

PANORO MINERALS LTD.

ANNUAL INFORMATION FORM

Year Ended December 31, 2010

March 29, 2011

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ITEM 1: PRELIMINARY NOTES**1.1 Documents Incorporated by Reference**

Specifically incorporated by reference and forming a part of this Annual Information Form are the audited financial statements for the Company for the period ending December 31, 2010, together with the auditor's report thereon and the Management's Discussion and Analysis for the financial year ended December 31, 2010, copies of which are available on SEDAR at www.sedar.com.

All financial information in this Annual Information Form is prepared in accordance with accounting principles generally accepted in Canada ("Canadian GAAP").

1.2 Forward Looking Statements

Certain statements contained in this Annual Information Form about anticipated future events or results are forward-looking statements. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this Annual Information Form include statements regarding the Company's future exploration plans and expenditures and the ability of the Company to hire and retain employees and consultants. The forward-looking statements that are contained in this Annual Information Form involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "Risk Factors" in this Annual Information Form. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading "Risk Factors" and to those that may be discussed as part of particular forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause the actual results to differ include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Forward-looking statements contained herein are made as of the date of this Annual Information Form and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements..

1.3 Date of Information

All information in this Annual Information Form is as of March 29, 2011, unless otherwise indicated.

1.4 Currency and Exchange Rates

The Canadian dollar is the reporting currency and currency of measurement of the Company. All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

ITEM 2: CORPORATE STRUCTURE

2.1 Name and Incorporation

Panoro Minerals Ltd. (the “Company” or “Panoro”) was incorporated pursuant to the laws of British Columbia on September 28, 1994 under the name “Anaconda Minerals Corporation”, by Memorandum and Articles filed with the Registrar of Companies for British Columbia. On February 28, 1997 the Issuer changed its name to “Panoro Resources Ltd.”. The Company was amalgamated in British Columbia on June 6, 2003 under the *Company Act* of British Columbia (the predecessor of the Business Corporations Act of British Columbia) and changed its name to “Panoro Minerals Ltd.”.

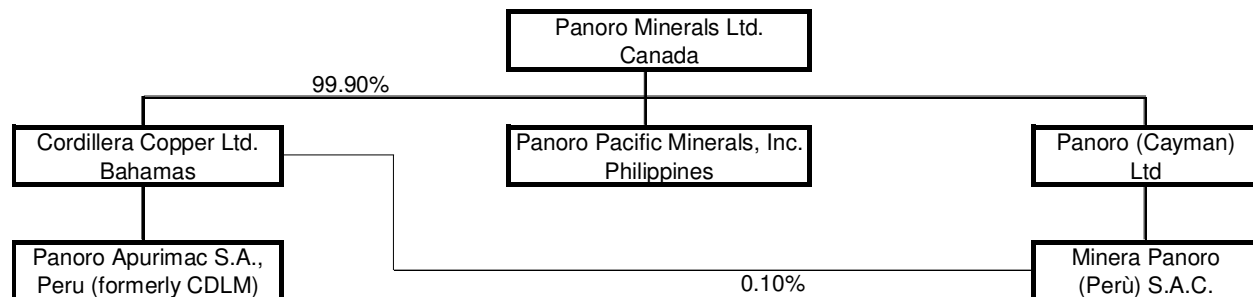
The head office of Panoro is located at Suite 900, 510 West Hastings Street, Vancouver, British Columbia, V6B 1L8. The registered and records offices of Panoro are located at Suite 1750, 1185 West Georgia Street, Vancouver, British Columbia, V6E 4E6.

The common shares of the Company are listed on the TSX Venture Exchange (“TSXV”) under the trading symbol “PML”, the Frankfurt Exchange (“PZM”) and on the Junior Board of the Bolsa de Valores de Lima (“PML” - Lima Stock Exchange). The Company is an “exchange issuer” as that term is defined in the *Securities Act* (British Columbia). The Company is a “reporting issuer” as defined under applicable securities legislation in British Columbia and Alberta.

2.2 Intercorporate Relationships

The following chart sets out the Company’s corporate structure including all subsidiaries. The Company is incorporated under the laws of the Province of British Columbia

The Company has five wholly owned subsidiaries: (i) Minera Panoro (Peru) S.A.C., incorporated pursuant to the laws of Peru on June 9, 1998; (ii) Panoro (Cayman) Ltd., incorporated pursuant to the laws of the Cayman Islands on March 2, 1998; and (iii) Panoro Pacific Minerals, Inc., incorporated pursuant to the laws of the Philippines on April 18, 2006; (iv) Panoro Apurimac (formerly Cordillera de las Minas SA), incorporated on August 15, 2002 under the laws of Peru; and (v) Cordillera Copper Ltd., incorporated pursuant to the laws of the Bahamas Panoro Apurimac’s head and registered office is located at Ave. Pardo y Aliaga 699, Office 601, San Isidro, Lima, Peru. Minera Panoro (Peru) S.A.C. is the wholly owned subsidiary of Panoro (Cayman) Ltd.



ITEM 3: GENERAL DEVELOPMENT OF THE BUSINESS

3.1 Three Year History

Financings

2008

On April 8, 2008 the Company received \$500,000 as part of the sale of their interest in the Surigao project to Mindoro Resources Ltd. During the year, 950,000 options were exercised for proceeds of \$190,000.

2009

On December 30, 2009 the Company closed a private placement for net proceeds of \$553,794 on issuance of 3,114,000 units at \$0.20 per unit. Each unit is comprised of one common share and one share purchase warrant. Each warrant is exercisable for \$0.30 for 18 months. A cash commission of 8% was paid to the agents in addition to 249,120 agents warrants to purchase units under the same terms as the financing. All of the warrants expiring June 30, 2011 carry a forced conversion feature whereby if the stock price trades over \$0.45 for ten consecutive days, the Company can give notice to warrant holders that the warrants must be exercised within 30 days.

2010

On November 1, 2010 the Company closed a private placement for gross proceeds of \$6,451,250 on issuance of 25,805,000 units at \$0.25 per unit. Each unit is comprised of one common share and one half share purchase warrant. Each full warrant is exercisable for \$0.35 for 18 months. Finder fees totaling \$297,233 in cash and 1,188,933 finders warrants were paid.

Acquisitions and Disposal

Antilla Project

In April 2010, the Company entered into a joint venture agreement with Chancadora Centauro SAC (“Centauro”) for the development of the Antilla copper molybdenum project in Peru. Under the terms of the agreement, Centauro committed to making cash payments, of \$US 8 million and spending \$US 17 million over a 30 month period. Payments were scheduled as follows:

- \$US 1 million on signing;
- \$US 4 million 90 days after reaching a community agreement with Antilla, July 17, 2010;
- \$US 3 million by March 17, 2012; and
- \$US 17 million will be invested towards the completion of bankable feasibility studies on the project and will include Panoro’s share of such costs

The first phase of infill drilling was completed in July 2010. Nineteen drill holes were completed in the high grade pit area for a total of 2,243 metres and all assay results have been announced via press releases.

While confirming the existing resource model, drilling also showed that high grade mineralization in places extended outside its previously defined limits.

On July 17, 2010, the scheduled second cash payment from Centauro due under the Antilla JV agreement was not received. The Company subsequently provided Centauro with the required notification of the lack of receipt of payment and that this constituted a breach of the agreement.

After receiving independent legal opinions from prominent Peruvian law firms, on September 16, 2010, the Company notified Centauro that the agreement was terminated due to their breach of the JV agreement. In addition, Centauro's right of first refusal for the Cotabambas Project was also terminated as this right was only in force as long as Antilla agreement was in place. As required by Peruvian law, the Company registered the termination of the agreement with the Public Registry and then transferred all of the mineral concessions related to the Antilla Project back to the Company's subsidiary in Peru. The termination of the Antilla agreement and the transfer of all concessions was completed and registered on December 13, 2010. The termination of the Cotabambas option was registered with the public registry on October 13, 2010.

Subsequent to the termination of the agreement, Centauro informed the Company that it would seek arbitration, as provided for in the contract with the Arbitration Center of the Lima Chamber of Commerce, disputing the termination of the agreement. Both sides have submitted claims to the arbitration committee. The arbitration process is advancing and is expected to take a number of months to complete. Management is confident that the agreement has been legally terminated.

The first resolution delivered by the arbitration committee has granted Panoro the right to inspect, review and evaluate all technical aspects of the project. The Company will soon commence its review on site.

Alicia Project

On September 25, 2009 the Company entered into an agreement with Strait Gold Corporation ("Strait Gold") whereby Strait Gold may earn up to 100% in the Company's early stage Alicia copper-gold property in Southern Peru, subject to a 2% net smelter return royalty.

In order to earn 55% of the Alicia project, Strait Gold will have to perform the following:

- Issue 100,000 shares of Strait Gold to Panoro on signing; – completed
- Obtain an agreement with the local community before March 25, 2011 – completed February 2011;
- Spend at least US \$150,000 on the Alicia property within the first year after obtaining the agreement - received and under review;
- Issue 200,000 common shares of Strait Gold one year after obtaining the community agreement - completed;
- Spend at least US \$500,000 within the second year after obtaining the agreement; and
- Issue 300,000 common shares of Strait Gold two years after obtaining the community agreement.

In order to earn the remaining 45% of the Alicia project, Strait gold will need to spend an additional US \$600,000 in the third year after obtaining the community agreement and issue an additional 400,000 Strait Gold common shares to Panoro. The net smelter royalty can be reduced from 2% to 1% for a payment of US \$2.3 million which is payable within six months of obtaining 100% ownership.

Cochasayhuas and Checca Projects

On March 17, 2008 the Company granted Consorcio Minero Horizonte ("CMH"), a privately owned gold mining company of Peru, an option to earn a 50% interest in two of their Panoro Apurimac projects.

In June, after assessing the permitting issues at both projects, CMH elected to proceed with the Cochasayhuas Project. On March 6, 2009 CMH decided not to proceed with the joint venture, after Panoro did not accept proposed changes to the Joint Venture agreement, and returned the property to the Company.

Mindoro

In 2004 the Company entered into an agreement with Mindoro Resources Ltd. (“Mindoro”) to earn a 40% interest in six mineral properties located in Surigao Province, Mindanao, Republic of the Philippines. The Company would earn its interest by incurring \$2,000,000 in exploration. Over the following years expenditures were made as exploration progressed and the Company earned their 40% interest in the formed Surigao Joint Venture on October 20, 2006 at which point the Company had invested a total of \$2,396,003 in cash and shares.

At the beginning of 2007 the Company decided that it would focus its exploration projects exclusively on Peru, and entered into negotiations with Mindoro to sell its 40% Interest in the Surigao Joint Venture to Mindoro. A Purchase and Sale Agreement was signed on March 14, 2007.

Pursuant to the Purchase and Sale Agreement, April 16, 2007, Mindoro paid the Company \$750,000 cash and issued 500,000 Mindoro common shares valued at \$0.75 per share. Mindoro made a second payment of \$500,000 cash and issued an additional 500,000 Mindoro common shares on April 8, 2008.

In the event that the nickel laterite prospect, located on the Agata project should proceed to production and upon shipment of an aggregate one million wet tonnes of nickel laterite, Mindoro will pay the Company an additional \$500,000 cash, plus an additional \$500,000 cash on the first anniversary of the shipment.

Panoro Apurimac

On June 7, 2007, the Company completed the acquisition of 100% of the issued and outstanding shares of Panoro Apurimac S.A (“PA”) formerly Cordillera de las Minas S.A (“CDLM”), a Peruvian corporation, from CVRD International S.A. and El Tesoro (SPV Bermuda) Limited, a wholly-owned subsidiary of Antofagasta PLC. On April 7, 2008 the Company announced that the name of CDLM had been changed to Panoro Apurimac S.A.

CDLM owns a 100% interest in 13 properties located in the Andahuaylas – Yauri Belt of Peru south of Cuzco.

Antilla and Cotabambas are two of the CDLM properties that are at an advanced exploration stage. The remaining eleven properties are Kusiorcco, Cochasyhuas, Checca, Alicia, Promesa, Pistoro Norte, Sancapampa, Humamantata, Pataypampa, Anyo, and Morosayhuas and are all at various stages of early exploration.

ITEM 4: DESCRIPTION OF THE BUSINESS

The Company is in the business of acquiring resource properties in Peru and exploring those properties for commercially viable mineral reserves of copper and gold. These properties are held through the Company's various Peruvian subsidiaries.

Panoro is currently focused on exploring and developing its Antilla, Cotabambas, and Kusiorcco, properties. Other properties of Panoro are El Rosal, Cochasayhuas, Checca, Alicia, Promesa, Pistoro Norte, Sancapampa, Humamantata, Pataypampa, Anyo, and Morosayhuas. The Company also has a 4% interest in the Huaquirca joint venture which includes the Chapi-chapi and Utupara projects in Peru.

Panoro had two employees in 2010. The Company also relies on consultants to carry on many of its activities and, in particular, to provide executive services and to supervise work programs on its mineral properties.

The following information has been excerpted from a technical report prepared by SRK Consulting (Canada) Inc. ("SRK") pursuant to the provisions of Canadian Securities Administrators National Instrument 43-101 ("NI 43-101") entitled "Independent Technical Report on the Mineral Exploration Property of Cordillera de las Minas S.A. – Andahuaylas—Yauri Belt, Cuzco Region, Peru" dated March 9, 2007 and a report by AMEC (Peru) S.A. on Antilla entitled "Restated, Amended Technical Report for the Antilla Property" dated August 23, 2009 in accordance with the requirements of National Instrument 43-101 (the "CDLM Report"). These documents are available at www.sedar.com.

Complete information concerning the Cotabambas and Antilla properties, which form the most advanced projects comprising the CDLM Concessions, have been excerpted herein. For information concerning the other concessions comprising the CDLM Concessions, readers are referred to the full text of the CDLM Report on SEDAR at www.sedar.com. The number of concessions and the total resulting area of exploration concessions at the Antilla, El Rosal, Cochasayhuas and Checca Projects have been updated to reflect the additional concessions added in 2007 and 2008.

4.1 Antilla Copper/Molybdenum Project

Property Description and Location

The Antilla Project is located near the small town of the same name. The town is located in the District of Sabaino, in the Province of Antabamba and the Department of Apurimac. The centre point of the exploration concession lies at UTM coordinates 8,414,000N, 718,500E between elevations 3300 and 4100 m above sea level. The Company holds a total of 11 concessions with an area of 7400 ha.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The area is at present most easily accessible from Cuzco via the 366 km Cuzco-Abancay-Antilla road. In the future access from either Lima or Cuzco will be improved with construction of a 6-8 km link to the southwest to the road between Antabamba and the paved highway between Lima and Cuzco. The total road distance between the Antilla project and the Lima-Cuzco highway will then be approximately 33 km. The nearest harbour is at Marcona and the nearest smelter at Ilo.

Physiographically, the area is characterized by steep terrain with deeply incised valleys. The intense runoff drains to the Atlantic Ocean via the two principal rivers, the Chalhuanca and the Antabamba. The climate is mild and moderately rainy, characterized by long winters between June and November and abundant summer rains from December to March. Geomorphologically, the area lies east of the continental divide on the eastern slope of the Western Cordillera of the Andes marked by the Huanzo Cordillera.

History

Prior to CDLM, Southern Peru Copper S.A. (SPCC) carried out exploration work in 1999 including drilling on an optioned property immediately to the east of what became the Antilla block. Poor results caused SPCC to abandon the property. Anaconda evaluated the same property in 2000. CDLM carried out geochemical exploration in 2002 investigating geochemical anomalies to the west of Calvario Hill, where SPCC had worked, and subsequently staked the first 2800 hectares. Geological mapping and geophysical surveys were carried out in 2003 leading to a drilling program in September 2003 and 2004. A geological model was developed in 2004 and 2005.

Geological Setting

The Antilla project exhibits the characteristics of a Cu-Mo porphyry system with formation of secondary enrichment.

Stratified Rocks

The currently known mineralization at the Antilla project is located within clastic sequences, from the bottom, of the Chuquibambilla and Soraya formations, which make up the Yura Group. The Chuquibambilla Formation is essentially constituted by dark-gray siltstones intercalated with fine to medium grained gray sandstones, in horizons up to 0.5 m thick and local layers of calcareous siltstones.

A characteristic of these horizons is the local presence of cubic, finely laminated, autigenic pyrite, as well as intercalated horizons of carbonaceous material.

The Soraya Formation is represented by three main members a basal member, 600 m thick, made up of intercalations of whitish-gray medium- to fine-grained quartzite with gray quartzite sandstones and, to a lesser extent, black-gray sandstone horizons where quartzite sequences predominate, an intermediate member, 150 m thick, made up of intercalations of grayish-brown shales and gray sandstones exhibiting smoother topographic traits and an upper member (200 m) exposed south of the project, where thin medium-grained sandstone horizons predominate.

The bulk of the Antilla supergene mineralization occurs in the middle part of the basal member of Soraya Formation which also constitutes the country rock of the Main Porphyry.

Intrusive Rocks

Granodiorite Porphyry

This constitutes the main intrusive body and is considered to be associated with the hypogene mineralization in the East Block. The best outcrops are localized around the intersection of the Huancaspaco River and the Chalhuaní stream, covering an area of approximately 750 m by 600 m, with a predominantly N-W strike and locally N-S in all lateral terminations. The other intrusive center has a smaller outcrop located on the eastern part of the East Block. The rock is porphyritic comprising approximately 30% fine-medium grained plagioclase phenocrysts, 5% medium grained quartz phenocrysts, 5% coarse grained K-feldspar megacrysts and 3% fine-grained mafic phenocrysts in an aphanitic K-feldspar rich groundmass.

Latite Porphyry

This is a post-mineral intrusive and occurs as dikes minor dikes occupying structures striking generally N-W on the center of the East Block. It is porphyritic rock comprising approximately 30% fine grained to locally coarse grained megacrystic plagioclase phenocrysts and 7-10% fine to medium grained mafic phenocrysts in an aphanitic K-feldspar dominant groundmass.

Diorite Porphyry

It had been mapped only on the West Block and so far there has been no indication that it has a direct relationship to the porphyry copper mineralization on the East Block. It is a porphyritic rock comprising approximately 30% fine-medium grained partly altered white plagioclase phenocrysts, 7-10% fine to medium grained (former) mafic phenocrysts in a aphanitic groundmass. It is generally altered to clay-biotite-muscovite and chlorite. This rock had been intersected by ANT-13 on the West Block.

Monzonite Porphyry

This had been mapped on the eastern part of the East Block as sills. It is porphyritic rock comprising of approximately 20% fine-medium plagioclase phenocrysts and approximately 7% lath-like shapes in a fine-grained matrix that varies from K-feldspar bearing to K-feldspar absent.

Exploration

Prior to 2008, geological mapping at 1:5000 scale has been concentrated on the central part of the property identified as the East Block and the West Block. Reconnaissance mapping has been carried out on the remainder of the property and on adjacent third party claims. Systematic rock and soil geochemical sampling has been carried out on a 100 m by 50 m line grid across the western zone of the project. A total of 2,461 samples were taken, including 734 rock samples and 1,727 soil sample.

The geophysical surveys carried out in 2003 and 2004 comprised 214.2 line km of magnetometer surveys and 43.6 km of Induced Polarization/ Resistivity surveys. The geophysical surveys in both years were carried out by VDG del Peru S.A.C. and the reports were authored by Rejan Pineault P.Eng., General Manager Chief geophysicist and General Manager and Gloria Fernandez, Project Geophysicist.

In 2008 while drilling was being undertaken, a review of the geology was done in order to check the different rock types identified earlier by CDLM. The review undertaken consisted of field mapping, core logging and petrographic analysis to confirm the rock types encountered. In addition, several outcrop samples were also collected and analyzed for gold, copper, molybdenum and other elements.

Deposit Types, Alteration and Mineralization

The Antilla project contains the upper distal portion of a porphyry copper deposit, with porphyry style mineralization and alteration present in the overlying quartzites and sandstones. The porphyry style mineralization has been enriched by meteoric processes into a zone of secondary enrichment which constitutes the deposit type of interest on the property. While primary porphyry style mineralization has been intersected in drill hole ANT-13 outside the areas of secondary enrichment, the depth and location of the primary porphyry deposit underlying the secondary enriched zone are thought to be unknown at this time.

The Antilla deposit is described as a supergene chalcocine blanket hosted by a package of gently dipping siltstones, sandstones, and medium to fine grained quartzite and sandstones. It is believed to be associated with a system of porphyry intrusions occurring as dykes and laccolithic sills; however, apart from ANT-17, ANT-56 and ANT-58, limited amounts of intrusive rock have been encountered in the immediate vicinity of the deposit. Despite this lack of intrusives, a large halo of secondary biotite alteration has been identified beneath the blanket, and the mineralization exhibits many features typical of porphyry related mineralization and alteration.

Primary Cu-Mo mineralization consists of disseminated and fracture and/or vein-hosted chalcopyrite, minor bornite and molybdenite, and is accompanied predominantly by potassic and sericitic alteration. A characteristic trait of hypogene mineralization is its close relationship with certain horizons of the sedimentary country rock sequence, indicating an intense lithological control on mineralization. Supergene mineralization is defined by the presence of pulverulent (sooty) chalcocine and, to a lesser extent, covellite. Both appear as coatings over scattered pyrite and chalcopyrite grains. The supergene 'blanket' is defined by markedly higher grades within near surface intervals up to 96 metres thick.

The Antilla deposit occurs near the intersection of two regional scale (>10 km) reverse faults: the northeast trending Piste Fault to the west, and the east-west trending Matara Fault to the south. The deposit itself is transected by a dominant northwest trending set of dextral strike slip faults, northeast trending faults and sub-vertical, north-south structures. The dominant northwest trending structures are parallel to the drill sections and therefore poorly represented in the core. The relationships between the different faults and the mineralization is unknown, however, many of the highest grade intervals in drill core observed by SRK are clearly associated with narrow fractures and faults with slickensided surfaces and minor gouge. These structures are commonly sub-parallel to the core axes (especially, ANT-01) and, as such, they may belong to the northwest trending fault system. In some holes, (especially ANT-04 – not used in either estimate) a good correlation can be seen between poor core recoveries and grade, either indicating biased recovery of mineralized material, or preferential mineralization in strongly fractured rock.

Drilling 2010

A drill program managed by the former JV partner was carried out from May to August 2010. Nineteen drill holes totalling 2,243 m were completed at the East Block of the Antilla Project. The drill program focussed on the high grade zone of the East Block as identified in the resource estimate prepared by AMEC in 2009. The drill holes were terminated below the depth of the zone of secondary enrichment.

Of the 19 drillholes, 17 were sampled and analyzed for copper and molybdenum. The results, as reported by the former JV partner to Panoro, were published by means of press releases from July 23, 2010 to August 25, 2010.

The Company plans to review all aspects of the 2010 exploration program when it gains access to the project site.

Drilling 2008

An exploration permit was obtained on May 21, 2008 and drilling started May 24, 2008. Originally, the proposed drill program included 47 drillholes for an estimated total of 10,000m. Thirty-seven of these drillholes were planned on the East Block as infill drilling to better delineate the mineralization with the objective of completing a NI 43-101 compliant resource estimate. Ten additional drillholes were planned in the West and Intermediate Blocks to explore for additional mineralization. In addition to exploring in the West and Intermediate Blocks, a few of the drillholes in the East Block were planned to explore for a deeper porphyry system.

As drilling proceeded and the potential for the expansion of the East Block target to the northwest was confirmed, the exploration holes planned for the West and Intermediate Blocks were relocated to the west and northwest side of the East Block. Additionally, two deeper drillholes were located within the boundary of the East Block such that they provided a test for underlying porphyry mineralization as well as infill on the existing resource. The drill program was completed on November 25, 2008 and ultimately comprised 49 drillholes totalling 9,130 m. All holes were located by differential GPS and their inclinations were determined using a Sperry Sun instrument. All assay results were published via news releases and on the Company's website.

Most of the holes were drilled within the East Block zone as it was defined by SRK. Several holes located up to 250m northwest of the zone confirmed the extension of the secondary enrichment blanket in this direction. Although the two deeper holes intersected supergene sulfide mineralization infilling the existing resource model, they did not intersect significant primary copper mineralization at depth. Overall, the results of drilling were consistent with previous results and confirmed the thickness and grade of the previously established mineralized zone.

Historical Drilling

Between September 2003 and February 2005, 26 diamond drill holes were drilled for a total of 3,959 m. Azimuth and dip were set at the collar with a Brunton Compass. Down-the-hole surveys were carried out in all holes with a Sperry Sun instrument. Down the hole surveys were also carried out with a Flexit instrument in holes ANT-11 to ANT-13.

Sampling, Analysis, Security of Samples and Data Verification

2010

The sampling, analysis, sample security and data verification for the 2010 drill program were carried out by Panoro's former JV partner. All samples were assayed by ACME Analytical Laboratories (Chile) S.A. Although Panoro provided sampling protocols to be followed in the JV partner's program of work, the Company has not yet been able to verify its partner's conformance with those protocols. It plans to review all aspects of the 2010 exploration program on gaining access to the project site.

2008

For the drilling in 2008, all the core samples were transported from Antilla on a truck and escorted by a Panoro employee or staff working on the project to the drop-off office of ALS Chemex in Cusco, Peru. From this drop-off office, the samples were either delivered to ALS Chemex's sample preparation facilities in Arequipa or Lima. All the samples were analyzed in ALS Chemex's laboratory in Lima. Within each batch of samples (60 core samples), three certified standard samples for copper and molybdenum and a blank sample were inserted, a duplicate analysis was done from one of the coarse rejects and another from one of the sample pulps. For each 60th sample, the remaining half of the core was sent in for analysis as a field duplicate. All samples, ~~except for the standard samples,~~ were assayed for gold by fire assay-atomic

absorption spectrometry (FA-AAS) and for silver, copper, molybdenum, lead, zinc and arsenic by atomic absorption spectrometry (AAS) following a four acid digestion.

Historical

Sampling and analytical protocols for historical holes ANT-01 to ANT-19 were the same as those in force at Cotabambas. CDLM reportedly included three duplicates and two standards (one Cu and one Au standard) in every sample batch (C. Neyra, pers. comm.). However, no independent QA/QC data for these analyses were available to SRK at the time of their review. CDLM did provide digital copies of the laboratory analytical data, which include one lab repeat in every batch of 22 pulp samples. Some batches contain blanks explicitly marked by the lab as such. Other batches contain samples which appear to have been independently submitted blanks, but cannot be confirmed as such. The internal laboratory duplicates show fair repeatability (generally better than 10%) for pulps, and the explicit and implicit blanks indicate little or no contamination. However, the lack of information on independent standards, and whether they were submitted or not, prohibits an evaluation of the accuracy of the historical analyses.

All core from Antilla was transported to the core logging and storage facility at Cotabambas where it was stored under lock and key and subsequently examined by SRK. They reviewed approximately 300 assays in the historical drill hole database and compared them with the original hardcopy assay certificates. No significant errors were found.

In the process of constructing the Gemcom database, several of the drill hole collars were found to lie significantly above or below the topographic surface as defined by CDLM. Four of these (ANT-02, -02A, -07, and -09): had to be adjusted in elevation by more than 50 m. Of these four, only ANT-07 was used in the SRK model and resource estimate.

Mineral Resource Estimate

In 2009, the Company filed a NI 43-101 compliant resource estimate and technical report prepared by AMEC (Peru) S.A., an independent consulting firm.

AMEC's estimate states a global Inferred resource of 154.4 million tonnes at an average grade of 0.47% copper and 0.009% molybdenum contained within the East Block. This includes a higher grade Inferred resource of 70.5 million tonnes at an average grade of 0.56% copper and 0.011% molybdenum. This estimate is based on the results of a total of 67 drillholes, including the 49 drillholes from the Company's exploration program completed in December 2008.

In order to define the Mineral Resource, open pit mining was assumed along with the following economic parameters:

- Long Term Metal Prices of \$US 2.00/lb Copper and \$US 10.00/lb Molybdenum
- Mining Costs of \$US 1.10/t for Mineral and \$US 0.80/t for Wasterock
- Total Operating Costs \$US 10.00/t
- Metallurgical Recoveries of 90% Copper and 40% Molybdenum
- Final Pit Slopes of 45degrees

At a nominal 20,000 tonne per day open pit operation the East Block as a whole would have a 22 year mine life with a stripping ratio of 2.6. A potential starter pit within the conceptual life-of-mine pit includes 15 million tonnes of ore at a grade of 0.72% copper and 0.017% molybdenum at a stripping ratio of 0.9 and provides opportunity to improve the economics of a future operation.

The technical report identified potential to increase the resource at the Antilla Project. First, the potential for the extension of the supergene sulphide mineralization in the East Block to the north and northwest was identified during the 2008 exploration program. Secondly, potential exists for additional supergene sulphide mineralization in the West Block, located 2.5 km from the East Block. Thirdly, the potential for higher grade, underlying hypogene porphyry copper mineralization in both the East and West Blocks remains largely untested.

Exploration and Development

The next stage in advancing the Antilla Project will be to update the resource estimate with the data from the 2010 exploration program carried out by the former JV partner. All data, including drill core, logs, assay results, quality control and quality assurance protocols will need to be reviewed by a Qualified Person before its incorporation into an updated geologic model and resource estimate can be assessed and implemented.

Currently, Panoro has not carried out any such review as it does not have access to the project site, core and samples. Although the Arbitration Committee has authorized Panoro to carry out the proposed review work, the Company's agents and employees continue to be blocked from access by the former JV partner.

However, an internal review of the project infrastructure addressing the water, power, access and ports available for development of the project was completed. A conceptual general site plan includes potential locations for plant, tailings, a site access road and water supply. The general arrangement forms the starting point for the scoping level studies required for the advancement of the project to feasibility design. Such studies may ultimately include further stepout and exploration drilling.

Permitting

The original community agreement with the indigenous community of Antilla was signed in 2007 and expired in November 2009. The commitments made in the community agreement were completed. This included, hiring of local labor, student scholarships, assistance with irrigation projects and others

A second community agreement was signed with indigenous community of Antilla in April of 2010. This community agreement expires in April of 2012. The Company will need to renew the community agreement in 2012 to continue exploration activities at the project site.

4.2 Cotabambas Copper/Gold Project

Property Description and Location

The Cotabambas Project is located approximately one km west of the village of Cotabambas in the District of Cotabambas, Province of Abancay in the Department of Apurimac. The center of the project area lies at UTM coordinates 8,480,500 N and 785,500 E and at an elevation of between 3,200 m and 3,800 m above sea level. The project consists of 11 exploration concessions covering a total area of 9,900 ha.

All concessions are registered in the name of Panoro Apurimac. The Company has obtained an industry standard title opinion confirming ownership of the concessions.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Cotabambas Project is located between the rural communities of Ccalla and Ccochapata, in the district of Cotabambas. Access to the project is 32 km from Cuzco by asphalt highway to the town of Anta and then 100 km by all weather gravel road to the small town of Cotabambas, using the Huallpachaca bridge across the Apurimac River.

The area is characterized by a relatively moderate topographic relief, with deep canyons in its lower portions that contain the larger Rivers like the Apurimac and its principal tributaries such as the Ccalla, Pisonay and Duraznomayo. The region's climate is moderately rainy, characterized by dry winters and abundant rain from December to March. The average annual precipitation in the area is approximately 1000 mm, with an average temperature of 13° C. The vegetation is of a mountainous steppe type with subtropical humid mountain forests, consisting of small shrubs, scrub and scrublands of upper Andean grass. The original vegetation was modified and replaced by local agriculture and the planting of eucalyptus forests.

History

Work on the Cotabambas project started with detailed geophysical, geochemical (soil and rock) and geological studies in 1995. The first diamond drilling campaign was carried out in 1996, followed by diamond drill programs in 1999, 2000 and 2003. By the end of the year 2000 program 24 core holes had been drilled with a total length of 8,537.85 m.

Exploration work was resumed in 2003. Initially three diamond drill holes were drilled in the Ccalla-Cotabambas sector (CB-25 to CB-28) based on 1996 geophysical surveys. Between July and August 2003 VDG del Peru (Val d'Or) carried out a further geophysical survey (10.5 km of IP at 200 m line spacing and 48.2 km of magnetometric surveys) in the CCayrayoc sector. In addition soil geochemical surveys were carried out on a 100 m by 100 m grid in the Guacelle sector yielding high values in copper, molybdenum and gold. Three diamond drill holes (CB-31 to CB-33) were targeted on these results. All together nine diamond drill holes were completed in 2003 for a total depth of 3,251.65 m.

In 2001 NCL Ingeniería y Construcción S.A., a Chilean Consulting Firm, carried out an estimate of the mineral resources indicated by the drilling programs up to and including drill hole CB-24. The estimate was based on a Gemcom- based block model and applied geostatistical estimating techniques. An independent estimate of the historical resources was carried out by SRK in September 2006, using the same data set as NCL in 2001.

Geological Setting

The geology of the Cotabambas project area has been described comprehensively in Special Publication 11, 2004 of the Society of Economic Geology: “Cotabambas: Late Eocene Porphyry Copper-Gold mineralization Southwest of Cuzco, Peru” by J. Perello, et al. An excerpt of this is in the CDLM Report:

“The Cotabambas porphyry is a system with multiple pulses of smaller dikes and stocks distinguishing two principal phases, the Main Porphyry and the Late Porphyry. Both phases are located in diorite and are cut by a set of late dacitic dikes related to the Ccochapata Dome.

The diorite (x), presents a hypidiomorphic inequigranular texture of fine to medium grain, with abundant plagioclase calcic and ferromagnesian mineral accumulations. The ferromagnesian is dominated by biotite and amphibole (hornblende). Accessory mineralogy includes apatite, titanite and zircon.

The Main Porphyry (Xm) and Late Porphyry (XI) are of similar texture and composition, differing in the intensity of their quartz veins (stockworks). The Main Porphyry presents a good multidirectional development of veins that are absent in the Late Porphyry bodies. Both are characterized by presenting a porphyritic texture of medium to thick grain (phenocrysts of up to 2 cm) with abundant (30-35%) plagioclase phenocrysts and amphibole (hornblende) and biotite ferromagnesian, in amounts less than 10%, a fundamental felsitic mass composed by a fine aggregate of potassium feldspar and quartz with smaller amounts of ferromagnesian.

Domes and dacitic dikes (Xp): the final stage of the Ccalla system includes a set of dacitic dikes that intrude in all the previous units. In general, they present porphyritic textures of medium to thick grain (phenocrysts of up to one cm) with plagioclase phenocrysts (35-40%), potassium feldspar (1-3%) and amphibole ferromagnesian (hornblende) and little biotite that does not altogether exceed 5%. The fundamental mass is microfelsitic, with fine pilotaxitic texture with fluidity characteristics (Perelló, Internal report 2001).

The structure represented by the Ccalla, Azulccacca and Guacile-San José faults of a general NE course and parallel bars moving to the gorges of the same name. This set of structures defines a corridor of about 200 to 600m of width, with individual structures of metre(s) width and kilometre scale runs (>6km) interlaced, with evidence of sinistral movement and, very locally, reactivations of inverse type with planes inclined toward the west. The dacitic composition (Xp) dikes seem to be located throughout NE faults.”

The styles of alteration at Cotabambas are described in CDLM’s 2003 Year End Report as follows:

“In the scope of the Cotabambas porphyry, the potassium alteration is characterized mainly by the presence of potassium, biotite feldspar and quartz; the potassium alteration is presented in veins of millimetre to centimetre thickness. The intermediate argillic alteration is characterized by an association of greenish tones with chlorite, illite, smectite and smaller amounts of soapy green sericite, epidote and calcite. Plagioclase typically presents replacement by calcite, sericite, illite and a bit of epidote, the amphibole and biotite preferably to chlorite, smectite, illite and green sericite are altered.

The sericitic alteration is characterized by an association of sericite and illite with abundant calcite and subordinate amounts of chlorite generally related to late dacitic dikes.

The propylitic alteration is distributed like a halo around all the previous associations and is characterized by an association, non-destructive of texture, rich in chlorite, epidote and calcite.

The mineralization of oxides is presented in the surface and is compound mainly of crisocola, malachite and neotocite, in association with goetitic limonite and to a lesser extent jarositic. The supergene mineralization consists of a thin, irregular blanket of rich secondary enrichment in calcosine. The hypogene mineralization is associated with a stockwork of type A, B and M veins in intimately related stable potassium alteration to the Main Porphyry bodies; the rand of stockwork intensity is typically from three to four. The following types are observed, associated by biotite, potassium feldspar and/ or actinolite: 1) quartz-magnetite; 2) quartz-magnetite-chalcopryrite; 3) quartz-magnetite-chalcopryrite-bornite; 4) quartz-pyrite; 5) quartz-chalcopryrite-pyrite; 6) quartz-magnetite-chalcopryrite-pyrite; 7) hairline trails of chalcopryrite-bornite (Perelló. Internal Report 2001).

CCalla-Cotabambas sector: The mineralization found in the adamantine drill holes, specifically in the CB-25 mineralized porphyry drill hole, consists of: in the first sections oxides (hematine, limonite and jarosite) and supergene alteration, in depth the hypogene sulfides are constituted by veins of quartz type stockwork intensity 3-4 (veins A and B) and the predominant alteration is potassium biotitic associated with chalcopryrite-pyrite-magnetite-weak bornite.

Ccayrayoc Sector: the oxidation is weak in this sector, observing sporadic weak copper oxides and limonite-hematite, the hypogene mineralization is constituted by sporadic quartz veins (intensity < 1, > veins B and D) associated with weak chalcopryrite-pyrite-magnetite, very weak potassium alteration and greater sericite-propilite alteration.

Guacclle Sector: the hypogene mineralization in the porphyry constitutes sporadic quartz veins (B type), associated with weak chalcopryrite-pyrite-magnetite, with weak potassium alteration and moderate sericitic and propilitic alteration; in the Skarn the mineralization is constituted by veinlets and weak dissemination of pyrite-chalcopryrite and magnetite.”

Permitting

In 2009, Panoro signed two-year agreements with two of the three indigenous communities in the vicinity of the Cotabambas project, Ccalla and Guacclle,. A three-year agreement with the third community of Cochapata was signed in March 2011.

Panoro has obtained exploration permits to carry out exploration within the boundaries of the Ccalla and Guacclle communities. These permits will need to be renewed when the total number of drill holes at each of the communities exceeds the permitted maximum of 20.

Panoro has commenced the environmental impact assessment for the exploration permit at the community of Cochapata. A specialist consulting firm has been contracted to complete the studies required for the permit. As of the date of this report, their field work has been completed and a final report will be submitted before the end of May 2011.

Exploration

Previous exploration on the project was carried out in several phases and campaigns using a multitude of exploration methods including geological mapping, geochemical soil sampling, rock chip sampling, trenching, Induced Polarization and magnetic surveys. The last intensive phase of exploration work was carried out in 2003.

Panoro commenced a 5,500 m drill program at the Cotabambas project in November of 2010. The first phase of the program is aimed at expanding the Ccalla porphyry deposit to the south and the Azulccaca porphyry deposit to the north. The drill holes are mainly located within the community of Ccalla with

some located on privately owned property. The second phase of the drill program is aimed at infilling gaps in the geologic model for the main part of the Ccalla deposit as it is currently understood and required an agreement with the community of Cochapata, recently signed, along with an exploration permit.

In addition to the drill program, magnetic and Induced Polarization surveys have commenced.

Deposit Types, Alteration and Mineralization

The principal deposit type in the Cotabambas area is that of a copper-gold±molybdenum porphyry system. Although rare skarn mineralization is known, attention is mainly focused on the potential for porphyry type mineralization.

Drilling

Historical Drilling

The main drilling campaigns on the property took place in 1996, 1998 to 2000 and in 2003. All consisted of diamond drilled core holes. As of the year 2004, 33 drill holes had been completed for a total of 11,789.5 m.

2010 – 2011 Drilling

A 5,500 m drill program was commenced in November 2010. Four drillholes totalling approximately 2,000 m, CB-34 through 37, have been completed as of the date of this report. Assay results from drillholes CB-34, 35 and 36 have been published and the results from other holes will be reported when they are available.

Sampling, Analysis, Security of Samples and Data Verification

In 2006, the senior author of SRK's Cotabambas resource estimate for Panoro had reviewed the sampling and core logging procedures applied by the staff of CDLM as part of a previous assignment. Drill core from holes CB-10, CB-23 and CB-25 were examined in conjunction with the geology logs and assay data. The geology logs are of excellent quality and include graphical illustrations of lithological contacts, vein patterns and density, and other described features.

Core was generally sampled at 2 metre intervals regardless of lithology or intensity of mineralization. This locally results in dilution of the grades where samples overlap contacts with 'barren' dykes (e.g. 'XP'). Since these 'barren' dykes are treated with hard boundaries in the resource model, this sampling strategy results in a loss of estimated metal content in these areas.

The sampling procedure involved the following steps: (i) marking of the sample intervals by the geologist logging the core, as it sits in the wooden core boxes retrieved from the drill site, (ii) a geology technician splits the core with a diamond saw, and places half the core into pre-prepared, numbered sample bags, and moves the remaining half core, along with the driller's blocks, into new plastic core boxes, (iii) the wooden core boxes are returned to the drill to retrieve subsequent batches of core, and (iv) plastic core boxes are moved into storage.

Three sampled intervals in hole CB-25, with recorded grades between 0.4-0.7% Cu (Samples 61504, 61529, 61531), had no obvious expression of mineralization in the core. These intervals are all from the same batch shipment, and are believed to have been inadvertently mixed up during the sampling process, described above. While the three samples are all from the same shipment, no identifiable pattern of mixing of the sample order could be identified to correct the error, and it is unknown to what extent this type of error occurred. It is recommended that a check assay program be implemented on all of the core (i.e. re-assay random ~10% of each drill hole) to ensure that this type of error is not widespread.

Approximately 500 assays in the Cotabambas drill hole database were checked against their original assay certificates in the data room. No errors were found; however, this type of data verification cannot detect sampling mix-ups such as those described above.

Drill hole collar surveys for CB-1 to CB-6 in the Gemcom database were checked against the original hardcopy survey report. No errors were found.

CDLM reportedly implemented regular QC checks on their data during analysis, including three duplicates and one Cu and Au standard in every assay batch (C. Neyra, pers. comm.); however, no QA/QC data for Cotabambas were available at the time of writing, and no comment can therefore be made on the QA/QC program.

Mineral Resource Estimate

Mineralization in the Cotabambas deposit was initially estimated in 2001 by NCL Ingeniería y Construcción S.A. (“NCL”), a Chilean consulting firm (Table 4). SRK validated the estimates for the Cotabambas deposit and considers that the methodology used by NCL and treatment of the available data are reasonable. SRK constructed a separate mineral resource model using larger search ellipse oriented down the plunge of the copper and gold mineralization. The SRK resource model at various cut-off grades indicates that the mineral resources may be larger than initially stated by NCL. In this context, SRK is of the opinion that the mineral resources for the Cotabambas deposit are appropriately classified as an Inferred Mineral Resource and reported at a cut-off of 0.4% Cu as indicated in Table 5. The reader is cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability.

Table 4: Cotabambas Deposit, NCL Ingeniería y Construcción S.A, 2001.

Cut-off (%)	Tonnes (Millions)	Cu Grade (%)	Au Grade (g/t)
0.3	69	0.74	0.46
0.4	59	0.8	0.49

Table 5: Mineral Resource Statement for the Cotabambas Cu-Au deposit, SRK Consulting, March 09, 2007.

Mineral Resources*	Tonnes (Millions)	Cu Grade (%)	Au Grade (g/t)
Inferred	90	0.77	0.42

*All resources quoted at 0.4% Cu cut-off

A detailed description of the resource estimate by SRK can be found in the CDLM Report.

Exploration and Development

SRK recommended 20,000 m of drilling to advance the project to the pre-development stage. The Company believes this to be reasonable and has commenced a 5,500 m drill program. The Company is currently planning a follow up drill program. The follow up drill program will require the completion of additional financing and permitting in order to complete.

4.3 The Kusiorcco Project

The Kusiorcco project is located close to Norsemont's Constanca project and the historical Katanga Mine.

It consists of a strong, one kilometre by two kilometre Induced Polarization chargeability anomaly overlying a 300 metre by 500 metre alteration zone characterized by an intensive skeletal stock-work of quartz veins with the weathered out voids filled by limonite and goethite (both iron oxides). Management believes this to be the leached outcrop of part of a porphyry system that has been intensely mineralized with sulphide minerals and in fact, silicification, quartz stock-work systems and alteration are generally widespread in the Kusiorcco intrusive stock. The leached outcrop also suggests the possibility of a secondarily enriched zone at the transition to sulphide mineralization at depth. The potential of this system to host a sizeable body of copper mineralization is further supported by the presence of a number of copper skarn occurrences located at the periphery of the Kusiorcco intrusive stock which are currently being mined on a small scale by locals.

Knight Piesold Consultants completed, and the Company submitted, the Environmental Impact Statement (EIS) for the proposed drilling program at the Kusiorcco Project. Comments from the MEM were received and the EIS was modified to include MEM comments and resubmitted to MEM in Lima. The modified EIS was approved in December of 2009.

Panoro will need to complete a community agreement with the indigenous community of Uchucarco prior to commencing a drill program.

4.4 El Rosal Project

The technical report (the “El Rosal Report”) entitled “2006 Summary Report on the El Rosal Property” dated December 30, 2006 and prepared by Uwe Schmidt P. Geo., was prepared in accordance with NI 43-101. The following information has been excerpted from Schmidt’s report:

Property, Description and Location

The El Rosal Project is located in northwestern Peru. The mineral claims cover an area of 3,900 ha and straddle the boundary between Lambayeque Department (Province of Chiclayo and District of Chongoyape) and Cajamarca Department (Province of Chota and District of Llama). The UTM coordinates of the approximate centre of the property are 688200E and 9264000N.

The Company holds a valid Type B permit issued by the Ministry of Energy and Mines and had acquired the requisite authorization from the La Ramada community and the local Water Board to allow the Company to conduct drilling.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The El Rosal property is situated 75 km east of the town of Chiclayo, a city which is approximately 800 km north of Lima on the paved Pan American highway. Access to the El Rosal property is by paved road along the north side of the Rio Chancay valley from Chiclayo to within 20 km west of the property, at which point an all-weather bridge crosses Rio Chancay. A maintained earth and gravel road that is accessible year-round runs along the south side of the valley from the bridge to the property, and links the small villages of Huaca Blanca, 6 km west of the property, and La Ramada, on the northern property boundary, to Chiclayo. The Company constructed during the 2000 drilling program approximately 8.6 km dirt road to provide access to El Rosal project area.

The main hydroelectric power line servicing Chiclayo runs from the Carhuaquero hydroelectric station, 5 km northeast of La Ramada, along the northern margin of the property. The power line provides the local settlements with electricity, and a link to the integrated Peruvian electrical grid.”

The property straddles the ridge and northern flanks of Cerro Los Bravos, between the valley of Rio Chancay to the north and Quebrada Monteria to the south. Relief on the property varies from 350 m in the Rio Chancay valley to 1350 m on the steep ridge crest of Cerro Los Bravos. Most of the northern parts of the property consists of ridges and steep to moderately sloping valley walls that vary between 400 and 800 m in elevation.

Year round cultivation of sugar cane, corn, and rice occurs in the Chancay river valley, but topography on the property is too rugged and soil development too thin and rocky to support cultivation.

The western part of the El Rosal property is covered by a conservation area which was established by the local community and is not published on claim maps nor recognized by the Peruvian mining authority as affecting mineral title.

The region is semi-arid, and rainfall occurs sporadically mainly during the wet season between December and April. Temperature generally varies between 20°C and 30°C, although it sometimes exceeds 40°C in the humid wet season.

History

Exploration work at the property was initiated in 1998 mainly sampling and characterization of the styles of mineralization in the El Rosal, and to a lesser extent in the La Ramada. Later in the year reconnaissance

geological mapping, prospecting, trenching and additional sampling was done including some ground magnetometer surveying over the El Rosal grid.

In 1999, trenching and sampling were done on the Zona Central and El Rosal showings and 28 km of Induced Polarization (IP) geophysical survey. The following year after an extensive road building campaign a 7-hole, 1650 m diamond drilling program funded by Rio Algom Exploration Ltd was undertaken

In 2003, further mapping was done in La Ramada to follow up on the porphyry copper-gold potential that was indicated by geochemical surveys and geophysical anomalies. This was followed in 2004 by six diamond drill holes totaling 1,592 m. Encouraging results from the 2004 program led the company to fund additional hand trenching and sampling and detailed geological mapping in 2006.

Geological Setting

The regional geologic setting is best described by Rhys, 2003 and his report is available on the Company's website. Briefly, the report describes the region to comprise of an easterly-younging sequence of mixed carbonate and siliciclastic strata and intermediate volcanic rocks of mainly Mesozoic age, and overlying Tertiary volcanic rocks (Wilson, 1985). The El Rosal property is near the northern end of the trough.

In the property area, Cretaceous strata are exposed in a 5-10 km wide, north trending belt that separates older strata from Tertiary volcanic rocks to the east (Figure 4; Wilson, 1985). Shallow marine or deltaic quartzite, and subordinate siltstone and mudstone of the Lower Cretaceous Goyllarisquizga Formation unconformably overlie the Tinajones Formation and mark the beginning of the Cretaceous cycle of sedimentation in the Peruvian trough. The Goyllarisquizga Group is disconformably overlain by a mixed carbonate/siliciclastic sequence comprising of several units.

Tertiary volcanic rocks unconformably overlie the Mesozoic sequence. They comprise two formations, the Eocene Llama composed of basal, heterolithic volcanic conglomerate (50 m) and overlying andesitic to rhyodacitic lithic tuff and flows (up to 1200 m) and the overlying Huambos Formation which is dominantly rhyolitic in composition and consists of a thick sequence of tuff and tuff. Diorite, tonalite and granodiorite stocks, dykes and sills of the Coastal Batholith are emplaced in the Mesozoic sequence throughout the Chiclayo-Chongoyape area. Small plagioclase + quartz porphyritic bodies also occur locally

Exploration

Several programs of exploration were carried out in 1999, 2000 and 2003 at the El Rosal project.

In 2004, a drilling program was carried out to test previously established geophysical anomalies interpreted to indicate porphyry copper mineralization. El Rosal was tested by two diamond drillholes and La Ramada was tested by four, for a total of 1,592 m. Drilling intersected a diatreme breccia containing a high grade, copper-zinc skarn fragment and a second intersection of zinc and copper mineralization in an adjacent drillhole suggested the presence of a deeper source of mineralization

In 2006, the Company conducted more detailed mapping and sampling of the diatreme breccia, re-examined Ramada, Ramada Sur and Calabozo Este showings, developed a better understanding of La Ramada geology, and investigated indications of a possible underlying deep porphyry system to guide a future drill program. This program was carried out from March 20 to May 14, 2006 in two periods, totaling 47 days.

Fifteen hundred metres of trails were cut along the breccia zone in La Ramada area. Four hand trenches, with a total length of 781 m, were excavated perpendicular to the trend of the breccia zone. A total of 325 chip and channel samples were collected with sample intervals of 1 to 4 metres. Additional sampling of

isolated outcrops brings the sample total to 415. The results of the trenching and sampling programs are also discussed in detail by Schmidt (2006) which also included a recommendation for a subsequent drilling program consisting of six holes in La Ramada and one hole in El Rosal. This program was the basis of the drilling campaign conducted in 2008.

The 2008 exploration program at El Rosal was completed on April 30, 2008 and included nine holes totaling 3,025 m. Eight of the holes were drilled in the La Ramada area and one hole in the main El Rosal area. The locations of these holes are shown at the Company's website. Highlights from the drill results include 8.47 m grading 5.31% zinc and 111.6 g/t silver.

Mineralization

Mineralization on the El Rosal property has been found in two areas, El Rosal and La Ramada. Copper and zinc-bearing skarn zones are developed within the limestone beds at El Rosal and include the El Rosal, Zona Central and Calabozo occurrences.

The La Ramada area includes three areas of skarn mineralization: La Ramada, La Ramada Sur and Calabozo Este. Drilling in 2008 intersected carbonate replacement style silver-zinc mineralization hosted by limestone and intercalated calcareous sediments, In addition, drilling intersected porphyry copper style mineralization characterized by stockworks of quartz-chalcopyrite veinlets in sericitized diorite.

Sample Preparation, Analyses and Security

The core logging and sampling facility for the 2008 drilling program was located in a rented storage yard in the village of La Ramada. Split sections of drill core were bagged in heavy plastic sample bags, packed into rice bags and sealed for shipment. The sample bags were labeled on the outside and waterproof labels were also placed inside the sample bags. No other identification was associated with the drill core. Samples were transported by pickup truck to the field drop-off office of ALS Chemex in Trujillo, Peru by a Company employee. From this drop-off point, ALS Chemex transported the samples to its main analytical facilities in Lima, Peru.

During the 2006 exploration program, samples were sent to the ALS Chemex laboratory in North Vancouver, BC, Canada.

All ALS Chemex laboratories operate in compliance with ISO17025. For the El Rosal samples, gold was analyzed by fire assay-atomic absorption spectrometry (FA-AAS) and silver, copper, molybdenum, lead, zinc, nickel, cobalt and arsenic were determined by atomic absorption spectrometry (AAS). No standards were placed into the sample suite, apart from those inserted internally by the laboratory, as the program of work was at a very early stage.

4.5 Other Projects

Cochasayhuas Project

The project comprises 9 concessions totaling 5,836 ha and includes the abandoned Cochasayhuas Mine. This mine was one of the first and most important producers of gold in Peru. Between 1917 and 1940, the mine had a reported yearly average production of about 415 kg of gold and 790 kg of silver derived from the Cochasayhuas vein. It was reported to have produced 401,000 oz of gold between 1912 and 1952.

The structure hosting the Cochasayhuas vein has been traced for 1.5 km and a small, part of the surface outcroppings are located outside of the Company's property. The other major vein located to date on the property, San Fernando, has been traced on surface for a distance of more than 3 km but remains largely undeveloped and unexplored. The thickness of the veins ranges from less than a meter up to 4 m. Both veins are hosted primarily by the Cochasayhuas pluton and are believed to represent a low-sulfidation epithermal vein style of mineralization.

The Company was successful in negotiating the terms of agreements with the Community of Progreso and the agreement was signed on October 3, 2009. A parallel agreement involving the local Artisanal Miners has still to be finalized.

Panoro has contracted Gateway Solutions, a consulting firm based in Lima, Peru, to prepare an independent NI 43-101 technical report for the Cochasayhuas Project. The objective of the report is to prepare a summary of the geologic potential of the project and propose an exploration program.

ITEM 5: RISK FACTORS

The following are the material risk factors which the Company has identified in respect of any investment in its securities:

Reserves

The Company's properties are in the exploration stage and are without a known body of commercial ore. Development of any of the Company's properties will only follow upon obtaining satisfactory exploration results. There is no certainty that the expenditures made by the Company in exploring its mineral properties will result in discoveries of commercial quantities of ore. Most exploration projects do not result in the discovery of a commercially mineable deposit of ore.

Exploration

The business of exploration for minerals involves a high degree of risk and few properties become producing mines. Unprofitable efforts result not only from the failure to discover mineral deposits, but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. There is no assurance that the Company's future exploration and development activities will result in any discoveries of commercial bodies of ore. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of mining facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return on invested capital.

Market Forces

There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any mineral occurrences discovered. The price of gold has experienced volatile and significant price movements over short periods of time, and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the United States dollar relative to the Canadian dollar and other currencies), interest rates and global or regional consumption patterns (such as the development of gold coin programs), speculative activities and increased production due to improved mining and production methods.

Insufficient Capital

The Company does not have sufficient funds to complete all of its exploration and development programs. Therefore, additional funds will be required. The only sources of future funds for its exploration and development programs is the sale of equity capital or by entering into an option and joint venture agreement with another party. There is no assurance that the Company will be successful in obtaining further financing. A failure to obtain further financing could result in the loss or substantial dilution of the Company's interests in its properties.

Permitting

Existing and possible future environmental legislation, regulations and actions could give rise to additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Regulatory requirements and environmental standards are subject to constant evaluation and may be significantly increased, which could materially affect the business of the Company or its ability to develop its properties. Before production can commence on any of its mineral properties,

the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals will be obtained on a timely basis. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude entirely the economic development of the Property.

Permitting of exploration programs in Peru requires the completion of agreements with the indigenous communities in the vicinity of the project. The timing for the completion of such agreements is unpredictable. The process of obtaining such agreements is also affected by the two year election cycle for the councils of the indigenous communities. The failure to complete such agreements may have a material adverse effect on the Company.

No History of Earnings

The Company has no history of earnings. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its equity shares or by way of loans. While the Company may generate additional working capital through the operation, development, sale or possible syndication of its prospects, there is no assurance that any such funds will be generated.

Mining Operations

Mining operations generally involve a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The business of gold mining is subject to a variety of risks such as fires, power outages, labour disruptions, industrial accidents, flooding, explosions, cave-ins, landslides, and other environmental hazards, technical failures, the inability to obtain suitable or adequate machinery, equipment or labour, are some of the risks involved in the operations of mines and the conduct of exploration programs. Such occurrences, against which the Company cannot, or may elect not to insure, may delay production, increase production costs or result in liability. The payment of such liabilities may have a material adverse effect on the Company's financial position. The economics of developing mineral properties are affected by such factors as the cost of operations, variations in the grade and metallurgy of the ore mined, fluctuations in mineral markets, costs of processing and equipment, transportation costs, government regulations including regulations relating to royalties, allowable production, importing and exporting of mineral product, and environmental protection rules and regulations.

Competition

The resource industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition could adversely affect the Company's ability to acquire suitable producing properties or prospects for the exploration in the future.

Mineral Tenure

In those jurisdictions where the Company has property interests, the Company makes a search of mining records in accordance with mining industry practices to confirm satisfactory title to properties in which it holds or intends to acquire an interest, but does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of its properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims, prior unregistered agreements or transfers, and title may be affected by undetected defects or native land claims. For unsurveyed mineral claims, the boundaries of such mining claims may be in doubt. The ownership and validity of mining claims are often uncertain and may be contested. The Company is not aware of any challenges to the location or area of its mineral claims. There is, however, no guarantee that title to the Company's properties will not be challenged or

impugned in the future. The properties may be subject to prior unregistered agreements or transfers.

Key Personnel

The success of the Company and its ability to continue to carry on operations is dependent upon its ability to retain the services of certain key personnel. The loss of their services to the Company may have a material adverse effect on the Company.

Currency Fluctuations

The Company's property interests in Peru make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position and results. Accordingly, the Corporation may suffer losses due to adverse foreign currency fluctuations.

Dilution

There are a number of outstanding securities and agreements pursuant to which common shares of the Company may be issued in the future. If these common shares are issued, this will result in further dilution to the Company's shareholders. An investor's equity interest in the Company may also be diluted by future equity financings of the Company.

Conflicts of Interest

Certain of the directors of the Company are or may become directors and/or officers of other companies engaged in mineral exploration and development, as well as mineral property acquisition. Accordingly, mineral property acquisition and/or exploration opportunities or prospects of which they become aware will not necessarily be made available to the Company. The directors intend to allocate these opportunities or prospects from time to time among the various companies in which they are involved, on the basis of prudent business judgment, the relative financial ability, the need of each company in which they are directors and/or officers to participate. In the event of any conflict of interest, the directors will act in accordance with the common law and the provisions of the Business Corporations Act of British Columbia.

ITEM 6: DIVIDEND RECORD AND POLICY

The Company has not paid dividends since incorporation and it has no plans to pay dividends in the immediate future. The directors of the Company will determine if and when dividends should be declared and paid in the future based on the Company's financial position at the relevant time. All of the common shares of the Company are entitled to an equal share in any dividends declared and paid. To the knowledge of the Company, there are no restrictions that would prevent the Company from paying dividends.

ITEM 7: DESCRIPTION OF SHARE CAPITAL**7.1 General Description of Share Capital**

The authorized share capital of the Company consists of unlimited common shares without par value. The Company has only one kind and class of shares and there are no unusual rights or restrictions attached to that class. As of March 22, 2011, the Company had a total of 117,128,934 common shares issued and outstanding. All of the issued common shares of the Company are fully paid and not subject to any future call or assessment.

In the event of the liquidation, dissolution or winding-up of the Company or other distribution of its assets, the holders of the common shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Company has paid out its liabilities. Distribution in the form of dividends, if any, will be set by the board of directors.

All of the common shares of the Company rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and the entitlement to dividends. The holders of the common shares are entitled to receive notice of all meetings of shareholders and to attend and vote the shares at the meetings. Each common share carries with it the right to one vote.

ITEM 8: MARKET FOR SECURITIES**8.1 Trading Price and Volume**

The Company is a reporting issuer in British Columbia and Alberta, and its common shares are listed on the TSXV under the symbol "PML". The price ranges and volume traded of the Company's common shares on the TSXV on a monthly basis for the most recently completed fiscal year are:

PANORO MINERALS LTD.												
2010	2010 TSXV	Hi	Low	Volume	2010 Bolsa	Hi	Low	Volume	2010 Frankfurt	Hi	Low	Volume
January	0.195	0.240	0.175	1,159,030	0.190	0.220	0.180	838,602	0.140	0.160	0.130	238,300
February	0.215	0.240	0.170	885,700	0.180	0.210	0.170	507,566	0.145	0.145	0.130	66,798
March	0.290	0.290	0.210	3,193,800	0.270	0.280	0.180	2,384,678	0.195	0.195	0.150	488,280
April	0.300	0.300	0.250	1,943,700	0.290	0.280	0.240	831,547	0.210	0.224	0.190	580,000
May	0.210	0.275	0.200	673,600	0.210	0.250	0.210	204,820	0.180	0.205	0.142	441,450
June	0.200	0.235	0.200	589,500	0.200	0.220	0.200	294,894	0.160	0.180	0.160	71,650
July	0.285	0.285	0.190	60,000	0.250	0.250	0.190	350,250	0.205	0.205	0.140	20,000
August	0.250	0.280	0.240	36,000	0.230	0.260	0.230	602,264	0.183	0.230	0.166	23,347
September	0.250	0.285	0.230	1,170,344	0.230	0.270	0.220	1,504,074	0.166	0.209	0.162	290,100
October	0.300	0.345	0.250	2,728,702	0.300	0.360	0.230	7,522,266	0.219	0.239	0.192	234,367
November	0.340	0.360	0.295	15,777,153	0.310	0.360	0.300	4,017,279	0.234	0.251	0.210	2,960,614
December	0.430	0.430	0.310	991,745	0.410	0.410	0.310	4,975,496	0.290	0.2900	0.2110	2,225,390
Volume for 2010				29,209,274				24,033,736				7,640,296

ITEM 9: DIRECTORS AND OFFICERS**9.1 Name and Occupation**

The following is a list of the current directors and officers of the Company, their municipalities of residence, their current positions with the Company, and their principal occupations during the past five years.

Name, Province and Country of Residence	Principal Occupation for the Past Five Years	Position with the Corporation	Director or Officer Since
LUQUMAN SHAHEEN B.C., Canada	Professional Engineer. President and Chief Executive Officer of the Company as of April 16, 2008. Director, Environmental Affairs, Pan American Silver, September 2006 to March 2008. Manager, Latin America for AMEC Earth & Environmental May 2001 to August 2006.	President, Chief Executive Officer, Director	April 2008
WILLIAM J. BODEN⁽¹⁾ B.C., Canada	Chartered Accountant; Founder and President, CW Funds Group of Companies, 1988 to 2008; Senior Vice President, Ventures West Management Inc., 1979 to 2005; President, First Coal Corporation Ltd., 2005 to 2007. Chairman, First Coal Corporation 2008.	Director and Chairman of the Board	June 2003 January 2011
CHRISTIAN G. PILON Lima, Peru	Consulting Geophysicist, President and General Manager, Geoline S.A., 1995 to present	Senior Vice President, South America and Director	June 2007 June 2003
RICHARD MUNDIE⁽¹⁾ , B.C., Canada	Charter Accountant, Director of Taseko Mining	Director	March 2010
CHRISTIAAN STAARGAARD⁽¹⁾ B.C., Canada	Professional Geoscientist; President and CEO, Lithic Resources Ltd.	Director	February 2005
LORNE TORHJELM⁽¹⁾ B.C., Canada	Secretary for Upper Canyon Resources and Journey Resources Corp., director of Orestone Mining Corp.	Director	June 2003
FRED TEJADA B.C., Canada	Professional Geoscientist, Vice President Exploration of the Company July 2007 to present. Senior Geologist of Belcourt Saxon Coal Project, February 2005 to May 2007. Associate of JHP Coal-Ex Consulting Ltd July 2004 to 2005	Vice President, Exploration	June 2008

Name, Province and Country of Residence	Principal Occupation for the Past Five Years	Position with the Corporation	Director or Officer Since
David W. Huber B.C., Canada	Chartered Accountant, Chief Financial Officer and Corporate Secretary of the company. CFO and Corporate Secretary of Insurance companies domiciled in the Cayman islands from 2004 to 2010.	Chief Financial Officer	February 2011

⁽¹⁾ Member of the Company's Audit Committee.

Mr. Helmut Wober resigned as a director in August 2009 and Mr. Allen Born resigned as Director and Chairman in January 2011.

The directors of the Company are elected by the shareholders at each annual general meeting and typically hold office until the next annual general meeting at which time they may be re-elected or replaced. The articles of the Company permit the directors to appoint directors to fill any casual vacancies that may occur on the board. The articles also permit the directors to add additional directors to the board between successive annual general meetings so long as the number appointed does not exceed more than one-third of the number of directors appointed at the last annual general meeting. Individuals appointed as directors to fill casual vacancies on the board or added as additional directors hold office like any other director until the next annual general meeting at which time they may be re-elected or replaced.

Shareholdings of Directors and Officers

To the best of the Company's knowledge, as at March 22, 2011, directors and officers, as a group, beneficially owned, directly or indirectly, or exercised control over 8,457,473 common shares (not including common shares issuable upon the exercise of stock options) of the Company, representing 7.2% of the then outstanding common shares.

9.2 Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the Company's knowledge, no director, officer, insider or promoter of the Company or a shareholder anticipated to hold a sufficient number of securities of the Company to affect materially the control of the Company is, or within 10 years before the date of this Annual Information Form, has been a director, officer, insider or promoter of any other person or company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

To the Company's knowledge, no proposed director, officer, insider, or promoter of the Company nor a shareholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of any such person has been subject to any penalties or sanctions imposed by a court relating to securities legislation, or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the Company's knowledge, no director or proposed director, officer, insider, or promoter or a shareholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of any such person has, within the ten years prior to the date of the Annual Information Form, as applicable become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Conflicts of Interest

There are potential conflicts of interest to which all of the directors, officers, insiders and promoters of the Company will be subject in connection with the operations of the Company. All of the directors, officers, insiders and promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the Company. Accordingly, situations may arise where all of the directors, officers, insiders and promoters will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the Business Corporations Act of British Columbia.

9.3 Audit Committee Information

Multilateral Instrument 52-110 (“MI52-110”) requires the Company to disclose annually in its Annual Information Form certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

The Audit Committee is responsible for Company’s financial reporting process and the quality of its financial reporting. The Audit Committee is charged with the mandate of providing independent review and oversight of the Company’s financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Company’s external auditors. The Audit Committee also assists the board of directors in fulfilling its responsibilities in reviewing the Company’s process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Audit Committee maintains effective working relationships with the board of directors, management, and the external auditors and monitor the independence of those auditors. The Audit committee is also responsible for reviewing the Company’s financial strategies, its financing plans and its use of the equity and debt markets.

The full text of the charter of the Company’s Audit Committee is attached hereto as Schedule “A”.

Composition of the Audit Committee

The Audit Committee of Panoro is comprised of the following members of the board of directors of the Company

William J. Boden

Mr. Boden is a Chartered Accountant with 40 years experience as a Chartered Accountant and manager of risk capital investments. He was founder and President of CW Funds group of companies until 2008. Within the CW Funds group, Mr. Boden structured and raised investment capital, primarily from overseas investors. He is currently also Chairman of First Coal Corporation and a Director of Highrock Energy Ltd., both private companies, and a director of GGL Diamond Corp, a public company. From 1979 to 2005, Mr. Boden was Senior Vice President of Ventures West Management Inc. Prior to joining the Ventures West group in 1979, Mr. Boden was a Manager with Coopers & Lybrand, an international accounting firm, Secretary-Treasurer of Whitehorse Copper Mines Ltd. and Treasurer of Bethlehem Copper Corp., both producing mining companies listed on the Toronto Stock Exchange.

Richard Mundie

Mr. Mundie is a Chartered Accountant with over 25 years of experience in mining sector and has held senior positions in the mining sector, both in British Columbia and overseas. He is currently on the Board of Directors of Taseko Mines Limited, owners of the Gibraltar copper-molybdenum mine in south-central British Columbia.

Christiaan Staargaard

Mr. Staargaard is a Professional Geologist with 32 years of worldwide experience in mineral exploration. He is president and CEO of Lithic Resources Ltd., a company listed on the TSX Venture Exchange.

Lorne Torhjem

Mr. Torhjem is Secretary for Journey Resources Corp., a junior mineral exploration company listed on the TSX Venture Exchange. He is currently also secretary for Upper Canyon Resources and director of Orestone Mining Corp. Mr. Torhjem is self-employed managing personal investments since 2003.

All of the members of the audit committee are “financially literate” as defined in Multilateral Instrument

52-110 and all members are considered to be independent for the full year ending December 31, 2010.

Audit Fees

The following table provides detail in respect of audit, audit related, tax and other fees paid by the Company to the external auditors for professional services:

	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
YEAR ENDED DECEMBER 31, 2009	\$40,000	\$Nil	\$6,000	\$Nil
YEAR ENDED DECEMBER 31, 2010	\$45,000	\$2,800	\$5,300	\$Nil

Audit related fees includes fees billed for assurance and related services that are reasonable related to the performance of the audit or review of the Company's financial statements that are not included under the heading "Audit Fees".

ITEM 10: TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent of the common shares of the Company is Computershare Investor Services Inc., 3rd floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

ITEM 11: INTERESTS OF EXPERTS

The auditors of the Company are KPMG LLP, Chartered Accountants, 777 Dunsmuir Street, Vancouver, BC, V7Y 1K3. The Auditor's Report for the Company's annual audited financial statements for the year ended December 31, 2010 issued by KPMG LLP, Chartered Accountants was filed under National Instrument 51-102. SRK Consulting (Canada) Inc. has prepared the CDLM Technical Report on the properties of Cordillera de las Minas with an effective date of March 9, 2007, that forms the basis of the scientific and technical disclosure regarding the Antilla and Cotabambas properties, a copy of which is available on SEDAR at www.sedar.com. To the knowledge of the Company, SRK and the principals of SRK as a group beneficially own, directly or indirectly, less than one percent of the outstanding common shares of the Company

Uwe Schmidt, P. Geo., is a "qualified person" as defined in NI 43-101, and has prepared the El Rosal Report on the El Rosal Property with an effective date of December 31, 2006. He is an independent consulting geologist, does not have any interest in the properties, and owns, directly or indirectly, less than one percent of the outstanding common shares of the Company.

Fred Tejada, P. Geo., Vice President, Exploration is a "qualified person" as defined in NI 43-101. Mr Tejada is responsible for preparation of technical information in the Company's news releases and other disclosure documents after April 14, 2008. Mr Tejada holds 400,000 options to purchase common shares and owns 100,000 common shares of the Company.

ITEM 12: ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Company's information circular for its most recent annual meeting of shareholders that involved the election of directors. Additional information is also provided in the Company's comparative financial statements for its most recently completed financial year and MD&A for its most recently completed financial year.

SCHEDULE “A” - AUDIT COMMITTEE CHARTER
Panoro Minerals Ltd.

The purpose of the Audit Committee of the Board of Directors (the “Board”) of Panoro Minerals Ltd (the “Company”) is to assist the Board in fulfilling its responsibility for overseeing the quality and integrity of the accounting, auditing, and reporting practices of the Company, and such other duties as directed by the Board. The Audit Committee’s role includes a particular focus on the qualitative aspects of the financial reporting to shareholders, on the Company’s processes to manage business and financial risk, and on compliance with significant applicable legal, ethical, and regulatory requirements.

1. Members of the Audit Committee

The number of members of the Committee will be at least three, none of whom are officers or employees of the Company or any of its affiliates or subsidiaries and all of whom are, in the view of the Board, free of any relationship that would interfere with the exercise of independent judgement. Qualification for committee membership shall, in addition, comply with applicable securities regulatory requirements including:

- Each member of the audit committee must be financially literate, that is having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.
- At least one member must have accounting or related financial management expertise to analyze and interpret a full set of financial statements, including the related notes.

2. Communication and Reporting

The Audit Committee is expected to maintain free and open communications with the external auditors and the Companies management. This communication shall include meetings, at least annually, with the external auditors. The Committee shall meet at least quarterly with management to discuss the accounts, records and financial position of the Company. The Audit Committee chairperson shall report on Audit Committee activities to the Board.

3. Authority

The Audit Committee has the authority to investigate any matter brought to its attention, with full power to retain outside counsel or other advisors and experts for this purpose and shall be empowered to set and approve the compensation for any such advisors employed in this way. In performing its functions and duties the members of the Committee may inspect all the books and records of the Company.

4. Responsibilities

The Audit Committee shall:

- a) recommend annually to the Board the independent auditors to be appointed by the shareholders of the Company and the compensation of the independent auditors;
- b) review with the independent auditors the annual audit plan including, but not limited to, the

- c) scope of the work to be carried out by the independent auditors, any significant problems that the auditors are able to foresee, the impact on the financial statements and the Company of any new or proposed changes in accounting principles;
- d) review the annual financial statements, including notes, with the independent auditors and recommend them to the Board for approval prior to release to the public or filing with securities regulatory authorities;
- e) review all Management Discussion and Analysis and earnings press releases before the Company publicly discloses this information;
- f) report immediately to the Board any instances of fraud or misappropriation of assets that come to the attention of the Committee;
- g) receive from the independent auditors a formal written statement delineating all relationships between the auditors and the Company, consistent with applicable accounting standards, and actively engage in a dialogue with the auditors with respect to any disclosed relationships or services that may have an impact on their objectivity and independence;
- h) take, or recommend that the full Board take, appropriate action to oversee the independence of the auditors;
- i) as to management of the Company generally: (i) ensure that an adequate internal control structure and procedures for financial reporting are established and maintained; (ii) periodically assess the effectiveness of such structures and procedures, as well as secure appropriate reports or attestations from the independent auditors in respect thereof; and (iii) review budgets and periodically assess actual spending compared with budgeted amounts;
- j) be directly responsible for overseeing the work of the independent auditors, including the resolution of disagreements between management and the independent auditors regarding financial reporting;
- k) pre-approve all non-audit services to be provided to the Company or its subsidiaries by the independent auditors;
- l) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- m) undertake and perform such other duties as may be required of the Committee by applicable law or regulation.

The Committee is responsible for the duties set forth in this charter but is not responsible for the preparation of the financial statements. Management has the responsibility for preparing the financial statements. Management is also responsible for establishing, documenting, maintaining, and reviewing systems of internal control and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.