



Mineral Exploration Network Ltd.

Geological Summary of the Sipilä Group of Licenses, Western Finland.

An internal report outlining the exploration history and current exploration work undertaken on the Sipilä group of licenses in western Finland.



October 2014

Sipilä Group of Licences

The Sipilä group of licences is located in Western Finland. The area lies within the North-Western section of the Raahe-Ladoga suture zone that extends up to 450km in length. The Raahe-Ladoga zone is a boundary between the Archaean and Proterozoic rocks in eastern Finland and hosts most of the major sulphide ore deposits in southern Finland. There is clearly observed zoning in metallogenic specialisation of the Raahe –Ladoga zone. It changes from predominately Ni-Cu mineralisation at the South-East flank via predominately Zn mineralisation to predominately gold mineralisation at the North-West flank of the zone.

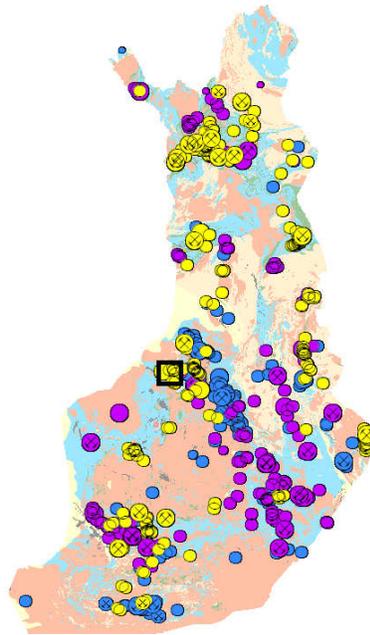


Figure 1: Location of the Project

The Sipilä group of licences includes (Figure 1):

ID	NAME	AREA km ²	TYPE	APPLICATION DATE
ML2012:0211	Sipilä	7.4	Ore Permit	04.12.2012
ML2012:0221	Huhtala	8	Ore Permit	04.12.2012
ML2012:0212	Mustaneva	15.7	Ore Permit	04.12.2012
VA2014:0006	Kapusta	173.33	Notification	03.02.2014
VA2014:0035	Kapusta South	66.8	Notification	30.04.2014

The licences are covering zones of influence of the Rautio Batholith. Contacts of the Rautio Batholith have been studied by the Geological Survey of Finland between 1990 -2000. The zone of influence of the batholith had been covered by basal till sampling program. As result of the basal till sampling, a number of complex gold –arsenic–copper anomalies have been mapped. Outcrop and boulder sampling programs have established several zones of gold mineralisation. Selected areas have been investigated with ground magnetic and electromagnetic surveys and diamond drilling. As a result several gold occurrences have been discovered.

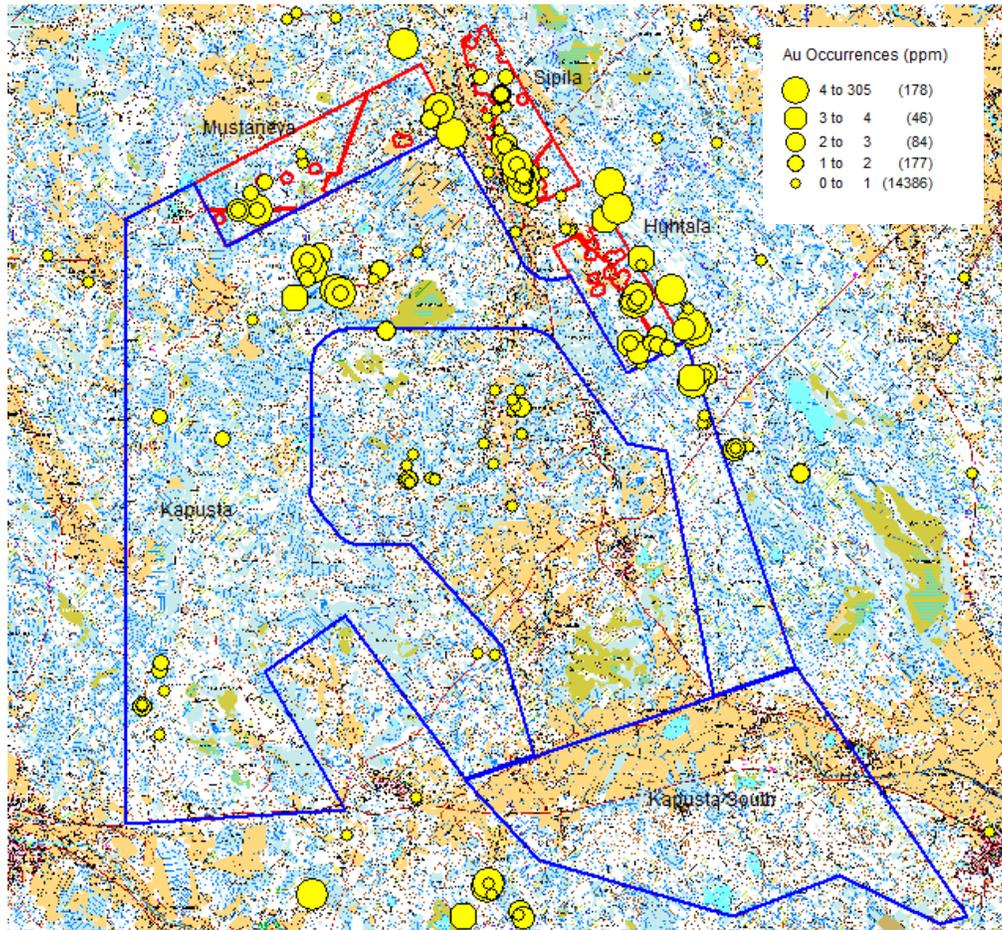


Figure 3: Regional map showing Au in grab samples as identified by Outokumpu Oy and GTK, in relation to MEN Finland's licenses.

Exploration work undertaken by GTK in the early 2000's consisted of extensive basal-till sampling (Figure 4), utilising hand held percussion drills. This methodology penetrates the overlying glacial till and gravels, allowing for sample collection closer to bedrock, giving a more representative sample of the true geology. The results obtained by GTK show several prominent Au occurrences along the greenstone belts flanking the Rautio intrusion; these Au occurrences are principally on the north-eastern and west contact zones of the batholith and greenstones.

Mineral Exploration Network has utilised this information and obtained the Mustaneva, Sipilä and Huhtala licenses which will allow for more detailed and extensive exploration. Also, as previously mentioned, MEN Finland has obtained the Kapusta and Kapusta South licenses which contain the rest of the known Au occurrences surrounding and enclosing the Rautio batholith. It should be noted that this area is also of great interest to other mining and exploration companies, most notably First Quantum Minerals, who control an Ore Permit in the centre of the batholith for the exploitation of Cu-Mo-Au; therefore this area is of great interest and economic importance.

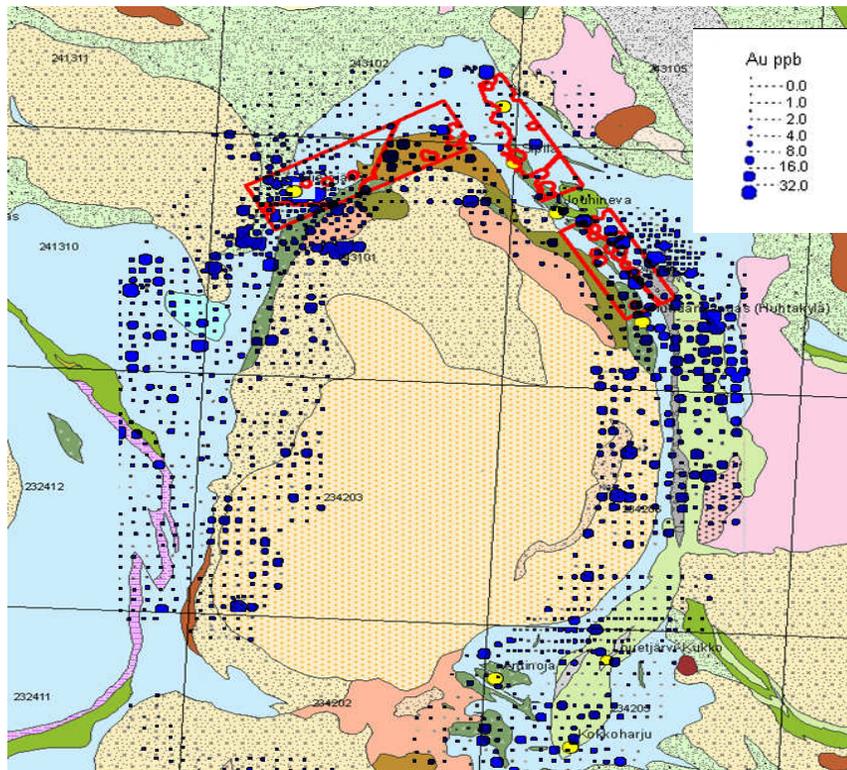


Figure 4: Results of detailed basal till sampling around the Rautio Batholith, identifying numerous target zones for further investigation.

More recently, updated information made public by GTK has allowed MEN Finland to identify with greater certainty that the areas of greatest economic potential are held by MEN Finland. Outcrop and Layman samples (Figure 5) have produced results showing Au grades up to 103ppm Au, with average sample concentrations of 4.5ppm Au throughout all of the licenses held by MEN Finland.

Aerial geophysical surveys have also been undertaken by GTK, which aid in the identification of lithological contacts and regional scale faults zones, which are known to be the principal Au-bearing zones. The aerial magnetic survey shown in Figure 5, confirms the continuity of the shear zone hosted greenstone belt to the east of the intrusion, proposing a possibly more extensive mineralised zone than that already identified.

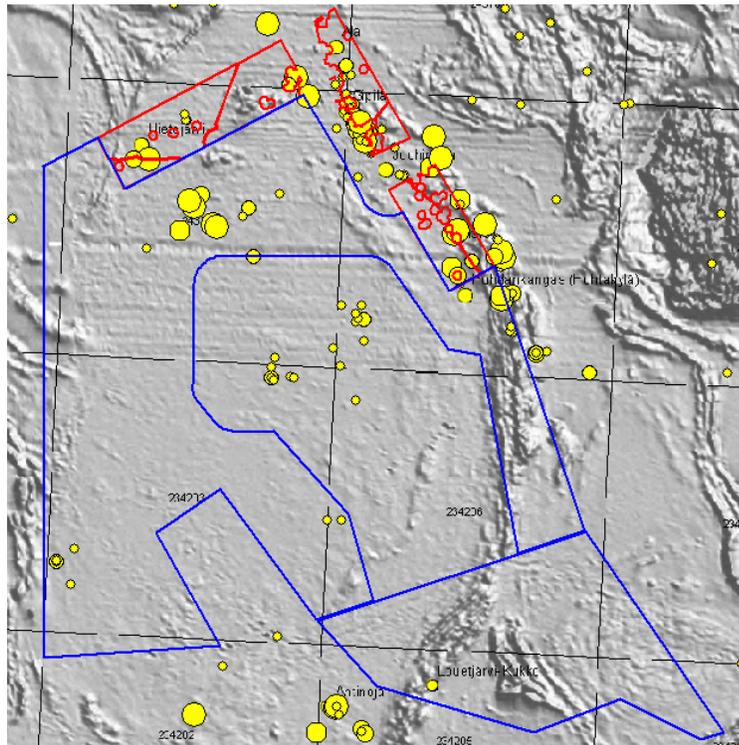


Figure 4: Aerial magnetic survey clearly outlining prominent greenstone complexes and Au occurrences surrounding the Rautio Batholith.

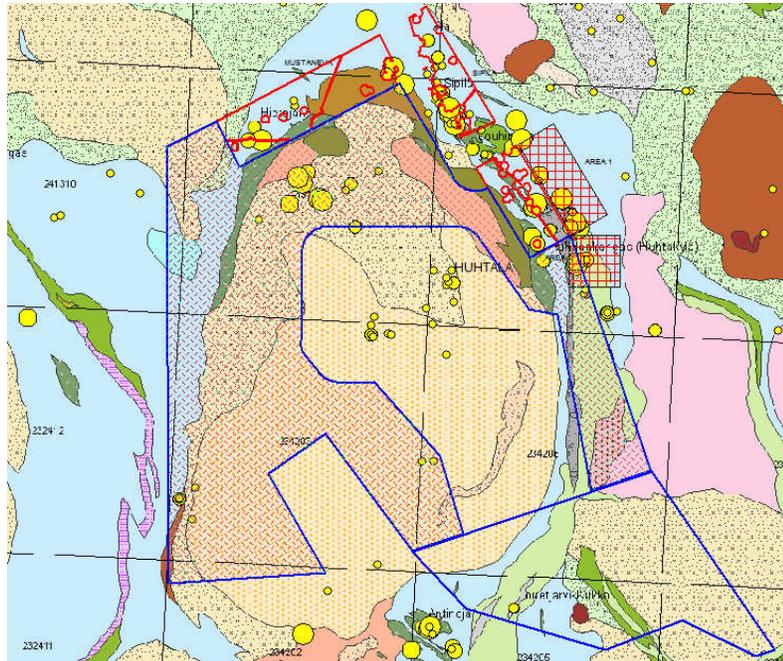


Figure 5: Geological map of the Rautio Batholith with MEN Finland's licenses superimposed and identified Au occurrences.

Diamond core has been utilised in various localities surrounding the Rautio batholith within MEN Finland's licenses, of which can be highlighted in the following images:

- **Huhta:** 1 m @ 8.1 ppm, 5 m @ 1.5 ppm, 3 m @ 1.37 ppm , 33 m @ 0.71 ppm, 1 m @ 2.9 ppm, 2.3 m @ 1.04 ppm Au.
- **Ala:** 2.5 m @ 2.7 ppm Au,
- **Sipilä:** 0.5 m @ 5.6 ppm Au, 60 ppm Ag and 9.4% Cu, 0.4 m @ 3.84 ppm Au,
- **Hietajarvi:** several intercepts of 1 m @ 5–6 ppm Au
- **Kuuko:** Best outcrop sample: 14.9 ppm Au, 1.28 % As

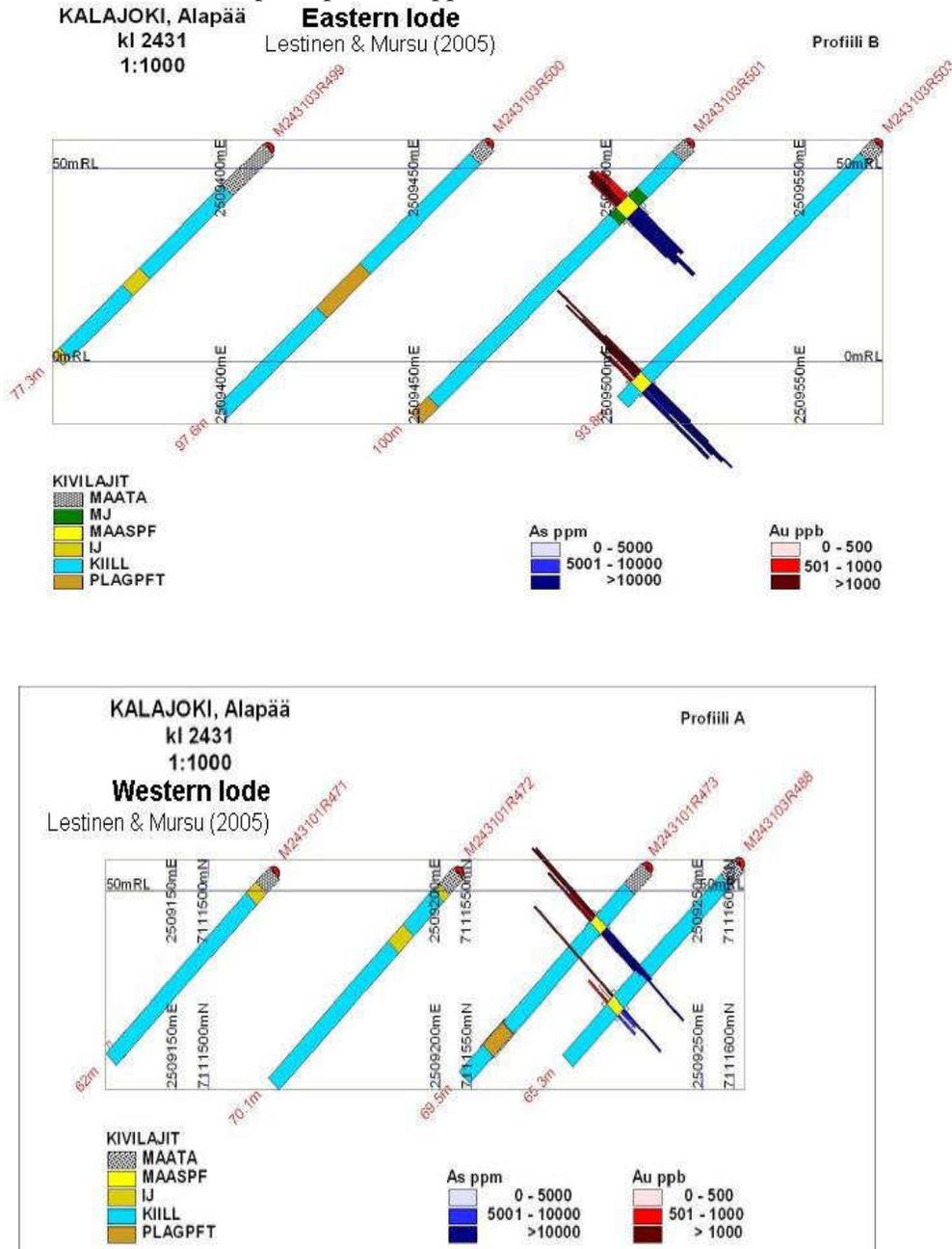


Figure 6: Drilling profiles at Ala gold occurrence.

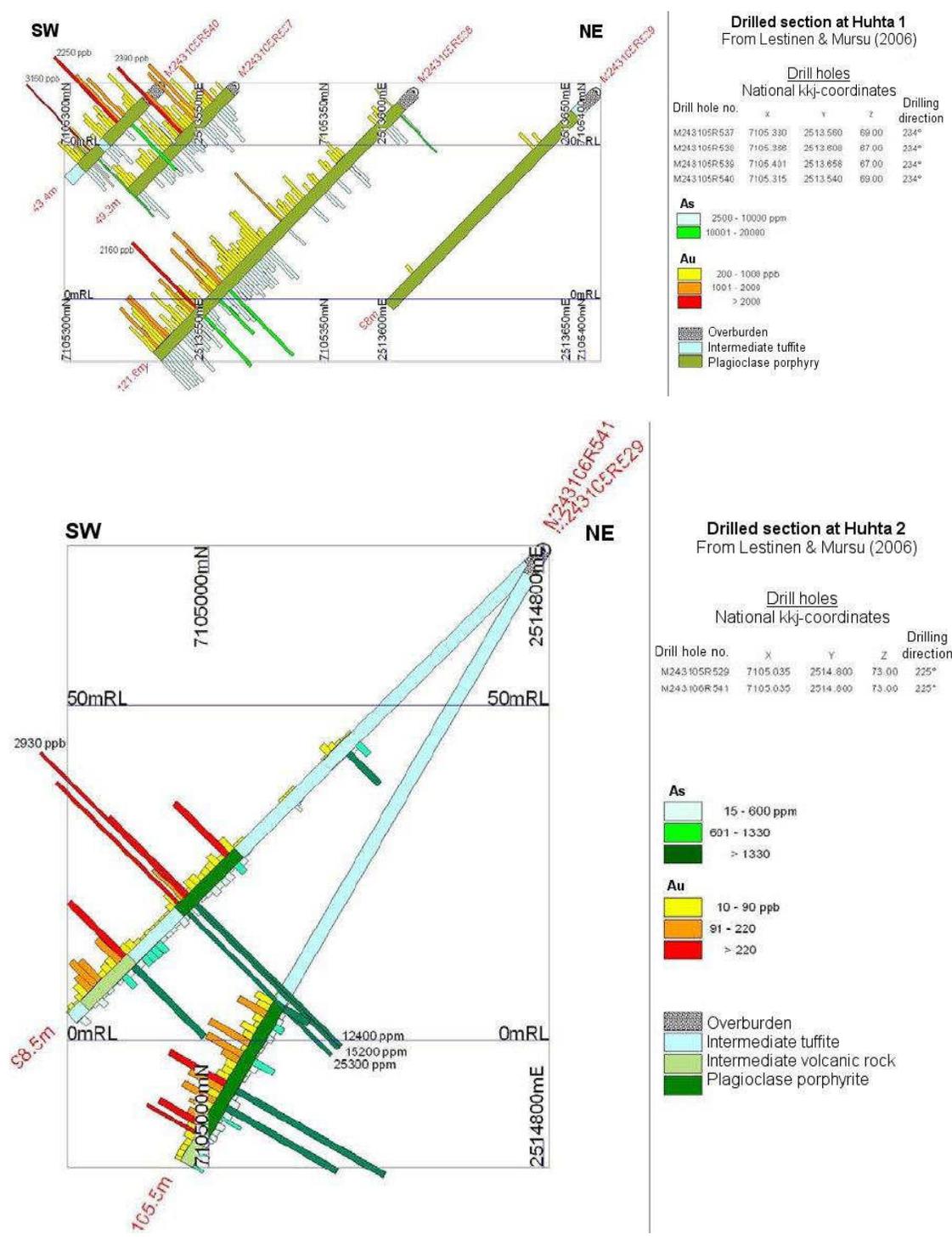


Figure 7: Drill sections at the Huhta gold occurrence.

License Extensions

Following recent review and discussion, in October 2014 Mineral Exploration Network applied for and were granted license extensions to the Hautala Exploration Permit. The extension to this license, as previously identified in Figure 4, encompasses a greater number of identified Au occurrences and follows the continuity of the Ratiou greenstone succession.

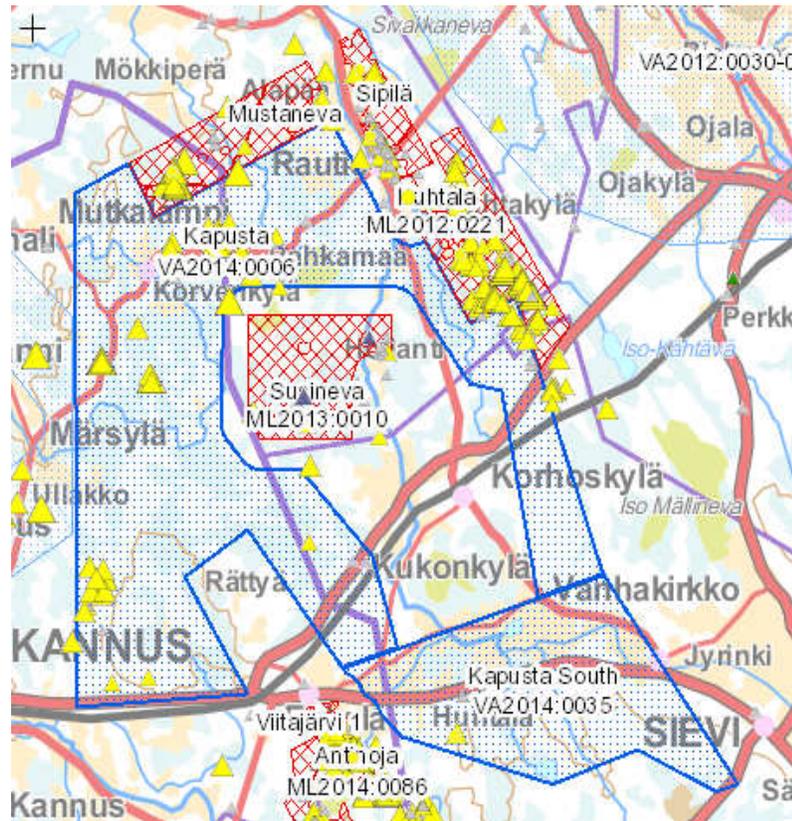


Figure 8: Geographical Map outlining the extension of the Hahtala License.

Summary

Two types of mineralisation had been observed: low grade–large tonnage gold-copper porphyry mineralisation and high grade vein-share zone hosted gold mineralisation. During reconnaissance work done by Mineral Exploration Network number of arsenic anomalies in soil and bolder with gold grade 53 g/t were encountered. Work done by Geological Survey of Finland had highlighted significant exploration potential of the area surrounding Rautio Batholith and demonstrated presence of gold and copper mineralisation. Further exploration is warranted. Exploration potential of the area is assessed at the level 1-2 Moz of gold with copper credits.