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The Rosebud Property, Mohave County, Arizona

SUMMARY

Seguro Projects Inc has an option to earn a 100% interest in the ROSEBUD, an 826 acre gold-silver property which comprises 40 unpatented mineral claims situated in Mohave County. The property is approximately 29 miles north-northeast of Kingman, Arizona and is easily accessible by paved and all-weather gravel roads directly from either Kingman, AZ, or Las Vegas, NV, using 2wd vehicles.

Climate is arid to semi-arid. Precipitation consists mainly of thunderstorms which can result in flash flooding. There is no running water in the area, but underground springs supply sufficient water for local ranches. There are several adits and shafts on the property, with the two main shafts partially water-filled.

The ROSEBUD claims are located in a known mining area. In the early 1900s, ten mines were being worked within two miles of the property. There are no particular environmental, political, or regulatory problems that would adversely affect mineral exploration and development.

The claims are located on the USGS Quadrangle Map Music Mountain NW Sheet (7.5 minute series) at longitude 113°55'30" West, latitude 35°38'30" North, and between UTM 3946800m and 3951000m North, and UTM 237000m and 233000m East.

The property is in an area of hilly terrain with moderate to steep slopes rising from 2900 feet to 3640 feet. The general area is covered with sparse dry grass, sage, and various species of cacti. The hills are generally bare and rock outcrop is well exposed.

The claims lie on the southwest margin of the Colorado Plateau province. The geological succession is Lower Proterozoic granites, foliated granites, and schists unconformably overlain by a Paleozoic sequence of sediments. The geology of the property consists of granite and foliated granite, in contact with megacrystic feldspar porphyry. Both rock types are intruded by dykes consisting of feldspar porphyry, diabase, pegmatite, and diorite.

Gold and silver mineralization is predominantly within shear zones that are associated with kaolinitic alteration, fault gouge, occasional narrow quartz stringers, and silicification. Quartz stringers are translucent and sometimes vuggy with euhedral growths of quartz crystals. Gold and silver are also found in dry shear zones with no silicification or quartz stringers, suggesting that the mineralization is primarily associated with shearing rather than silicification. Shear zones are moderately to strongly hematitic and limonitic. Pyrite, galena, and chalcopyrite have been observed in rock samples, and while visible sulphide mineralization is not common, high zinc values indicate the possible presence of sphalerite.

Substantial work has been completed, and a significant gold resource has been identified. There are dumps on the ROSEBUD property that can be worked immediately to provide a source of cash.

Underground development during the 1920s and 1930s included a 400 foot shaft and 2,500 feet of workings.

In the 1980s, Stellar Resource Corp conducted surface and underground mapping and sampling, and diamond drilling. Eight holes totalling 1553 feet were drilled on the Southwick zone. In 1986, L. Bayrock, PGeo, calculated indicated mineral reserves of 15,560 tons averaging 0.587 oz Au/t (approx 9,000 oz) and 1.89 oz Ag/t, and an inferred resource in the eight known mineralized zones of 1,142,156 tons averaging 0.497 oz Au/t (approx 560,000 oz) and 1.96 oz Ag/t. Stellar intended to mine the property and actually leased a mill, but discontinued development plans due to a falling gold price.

The ROSEBUD property has had the same owner for more than 10 years. In 1995, the property was optioned out to Kinntaki Resources, which planned a listing on the VSE. Kinntaki was never listed but the merit of the property for listing purposes was confirmed in writing by the consulting engineer for the BC Securities Commission.

The exploration program done at that time included rock sampling and an IP survey, which defined seven target areas:

- ◆ Z1 ~ an IP high correlating with a resistivity high and significant gold and silver values.
- ◆ Z2 ~ an IP high correlating with a resistivity high, giving the strongest response at depth
- ◆ Z3 ~ coincident IP and resistivity highs, with an local resistivity low and anomalous gold, lead, and zinc values.
- ◆ Z4 ~ IP and resistivity highs with associated local gold and silver mineralization.
- ◆ Z5 ~ gold and silver mineralization located along the extended strike of a coincident IP/resistivity high.
- ◆ Z6 ~ IP and resistivity highs, adjacent to Z1.
- ◆ Z7 ~ gold and silver mineralization in a dyke.

These IP results are of particular interest because they indicate substantial exploration potential.

Staged exploration programs of IP surveying, underground sampling, and reverse circulation drilling in different areas were recommended to test the grade and continuity of mineralized shear zones at depth. Estimated minimum cost of work on Z1, the first area, in 2002 dollars is US\$85,000 (approximately \$135,000 Cdn).

Seguro Projects is seeking a suitable junior exploration company to participate in the ROSEBUD claims. Terms are attractive, consisting mainly of a one-time only share issuance and a schedule of reasonable cash payments which do not escalate over time. For continuity and ease of holding, there are minimal work commitments, so obligations will not be onerous in the event of a downturn in exploration funding and activity.

As an easily accessible property with a legitimate identified gold resource and substantial exploration potential, the ROSEBUD is a particularly suitable and promotable acquisition target given current economic conditions, the renewed global interest in gold, and the consequent recent firming of the gold price.

For further information, please call Tony Simon of Seguro Projects Inc at 604-986-5275.