



Esperanza Resources Corp. (EPZ-V)

Update Report – October 24, 2011

Esperanza Resources Corp. is a Canadian mineral exploration Company focused on advancing the development of its 100%-owned Cerro Jumil silver/gold project in Morelos State, Mexico, and its 28%-owned Strieborná silver/copper/antimony project in Roznava, Slovakia.

In September 2011, a Preliminary Economic Assessment (PEA) was published for Cerro Jumil. Based on a resource estimate of 935,000 gold equivalent ounces in the measured and indicated categories, and 252,000 gold equivalent ounces in the inferred category, the PEA describes the property as a typical open pit, heap leachable project with an estimated average production of 106,000 ounces of gold per year, which can be mined at \$499 per ounce. Making it a technically straight-forward and economically viable project with a Net Present Value of \$309 million at a gold price of \$1,700/oz. Moreover, the resource estimate will most likely be increased as first analytic results from an ongoing 15,000 metres drill program show additional mineralized veins between 1.00 and 3.85 grams of gold per tonne.

With \$23 million in its treasury, Esperanza is sufficiently funded to continue the development of its properties and to bring Cerro Jumil into full feasibility in the course of 2012 with the ultimate goal of advancing the property to production. We reiterate our buy recommendation for Esperanza Resources with a price target of \$3.36, or 124% higher than today's 30-day average stock price. The target price has potential for upward revision as additional results are announced.



✓ The Strieborná property is 100% owned by Global Minerals Ltd. (CTG: TSX), which in its turn is 28% owned by Esperanza Resources. In April 2008, an NI 43-101 technical report was published on Strieborná that includes 1.9 million tonnes in the Measured and Indicated category grading 231.7 g/t silver, 1.1% copper, and 0.7% antimony and 1.5 million tonnes in the Inferred category grading 180.0 g/t silver, 0.9% copper and 0.7% antimony. Right now, the property is being prepared for underground drilling to expand the resource.

✓ EPZ has a diverse management team with decades of experience. Mr. Pincus, the Company's CEO, oversaw the exploration and feasibility of the 155-million-ounces Pirquitas silver deposit in Argentina. Furthermore, it has several skilled explorationists on board. Dr. Bartos is responsible for the discovery and development of San Bartolome, a 150 million ounces silver deposit in Bolivia. And Mr. Bond was instrumental in the discovery and exploration of the Pirquitas deposit as well as the West Chance (Sunshine Mine) and Esquel deposits.



The Company

Esperanza Resources Corp is a Canadian exploration Company dedicated to identify, acquire, explore and develop mineral resource properties. EPZ's objective is to advance its key projects as quickly as possible to production. It will consider divestiture of non-core assets to fund continued project development. At the same time it continues to place emphasis on new grass-roots discoveries. In 2010 the Company changed its name from Esperanza Silver Corporation to Esperanza Resources Corp. to better reflect its diverse activities.

Since Esperanza's startup in 2002 its geologists have discovered two major gold projects: Cerro Jumil in Mexico and San Luis in Peru, which was sold earlier this year. Additionally, since 2010 Esperanza acquired an approximate 28% interest in Global Minerals Ltd. (CTG: TSX), 100% owner of the Strieborná silver/copper project in Roznava, Slovakia.

Cerro Jumil

Introduction

Cerro Jumil is a 15,025 hectares silver/gold property located in the State of Morelos, Mexico, about 80 kilometres south of Mexico City. The property is easily accessible year round and is nearby excellent infrastructure. It's primarily delineated in three gold dominant zones, the Southeast Zone, Las Calabazas Zone and the West Zone. Gold associated silver mineralization is mainly concentrated in the West and Las Calabazas Zones.



Cerro Jumil is located 80 kilometres south of Mexico City, and 12 kilometres from Cuernavaca in the State of Morelos, Mexico.

Esperanza acquired Cerro Jumil from Recursos Cruz del Sur in 2003, after which the Company initiated a first drill program. Based on 41,000 metres of drilling by Esperanza, and previous owners, a resource estimate was produced in 2010, which included 935,000 gold equivalent ounces in the measured and indicated categories and 233,000 gold equivalent ounces in the inferred category.

Category	Tonnes (000)	Au g/t	Ag g/t	Au oz (000)	Ag oz (000)
Measured	10,111	0.87	0.9	282	296
Indicated	24,295	0.81	2.1	630	1,655
M&I Total	34,406	0.83	1.8	913	1,951
Inferred	8,596	0.83	6.9	230	1,904
The Cerro Jumil resource estimate from September 2010					

In September 2011, a Preliminary Economic Assessment (PEA) was published based on the 2010 resource estimate. The PEA shows that, at a very conservative gold price of \$1,150 per ounce, the project has an after tax Net Present Value (NPV) of \$122 million at a 5% discount rate generating an Internal Rate of Return (IRR) of 26%. **At a near present gold price of \$1,700 per ounce, Cerro Jumil produces an after tax NPV of \$309 million and an IRR of 53%.**

Additionally, in April of 2011, the Company began a new 15,000 metres drill program to expand and upgrade the currently defined gold resource. First analytic results from 23 holes, totaling 4,000 metres, show additional mineralized veins between 1.00 and 3.85 grams of gold per tonne on the property. We expect more drill results to be announced in the next few weeks.

Furthermore, mapping and sampling of the greater Cerro Jumil concessions reveals 10 additional target areas that warrant further exploration. Four target areas are in close proximity to the known mineralized zone and will immediately be tested during the current drill program. The six other target areas are about 3 to 6 kilometres outside the known resource area. Permits and community approvals will need to be obtained first before these can be drilled.

History

There are several inaccessible shafts, adits, and prospect pits on Cerro Jumil estimated to be from the 1970s. Total mining production however, was insignificant.

Recursos Cruz del Sur, S.A. de C.V. was the first professional company to carry out reconnaissance geology in 1993 and to acquire an exploration concession over the area in 1994. In 1995, the property was optioned to Teck Cominco Ltd., which carried out line cutting, surface mapping and rock chip sampling, trenching, airborne magnetic and radiometric surveys. In 1998, Teck completed four diamond drill holes totaling 822 metres, but returned the property to Recursos that same year.

In 2003, Esperanza signed an agreement with Recursos whereby it could acquire a 100% ownership interest in Cerro Jumil, subject to a 3% Net Smelter Royalty (NSR). Three years later, EPZ exercised its option to complete the purchase in return for paying US\$417,375 and issuing 500,000 common shares.

Exploration Programs

Starting in 2005, Esperanza initiated a 1,200 metres drill program testing targets in and around the West Zone. A total of eight drill holes were completed, in which the Company discovered gold and silver mineralization. This was followed by the discovery of extensive surface gold mineralization in the Southeast Zone, a few months later.



Satellite image of the Cerro Jumil property in Mexico with its three gold dominant zones: the Southeast, Las Calabazas and the West Zone. Gold associated silver mineralization is mainly concentrated in the West and Las Calabazas Zones.

To find out more about the Southeast Zone, the Company began a second program of diamond core

drilling in November of 2005. A grand total of 4,850 metres of drilling was completed and again extensive gold and silver mineralization was found.

Late 2006, EPZ started an extensive drill program, consisting of a combination of exploration drilling and in-fill drilling to collect sufficient information necessary to complete a resource estimate. The drilling continued into the first quarter of 2008 and by that time a total of 31,420 metres in 66 diamond core and 101 reverse circulation drill-holes had been completed. The Company also conducted additional metallurgical testing indicating 72-73% recovery of gold under simulated **heap-leach** conditions. All this information led to an initial resource estimate in September 2008, followed by a Preliminary Economic Assessment one year later.

HEAP LEACHING

Heap leaching is an industrial mining process to extract metals and other compounds from ore. The mined ore is usually crushed into small chunks and heaped so it can be irrigated with a dilute alkaline cyanide solution to dissolve the valuable metals.

The solution then percolates through the crushed ore until it reaches the storage pond. The leach solution containing the dissolved minerals is then collected and treated in a process plant to recover up to 90% of the target mineral. The dilute cyanide solution is either re-used in the heap-leach-process or sent to an industrial water treatment facility where the residual cyanide is treated and residual metals are removed.

The Company continued with an infill and expansion drill program in which it was demonstrated that mineralization is continuous between the Las Calabazas zone and Southeast zone. With 251 holes drilled since the beginning of the project, totaling 41,750 metres, EPZ increased its 2008 resource estimate with 46% in the measured and indicated category.

The new 2010 resource estimate includes 935,000 gold equivalent ounces in the measured and indicated categories and 233,000 gold-equivalent ounces in the inferred category.

An additional silver resource adjacent to the primary gold zone contains a further 2,392,000 tonnes averaging 43.2 g/t silver (3,322,000 million contained

silver ounces) at a silver cut-off grade of 25 grams per tonne. This silver rich zone is outside of and is generally adjacent to, or in the hanging wall of, the gold mineralized zone. **It is not included in the estimate presented above.**

PEA

In September 2011, Esperanza published results of an independently prepared Preliminary Economic Assessment (PEA) for Cerro Jumil based on the 2010 resource estimate. The PEA shows that, at a very conservative gold price of \$1,150 per ounce, the project has an after tax Net Present Value (NPV) of \$122 million at a 5% discount rate generating an Internal Rate of Return (IRR) of 26%. At a near present gold price of \$1,700 per ounce, Cerro Jumil produces an after tax NPV of \$309 million and an IRR of 53%.

The PEA has evaluated two methods for open-pit mining and heap-leach gold recovery. In the first method, the mined rock will be crushed to a maximum size of 55mm (approx. 2 inches). From there, it will be conveyed to the leach pad and irrigated with recovery solutions. Gold will be recovered from pregnant solutions utilizing carbon adsorption, subsequent electrowinning and on-site smelting to produce a doré. The doré will be shipped off-site for final refining. This is considered the “Base Case”.

The second method is identical to the first one, except that the mined rock will directly be fed to the heap leach pads without being crushed first. This is called the “Run-of-Mine” (ROM) alternative.

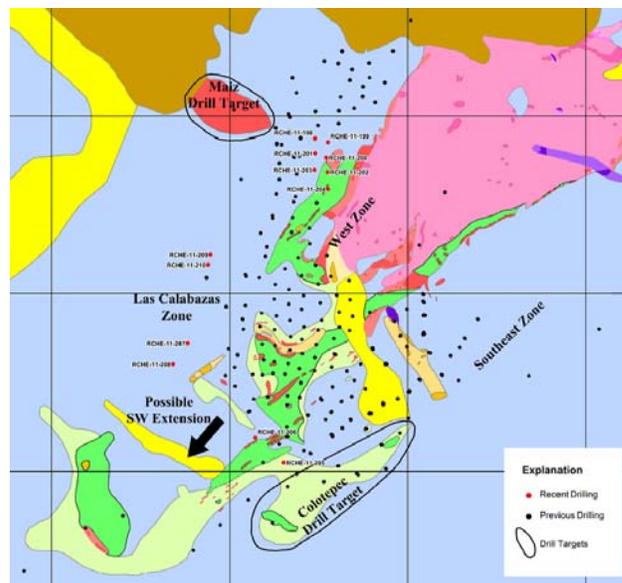
	Base Case	Run of Mine
Mine Life (yrs)	6	6
Av. Annual Production (Au oz 000)	106	92
Gross Revenue @ 1,150/oz (\$ million)	\$735	\$640
Total Costs (excl. Initial working capital) (\$ million)	\$120.6	\$106.6
Economic Indicators (After Tax)		
Gold Price (\$/oz)	\$1,150	\$1,150
Silver Price (\$/oz)	\$21	\$21
NPV (5%) (\$ million)	\$122	\$107
IRR	27%	26%
Summary of the Cerro Jumil Preliminary Economic Assessment, comparing the Base Case with the Run-of Mine alternative. Source: Company Press Release		

The PEA shows that Cerro Jumil is a technically straight-forward and economically viable project with an average production of 106,000 ounces of gold per year and a Net Present Value of \$309 million at a gold price of \$1,700 per ounce. Start-up and closure costs of \$120.6 million are mild and operating costs of \$499 per ounce of gold is fairly low.

When compared with Esperanza’s current market of \$68.9 million, it’s clear that the further development of Cerro Jumil will have a strong and positive impact on the Company’s stock price.

Current Drill Program

In April 2011, the Company began a new 15,000 metres drill program to expand and upgrade the currently defined gold resource. Work primarily focuses on areas adjacent to the known resource and the Calabazas zone.



Cerro Jumil geology map with drill holes from previous campaigns indicated as black dots and drill holes from the current campaign indicated as red dots.

First analytic results from 36 holes, totaling 5,566 metres, show additional mineralized veins between 0.67 and 3.85 grams of gold per tonne on the property. Moreover, holes RCHE-205, 206 and 208, which were drilled to find out if mineralization continued in southwestern direction, all intersected gold mineralized veins, indicating an extension of the currently known gold mineralized Calabazas and Southeast Zones.

Furthermore, mapping and sampling of the greater Cerro Jumil concessions reveals 11 additional target areas that warrant further exploration. Four target areas are in close proximity to the known mineralized zone and will immediately be tested during the current drill program. The six other target areas are about 3 to 6 kilometres outside the known resource area. Permits and community approvals will need to be obtained first before these can be drilled.

Esperanza also started work on an Environmental Impact Statement. Although actual completion of this document is dependent on completion of a Feasibility Study, as much background information as possible, including hydrology, flora and fauna characterization, socio-economic studies, etc, is already being collected.

First results are good as they expand the mineralized areas. Much more drilling in high prospective zones is still ahead, so it wouldn't be a surprise when a following resource estimate moves the property to +1 million gold equivalent ounces in the measured and indicated categories.

Strieborná

Introduction

The **Strieborná** property in the Republic of Slovakia is a well defined silver/copper resource ready to be advanced to the feasibility level. This project is currently held through Esperanza's 28% equity ownership in Global Minerals Ltd.

The April 2008 NI 43-101 technical report on the property defined a silver/copper/antimony resource which is expected to be economically significant. It included 1.9 million tonnes (Measured and Indicated) grading 231.7 g/t silver, 1.1% copper, and 0.7% antimony and 1.5 million tonnes (Inferred) grading 180.0 g/t silver, 0.9% copper and 0.7% antimony.

Category	Tonnes (000)	Ag g/t	Cu %	Ag oz (000)	Cu Lbs (000)
Measured	215	468	2,2	3,235	10,428
Indicated	1.710	202	1	11,105	37,699
M&I Total	1.925	232	1,1	14,34	48,127
Inferred	1.500	180	0,9	8,68	29,762

The Strieborná resource estimate from April 2008. The mineral resource is based on 394 channel samples taken on four levels, one raise and 10 drill hole intercepts. No cut-off grade was applied. Note that we've omitted the antimony data.

The NI 43-101 resource occurs within a mineralized structure of 1.2 kilometres long, 600 metres deep and an average thickness of 3.4 metres. This is the so-called Strieborná vein. The resource was defined by diamond drilling and a series of four horizontal underground tunnels totaling 3,000 metres.

In addition to the Strieborná vein, the property includes several parallel veins and similar structures. Although these veins have been explored by underground tunneling and drilling and are known to be mineralized, they have not been included in the resource estimate as further exploration is required. These will be tested for metal potential in subsequent drill programs (see 'Current Program' below).

Besides the upside of the exploration potential and the high-grade nature of the polymetallic mineralization, the project has excellent infrastructure, including sufficient electrical power, railway access, paved highways and a work force experienced with underground operations.

History

The Mária Vein, which is part of the Strieborná property, has been mined since the 14th century, making it one of the oldest known and mined vein occurrences in the region. The Mária Mine was in operation until the end of the second World War when it became part of the newly established state enterprise Železorzudné Bane š.p. (ŽELBA). The mine continued in operation under ŽELBA until the 1990s.

In 1981, the Strieborná vein was discovered adjacent to the Mária Mine and subsequently explored on four underground levels totaling over 3,000 metres in length. Exploration was conducted on it by the exploration branch of the Slovak Geological Survey from 1982 until 1994.

Resource results reported by the Geological Survey were checked in a program conducted in 1994 by London-based CMX Resources Limited (CMX). The program involved detailed geological mapping of the underground workings, structural and mineralogical studies and verification sampling. CMX confirmed geological interpretations made by the Geological Survey. The work conducted by CMX was the last exploration activity on site and since then, all underground workings are flooded.

In 2007, Global Minerals gained control over the Strieborná property and asked AMC Consultants

(AMC) to prepare a NI 43-101 Technical Report. AMC used the following key information and data for the mineral resource estimate:

- Results of underground exploration and diamond core drilling on the Strieborná Vein conducted by the Geological Survey from 1981 until 1994;
- Results of a verification program conducted by CMX Resources Limited in 1994; and
- Reports on structural geology, geochemistry, mineralogy, hydrogeology, historical resource estimates, metallurgical test work and on mining and economic studies also generated by the Geological Survey.

Process test work on a bulk sample from the Strieborná vein using the process developed by Sunshine Mining and Refining Company indicated that 90-95% of the minerals bearing silver and copper can be recovered by conventional flotation. Hydrometallurgical treatment of the concentrate can then be used for selective removal of antimony, arsenic and mercury. The residual concentrate containing the silver and copper may be sold to independent smelters.



One of the four underground tunnels at the Strieborná property.

In October and November 2010, Esperanza acquired a strategic interest of close to 36% in Global Minerals Ltd. for a total investment of approximately \$2.9 million. In July 2011, Esperanza's interest declined to about 28% as Global Minerals successfully raised \$5 million in a private placement.

Current Program

Global Minerals started a new drill program in March 2011 designed to re-confirm high grade mineralization in the upper portion of the Strieborná

vein, to test for extensions along strike and to test known parallel veins. Eight drill sites were selected with 3,400 metres of core drilling planned. The projected target area was not included in the NI 43-101 compliant resource estimate by AMC and is aimed at increasing the resource. First results are promising and consistent with previous underground sample data.

Hole Number	From (m)	To (m)	Interval (m)	Grade Au g/t	Grade Ag g/t	Grade Cu %
GMB-02	234.7	241.7	7.0	0.147	345.0	1.31
GMB-03	239.0	243.95	4.95	0.098	235.6	1.06
GMB-04	230.0	243.0	13.0	0.246	500.9	1.85

Highlights of the holes that intercepted the Strieborná vein. Source: Company press release.

Also, the de-watering of the underground tunnels, which have been flooded since the pumps were shut down in the mid nineteen nineties, is expected to begin later this year. Once access is available underground, drilling will begin with an aim to expand the already significant high grade resource.

Moreover, the infrastructure rehabilitation program is well underway. This includes updating all major electrical systems, the hoist and inclined shaft, the 1,600 metres haulage tunnel and the pipeline to handle the dewatering. Mine ventilation and underground power systems will be refitted as more access becomes available. Additional renovation and upgrading of some of the surface buildings will provide sufficient office space, service and change areas for the increasing activities.

SLOVAKIA

Slovakia is a full-standing member of the European Union and is a modern, developing country. The country has a long mining tradition and passed new mining legislation in 2004 which provides a clear and transparent framework to acquire mineral concession and develop mining projects. Slovakia together with Slovenia and Estonia are the only former Communist nations to be part of the European Union, Eurozone, Schengen Area and NATO simultaneously.

Other Properties

The Company has active prospecting programs in Mexico and Peru. In Mexico it controls three properties totaling 44,333 hectares in the Guerrero-

Morelos gold belt. All properties are early-stage exploration with work focusing on the definition of new drill targets. In Peru, Esperanza controls 11 projects totaling 16,670 hectares.

Recently completed drill campaigns on two Peruvian projects Pucarana and Colqui Orcco only encountered low-grade mineralized veins. The Company is currently reviewing its options in regards to the properties.

Financials

The Company recorded a loss of \$3,023,233 for the three months ended June 30, 2011. For the first six months of fiscal year 2011, ended June 30, 2011, the Company recorded a loss of \$4,519,851.

The loss for the second quarter and first six months of 2011 was higher compared with last year due to higher exploration expenses at Cerro Jumil, Pucarana and Colqui Orcco. Esperanza also recorded a loss from its equity investment in Global Minerals whereas in 2010 there was no loss because Esperanza only acquired its equity position until December 2010.

Balance Sheet as of June 30, 2011

Next to its actual properties, a mining company's most important asset is its cash position, because this enables the company to move a project forward. Esperanza Resources is very well funded with currently about \$23 million in its treasury.

Although on June 30, 2011, the balance sheet only shows a little over \$8 million in cash and cash equivalents, Esperanza received \$17 million from the sale of its 30% stake in the San Luis project in Peru, to Silver Standard Resources Inc (SSO: TSX) in the third quarter.

	06/30/11
Cash and Cash Equivalents	8,051,600
Investment in associated Company	2,044,601
Exploration & evaluation assets	1,747,010
Total Assets	12,305,604
Accounts Payable & Accrued Liabilities	476,055
Total Liabilities	476,055
Total Stockholder Equity	11,829,549
Most important balance sheet data for the period ending June 30, 2011. Source: Company Filings	

Originally, both Esperanza and Silver Standard held 50% of the San Luis property. However, Silver Standard increased its holdings, first to 55% by funding US\$500,000 in exploration work and later to 70% by funding all activities necessary to complete a feasibility study. In February 2011, Esperanza agreed to sell its remaining interest in the property.

Also noteworthy is the fact that the investment in Global Minerals is recorded in the balance sheet at the initial cost price of close to \$3 million, while the 28% stake currently has a market value of over \$10 million.

Outlook & Valuation

EPZ owns 100% of Cerro Jumil, a silver/gold property in Mexico and approximately 28% of Global Minerals Ltd, a Company with the 100% owned Strieborná silver/copper/antimony property as its main asset. Both properties have an NI 43-101 resource estimate and lots of potential for expanding that resource.

Moreover, a September 2011 Preliminary Economic Assessment describes Cerro Jumil as a typical open pit, heap leachable project with an estimated average production of 106,000 ounces of gold per year, which can be mined at \$499 per ounce. Making it a economically viable project with a Net Present Value of \$309 million at a gold price of \$1,700/oz.

Currently, the Company has \$23 million in its treasury, which is enough to continue the development of its properties and to bring Cerro Jumil into full feasibility in the course of 2012 with the ultimate goal of advancing the property to production. Additionally, in 2010, EPZ proved it was able to relatively easy access the financial markets by raising \$11.6 million.

EPZ has a management team with decades of experience in the exploration, financing and development of mining properties. Mr. Pincus, the Company's CEO oversaw the early development of the 155-million-ounces Pirquitas silver deposit in Argentina. Furthermore, it has several skilled explorationists on board. Dr. Bartos is responsible for the discovery and development of San Bartolome, a 150 million ounces silver deposit in Bolivia. And Mr. Bond was instrumental in the discovery and exploration of the Pirquitas and other deposits.

Despite the strong volatility of gold and silver prices lately, they remain high. As a result, mining activities

remain highly profitable. Although there may be some speculation in the metals market, we believe that the gradual rise, over the past 8 years indicates this is a solid trend that won't see a strong reversal any time soon.

Peer Comparison

In order to determine Esperanza's fair value, we've compared it with two similar companies. They both have gold/silver properties in Mexico which have an NI 43-101 compliant resource estimate. Also, one of them has a project that recently entered production, which might give us an indication where the stock valuation of Esperanza is headed.

Kimber Resources Inc. (KBR: TO) owns a 100% interest in the Monterde gold/silver project located in the Sierra Madre, Mexico. Kimber Resources has a NI 43-101 resource estimate for this property.

SilverCrest Mines Inc. (SVL: TSX) owns a 100% interest in the Santa Elena Mine, which is located 150 km northeast of Hermosillo, in the State of Sonora, Mexico. Its other advanced mines in Mexico are Cruz De Mayo and La Joya. SilverCrest has a NI 43-101 resource estimate for Santa Elena and Cruz De Mayo and commenced start-up production at Santa Elena in April.

Company	Stock Price	Enterprise Value (M)	Gold Eq (M oz)	EV / Gold Eq
Kimber	1.51	108.9	1.266	86.04
SilverCrest	1.51	155.2	0.840	184.68
Esperanza	1.50	56.1	1.277	43.89
Gold Equivalent values are based upon a Ag:Au price ratio of 56:1 and a Ag:Au metal recovery ratio of 0.62.				

We've used the Enterprise Value / Gold Equivalent to compare the companies. This ratio is a measure of a company's market capitalization relative to its total estimated gold equivalent in the ground. We also took into account the volatility in stock price by using the 30-day average closing price.

Valuation

What the table above shows is that for Esperanza each ounce of gold equivalent in the ground is valued at \$43.89.

At the same time, the market gives Kimber Resources a valuation of \$86.04 per ounce of gold equivalent in the ground it owns, or almost double Esperanza's. For SilverCrest Mines the market

assigns a value of \$184.68 per ounce of gold equivalent, or 4 times Esperanza's value. SilverCrest's higher valuation is somewhat justified as it recently entered production. So in order to calculate a peer Enterprise Value / Gold Equivalent benchmark for Esperanza, we'll apply a 40% discount to SilverCrest's valuation. This discount leads to a value of \$110.80 for SilverCrest.

The average Enterprise Value / Gold Equivalent for Kimber and SilverCrest is \$98.42. Using this number, we conclude that Esperanza is almost 124% undervalued compared with its peers.

Based on these calculations and the positive outlook for the Company, we reiterate our buy recommendation for Esperanza Resources with a price target of \$3.36 or 124% higher than today's 30-day average stock price.

Share Data & Ownership

As of September 1, 2011 there were 51,020,321 common shares outstanding. There were 3,738,000 stock options outstanding with exercise prices ranging between \$0.69 and \$1.91 per option and expiration dates from September 12, 2012 through to June 8, 2016. All of the outstanding options have vested.

Type of Securities	Number of Securities
Common shares	51,020,321
Options	3,738,000
Warrants	7,057,646
Outstanding shares, warrants and options for Esperanza Resources Corp. as of September 1, 2011.	

Additionally, the Company has 7,057,646 common share purchase warrants outstanding with exercise prices of \$1.75 per and \$2.75 per warrant. These warrants expire from February 16, 2012 through December 22, 2012.

Management

➤ William Pincus - President and Chief Executive Officer

Mr. Pincus became CEO of Esperanza in 2002 and has over 30 years of industry experience. Prior to Esperanza he was Vice President of Sunshine Mining Company, overseeing the development of the 155-million-ounce Pirquitas silver deposit. Previously, Mr. Pincus was Executive Vice President of the mining consulting firm, Pincock, Allen and Holt. Prior experience includes both FMC Gold (now

Meridian Gold) and Atlas Corporation where he was involved in the successful exploration and acquisition of various precious metal projects. He is a Certified Professional Geologist. Mr. Pincus also became the CEO of Global Minerals Ltd. as of August 2011.

➤ **J. Stevens Zuker - Senior V.P.**

Mr. Zuker is an explorationist with 25 years experience in metals exploration throughout the Americas and central Asia. He joined the Company as Senior Vice President in September 2005. Most recently, he was Vice President Exploration of Gallant Minerals (formerly Harrods Minerals), a private Company. While at Gallant he was responsible for managing and performing grassroots exploration for base and precious metals in Peru and Mongolia, generating new projects and joint venturing them to both major and junior mining Companies. He holds a B.Sc. in Earth Sciences from California State Polytechnic University at Pomona, and an M.Sc. in Geology from the Colorado School of Mines.

➤ **Paul Bartos – V.P. and Chief Geologist**

Dr. Bartos joined the Company in January 2007 to assist in overseeing its exploration activities in Mexico and South America as the Company expanded its programs. Dr. Bartos is a noted authority on epithermal deposits and was with ASARCO Inc. for 20 years, latterly as its Latin American Exploration and Business Development Manager. Among other exploration accomplishments, he is responsible for the discovery and development of mineral resources of the San Bartolome silver deposit in Bolivia. This deposit, owned by Coeur d'Alene Mines, contains an

estimated 150 million ounces of silver reserves and is currently in production.

➤ **William Bond - V.P. Exploration**

Mr. Bond has been involved with precious metals exploration and production for 30 years, previously as Mines Operations Geologist for Homestake Mining Company, Chief Geologist for Asamera Minerals (U.S.) Inc., Chief Geologist for Sunshine Precious Metals, Inc., and Vice President of Exploration for Sunshine Mining & Refining Company. Mr. Bond was instrumental in the discovery and exploration of several major deposits including the 30-million-ounce West Chance silver deposit at the Sunshine Mine, the 155-million-ounce Pirquitas deposit and a multi-million-ounce gold deposit in Argentina. Mr. Bond earned a B.A. in geology from Winona State University and an M.S. in geology from the South Dakota School of Mines and Technology. He is a Professional Geologist registered by the State of Oregon.

➤ **David Miles - Chief Financial Officer**

Mr. Miles is a C.A. with a B.Sc. in Geology who has over 25 years experience in the mining and exploration industry, with over 20 years in a large multinational corporate environment at Teck Cominco Limited. While with Teck Cominco, he held various positions in corporate finance. From 2002 to 2004 Mr. Miles was the corporate controller for Quest Capital Corp. (formerly Viceroy Resource Corporation). Since 2004, Mr. Miles has been the CFO for a number of junior exploration Companies which are listed on the TSX Venture Exchange and whose exploration projects are located in Europe, Asia, Africa and Central and South America.



TSX Venture Exchange: EPZ

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