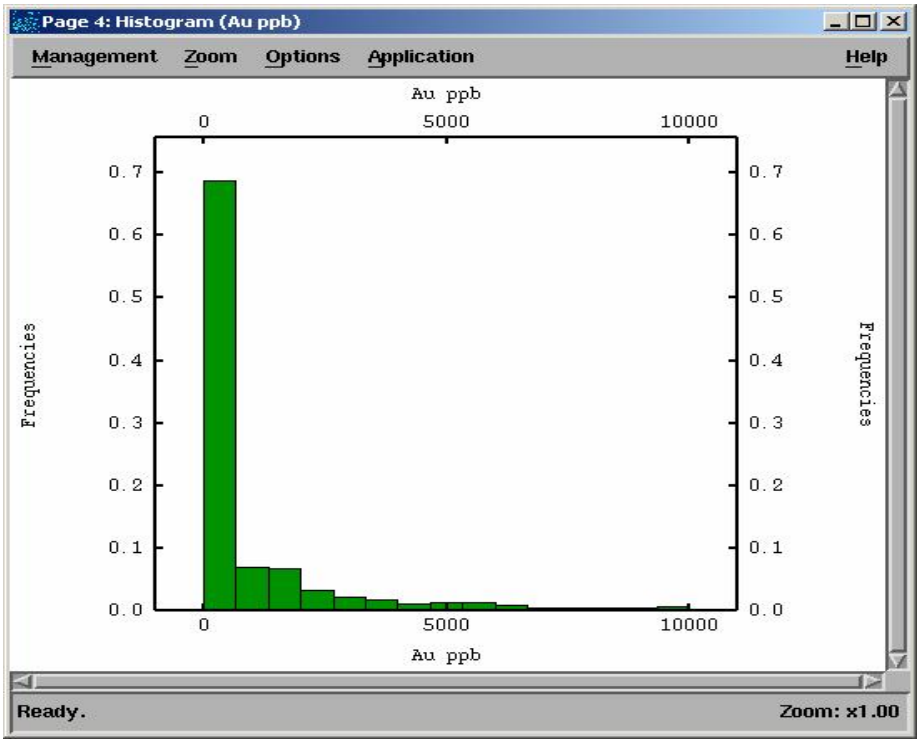

Figure 19.3: Histogram of raw data

19.1.3 Grade Estimation

In the presence of extreme outlier grades, multiple indicator kriging is considered the most appropriate technique. Previous work has used a moving average approach, which could cause high values to be interpolated into lower grade zones. For comparative purposes, an ordinary kriging run was undertaken. The results were not as robust as the MIK results.

19.1.4 Variography

Indicator variograms were calculated for the deposit at 9 different levels. In Figure 19.4 an example is shown at a 5 ppb Au cut-off. As can be seen this is a robust variogram.

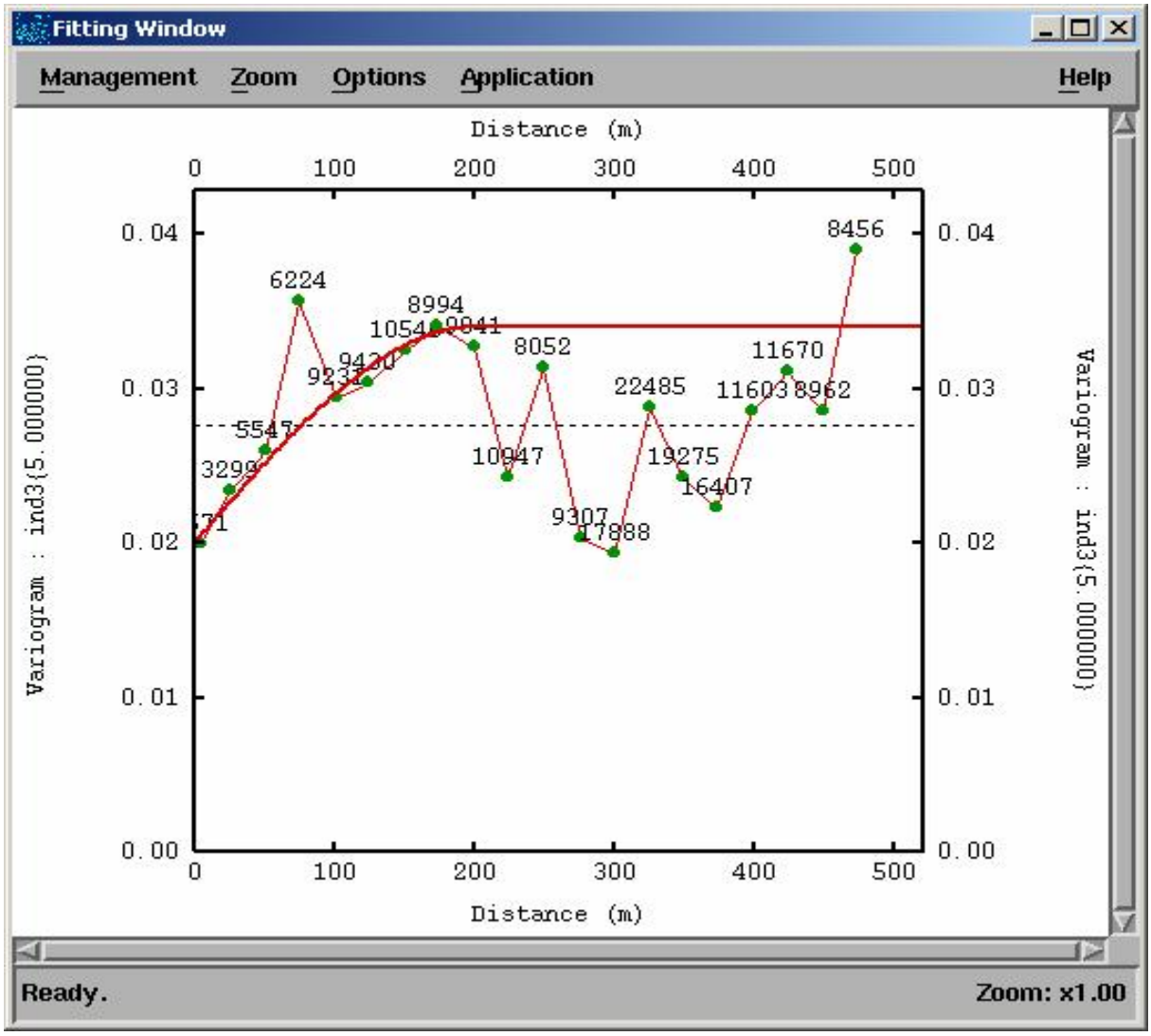

Figure 19.4: Indicator Variogram

19.2 Resource Classification

Resource categorisation was based on a combination of:

- Data quality
- Data spacing
- Estimation properties including search strategy, number of informing composites, average distance of composites from blocks and kriging quality parameters such as the slope of the regression.

19.3 Mineral Resource Statement

Table 19.1: Summary of Mineral Resource Estimate Kubi Mine

Deposit	Category T	Tonnage (t)	Grade(g/t Au)	Contained Gold (oz)
Totals by category	Indicated	5,133,652	3.66	604,085
	Inferred	5,380,392	1.88	315,079

The inferred zone is shown as low grade as represented by the current sampling. Geological continuity suggests that additional representative sampling should raise this grade to be comparable with the Indicated zone.

Within the zone estimated, a core of higher grade material can be determined. The extent of the continuity of this zone still needs investigation, but for indicative purposes, figure 19.5 shows blocks in excess of 5 g/t.

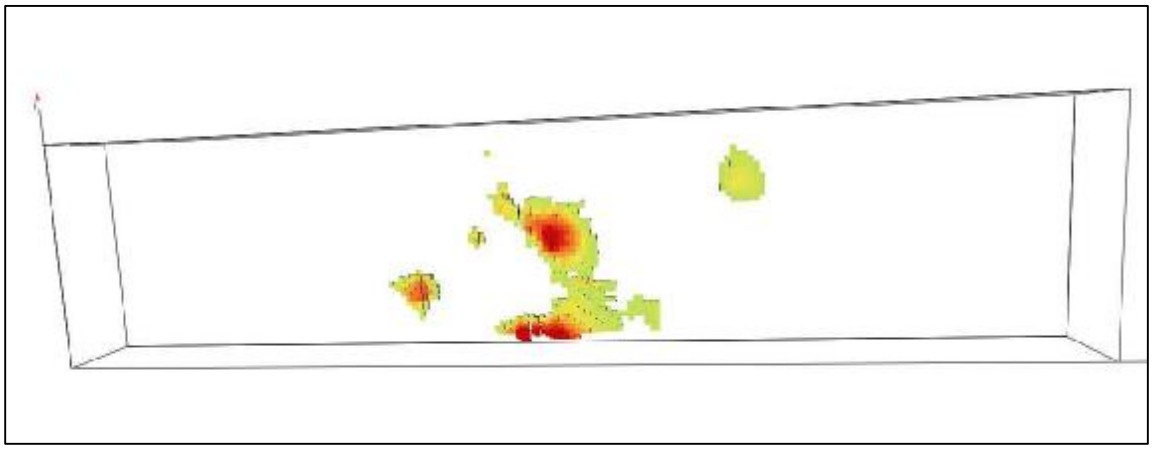

Figure 19.5: Contiguous Higher Grade zones

In addition the southern zone with few data points currently is modelled to contain approximately 250 000 tons, which is currently very low grade, but additional representative sampling should yield similar grades as the northern zone. The area between the northern and southern zone will probably contribute additional tonnages.

20 OTHER RELEVANT DATA AND INFORMATION

There is no other relevant data and information

21 INTERPRETATION AND CONCLUSIONS

Golder Associates is satisfied that the data made available by Nevsun has produced a robust Mineral Resource estimate of this ore body.

An ongoing exploration program will be required by PMI GOLD as mining proceeds.

22 RECOMMENDATIONS

Golder Associates recommends that updates of the mineral resource and mineral reserve estimates should be undertaken at least annually.

23 REFERENCES

F. W Nielsen January 2002 **TECHNICAL REPORT ON THE KUBI PROPERTY GHANA, WEST AFRICA**

McElhanney, 1997**, Boundary Determination Survey for Kubi Mining Concessions.Dunkwa, Ghana.** Job. No. 2113-000694-0.

CIM Council December 2005) **CIM Definition Standards - On Mineral Resources and Mineral Reserves**

JORC, Dec 2004**: THE 2004 AUSTRALASIAN CODE FOR REPORTING EXPLORATION RESULTS, MINERAL RESOURCES AND ORE RESERVES.**

Bloom, L., February 1998**, Memorandum: Check Assays for Kubi**. Unpub. Internal Report by Analytical Solutions Ltd February 28th 1998.

Bloom, L., August 1997, **Report on Laboratory Procedures for Kubi, Juabo, Tabakoto and Kakadian Projects of NEVSUN RESOURCES LTD**. Unpub. Internal Report by Analytical Solutions Ltd.

24 DATE AND SIGNATURE PAGE DAVID FARROW (AUTHOR)

I, David Farrow, B.Sc. (Hons.), GDE, Pr. Sci. Nat., a British Citizen and Consulting Geologist and Geostatistician in the employ of Golder Associates Africa (Pty) Ltd, residing at 91 Kerry Road, Parkview, Johannesburg, South Africa, do hereby declare and certify that:

1. I am a graduate of the University of Cape Town, South Africa ("UCT") and the University of the Witwatersrand ("Wits"), Johannesburg, South Africa. I hold a Bachelors degree in Geology and an Honours degree in Geology from UCT and a Graduate Diploma in

Engineering from Wits.

2. I am a member in good standing of the Geological Society of South Africa and the South African Council for Natural Scientific Professions (SACNASP), registration number 400074/87.

3. I have 26 years experience in the mining industry, covering diamonds, gold and base metal exploration, evaluation and mining.

4. On behalf of PMI Gold Corporation of Vancouver, I recently completed a visit to Ghana (May 2007) to review the Kubi gold project to examine its economic potential.

5. I have based my conclusions and recommendations of the attached report on my personal field observations, a review of exploration results obtained by prior concession holders and extensive studies of related published and company information.

6. I have read the definition of a qualified person as set out in National Instrument 43-101 and certify that by reason of my education, affiliation with the GSSA and registration with SACNASP and past relevant gold experience, I fulfill the requirements of a "Qualified Person" for the purposes of NI 43-101.

7. I do not have, nor do I expect to receive, any direct or indirect interest in PMI Gold Corporation, nor any of its partnerships, affiliates or associates.

8. I do not hold, nor do I expect to receive, any direct interest in any Canadian or foreign properties, interests or holding of PMI Gold Corporation, nor any of its partnerships, affiliates or associates.

9. I am not aware of any material facts or material changes with respect to the subject matter of this report or its attachments, the omission of which could make this report misleading

10. Applying all the tests in Section 1.4 of NI 43-101, I qualify as "independent" of PMI Gold Corporation.

11. I have read NI 43-101 and Form 43-101F, and the attached report has been prepared in compliance with the said Instrument and Form

12. I hereby consent to the filing of the attached report, in whole or in part, with any relevant Stock Exchange and/or Regulatory Authority; and further consent to any publication, including electronic publication, in Public Company files or web-sites, accessible to the Public

The effective date of this report is 4 September 2007

Respectfully Submitted,

D Farrow B.Sc. (Hons.), GDE, Pr. Sci. Nat. (400074/87)

David Farrow

25 QUALIFICATIONS AND BASIS OF OPINION

25.1 Competent Person and Corporation

The author of this Competent Person's Report was David Farrow B.Sc(Hons), GDE, Pr Sci. Nat**.** He holds the degrees of Bachelor of Science (Hons) in Geology from the University of Cape Town, Graduate Diploma in Engineering from the University of The Witwatersrand and is a Professional Natural Scientist registered with the South African Council for Natural Scientific Professions. He has more than 25 years experience in the mining industry and has been a consultant for over 10 years. David Farrow is a full-time employee of Golder Associates.

Golder Associates is a well respected global consulting group specialising in earth sciences, ground engineering and environmental services. By meeting client needs and building strong client relationships, Golder Associates' staff members have made the company one of the most trusted sources of professional services in the world. The company has worked hard to earn its reputation, built on the quality of its professionals and the success of its clients. Operating as an employee-owned group since its formation in 1960, Golder Associates has created a unique culture with pride in ownership and a commitment to providing technically sound and cost-effective consulting services. Golder Associates has experienced steady growth for more than four decades and has more than 5000 dedicated people operating in local companies, with offices across Africa, Asia, Australia, Europe, North America and South America. Golder Associates' growth and diversity of services has paralleled the needs of its clients as they operate in an ever-changing and complex global environment.

25.2 Statement of Independence

The author has relied upon the various studies prepared by Nevsun and its consultants. While the author has reviewed the documents and has no reason to doubt that the information and conclusions are full and accurate, the author was not responsible for their preparation.

Neither David Farrow, his family and associates, nor Golder Associates, its directors and associates, has any beneficial interest in Nevsun Resources Ltd or PMI Gold Corporation. Golder Associates will be paid for this report according to Golder Associates' regular schedule of fees. The fee is not dependent upon the outcome of the proposed purchase.

Employees of Golder Associates may hold non-material interests in listed companies involved.

GLOSSARY, ABBREVIATIONS & UNITS

AAS	Atomic Absorption Spectrometry, a method of chemical analysis
Accuracy	The ability to obtain the correct result
Adit	A horizontal access to an underground mine
Ag	Silver
Alteration	Applied to rocks or rock forming minerals that have been chemically changed
Andesite	Applied to rocks or rock forming minerals that have been chemically
Argillic	Composed of clay or clay minerals
Assay	Chemical analysis of sample to determine metal content
Au	Gold
A$	Australian Dollar
Auriferous	Containing gold
Barite	A barium sulphate mineral BaSO4
Basalt	A fine grained volcanic rock composed primarily of plagioclase feldspar and mafic minerals
Base metal	Term normally used to describe copper, lead and zinc
Basement	An older harder rock mass underlying more recent deposits
Basic	Igneous rocks containing between 45% and 52% silica
Bed	An individual sedimentary layer
Bedding	The general arrangement and types of beds in a stratigraphic sequence
Blank	Sample without metal content to check possible contamination during assaying (e.g. crushed glass)
Breccia	A coarse grained rock of angular broken rock fragments cemented together
Calcarenite	A limestone with predominantly detrital calcite particles of sand size
Calcareous	Said of a rock containing calcium carbonate CaCO3
Calcite	A mineral composed of calcium, carbon and oxygen CaCO3
Carbonate	A mineral or compound containing the carbonate radical CO32-
Chalcopyrite	A copper-iron sulphide mineral, an important ore of copper CuFeS2
Channel sample	A sample taken by the cutting of a regular channel over a distance, the most representative form of sample
Chert	A rock composed of very fine grained silica
Chip sample	A sample taken by the collection of similar sized fragments generally at intervals over a distance
Chlorite	A group of usually greenish silicate minerals
CIL	Carbon in leach - a metallurgical process for recovering gold
CIP	Carbon in pulp - a metallurgical process for extracting gold
Clast	A rock or mineral fragment in a rock
Clay	Particles of less than 0.0039 millimetres often but not always composed of clay minerals
Clay mineral	A member of a large group of essentially aluminium silicate minerals with micro crystalline, colloidal or amorphous structure
cm	Centimetre
Collar	The location at which a drill hole is commenced
Colloform	A rounded finely banded rhythmically precipitated mineral texture
Conglomerate	A sedimentary rock usually composed essentially of gravel sized grains, distinct from breccia
Core drilling	A rotary drilling technique whereby a continuous cylindrical sample is produced
Cross section	A drawing in the vertical plane through a geological feature at right angles to the feature's direction of elongation
Crosscut	A level at an angle to the main underground mine workings

Cu	Copper
Cut off	An upper or lower limit generally of grade applied during the estimation of a resource or reserve
Dacite	A fine grained igneous rock consisting essentially of quartz, more plagioclase than alkali feldspar and mafic minerals
DD d	Diamond drill cored holes
Deformation	The folding and faulting that results from the application of Earth forces
Density	The mass per unit volume of a substance
Deposit	A natural accumulation of material
DGPS	A differential Global Position System - More accurate version of GPS
Diamond drilling	A rotary drilling technique using diamond set or impregnated bits whereby a continuous cylindrical sample is produced
Dilation	Deformation with change in volume but not shape
Dilution	The waste that is incorporated into ore by mining processes
Diorite	An intrusive rock intermediate in composition between acid and basic
Dip	The angle that an inclined sedimentary layer, fault or other planar surface makes with the horizontal
Dolerite	A medium grained intrusive rock mainly composed of feldspar and pyroxene
DTM	Digital terrain model - Electronic computer model of topography
Dump	The waste rock or ore placed on the ground surface during mining
Duplicate	Sample that has been split from another to check the field sampling or laboratory's precision
Dyke	A tabular intrusive body of igneous rock that cuts across the layers it intrudes
Eocene	A division of geological time from 58 to 37 million years ago
Epithermal	hydrothermal mineralisation at shallow depth
Extrusive	A molten rock that has been erupted on to the earth's surface
Fault	A fracture in rocks on which there has been movement on one of the sides relative to the other and parallel to the fracture
Feldspar	A member of an abundant group of rock forming silicate minerals in which calcium, sodium and potassium are in combination with aluminium
Felsic rocks	Consisting of light coloured silicate minerals that are low in iron and magnesium
Ferruginous	Containing iron
Fire assay	An analytical technique used for gold, silver and platinum
Flowsheet	Diagram showing movement of material through a process
Foliation	The planar arrangement of features in a rock
Footwall	The wall rock below an inclined vein or fault
Fracture	A break resulting during deformation
Fragmental	Clastic [rock]
g	Gram
g/t	Grams per tonne, a measurement of grade generally restricted to precious metals, numerically equivalent to ppm
Gabbro	A dark coloured basic igneous intrusive rock
Galena	A mineral composed of lead and sulphur, an important ore of lead PbS
Gangue	The non valuable part of a mineral deposit
Geochemistry	The study of the variation of chemical elements in rocks or soils
Geophysics	The study of the Earth by quantitative physical methods
Grab sample	A sample taken by the random collection of fragments, the least representative form of sample
Granite	A coarse grained igneous rock consisting essentially of quartz and more alkali feldspar than plagioclase

Greywacke	[wacke] a poorly sorted sandstone
h	Hour
ha	Hectare (10 000m2)
Halo	In geochemistry the low grade area surrounding a deposit
Hanging wall	The wall rock above an inclined vein or fault
Hard rock	A term applied to igneous or metamorphic rocks
Head grade	The ore grade at which a mine produces
Host rock	A rock that contains mineralisation
HQ Core	Diameter 63.5mm
Hydrothermal	Relating to hot water
IDS	A method of estimating grade using a weighting factor for the samples that varies by the inverse of the square of its distance from the estimation point
Igneous rocks	Formed by crystallisation from molten material
Indicated Resource	The middle assured category of resource
Inferred Resource	The least assured category of resource
Intermediate	Igneous rocks with a composition between acid and basic or felsic and mafic
Intrusion	A body of igneous rock that was intruded whilst molten in to the earth's crust
Intrusive	A body of igneous rock that was intruded whilst molten in to the earth's crust
Joint	A rock fracture with no displacement
JORC	Code the Australasian Code for the Reporting of Mineral Resources and Ore Reserves
k	Kilo (i.e. one thousand units)
kg	Kilogram
km	Kilometre
koz	One thousand Troy ounces
Kriging	Grade estimation technique incorporating variability by distance
kt	One thousand tonnes
Leach	The chemical removal of material by the action of percolating ground water
Limestone	A sedimentary rock composed mainly of calcium carbonate CaCO3
Lithology	The physical characteristics of a rock
m	Metre
M	Mega (i.e. one million units)
m2	Square metre (measure of area)
m3	Cubic metre (measure of volume)
Mafic	An igneous rock containing dark coloured silicate minerals that are rich in iron and magnesium
Marcasite	A mineral composed of iron and sulphur FeS2
Mesh	Obsolete screen size designation ("-30 Mesh" means material passing a screen of 0.5mm aperture)
Meta	A prefix meaning that the rock type has undergone metamorphism
Metamorphism	The mineralogical, structural and chemical changes induced within solid rocks through the actions of heat, pressure or the introduction of new chemicals
Micron - measurement	1 micron = 0.001mm
MIK	Multiple Indicator Kriging with separate parameters for each grade class
Mineral	A naturally occurring chemical compound that is a constituent of a rock or sediment
Mineralisation	In economic geology the introduction of valuable elements in to a rock body or the result of such introduction
Mineralogy	The study of minerals

Mining loss (recovery)	Mining loss is ore material that is not recovered during the mining process. Mining recovery is simply the converse (i.e. the material that is left after ore loss).
mm	Millimetre
Moz	Million ounces
Mt	Million tonnes
Mtpa	Million tonnes per annum
MW	Million watts
NQ	Core diameter 47.6mm
Ordinary Block Kriging	Estimation of grades into block model using a grade estimation technique incorporating variability by distance ore that part of a mineral deposit that can be economically exploited
Orthogonal	At right angles
ounce	Troy ounce, used for precious metals: 1 Troy ounce = 31.1035g
Outcrop	The surface expression of a rock layer
Oxide zone	The near surface part of a mineral deposit altered by atmospheric oxygen and water
oz	Troy ounce, used for precious metals: 1 Troy ounce = 31.1035g
P80	Percentage of material passing a particular size fraction
Palaeo	A prefix relating to a past, ancient or fossil feature
Palaeocene	A division of geological time from 66 to 58 million years ago
Percussion	Drilling rock drilling method carried out by the hammering action of a pneumatically driven drill bit
Petrography	The description of rocks
Petrology	The study of rocks
pH	A measure of acidity
Plagioclase	A feldspar with a high sodium-calcium content
Plate	A large rigid area of the Earth's crust
Plunge	The orientation of a geological structure such as a fold axis
Porphyry	An igneous rock with a comparatively fine grained matrix and scattered coarse mineral crystals
ppb	Parts per billion (i.e. 1 in 109 parts)
ppm	Parts per million (i.e. 1 in 106 parts)
PQ Core	Diameter 85mm
Precision	The ability to obtain the same result each time
Proven Reserve	The most assured category of reserve under the JORC Code
Pulp	The result of sample comminution in a laboratory
Pyrite	A mineral composed of iron and sulphur FeS2
Pyritisation	The introduction of pyrite in to a rock
Pyroclastic	Clastic rocks that result from explosive volcanic activity
Pyroxene	A dark rock forming silicate mineral
Pyrrhotite	A mineral composed of iron and sulphur Fe1-xS often containing nickel
Quartz	Common mineral composed entirely of silica and oxygen SiO2
Quartzite	A rock composed predominantly of quartz
RC Reverse	Circulation - style of drilling which gives chip samples rather than a core sample
Reef	A metalliferous mineral deposit especially of gold in quartz
Reference	Sample Specially prepared sample whose metal grade is very accurately known and certified
Reserve	That part of a resource that can be mined, treated and sold at a profit
Resource	Quantitative estimate of material in a mineral deposit
Reverse fault	A fault where the hanging wall has moved upward relative to the footwall
Rhyodacite	Igneous rock intermediate between rhyolite and dacite

Rhyolite	Acid igneous rocks the extrusive equivalent of granite
Riffle Split	Equipment to split into smaller, representative amounts for assay
ROM	Run of Mine – Material as it is delivered to process plant
Sample	Material selected so that it is representative of a population
Sand	Unconsolidated sediment formed by fragments between 0.06 and 2.0 millimetres in diameter
Sandstone	A sedimentary rock usually composed essentially of sand sized grains
Section	A drawing in the vertical plane through a geological feature
Sediment	Solid material whether mineral or organic that has been moved from its position of origin and redeposited
Selvedge	The altered margins of eg a vein
Sericite	A potassium rich mica mineral
SG	Specific Gravity
Shear	A form of deformation where movement occurs parallel to geological contacts
Silica	Silicon dioxide SiO2
Silicate	A mineral containing silica
Silicification	The introduction of silica in to a rock
Sill	A tabular intrusive body of igneous rock that is conformable with the layers it intrudes
Silt	Unconsolidated sediment formed by fragments between 0.0039 and 0.06 millimetres in diameter
Siltstone	A sedimentary rock usually composed essentially of silt sized grains
Skarn	A lime bearing silicate rock produced by the metasomatism of carbonate rocks
Specimen	Material selected for a characteristic and that may not necessarily be representative of the population
Sphalerite	A zinc iron sulphide mineral (Zn,Fe)S
Splay	A minor fault emanating from a major fault
Stock	An intermediate size intrusive
Stockwork	A mineral deposit with veinlets in a number of orientations crossing each other
Stratigraphy	The general arrangement and types of beds in a sedimentary sequence
Strike	The direction of a horizontal line in the plane of an inclined sedimentary layer, fault or other planar surface perpendicular to the direction of dip
Strike slip fault	A fault with movement parallel to the strike of the fault
Strip ratio	Ratio of waste that needs to be mined to obtain a unit of ore. Usually expressed as tonnes of waste to tonnes of ore.
Structure	The general arrangement of rock masses in an area resulting from physical disruption from their original position
Subduction	Large scale tectonic movement of one crustal plate beneath another
Sulphide	A mineral containing sulphur and a metal
Supergene	Alteration of a mineral deposit close to the Earth's surface typically by circulating fluids including groundwater
Surficial	At the surface of the Earth
Surpac	Computer program that is used to carry out resource estimation and mine planning.
Tailings	The reject material from the processing plant
Tectonism	The major structural processes forming faults and folds in the earth's crust
Tenor	Grade
Tertiary	A division of geological time from 65 to 1.8 million years ago
Thrust fault	A low dip angle fault where the hanging wall has moved upwards relative

	to the footwall
Top cut	The value to which outliers in analytical results are reduced during the estimation of a resource or a reserve
tpa	Tonnes per annum
tpd	Tonnes per day
tpm	Tonnes per month
Tuff	A volcaniclastic rock
Ultramafic	Igneous rocks in which mafic minerals predominate
Unconformity	A position in a sedimentary sequence where there is a lack of continuity in adjacent rock strata caused by a time break in sedimentation
Upper cut	The value to which outliers in analytical results are reduced during the estimation of a resource or a reserve
US$	United States Dollar
UTM	Universal transverse Mercator
Vulcan	Computer program that is used to carry out resource estimation and mine planning.

APPENDIX A

STATUS OF KUBI LEASES

MINERALS COMMISSION

#12 Switchback Road Residential Area, Cantoments
P. O. Box M 248 Accra - Ghana
Tel: (233-21) 772783 / 772786 / 773053 / 771318 Fax: (233-21) 773324
Email: mincom@mincomgh.org
website: www.mincomgh.org.

Our Ref: PL 3/30

29 June 2007

The Managing Director
Adansi Gold Company (GH) Ltd
1 Switchback Crescent
P.O. Box CT 876
Cantonments, Accra

Dear Sir,

RE: REQUEST FOR COMMISSION STATEMENT ON STATUS OF THE KUBI LEASES NEAR DUNKWA-ON-OFFIN IN THE CENTRAL REGION

We refer to your letter dated 22 June 2007 on the above subject and respond as follows:

By a letter dated 23 February 1999, the Minister responsible for mines at the time granted his consent to a deed of assignment dated 17 February 1999 between Nevsun Resources Limited ("NRL"), Nevsun Ghana Limited ("Nevsun") as the Assignors and Ashanti Goldfields Company Limited ("AGC") as the Assignee. Under the agreement, the Assignors transferred their rights and interests in their two prospecting licences which covered a total area of 43.87km^2 in Kubi in the Upper Denkyira District of the Central Region of Ghana to the Assignee subject to certain terms and conditions. Following the transfer, AGC applied for and was granted mining leases over areas within the Kubi concession covering 19.16km^2 and 0.018km^2 on 30 April 1999 and 1 October 2004 for 10 years and 3 years, respectively. The former will expire on 29 April 2009; whilst the later is valid until 30 September 2007.

Accordingly, we confirm that the above mining leases are valid and are of good standing.

Yours faithfully,

(BEN ARYEE)
CHIEF EXECUTIVE

cc: Ashanti Goldfields Company Ltd
Gold House, Patrice Lumumba Rd
Roman Ridge
P.O. Box 2665, Accra

Nevsun Resources (Ghana) Ltd
2 Second Close, Airport Residential Area
P.O. Box C2705, Cantonments, Accra