GEOPHYSICAL REPORT

ON

IP AND RESISTIVITY SURVEYS

OVER A PORTION OF THE

TREADWELL/ALLIES PROPERTY

CANNELL CREEK, TRANQUILLE PLATEAU

KAMLOOPS MINING DIVISION, BRITISH COLUMBIA

LOCATED:	28 km 325° (N35°W) of the city of Kamloops 50° 43'North Latitude, and 120°35' West Longitude NTS: 92I/15E
WRITTEN FOR:	**NEW DAWN HOLDINGS LTD** 910 – 885 Dunsmuir Street Vancouver, B.C. V6C 1N5
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DATED:	December 31, 2004

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SUMMARY

Induced polarization (IP) and resistivity surveys were carried out on November 16th to 22nd, 2004, over a portion of the Treadwell / Allies Property. This property is located on Cannell Creek about 25 km north of the Afton Mine within the Kamloops Mining Division of B.C.

The main purpose of the geophysical surveys was to locate the source of the sulphide-mineralized boulders that occur within Cannell Creek and that carry gold apparently assaying up to 3 oz/ton. The specific purpose of the IP survey was to locate sulphide mineralization similar to that of the boulders and that of the resistivity survey was to map Nicola Group rocks, which are the host to the boulder mineralization.

The property covers an erosional window of Nicola Group rocks occurring within much younger Kamloops Group basalts.

The resistivity and IP surveys were carried out using a BRGM Elrec-6 multi-channel receiver operating in the time-domain mode. The transmitter used was a BRGM VIP 4000 powered by a 6.5-kilowatt motor generator. The dipole length and reading interval chosen was 30 meters read up to 12 levels. Four lines were carried out for a total survey length of 2,460 meters. The results were plotted in pseudosection form and contoured.

CONCLUSIONS and RECOMMENDATIONS

1. The resistivity survey has mapped the Nicola Group rocks along Cannell Creek as well as along one of its tributaries.

2. The IP survey has revealed an anomaly, labeled A, of strong exploration interest that is undoubtedly reflecting sulphides. The resistivity survey indicates this sulphide mineralization very likely occurs within Nicola Group rocks. It therefore may be the southeastern extension of the source, or is the same as the source, of the mineralized boulders that contain gold assaying up to 3 oz/ton and that occur along Cannell Creek. Anomaly A has a minimum strike length of 300 meters with it being open both to the northwest and to the southeast.

3. A second IP anomaly, labeled B, and also of exploration interest but of smaller size, occurs further to the northeast but only on lines 47+00E and 48+00E (lines 49+00E and 50+00E did not extend far enough northeast) thus giving a minimum strike length of 100 meters. The resistivity survey also suggests the causative source of anomaly B, probably sulphide mineralization, occurs within Nicola Group rocks.

4. The SP survey revealed an anomaly that occurs within the Kamloops volcanics. It has no known significance.

5. The IP survey should be extended as follows:

    a) to the southeast to determine the extent of the main anomaly in this direction.
    b) to the northwest to determine the extent of the main anomaly in this direction.
    c) to the northeast on lines 49+00E and 50+00E.

The purpose of the work, especially to the northwest, would also be to check out other target areas.

6. MMI (mobile metal ion) soil sampling should also be carried out especially considering the possible depths of the IP causative sources as well as the overlying Kamloops volcanics. It is reported that MMI soil sampling has located mineralization through 120 meters of basalts.

7. It is also recommended to carry out magnetic surveying. It is relatively inexpensive and can greatly assist in mapping the Nicola Group rocks as well as possibly areas of alteration that is associated with mineralization.

GEOPHYSICAL REPORT

ON

IP AND RESISTIVITY SURVEYS

OVER A PORTION OF THE

TREADWELL/ALLIES PROPERTY

AFTON MINES AREA

KAMLOOPS MINING DIVISION, BRITISH COLUMBIA

INTRODUCTION AND GENERAL REMARKS

This report discusses survey procedure, compilation of data, interpretation methods, and the results of resistivity and induced polarization (IP) surveys carried out over a portion of the Treadwell/Allies Property belonging to P. Larkin and A.R. Simpson respectively. The property is located on Cannell Creek about 28 km northwesterly of the city of Kamloops within the Kamloops Mining Division, British Columbia.

The IP and resistivity surveys were carried out by a Geotronics crew of five men, one of who was the writer, over six days during November 25th to 28th, 2004. This includes one day of mob/demob.

Deleted: whom

The general purpose of exploration on this property is to locate sulphide mineralization associated with gold values. Boulders of silicified feldspar porphyry containing gold values up to 3 oz/ton with associated sulphides, occur in the Cannell Creek valley, especially at the southwest end of the grid in an area called the "Boulder Field" (see fig 3). Therefore, the specific purpose is to locate the source of these mineralized boulders, or at least, mineralization similar to that of the boulders. The IP survey would do this by locating sulphide zones and the resistivity survey would do this by mapping lithology and geological structure, as well as possibly alteration. The Nicola Group rocks, which is probably the host rock for the mineralization, is expected to respond as a resistivity low, whereas the overlying Kamloops volcanics is expected to respond as a resistivity high.

PROPERTY AND OWNERSHIP

The Treadwell/Allies Property is comprised of 14 mineral claims totaling 71 units described as follows and as shown on the claim map fig #2.

Claim Name	Tenure #	Expiry Date	No. Units
Treadwell #1	410632	May 17, 2005	20
Treadwell #2	405591	May 1, 2005	1
Allies # 1	414190	September 11, 2005	20
Allies # 2	414191	September 18, 2005	20
Allies # 3 - # 6	414194 – '97	September 12, 2005	4
Allies # 7	414198	September 14, 2005	1
Allies # 8, 9	414199 – '200	September 12, 2005	2
Allies # 10, 11, 12	414201 – '03	September 11, 2005	3

The registered owner of the Treadwell #1 Claim is Paul Larkin, that of the Treadwell #2 Claim is Richard Simpson, and that of the Allies #1 to #12 claims is Ana Simpson, all of whom are of Vancouver, B.C.

LOCATION AND ACCESS

The Treadwell/Allies Property is located 28 km (17.5 miles) 325° (N35°W) of the city of downtown Kamloops on Cannell Creek at the southern edge of Tranquille Plateau.

The geographical coordinates for the center of the property are 50° 43' north latitude and 120° 35' west longitude with the UTM coordinates being 5639000 m N and 670500 m E. The NTS index is 92I/15E, and the BCGS index is 92I087, '88, '97, and '98 (since the property occurs at the juncture of four maps).

Access is easily gained by a main logging road that runs northwesterly through the property. From North Kamloops, one travels north along 8th Avenue, which leads into the Batchelor Hills where it becomes a gravel road and is the main access road for logging trucks in this area. One travels past Lac du Bois, McQueen Lake, and Pass Lake. The southeastern edge of the property is at about the 27 km marking. A two-wheel drive vehicle is quite adequate for the main road. However, parts of the property are accessible by older logging and mining roads where four-wheel drive is necessary.

PHYSIOGRAPHY

The Property is found within the Thompson Plateau, which is a physiographic unit of the Interior Plateau System. The Thompson Plateau consists of gently rolling upland of low relief for the most part. On the Treadwell/Allies Property the elevations vary from 1130 meters (3700 feet) at the southeastern edge of the property to 1,550 meters (5,100 feet) within the northwestern corner. Steep to moderate slopes to gently rolling hills with variable

soil cover blanket much of the property. The steep slopes occur mostly along Cannell Creek and its tributaries.

The main water sources are Cannell Creek with its tributaries, which flows easterly and southeasterly through the southern portion of the claims, and a number of lakes which occur within the western part of the property (Dynes Lake, Sydney Lake, and Andrus Lake).

Tree cover is generally that of open forest, with some grasslands as well as some thick second growth. Parts of the property have been logged.

Glaciers occupied the Thompson Plateau and thus much of the claim area is covered by glacial drift, which can become quite deep over the flatter areas.

The climate in the Kamloops area is semi-arid, and thus the precipitation is low, about 25 to 28 centimeters (10 to 11 inches). Temperatures vary from the high extreme in summer of around 40°C to the low in winter of around –30°C, though the usual temperature during the summer days would be 15°C to 25°C and that in winter would be –10°C to 5°C.

PREVIOUS WORK

During the early 1900's Prospectors looking for the source of the placer gold found in the Tranquille River discovered large (2 meter square) blocks of silicified feldspar porphyry carrying sulphides that assayed up to 1.42 ounces gold per ton in one of its tributaries, Cannell Creek. This discovery became known as the "Allies Showing". The first recorded work on the property was noted in 1924 when considerable prospecting and trenching was undertaken.

From 1933 – 34 an extensive program of underground exploration was carried out towards the west and southwest of the original discovery area. At least three shafts and five adits totaling approximately 900 linear feet were driven at several locations. Although they tunneled through several occurrences of porphyry material in place, that was similar to that found at the original shaft (No. 1 shaft), the source of the high-grade material was not found.

The property was dormant until 1968 when some limited trenching was done on the original showing.

In 1972 and 1973 Bon-Val Mines Ltd., conducted a magnetic, VLF electromagnetic and geochemical sampling surveys, centered over the original showing. Bon-Val Mines was subsequently reorganized as Yamoto Industries Ltd.

A geochemical soil sampling program conducted in 1976 collected 800 samples, which were analyzed for gold and copper. Results showed only a few random gold "highs" presumably because of the heavy, clay-rich overburden.

In 1978, three diamond drill holes totaling 162.5 meters were bored near and to the south of the No.1 shaft around the main showing (i.e. the mineralized boulder field). Drill logs reported barren serpentine in all holes.

In 1984, Laramide Resources Ltd, was awarded the property after a legal dispute.

In 1985, Laramide initiated a detailed exploration program consisting of grid layout, geological mapping, road construction, trenching and soil and silt sampling.

In 1985, the property was optioned to Relay Creek Resources Ltd., which conducted some induced polarization and excavator trenching.

In 1986, Relay Creek Resources initiated a drilling program consisting of five NQ-sized core holes totaling 619.2 meters. Two holes were drilled under the mineralized boulder field (i.e. the main "Allies showing"), two holes were drilled about 400 meters to the south and one hole was drilled near the southwest showing (500m southwest of the main showing). Some holes were not completed due to some problems with the drilling and bad weather caused the drilling to be prematurely halted in mid-November.

Although Relay Creek Mines conducted no further work on the property, it held the property in good standing until 1995.

In 1995 Mr. Richard Simpson acquired the property by staking the Treadwell # 1 mineral claim. In 1996, Dr. Franco Oboni, PhD, was commissioned to conduct a study of the surficial rock movement around the area of the mineralized boulder field. Dr. Oboni determined that the mineralized boulders found on the original showing, would have come from the area to the north and/or northwest of the boulder field.

Since previous exploration work appears to have been focussed on the original showing (i.e. the mineralized boulder field) or to the south, the west and the southwestern areas of the original showing, it was decided to investigate the area of to the north of the original showing by conducting an IP survey over a limited area in 2004.

Other then occasional prospecting trips by Mr. Simpson, activity on the property remained dormant from 1996 until the IP survey, which is the subject of this report, was undertaken in November 2004.

Paul Larkin became the registered holder of the Treadwell #1 property in May of 2004 when it was acquired through re-staking.

Some samples which were taken from float in Cannell Creek during the early summer of 2004, returned high-grade gold values of up to 3 ounces per tonne and copper values in excess of 0.2 percent.

GEOLOGY

(a) General

The oldest rocks of the area are those of the Nicola Group, which is of Upper Triassic Age and consists of a predominantly subaqueous island arc assemblage of sedimentary and volcanic rocks. The Nicola Group is broken into three blocks that are separated by two northerly-trending sub-parallel faults with the eastern one being partly defined by Cherry Creek and the western one by Guichon Creek and Deadman River.

According to Owsiacki, "The Nicola Group has been divided into four lithologic assemblages; a steeply dipping, east-facing 'western volcanic belt' (this unit does not occur on the Kamloops Lake map sheet) consisting predominantly of subaqueous felsic, intermediate and mafic volcanics of calcalkalic affinity that grade upward into volcaniclastic rocks; a 'central volcanic belt' composed of both subaqueous and subaerial basalt and andesite flows, volcanic breccias and lahars of both alkalic and calcalkalic (both plagioclase and augite-phyric)affinities; an overlying, westerly dipping 'eastern volcanic belt' composed of predominantly subaqueous and subaerial alkalic (both augite and hornblende-phyric; shoshonites and ankaramites) intermediate and mafic volcanic flow, fragmental and epiclastic rocks; and an 'eastern sedimentary assemblage' that is over lapped by the eastern volcanic belt and is composed predominantly of greywackes, siltites, argillites, alkalic intermediate tuffs and reefal limestones."

The Nicola Group has been cut by Late Triassic and Early Jurassic alkalic intrusions such as the Iron Mask batholith. These consist of medium to small, commonly fault-bounded stocks and dyke swarms of diorite, monzodiorite, monzonite and syenite.

The Iron Mask Batholith consists of four major, successively emplaced units, which are called the Iron Mask Hybrid, Pothook, Sugarloaf, and Cherry Creek units. The composition and texture range from coarse-grained gabbro to microsyenite. In addition there occurs a picrite unit that does not appear to be related to the batholith but it appears to be important to the mineralization since it is always found nearby. All the above-mentioned phases contain some copper mineralization.

The youngest rocks of the area are Eocene arc volcanics and sediments of the Kamloops Group, extensive Miocene-Pliocene plateau basalts, as well as scattered minor Pleistocene and Recent flows. The Kamloops Group unconformably overlie the Nicola rocks and the Iron Mask batholith. Rocks of this group consist of tuffaceous sandstone, siltstone, and shale with minor conglomerate, as well as basaltic to andesitic flows and agglomerate with minor dacite, latite, and trachyte.

(b) Property

Much of the following is taken from Dawson's 1986 report on the property.

The main geological feature of the property is that is covers an erosional tectonic window of Nicola greenstones, picrite, and felsic dykes within Miocene plateau basalts. This window is about 400 meters by 600 meters.

"The plateau basalts are black, fine-grained, massive to olivine porphyritic, occasionally amygdaloidal, and columnar jointed. The basalts locally overlie a poorly stratified unit, up to 30 meters thick, composed of volcanic wacke and conglomerate (Kamloops Group?).

"Picrite is usually a green to dark greenish-black rock composed of subrounded serpentinized olivine grains (two to five millimeters) set in a dark chloritic matrix. Outcrops of picrite are generally deeply weathered and decomposed. The 'greenstones' consists of light green, chloritized and carbonatized, feldspar porphyritic to aphanitic rocks which can be interpreted as either flows or tuffs. Age relationships between 'greenstones' and picrite cannot be established in the field: however, according to Monger, the picritic rocks at the Allies property are probably coeval with or slightly younger than the 'greenstones'.

"Felsic, porphyritic dykes are found cutting the older picrite and Nicola volcanics and have been noted in place at Dodd's Showing and the Southwest Showing. Identical dyke rocks as a series of large angular blocks have been found in the vicinity of the Main or Discovery Showing. These are usually grey to buff coloured rocks composed of 20% to 30% small feldspar (two to five millimeters) and minor hornblende phenocrysts set in a grey, aphanitic groundmass. Data from surface and drilling indicate that these dykes strike easterly to northeasterly and dip steeply south. At both the Southeast and Dodd's Showings, the dykes occur as a cluster or swarm over a 20- to 30-meter width, with intervening sweeps of chloritized country rock.

"Cockfield (1961) noted light and dark porphyries in his mapping. The writer has seen two other outcrop areas at No. 2 and No. 3 adits where light porphyry cuts the surrounding, friable picrite. This dyke rock is paler and more siliceous that the previously described 'dark' porphyries and does not contain any quartz veining."

(c) Mineralization of the Area

The many copper occurrences in the general area are found both within the Iron Mask Batholith and the older, intruded Nicola rocks close to the batholith. Generally, they occur with veins, impregnations, stockworks, and mineralized shear zones in the country rock with the principle copper minerals being chalcopyrite and bornite as well as some chalcocite, cuprite, azurite and malachite. Additional minerals that often occur with the copper are magnetite and pyrite. There have been shipments of ore, though small, from many of the prospects. The largest producer of these was the Iron Mask Mine, which shipped a total of 189,230 tons of ore. Another small producer was the Copper King, which had values that ran about 4.4 % copper and 0.8 oz/ton gold.

The Afton area became the center of one of the hottest staking rushes in Canada when significant mineralization was discovered on the Afton property in the early '70's. Eventually, the discovery became an ore deposit that was mined from 1977 to 1988 by Teck. At the beginning of production, Afton had drill-proven ore reserves of 30.84 million tonnes grading 1.0% copper, 0.58 ppm gold, and 4.19 ppm silver. The main mineral form was native copper and chalcocite with minor covellite and chalcopyrite found within an intrusive breccia at the contact of the Nicola volcanics.

Currently, DRC Resources have discovered a new mineral body that has a combined size of measured and estimated 68.7 million tonnes, grading 1.68% copper equivalent using copper at $0.85/lb, gold at $375/oz, silver at $5.25/oz, and palladium at $200/oz, all US prices. The mineralization occurs below the old Afton Pit and extends in a southwesterly direction for over 1000 meters.

Mineralization of the area appears to be structurally related to mainly northwesterly-trending faults, but also northeasterly-trending faults and to a lesser degree, northerly-trending faults. Some of the main mineral zones occur near the confluence of any two of the above fault trends.

(d) Property Mineralization

The following is quoted from Dawson's 1986 report on the property.

"At the Main or Discovery Showing, boulders of quartz-veined, 'dark' porphyry are found over an area roughly 150 meters (east-west) by about 40 meters (north-south) adjacent to the contact with the overlying (or fault-bounded) sediments and volcanics. Within this area at least 50 such boulders varying in size from two meters square down to fist-size have been found. These boulders are almost always angular, but seem to decrease in size towards the west. Typically, such boulders are cut by sub-parallel sets of milky and quartz stringers and veins, one to twenty centimeters wide carrying disseminated pyrite, blebs of chalcopyrite and minor galena. Vein density accounts for 10% to 30% of the rock volume. Country rock between quartz veins is strongly silicified and ankeritized. Samples of quartz stringers are reported to have assayed up to 45.2 grams/tonne (?) gold over 20 centimeters (Cockfield, 1961). A number of samples from mineralized boulders have been taken over the last several years by the writer and others. These samples varied from 0.44 ounces/ton to trace gold. The average of all grab samples from mineralized boulders (in this area) averaged about 0.1 ounces gold per ton. [Mr. R Simpson had apparently obtained assays of up to 3 oz/ton, but probably over a relatively narrow sample width.]

"The original Southwest Showing was developed by one main adit and several pits. Here there are series of quartz-veined porphyry dykes in place cutting altered, friable picrite and silicified and opalized (locally) pyretic 'greenstone'. The porphyry dykes here are generally more pyritic, more chloritized and less silicified than the collection of float boulders near No. 1 (Discovery) Shaft. Here, low but anomalous (100 to 1000 ppb) gold values are bound in similar quartz-veined, 'dark' feldspar porphyry dykes.

"Narrow (±1 meter) quartz-veined and carbonatized, east-west trending, feldspar porphyry dykes containing minor disseminated pyrite and chalcopyrite are exposed in a new road cut on line 55 near Cannell Creek (Dodd's Showing). All porphyry samples collected in 1984 from this locality returned low but anomalous (35 to 1032 ppb) gold values. It should be noted that this showing as well as the Southwest showing is located adjacent to the contact with the overlying plateau basalt."

INDUCED POLARIZATION AND RESISTIVITY SURVEYS

(a) Instrumentation

The transmitter used was a BRGM model VIP 4000. It was powered by a Honda 6.5 kW motor generator. The receiver used was a six-channel BRGM model Elrec-6. This is state-of the-art equipment, with software-controlled functions, programmable through a keyboard located on the front of the instrument. It can measure up to 6 chargeability windows and store up to 2,500 measurements within the internal memory.

(b) Theory

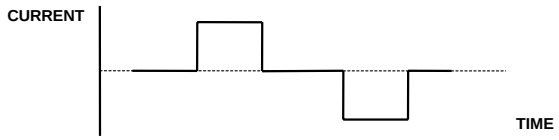
When a voltage is applied to the ground, electrical current flows, mainly in the electrolyte-filled capillaries within the rock. If the capillaries also contain certain mineral particles that transport current by electrons (mostly sulphides, some oxides and graphite), then the ionic charges build up at the particle-electrolyte interface, positive ones where the current enters the particle and negative ones where it leaves. This accumulation of charge creates a voltage that tends to oppose the current flow across the interface. When the current is switched off, the created voltage slowly decreases as the accumulated ions diffuse back into the electrolyte. This type of induced polarization phenomena is known as electrode polarization.

A similar effect occurs if clay particles are present in the conducting medium. Charged clay particles attract oppositely-charged ions from the surrounding electrolyte; when the current stops, the ions slowly diffuse back to their equilibrium state. This process is known as membrane polarization and gives rise to induced polarization effects even in the absence of metallic-type conductors.

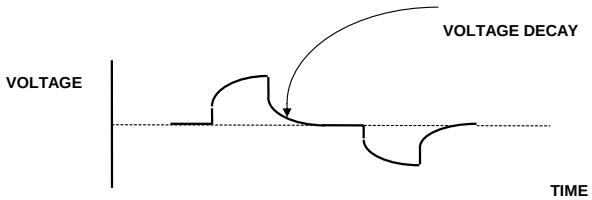
Most IP surveys are carried out by taking measurements in the "time-domain" or the "frequency-domain".

Time-domain measurements involve sampling the waveform at intervals after the current is switched off, to derive a dimensionless parameter, the chargeability "M", which is a measure of the strength of the induced polarization effect. Measurements in the frequency domain are based on the fact that the resistance produced at the electrolyte-charged particle interface decreases with increasing frequency. The difference between apparent resistivity readings at a high and low frequency is expressed as the percentage frequency effect, or "PFE".

The quantity, apparent resistivity, ρ_a , computed from electrical survey results is only the true earth resistivity in a homogenous sub-surface. When vertical (and lateral) variations in electrical properties occur, as they almost always will, the apparent resistivity will be influenced by the various layers, depending on their depth relative to the electrode spacing. A single reading, therefore, cannot be attributed to a particular depth.



TRANSMITTED WAVEFORM



RECORDED VOLTAGE

The ability of the ground to transmit electricity is, in the absence of metallic-type conductors, almost completely dependent on the volume, nature and content of the pore space. Empirical relationships can be derived linking the formation resistivity to the pore water resistivity, as a function of porosity. Such a formula is Archie's Law, which states (assuming complete saturation) in clean formations:

$$R_o = O^{-2} R_w$$

Where: R_o is formation resistivity
R_w is pore water resistivity
O is porosity

(c) Survey Procedure

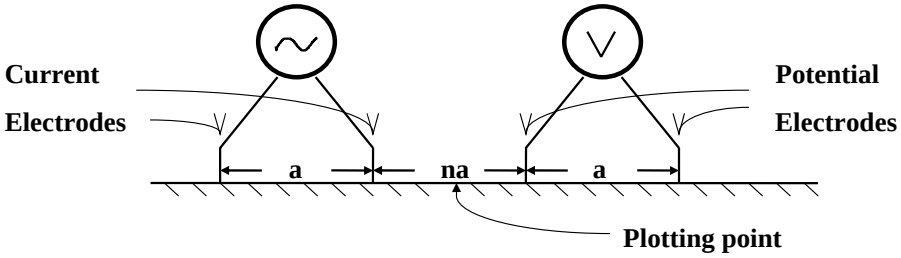
Four IP/resistivity survey lines were carried out as shown on the plan map. Grid emplacement, including line cutting, was put in as the survey was being carried out. It was intended for lines 47+00E and 48+00E to each be surveyed further to the

southwest and to the northeast but rock bluffs limited the surveying in both these directions.

The IP and resistivity measurements were taken in the time-domain mode using an 8-second square wave charge cycle (2-seconds positive charge, 2-seconds off, 2-seconds negative charge, 2-seconds off). The delay time used after the charge shuts off was 80 milliseconds and the integration time used was 1,760 milliseconds divided into 10 windows.

The array chosen was the dipole-dipole, shown as follows:

DIPOLE-DIPOLE ARRAY



The lines run in a due northeast direction (45ºE) and are 100 meters apart. The electrode separation, or 'a' spacing, and reading interval was chosen to be 30 meters read to 12 separations, which is the 'na' in the above diagram, for all three lines. The 12 separations give a theoretical depth penetration of about 200 meters, or 650 feet.

Stainless steel stakes were used for current electrodes as well as for the potential electrodes.

The surveying was done on the following lines in the order as shown and to the following lengths.

LINE NUMBER	SURVEY STATIONS	SURVEY LENGTH	DIPOLE LENGTH	MAP NUMBER
50+00E	30N to 630N	600 m	30 m	GP-1
49+00E	30N to 630N	600 m	30 m	GP-2
48+00E	210N to 930N	720 m	30 m	GP-3
47+00E	210N to 750N	540	30 m	GP-4

The total amount of IP and resistivity surveying carried out was 2,460 meters.

(d) Compilation of Data

All the data were reduced by a computer software program developed by Geosoft Inc. of Toronto, Ontario. Parts of this program have been modified by Geotronics Surveys Inc. for its own applications. The computerized data reduction included the resistivity calculations, pseudosection plotting, survey plan plotting and contouring.

The chargeability (IP) values are read directly from the instrument and no data processing is therefore required prior to plotting. However, the data is edited for errors and for reliability. The reliability is usually dependant on the strength of the signal, which weakens at greater dipole separations. In the case of this survey, many of the values at greater dipole separations and therefore at greater depths, had to be edited out because of weak signals due to the very low resistivity values.

The resistivity values are derived from current and voltage readings taken in the field. These values are combined with the geometrical factor appropriate for the dipole-dipole array to compute the apparent resistivity. The resistivity data were relatively reliable to the 12 separations.

All the data have been plotted in pseudosection form at a scale of 1:10,000. One map has been plotted for each of the three pseudosections, as shown on the above table and in the Table of Contents. The pseudosection is formed by each value being plotted at a point formed from the intersection of a line drawn from the mid-point of each of the two dipoles. The result of this method of plotting is that the farther the dipoles are separated, the deeper the reading is plotted. The resistivity pseudosection is plotted on the upper part of the map for each of the lines, and the chargeability pseudosection is plotted on the lower part.

All pseudosections were contoured at an interval of 0.5 milliseconds for the chargeability results, and at a logarithmic interval to the base 10 for the resistivity results.

The self-potential (SP) data from the IP and resistivity surveys were plotted and profiled above the two pseudosections for each line at a scale of 1 cm = 100 millivolts with a base of zero millivolts. It is not expected that the SP data will be important in the exploration of the property, especially with the dipole length used, but considering that the data was taken, it was plotted and profiled for its possible usefulness.

DISCUSSION OF RESULTS

The resistivity survey shows a resistivity low occurring along Cannell Creek on lines 49+00E and 50+00E. This low very likely reflects the Nicola Group rocks, which occur in this area and, as mentioned above, is the favourable host rock for the sought-after mineralization. To the northeast and towards the Cannell Creek tributary is a resistivity high that likely reflects Kamloops Tertiary volcanics, since this is the underlying rock-type in this area. But further to the northeast and along the tributary creek is a second resistivity low that is similar in

intensity to the first one mentioned above and thus also likely reflects the Nicola rocks. It can be seen on all four lines and, using the 100 ohm-meter contour as a reflection of the contact between these two rock types, appears to be about 180 meters wide. The strong part of the low that directly correlates with the creek could well be reflecting a fault or shear zone that is the probable cause of the creek.

Though the IP survey is somewhat limited in scope, the mean background value appears to be about 1.5 milliseconds. This suggests that values that would be considered to be anomalous would be above 4.5 milliseconds but values between 3.0 and 4.5 milliseconds could be considered of exploration interest and therefore, possibly anomalous.

The IP survey has therefore revealed an anomaly, labeled A, that is of strong exploration interest. It is best seen on lines 47+00E and 48+00E below the tributary creek. However, the southwestern edge of the anomaly can also be seen on the other two lines, 49+00E and 50+00E below the same creek. (These two lines were done first and therefore the significance of anomaly A was not realized until the northwestern two lines were completed.) This suggests a minimum strike length of 300 meters with it being open both to the northwest and to the southeast. Anomaly A reaches a high of 25 milliseconds, though quite commonly is around 10 to 15 milliseconds. The depth to the causative source appears to be around 110 meters. It also appears to be open to depth where it may increase in width as well.

The reason that this anomaly is of strong exploration interest is that it undoubtedly reflects sulphide mineralization that occurs within Nicola Group rocks (as indicated by the resistivity survey). Therefore, this IP anomaly could be reflecting the southeastern extension of the source, or is similar to the source, of the mineralization as indicated by the mineralized Cannell Creek boulders. (Because of the depth to the causative source of anomaly A, it is not likely the source itself of the mineralized boulders.)

A second IP anomaly of exploration interest, labeled B, occurs at the northeastern end of both lines 47+00E and 48+00E. It appears to also occur within the Nicola Group rocks as defined by the resistivity survey, though is very close to the contact with the Kamloops volcanics. Anomaly B reaches a high of 31 milliseconds but appears to be of smaller size than the IP anomaly A. However, with a minimum strike length of 100 meters, it is open both to the northwest and to the southeast.

The SP survey has revealed an anomaly at about 350E to 480E on each of the four lines. However, it appears to occur within the Kamloops volcanics and thus is of limited exploration interest.

Respectfully submitted,
GEOTRONICS SURVEYS LTD.

David G. Mark, P.Geo.
Geophysicist December 31, 2004

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GEOPHYSICIST'S CERTIFICATE

I, DAVID G. MARK, of the City of Surrey, in the Province of British Columbia, do hereby certify that:

I am registered as a Professional Geoscientist with the Association of Professional Engineers and Geoscientists of the Province of British Columbia.

I am a Consulting Geophysicist of Geotronics Surveys Ltd., with offices at 6204 – 125th Street, Surrey, British Columbia.

I further certify that:

1. I am a graduate of the University of British Columbia (1968) and hold a B.Sc. degree in Geophysics.

2. I have been practicing my profession for the past 36 years, and have been active in the mining industry for the past 39 years.

3. This report is compiled from data obtained from IP and resistivity surveys carried out by a crew of Geotronics Surveys headed by me over a portion of the Allies Property from November 16th to 22nd, 2004.

4. I do not hold any interest in New Dawn Holdings Ltd, nor in the Treadwell/Allies Property, nor in any other property of New Dawn, nor do I expect to be receiving any interest as a result of writing this report.

David G. Mark, P.Geo. December 31, 2004
Geophysicist

AFFIDAVIT OF EXPENSES

IP and resistivity surveying was carried out over a portion of the Treadwell/Allies Property, which occurs on and around Cannell Creek at the southern edge of Tranquille Plateau, located 28 km 325°E of the city of Kamloops, B.C, from November 16th to the 22nd, 2004, to the value of the following:

FIELD:

5 man geophysical crew, 7 days @ $2,400/day (includes senior geophysicist, 2 geophysical technicians and 2 helpers, room and board, rental and instrumentation)	$16,800.00	$16,800.00

DATA REDUCTION and REPORT:

Senior geophysicist, 25 hrs @ $60/hr	$1,500.00	
Geophysical technician, 5 hours @ $30/hour	150.00	
Computer Drafting	800.00	
Report compilation and photocopying	50.00	
	$2,600.00	$2,600.00

GRAND TOTAL **$19,400.00**

Respectfully submitted,
Geotronics Surveys Ltd.

David G. Mark, P.Geo,
Geophysicist December 31, 2004

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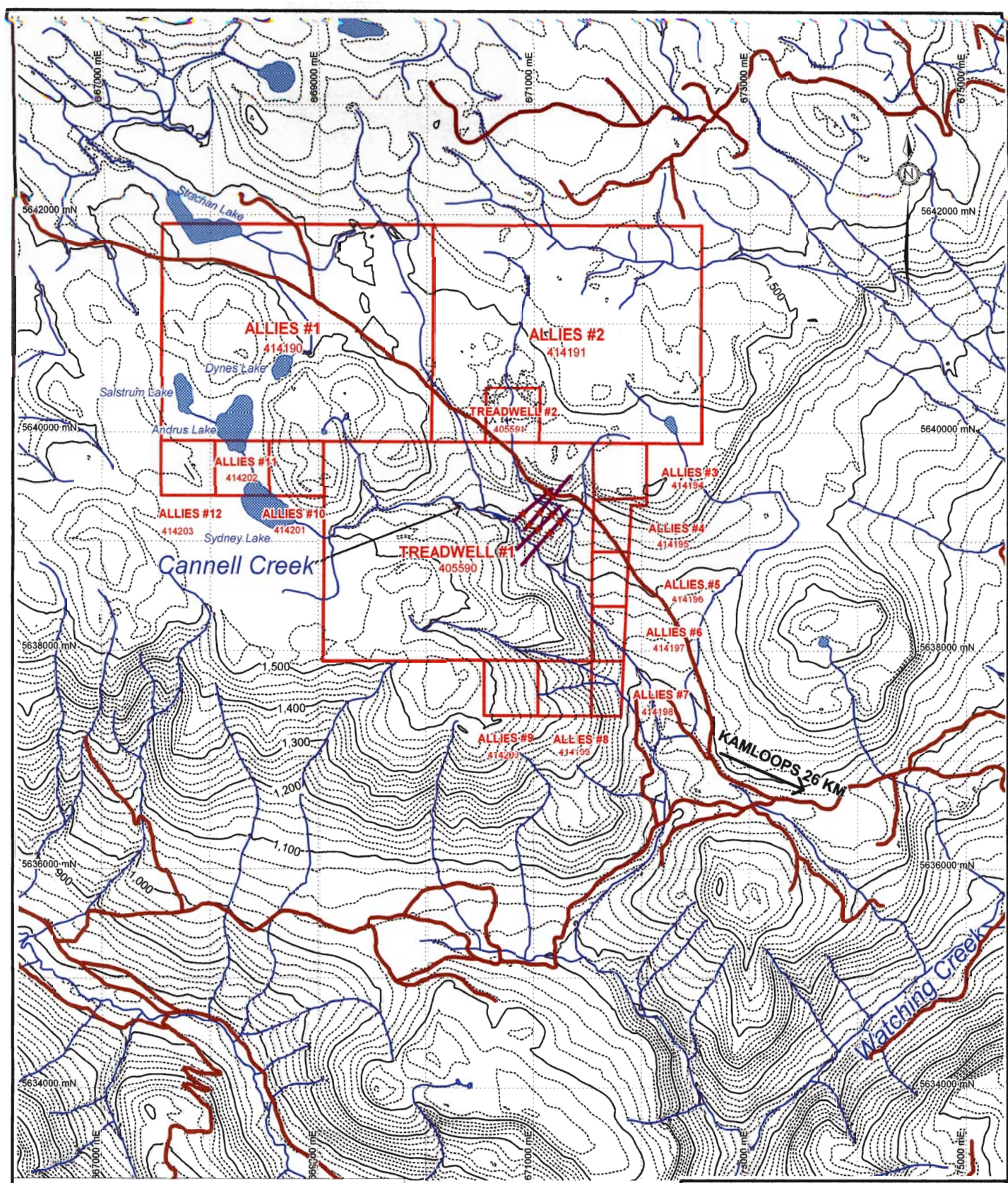
NEW DAWN HOLDINGS LTD

TREADWELL / ALLIES PROPERTY

CANNELL CREEK, KAMLOOPS MD, BC

LOCATION MAP

Drawn by:	Job No.	NTS	Date	Fig No.
TerraCAD	04 - 10	92I / 15E	Nov 04	1



LEGEND

- Claim Boundary
- GPS Points
- Lake
- Contour (meters) — 500
- Main Road (All Weather)
- Creek
- Geophysical Survey Line

0 1,000 2,000

meters

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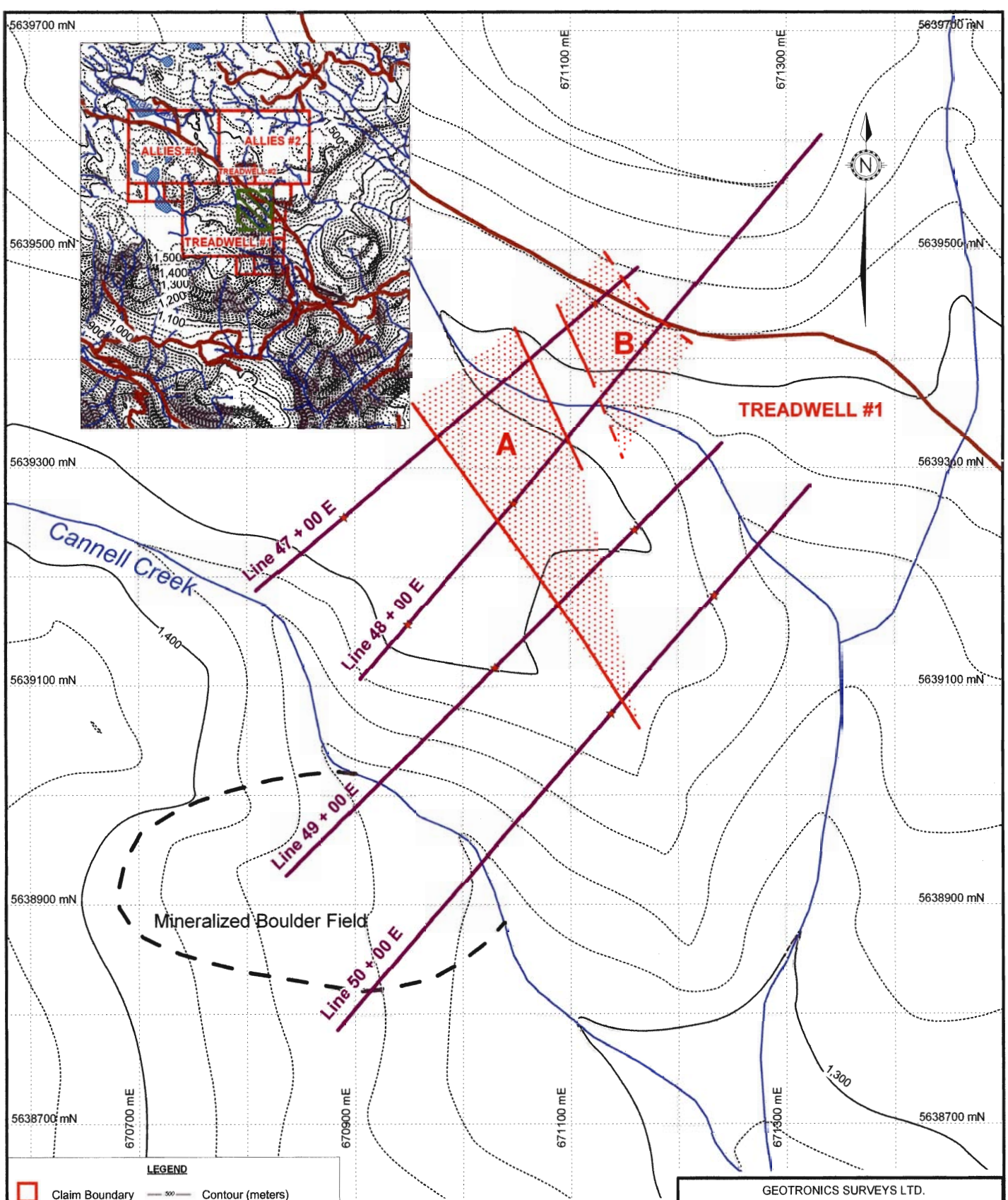
TREADWELL / ALLIES PROPERTY

CANNELL CREEK, KAMLOOPS MD, BC

CLAIM MAP

Drawn by:	Job No.	NTS	Date	Fig No.
TerraCAD	04 - 10	92I / 15E	Nov 04	2



LEGEND

- Claim Boundary
- GPS Points
- Lake
- Map Area Zoomed
- A, B: IP Anomaly
- Contour (meters)
- Main Road (All Weather)
- Creek
- Geophysical Survey Line
- Mineralized Boulder Field

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TREADWELL / ALLIES PROPERTY

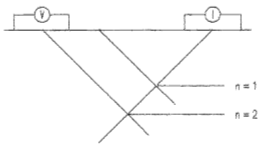
CANNELL CREEK, KAMLOOPS MD, BC

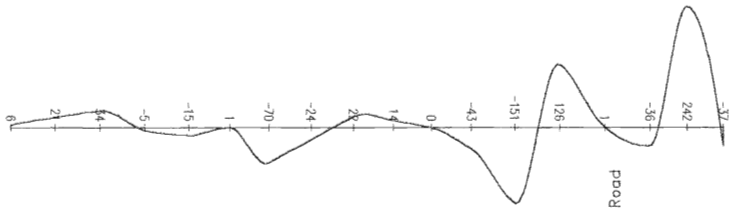
SURVEY PLAN MAP

Drawn by:	Job No.	NTS	Date	Fig No.
TerraCAD	04 - 10	92I / 15E	Nov 04	3

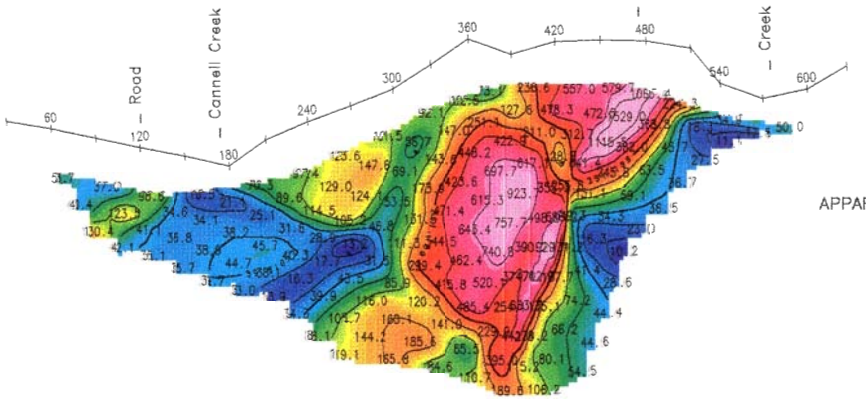
Survey Direction: Southwest

Pseudosection Plotting Method

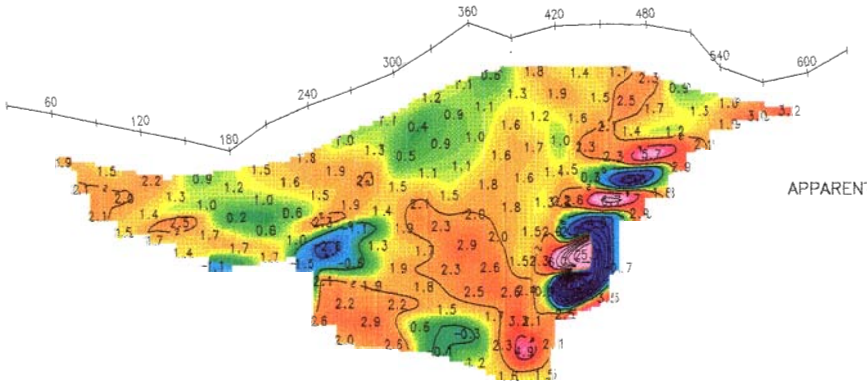




SELF POTENTIAL (SP)



APPARENT RESISTIVITY



APPARENT CHARGEABILITY (IP)

LEGEND

CONTOUR INTERVALS

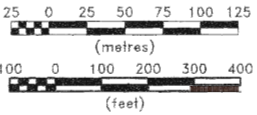
Resistivity:	log base 10 ohm-metres
Chargeability:	2 milliseconds

INSTRUMENTATION

IP Receiver:	BRGM IRIS ELREC 6
IP Transmitter:	BRGM VIP 4000
IP Generator:	6.5 kWatt Honda

IP SURVEY PARAMETERS

Survey Mode:	Time Domain
Array:	Dipole-Dipole
Dipole Length:	30 meters (100 feet)
Dipole separation:	n=1 to n=12
Delay Time:	240 milliseconds
Integration Time:	1600 milliseconds
Charge Cycle:	8 second square wave



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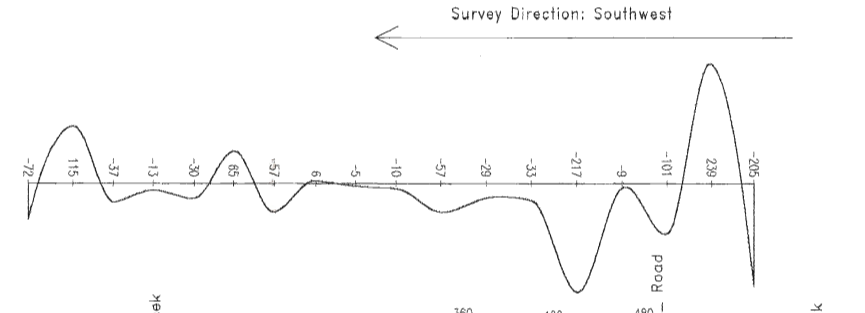
NEW DAWN HOLDINGS LTD

ALLIES PROPERTY

CANNELL CREEK, KAMLOOPS MD, BC

RESISTIVITY & IP PSEUDOSECTIONS



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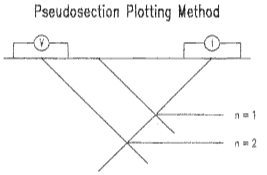

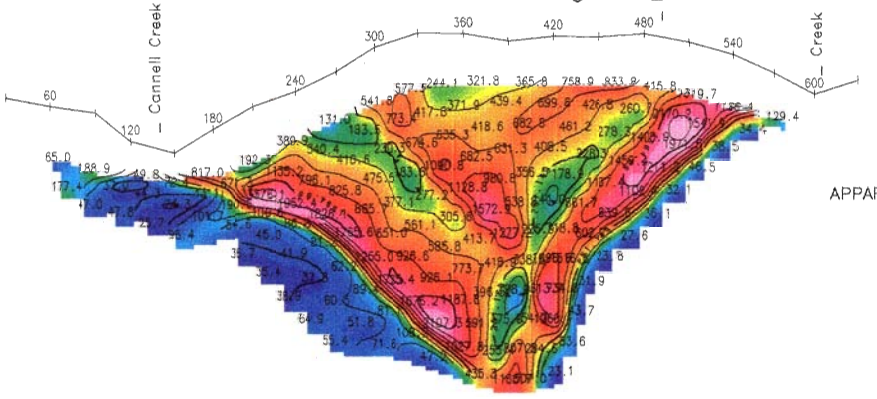

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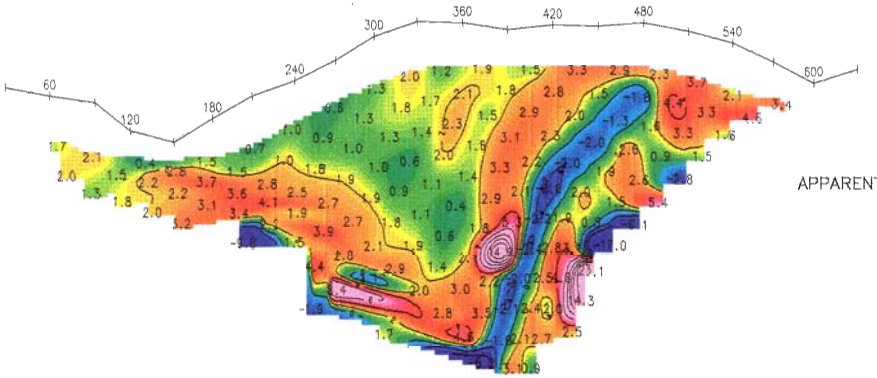

APPARENT CHARGEABILITY (IP)

LEGEND

CONTOUR INTERVALS

Resistivity:	log base 10 ohm-metres
Chargeability:	2 milliseconds

INSTRUMENTATION

IP Receiver:	BRGM IRIS ELREC 6
IP Transmitter:	BRGM VIP 4000
IP Generator:	6.5 kWatt Honda

IP SURVEY PARAMETERS

Survey Mode:	Time Domain
Array:	Dipole-Dipole
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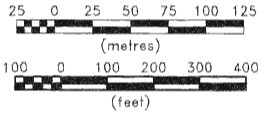
Integration Time:	1600 milliseconds
Charge Cycle:	8 second square wave



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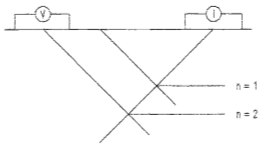
ALLIES PROPERTY

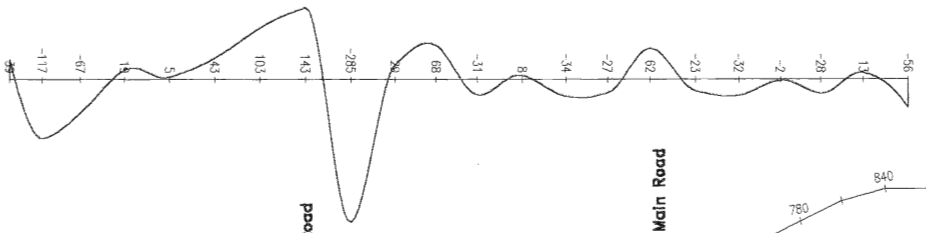
CANNELL CREEK, KAMLOOPS MD, BC

RESISTIVITY & IP PSEUDOSECTIONS

Survey Direction: Southwest

Pseudosection Plotting Method





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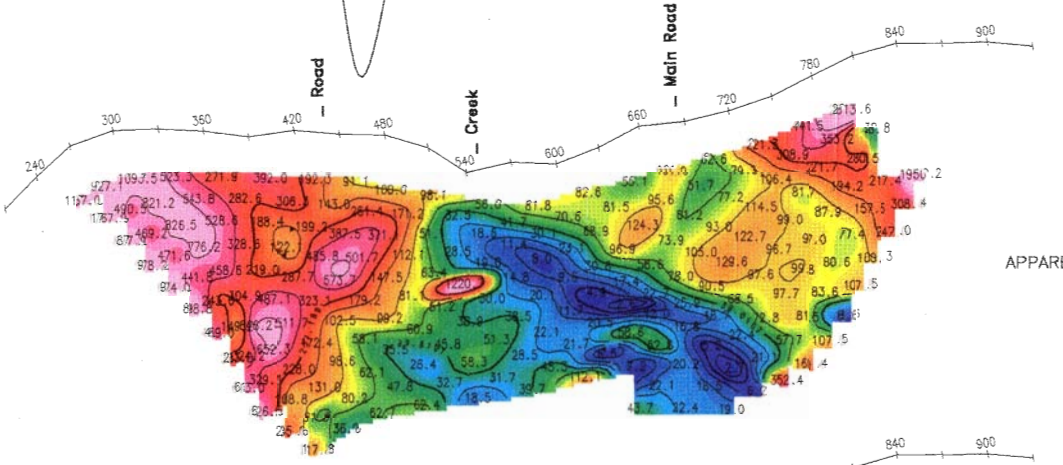
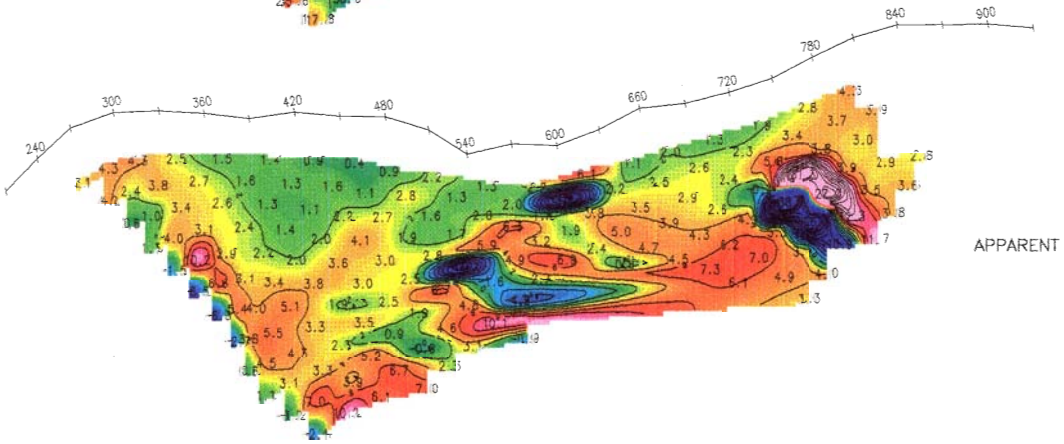


APPARENT RESISTIVITY



APPARENT CHARGEABILITY (IP)

LEGEND

CONTOUR INTERVALS

Resistivity:	log base 10 ohm-metres
Chargeability:	2 milliseconds

INSTRUMENTATION

IP Receiver:	BRGM IRIS ELREC 6
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IP SURVEY PARAMETERS

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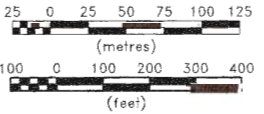
Delay Time:	240 milliseconds
Integration Time:	1600 milliseconds
Charge Cycle:	8 second square wave



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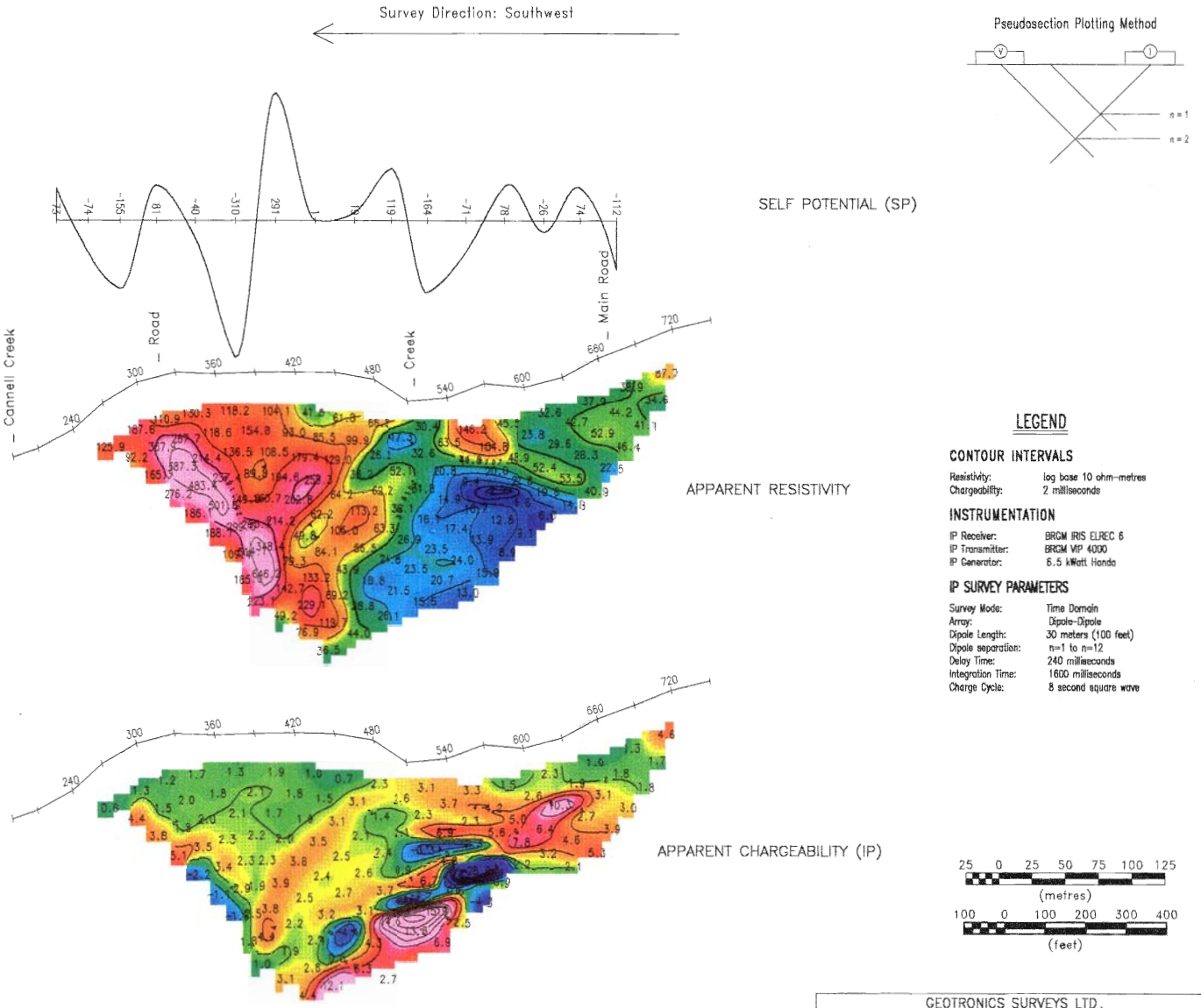
CANNELL CREEK, KAMLOOPS MD, BC

RESISTIVITY & IP PSEUDOSECTIONS

WITH SELF POTENTIAL PROFILE



LEGEND

CONTOUR INTERVALS

Resistivity:	log base 10 ohm-metres
Chargeability:	2 milliseconds

INSTRUMENTATION

IP Receiver:	BRGM IRIS ELREC 6
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RESISTIVITY & IP PSEUDOSECTIONS