

Assessment Report
2006 Work Program
Prospecting and Rock Sampling

on the

PHOENIX & BLUEBELL PROPERTIES

BOUNDARY DISTRICT

NTS 82E/2

Lat: 49° 06' 00'' N Long: 118° 36' 00'' W
(at approximate centre of work)

Greenwood Mining Division
British Columbia, Canada

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September 1, 2006

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1.0 SUMMARY

Kettle River Resources Ltd. owns eight mineral properties in the historic Greenwood Mining Camp of Southern British Columbia, covering in excess of 10,000 hectares. During July 2006, a prospecting and rock sampling program was carried out on the Phoenix and adjoining Bluebell properties, as detailed in this report. The objectives of the program were to assess the potential for epithermal-style mineralization in and to the south of the Phoenix pit, to prospect for limestone-hosted epithermal style mineralization on the Bluebell property, and to locate, sample and evaluate the Maple Leaf showing, which had been untested by any recent work.

An epithermal-style quartz vein/silicified zone is exposed in the east wall of the Phoenix pit, intermittently over a strike length of about 75-100 meters. The vein trends north-northeast and is characterized by intense silicification with 5-10% finely disseminated pyrite. It is vuggy with quartz druse, contains minor patchy white clay altered zones, and weathers to a distinctive pale yellowish colour. The vein follows the faulted contact between Eocene Kettle River sediments (or a syenite sill which has intruded along the contact) on the east and underlying skarn altered Brooklyn sharpstone conglomerate. Silicification is seen overprinting both the skarn and the younger overlying sediments. Sampling of the vein returned elevated gold, silver and arsenic, to a maximum of 1.06 g/t Au, 11.6 ppm Ag, and 265 ppm As.

South of the Phoenix pit, at the War Eagle showing, approximately 15-20% of the rocks on the shaft dump have epithermal-style drusy quartz veinlets which overprint the chalcopyrite-pyrite-magnetite-garnet skarn. Bleaching and weak-moderate argillic alteration also occurs. Approximately 80 meters east of the shaft, the epithermal system is exposed in several old pits and trenches. Samples of epithermal-style veining and alteration returned elevated gold and silver values, to a maximum of 2.01 g/t Au and 92.7 g/t Ag. Arsenic was consistently anomalous, to 1120 ppm As. The Phoenix and War Eagle epithermal systems are conclusive proof of a late-stage epithermal event overprinting the skarn. Although gold values were sub-economic, further work is recommended to explore for this style of mineralization in the area.

An old trench west of the Rawhide pits exposes a 0.5 meter wide quartz vein trending 090°/70°N (the "Rawhide vein"). The Rawhide vein is a massive white quartz (+ calcite) vein with weak malachite staining and with 5% poddy pyrite and chalcopyrite. Samples collected during the 2006 program returned values to 86.2 g/t Au, 121 g/t Ag and 5.56 % Cu. Texturally and mineralogically, the vein does not appear to be part of the late-stage epithermal event seen at the War Eagle and in the Phoenix pit, however it is an attractive target which is untested by any recent trenching or drilling and which should be explored further.

Several outcrops of siliceous limestone with drusy quartz veinlets and vugs were discovered north and west of the R. Bell-Summit showing on the Bluebell property, however none returned significantly elevated values of gold or silver. Prospecting was also successful in locating the Maple Leaf showing. Abundant massive, white quartz (+ calcite) vein material is present on the dump of the historic Maple Leaf shaft. The quartz contains patchy sulfides (pyrite, pyrrhotite, chalcopyrite and sphalerite) to 5-10%. It does not have textural or mineralogical characteristics consistent with epithermal-style veining. Samples returned values to 298 ppm Ag, 1.51% Cu and 4.94% Zn, although typical values were significantly lower. Gold values were low, to a maximum of 1.99 g/t Au.

Further work is recommended to explore for epithermal-style mineralization within and to the south of the Phoenix pit. Areas of anomalous Au, Ag and As from previous soil geochemical surveys should be ground located and prospected. Excavator trenching is recommended to provide better exposure of the epithermal system in the War Eagle area (and in areas of interest from the above prospecting program), for detailed mapping and sampling. Work is also recommended to further test the Rawhide vein. Trenching should be done to better expose the vein for sampling, and to test the on-strike extent to the east and west. Follow-up diamond drilling is then recommended to test both the Rawhide vein and the epithermal system at depth.

2.0 INTRODUCTION

Kettle River Resources Ltd. owns eight mineral properties in the Greenwood area of Southern British Columbia, namely the Phoenix, Phoenix tailings, Bluebell, Niagara, Rads, Tam O'Shanter, Haas Creek and Arcadia properties, as shown on Figure 1. This report summarizes the results of a small prospecting and rock sampling program completed on the Phoenix and Bluebell properties during 2006. The Phoenix and Bluebell properties are contiguous.

The program was designed to assess the potential for epithermal-style mineralization on the properties. Work done was filed, for assessment purpose, onto claims that form part of these two properties, as well as on claims that belong to the adjoining Arcadia and Niagara properties. This report contains background information on the Phoenix and Bluebell properties (on which the work was actually completed) only. Much of this background information on these properties is taken verbatim from an earlier report by the author (Caron, 2005). Information on the adjoining properties held by Kettle River Resources is also included in Caron (2005).

2.1 *Phoenix Property: Location, Access and Description*

The Phoenix property is centred about 13 kilometers northwest of Grand Forks, at latitude 49° 6' 45" N and longitude 118° 35' 10" W, on NTS 082E/2. Kettle River's Bluebell property adjoins the Phoenix property to the north, while the Arcadia property adjoins the claims to the west.

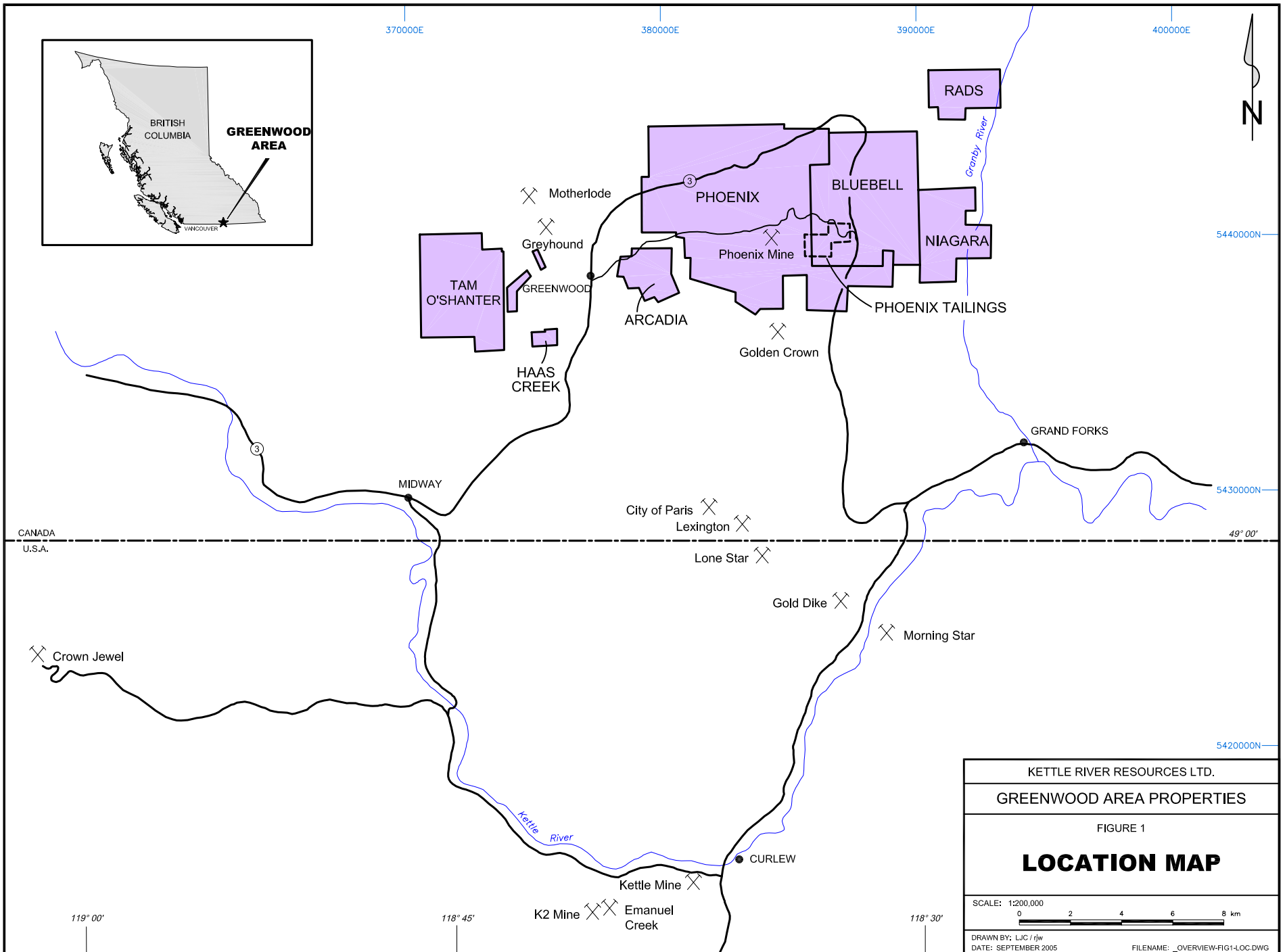
The property has excellent road access. Highway 3 passes through the northern and eastern parts of the claim block, while the Phoenix road, maintained year-round, provides good access through the centre of the claims. Numerous other old mining, logging and powerline access road, and abandoned rail grades, provide further road access.

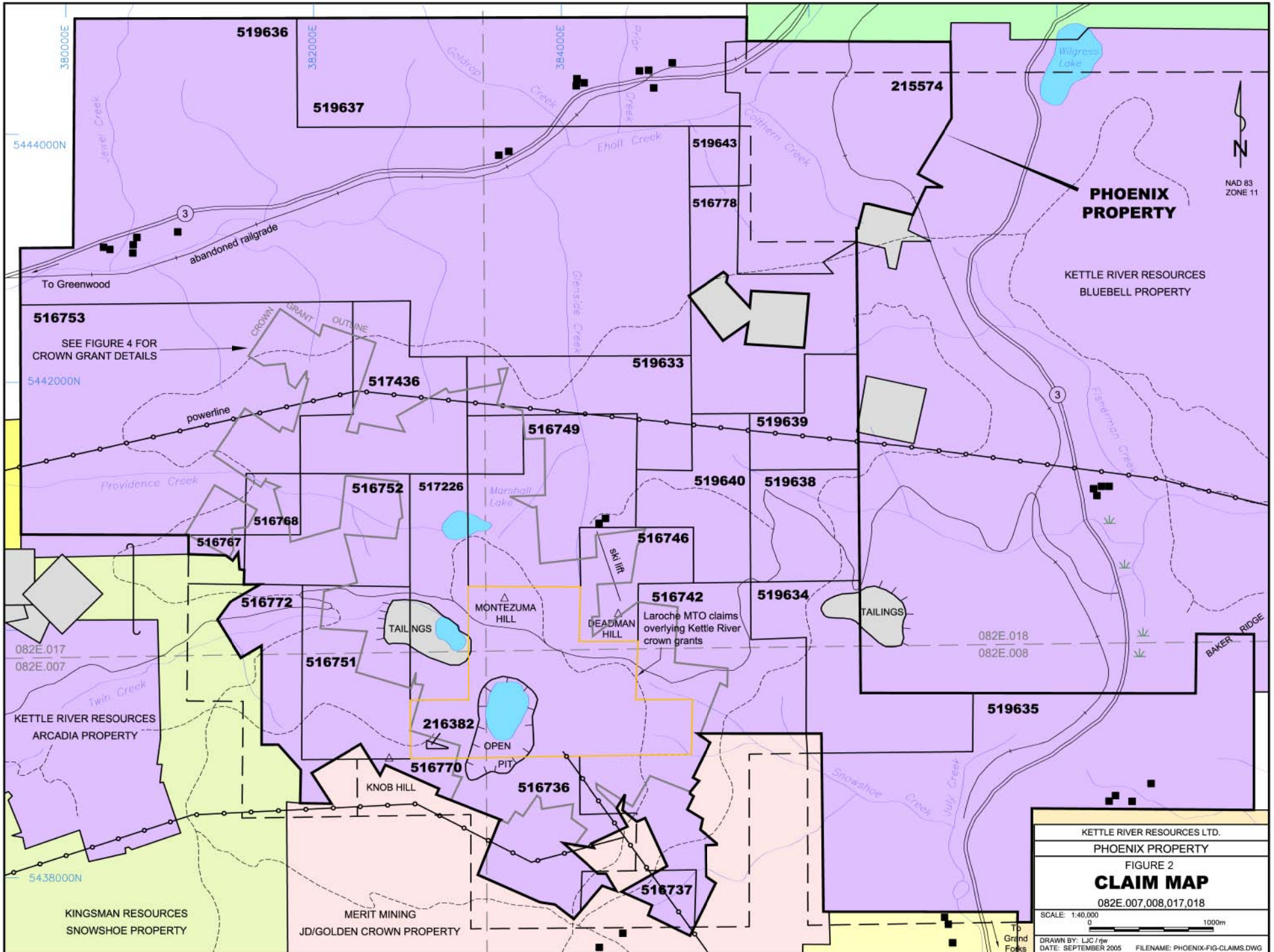
The Phoenix property covers approximately 4600 hectares on Mineral Titles map sheets 082E.007, 082E.008, 082E.017 and 082E.018. It includes the area in and around the past-producing Phoenix mine, from which in excess of 1 million ounces of gold was produced. The Phoenix mine operated from 1900-1919 and then again from 1956-1978. Total production during this time was 27 million tonnes, at an average grade of 0.9% Cu and 1.12 g/t Au.

The property is comprised of 55 crown granted mineral claims, one 4-post mineral (legacy) claim, one 2-post mineral (legacy) claim, 5 Mine Leases and 24 MTO cell claims, which are 100% owned by Kettle River Resources. Claims are shown on Figure 2. A more detailed map showing the crown grants and Mine Leases is included as Figure 3.

Kettle River holds the under-surface rights to all 55 crown grants included within the property, as well as surface right to 23 of the crown grants, as shown on Figure 3. The remainder of the Phoenix property is largely underlain by crown land, but areas with privately owned surface title do occur in the extreme northern and eastern parts of the property, adjacent to Highway 3 in the Eholt and July Creek valleys. Kettle River Resources holds also surface title to lot SL2, DL. 2710, which covers the Tremblay tailings and straddles the boundary between the Phoenix and Bluebell properties.

Claim, crown grant and Mine Lease information is summarized below in Tables 1, 2 and 3.





PHOENIX PROPERTY

KETTLE RIVER RESOURCES
BLUEBELL PROPERTY

NAD 83
ZONE 11

516753
SEE FIGURE 4 FOR
CROWN GRANT DETAILS

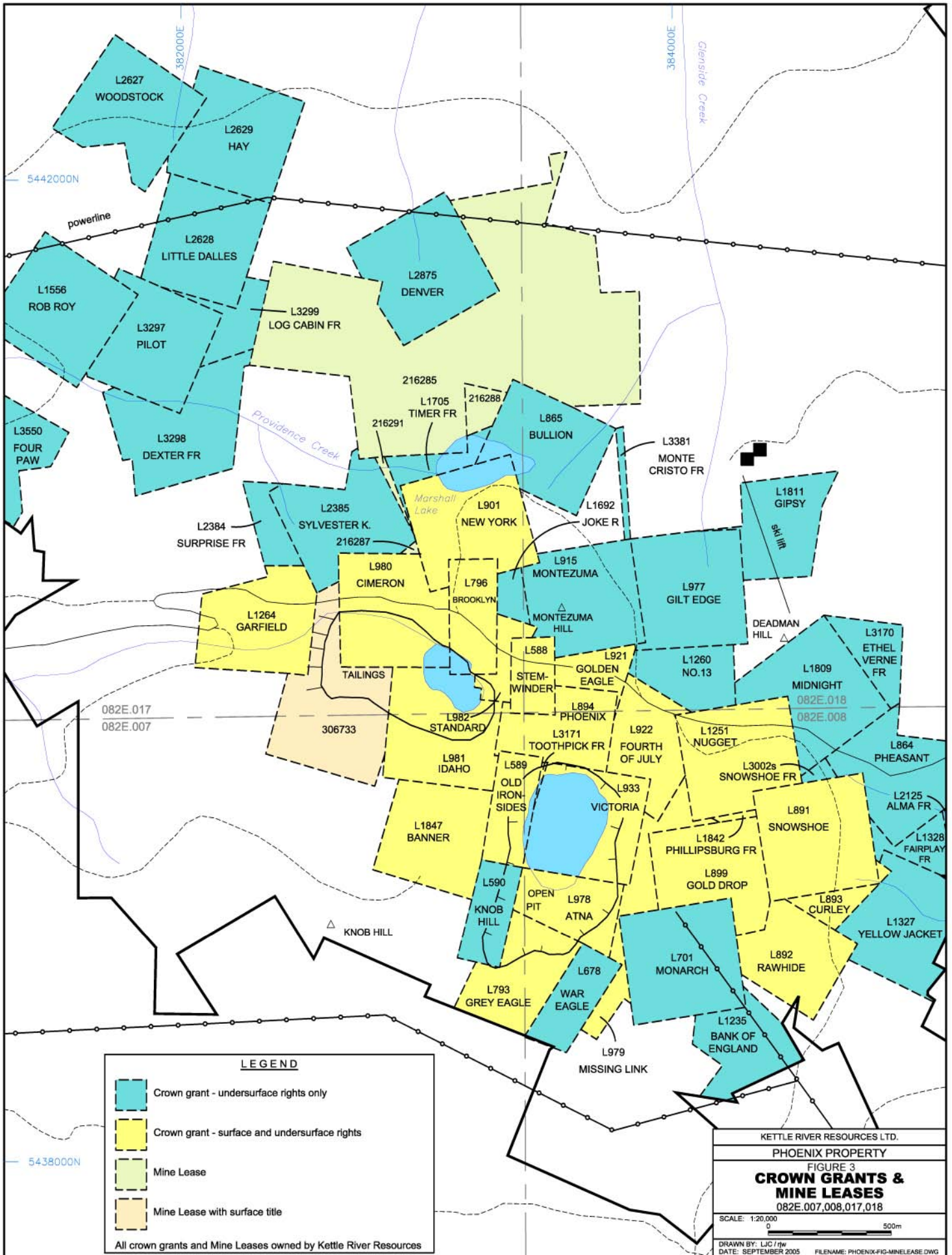
082E.017
082E.007
KETTLE RIVER RESOURCES
ARCADIA PROPERTY

KINGSMAN RESOURCES
SNOWSHOE PROPERTY

MERIT MINING
JD/GOLDEN CROWN PROPERTY

516742
Laroche MTO claims
overlying Kettle River
crown grants

KETTLE RIVER RESOURCES LTD.	
PHOENIX PROPERTY	
FIGURE 2	
CLAIM MAP	
082E.007,008,017,018	
SCALE: 1:40,000	0 1000m
DRAWN BY: LIC/rjw	
DATE: SEPTEMBER 2005	
FILENAME: PHOENIX-FIG-CLAIMS.DWG	



LEGEND

- Crown grant - undersurface rights only
- Crown grant - surface and undersurface rights
- Mine Lease
- Mine Lease with surface title

All crown grants and Mine Leases owned by Kettle River Resources

KETTLE RIVER RESOURCES LTD.
 PHOENIX PROPERTY
 FIGURE 3
CROWN GRANTS & MINE LEASES
 082E.007,008,017,018

SCALE: 1:20,000
 0 500m

DRAWN BY: LIC/IRW
 DATE: SEPTEMBER 2005 FILENAME: PHOENIX-FIG-MINELEASE.DWG

Lot #	Crown Grant Name	Lot #	Crown Grant Name
L. 588	Stemwinder	L. 1257	Nugget
L. 589	Old Ironsides	L. 1260	No. 13
L. 590	Knob Hill	L. 1264	Garfield
L. 678	War Eagle	L. 1327	Yellow Jacket
L. 701	Monarch	L. 1328	Fairplay Fr.
L. 793	Grey Eagle	L. 1556	Rob Roy
L. 796	Brooklyn	L. 1692	Joker
L. 864	Pheasant	L. 1705	Timer Fr.
L. 865	Bullion	L. 1809	Midnight
L. 891	Snowshoe	L. 1811	Gipsy
L. 892	Rawhide	L. 1842	Phillipsburg Fr.
L. 893	Curlew	L. 1847	Banner
L. 894	Phoenix	L. 2125	Alma Fr.
L. 899	Gold Drop	L. 2384	Surprise Fr.
L. 901	New York	L. 2385	Sylvester K.
L. 915	Montezuma	L. 2627	Woodstock
L. 921	Golden Eagle	L. 2628	Little Dalles
L. 922	Fourth of July	L. 2629	May
L. 933	Victoria	L. 2875	Denver
L. 977	Gilt Edge	L. 3002s	Snowshoe Fr.
L. 978	Aetna	L. 3170	Ethel Verne Fr.
L. 979	Missing Link	L. 3171	Toothpick Fr.
L. 980	Cimeron	L. 3297	Pilot
L. 981	Idaho	L. 3298	Dexter Fr.
L. 982	Standard	L. 3299	Log Cabin Fr.
L. 1024s	Aetna Fr.	L. 3381	Monte Cristo Fr.
L. 1235	Bank of England	L. 3550	Four Paw
L. 1252	Gold Drop Fr.		

Table 1 - Phoenix Property Crown Grants

Tenure #	AREA (Ha)	EXPIRY DATE*
215574	400.00	2007/Dec/15
216382	< 25.00	2009/Sep/21
516736	148.09	2009/Dec/15
516737	42.32	2011/Jun/18
516742	274.98	2009/Feb/20
516746	63.44	2007/Sep/10
516749	148.02	2008/Sep/30
516751	126.91	2009/Sep/21
516752	105.73	2008/Nov/16
516753	444.00	2007/Dec/15
516767	21.15	2009/Jun/08
516768	21.15	2007/Sep/10
516770	42.31	2009/Jul/06
516772	148.06	2009/Jun/08
516778	190.26	2007/Sep/10
517226	84.59	2007/Sep/10
517436	126.86	2007/Sep/10
519633	105.71	2008/Sep/30
519634	126.90	2009/Sep/08
519635	465.39	2007/Dec/15
519636	951.15	2007/Dec/15
519637	380.38	2007/Sep/10
519638	84.58	2009/Jun/13
519639	63.43	2007/Sep/10
519640	84.58	2007/Sep/10
519643	21.14	2007/Dec/15

* expiry dates listed are after filing this report

Table 2 - Phoenix Property Claim Information

Tenure #	AREA (Ha)	EXPIRY DATE
216285 (M100)	88.25	2006/Oct/22
216287 (M102)	0.19	2006/Oct/26
216288 (M103)	2.01	2007/Apr/21
216291 (M106)	0.52	2006/Sep/22
306733 (M098)	21.38	2006/Nov/21

Table 3 - Phoenix Property Mine Leases

2.2 Bluebell Property: Location, Access and Description

The Bluebell property is centred about 13 kilometers northwest of Grand Forks, on NTS 082E/2. Kettle River's Phoenix property adjoins the Bluebell property to the south, while the Niagara property adjoins the claims to the east.

The Bluebell property covers most of the historic Summit Mining Camp, including the past-producing Oro Denoro, Emma and B.C. mines, as well as numerous other mineral occurrences. It covers an area of approximately 2290 hectares on Mineral Titles map sheets 082E.007 and 082E.017 and is comprised of 20 crown granted mineral claims (for which the company holds under-surface rights only), two 4-post mineral claims and seven MTO cell claims. The claims and crown grants are shown on Figure 4, and summarized below in Tables 4 and 5.

Lot #	Crown Grant Name	Lot #	Crown Grant Name
L. 464s	B.C. Fraction No. 2	L. 949	Novelty Fraction
L. 465s	London No. 2 Fraction	L. 950	Vashti
L. 591	Emma	L. 986	Norton Fraction
L. 592	Jumbo	L. 1409	Mav
L. 593	Minnie Moore	L. 1506	R. Bell
L. 625	Cordick	L. 1553	Mountain View
L. 692	Oro Denoro	L. 1568	Mary B.
L. 794	Mountain Rose	L. 1691	Erwin
L. 863	Duplicate	L. 2136	Bluebell
L. 882	B.C.	L. 2114	Matabelle

Table 4 - Bluebell Property Crown Grants

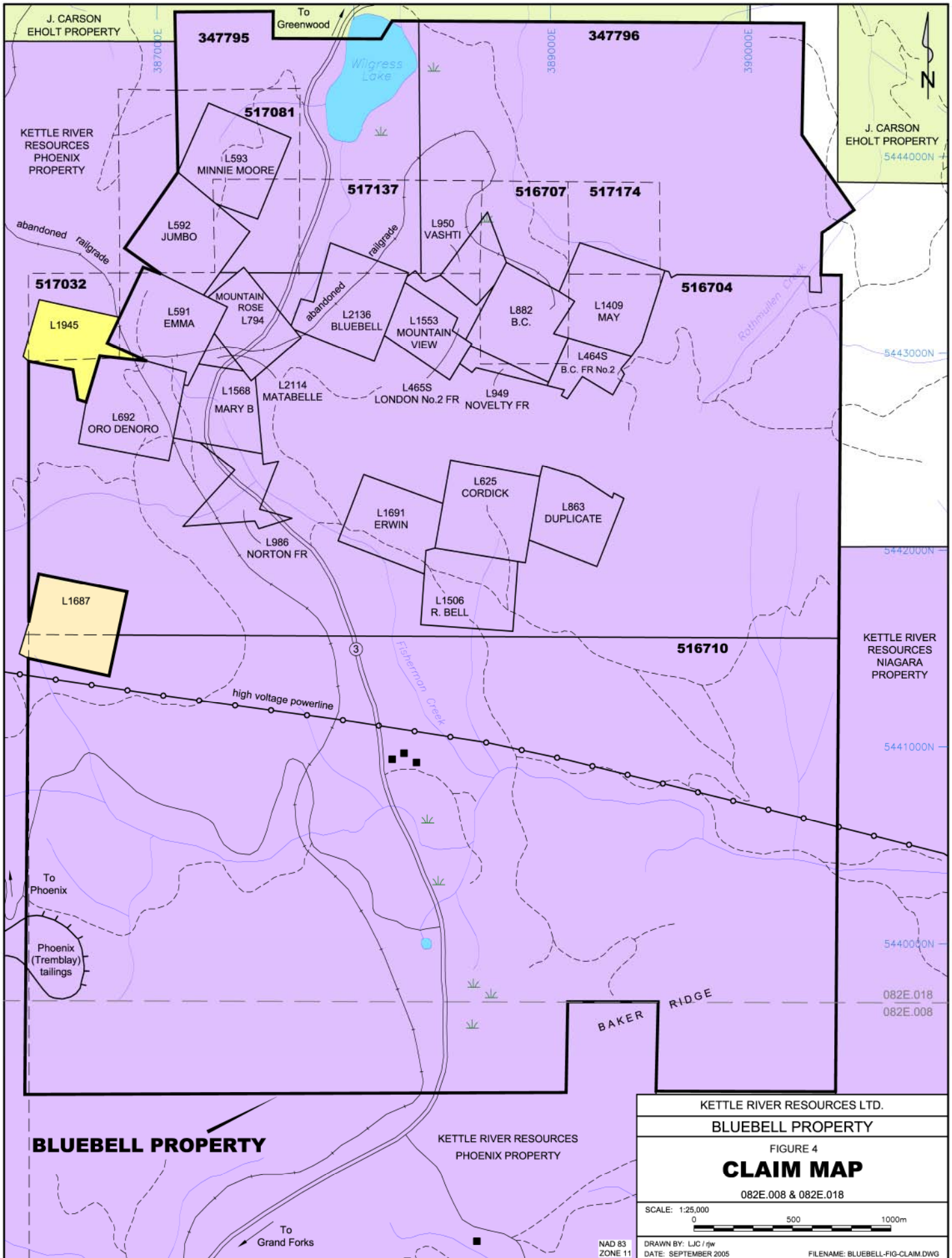
Tenure #	AREA (Ha)	EXPIRY DATE*
347795	225.0	2009/Jul/09
347796	375.0	2009/Jul/09
516704	739.87	2009/Apr/05
516707	42.27	2008/Jun/26
516710	930.46	2008/Dec/15
517032	21.14	2007/Dec/15
517081	63.40	2007/Sep/10
517137	42.27	2007/Sep/10
517174	21.14	2007/Sep/10

* expiry dates listed are after filing this report

Table 5 - Bluebell Property Claim Information

The property is 100% owned by Kettle River Resources, with no underlying agreements or royalties.

There is excellent road access to the property. Highway 3 passes through the claim block from north to south and the Phoenix road provides good access to the southwestern part of the property. A high tension powerline passes through the southern part of the property, in a generally east-west direction. Numerous powerline access roads and other secondary logging and mining exploration roads (including abandoned rail grades to the Oro Denoro, Emma and B.C. mines) provide further road access to the claims. The Thimble Mountain Trail, a moderately popular recreational trail for hikers and mountain bikers, passes through the



BLUEBELL PROPERTY

KETTLE RIVER RESOURCES PHOENIX PROPERTY

KETTLE RIVER RESOURCES LTD.	
BLUEBELL PROPERTY	
FIGURE 4	
CLAIM MAP	
082E.008 & 082E.018	
SCALE: 1:25,000	0 500 1000m
DRAWN BY: LJC / rjw	
DATE: SEPTEMBER 2005	
FILENAME: BLUEBELL-FIG-CLAIM.DWG	

NAD 83
ZONE 11

central portion of the property. One of the access points to the trail is at the B.C. Mine site while a second access point is approximately half a kilometer west of the R. Bell mine.

The majority of the Bluebell property is underlain by crown land, but areas with privately owned surface title do occur in the southern part of the claim block, adjoining Highway 3, and in the Wilgress Lake area. Kettle River Resources owns the surface land covering the Tremblay tailings in the southeastern part of the Bluebell property.

2.3 Climate, Local Resources, Infrastructure & Physiography

As described above, access to the Phoenix and Bluebell properties is excellent. Local infrastructure is also very good. Highway 3 (the Southern Trans Provincial Highway) passes through the region, as do several major high-voltage powerlines and the Southern Crossing natural gas pipeline.

Limited services, including room, board and fuel, are available in the Greenwood (population < 1000). Grand Forks, with a population of about 8,000 in the city and immediate surrounding area, is a more major supply centre. Most services needed for exploration are available in Grand Forks, located 40 kilometers east along Highway 3 from Greenwood. The closest full-service airports are located in Kelowna, Penticton or Castlegar.

The topography of the area is generally moderate. On the Bluebell property, elevations range from about 1000 meters in the July Creek valley to about 1250 meters at the height of land north of Fisherman Creek, while on the Phoenix property they range from about 820 meters in the Eholt Creek valley to 1580 meters at the height of land on Knob Hill, just south of the former Phoenix mine.

Vegetation consists of moderate to open second growth mixed fir, pine and larch forest, with little undergrowth. Wetter areas on north slopes and in creek draws commonly have thick cedar forest. Portions of the region have been logged.

The climate is moderately dry, with hot summers and little rainfall. Snowfall is typically in the order of 1-2 meters. South slopes and areas at lower elevations are generally snow-free from early April to mid November, while the higher elevations are generally not free of snow until early May.

3.0 HISTORY

3.1 History of Exploration - Phoenix Property

The Phoenix property is a large property with a history of exploration and mining that dates back to the early-1890's when mineralization was discovered in the Phoenix area. By 1900, the city of Phoenix had been incorporated and full-scale production was underway at the Phoenix mines. Mining continued at Phoenix, and intermittently at the nearby Snowshoe and Brooklyn mines, until 1919. Declining copper prices following the end of World War I, lower ore grades in the mines and a shortage of coal for the smelter in Grand Forks forced the Phoenix mine to close. Little work was done in the area until 1956, when the property was re-evaluated for its open-pit potential. A flotation mill was constructed on-site. Production began from the open-pit in 1959 and continued until 1978, by which time over 27 million tonnes at an average grade of 0.9% Cu and 1.1 g/t Au had been produced (including the early production).

Nineteen Minfile showings (including 6 past-producing mines) occur on the Phoenix property, as shown on Figure 5. Many of the Minfile occurrences describe showings that in early years were under separate ownership, but were subsequently acquired by Granby and became part of the Phoenix mine. Production data from the property is tabulated below in Table 6. Production data is reported separately for the Brooklyn-Idaho, Snowshoe, Rawhide and Phoenix properties in the early years when they were under separate ownership. After 1960, these properties were operated together by Granby as the Phoenix mine and production post-1960 is reported under the Phoenix property.

	Tonnes Mined	Au (gm)	Ag (gm)	Cu (kg)
Phoenix¹				
1900-19	12,434,629	20,890,363	129,614,629	163,550,871
1920-42	47,107	191,407	842,144	554,753
1959-78	13,055,128	7,258,880	52,579,405	71,587,498
Total:	25,536,864 tonnes @	1.1 g/t Au	7.2 g/t Ag	0.9% Cu
Brooklyn-Idaho²				
1900	109	280		2,722
1904-08	258,737	640,007	3,136,856	3,257,737
1916-36	489	1,803	9,331	7,407
1937-40	30,827	208,297	257,315	264,629
1949	1,913	3,670	21,057	25,714
1960	821	933	6,096	8,631
Total:	292,896 tonnes @	2.9 g/t Au	11.7 g/t Ag	1.2% Cu
Rawhide³				
1904-1916	855,634	1,055,668	6,909,502	18,610,012
Total:	855,634 tonnes @	1.2 g/t Au	8.1 g/t Ag	2.2% Cu
Snowshoe⁴				
1900-11	545,129	1,283,993	4,949,950	6,322,089
Total:	545,129 tonnes @	2.4 g/t Au	9.1 g/t Ag	1.2% Cu
Sylvester K⁵				
1989	5090			
Total:	5,090 tonnes @	5.1 g/t Au		
Marshall				
1967-75	370	15,210	17,635	
Total:	370 tonnes @	41.1 g/t Au	47.7 g/t Ag	

1. 1900-1919 production includes Gold Drop-Monarch

2. Includes Stemwinder production 1918-19, 1939,49. Production after 1960 is included with the Phoenix mine.

3. Production from the Rawhide after 1960 is included with the Phoenix mine

4. Production from 1957-64 is included with the Phoenix mine

5. Approximate gold grade reported (Seguin, 1989)

Table 6 - Phoenix Property Production Records

Only a brief summary of the early exploration and development history of the property is given below. Further details of the early history of the property are given by LeRoy (1912) and described in various Minister of Mines Annual Reports. A more detailed description of more recent work is included.

- 1891-1900 The first claims were recorded in the Phoenix area in 1891, and in 1896, the Miner-Graves syndicate (which became the Granby Consolidated Mining and Smelting, and Power Company) began development of the Old Ironsides - Knob Hill ore body. Construction of a smelter in Grand Forks was started, and in 1900 the first ore was shipped from Phoenix to the smelter. The City of Phoenix was incorporated the same year. Two railways (the CPR and the Great Northern) serviced the mines. Granby continued to operate the Phoenix mine until 1919. Although primarily an underground operation (in the early years), Phoenix was one of the early open pit mines in B.C. with 3 steam shovels and a large electric shovel mining from surface in addition to the underground work.
- 1900-04 Production began at the Snowshoe mine in 1900. The property was operated by Snowshoe Gold & Copper Mines, Limited.
- 1904-16 The Rawhide, Brooklyn and Idaho mines were all operated by the Dominion Copper Company (re-organized in 1908 to become the New Dominion Copper Company, with controlling interest held by the B.C. Copper Company). Until 1908, ore was shipped to the Dominion Copper Company smelter in Boundary Falls, and then after 1908, to the B.C. Copper Company's Greenwood smelter. A total of just over 250,000 tonnes at an average grade of 1.3% Cu and 2.5 g/t Au was mined from the Brooklyn-Idaho to the end of 1908. From 1904-1916, just over 850,000 tonnes averaging 2.2% Cu and 1.2 g/t Au was mined from the Rawhide.
- 1906-11 The Consolidated Mining and Smelting Company of Canada leased the Snowshoe mine in 1906, and continued to operate it until mine closure in 1911. By the end of 1911, the Snowshoe property had produced a total of almost 550,000 tonnes at an average grade of 1.2% Cu and 2.4 g/t Au. CM&S also worked on the War Eagle property during this time. A vertical shaft was sunk to a depth of 30 meters, and a 100 meter long cross-cut adit was driven. A gravity tram line was installed to transport ore to a railway spur near Hartford Junction. No production information is available for the War Eagle; this may be included with the Snowshoe production. Most of the Snowshoe ore was shipped to the Trail smelter, although some was smelted in Greenwood.
- 1913 Granby acquired the Snowshoe mine, but did not carry out any further mining here (until the second phase of work at the property from 1956-78).
- 1919 Granby closed the Phoenix mine in 1919, due to a drop in copper price following the end of the First World War, a decline in ore grades and a shortage of coking coal for the smelter furnaces (as a result of a strike in the Fernie coalfield). A total of over 12 million tonnes averaging 1.3% Cu and 1.7 g/t Au was produced from Phoenix during the years 1900 - 1919.
- 1930's-40's W.E. McArthur purchased the Phoenix property from Granby and operated the mines on a small scale during the 1930's and 1940's. The majority of production during this period was from the Old Ironsides, Brooklyn and Idaho mines.
- 1938 The Marshall property was optioned by the Consolidated Mining and Smelting Company

and a program of diamond drilling (8 holes) and trenching was done. Twelve “veins” were reportedly found, including one which was said to be 2.4 meters wide and 100 meters long, averaging 8.2 g/t Au (Malcolm, 1945). The optioned was dropped the same year.

1951-53 Attwood Copper Mines optioned the Phoenix property in 1951, and over the next few years completed a program of geological mapping, geochemical and geophysical surveys as well as diamond drilling.

1955-78 In 1955, Granby re-acquired the Phoenix property from McArthur and re-evaluated the property for its open pit potential. By 1963, Granby had acquired the Snowshoe, Brooklyn-Idaho, Stenwinder and Rawhide mines, in addition to the historic Granby property. A flotation mill was built on-site and open pit production at Phoenix began in 1959 at a rate of 900 tons per day, was increased to 2000 tons per day in 1961 and further increased to 3000 tons per day in 1972. Granby terminated mining operations at Phoenix in 1976, and later dismantled and moved the Phoenix mill. Subsequent to the mine closure, Noranda purchased all of Granby’s assets, including the Phoenix property.

Total production at Phoenix during the period 1900 - 1976 is reported at 27 million tonnes at a grade of 0.9% Cu and 1.12 g/t Au, from a number of different ore bodies (Church, 1986). This amounts to over 1 million ounces of gold production from the Phoenix deposit.

During the period of active mining at Phoenix in the 1960’s and 1970’s, extensive exploration was done on the property by Granby. Considerable diamond and percussion drilling was done in the vicinity of the mine and to a lesser extent, elsewhere on the property. Numerous IP surveys were also done in various parts of the property. No attempt has been made to document the many drill holes completed in the mine area (many of which relate to areas that were subsequently mined out). Voluminous records are on file in Kettle River’s office which pertain to this work. A summary of drilling by Granby elsewhere on the property is given below. It is very likely that other holes were drilled which are not listed and which a more detailed review of Granby’s data would reveal.

Paxton (1966) reports that two holes were drilled in 1966 to test a north-northeast trending chargeability anomaly in the vicinity of the proposed Twin Creek tailings area (prior to construction of the tailings dam). One hole intersected long sections of talc with disseminated pyrite.

In 1967 and 1968, a number of percussion holes tested the Gilt Edge area and a tabular zone of low-grade copper mineralization was identified. Several diamond drill holes were drilled to test the zone in 1969 and 1970, one of which returned assays of 0.23% Cu over 18 meters (Paxton, 1970).

In 1969, 3 diamond drill holes were drilled to test an IP anomaly about 300 meters west of the Lancashire Lass (the LG-2 area). One of the holes intersected a skarn zone in limestone, with “a good deal of pyrite and pyrrhotite but practically no chalcopyrite.” Gold grade is unknown. Granby recommended further drilling on this zone. An additional 3 holes were drilled to test IP anomalies in the LG-1 and LG-3 areas (Paxton, 1970). Drilling may also have been done to test IP anomalies on the West Pac grid.

1966-71 San Jacinto Explorations Ltd. acquired the Marshall and adjacent claims from Herb

Shear and completed a program of geological mapping, soil sampling, IP and trenching. Two zones of auriferous massive pyrite-pyrrhotite were discovered. In 1967 and 1968, several small shipments of sulfide material were made to the Cominco smelter in Trail (by San Jacinto and various lessees). Six shallow drill holes were done in 1969, and then in 1971, two additional shipments were made to the Trail smelter (Drummond, 1983).

- 1973-74 San Jacinto optioned the Marshall property to Highland Lode Mines Ltd. and a magnetometer survey was completed, as well as geological mapping, percussion drilling (on the Monte Cristo, Monte Carlo and Big Monte claims) and metallurgical testing. In 1974, a surface bulk sampling program was carried out on the Marshall Lake showings. It was reported that “*some 750 to 800 tons of material were moved of which 300 to 350 tons averaged between 1.0 and 1.5 oz/t gold and 0.5 oz/t silver with some zinc and copper values... One 8 to 10 ton lot assayed 7.3 oz/t gold, 5.43 oz/t silver and 4.56% copper.*” An additional shipment of ore was made in 1975 (Britton, 1974; Drummond, 1983).
- 1980-83 Kettle River Resources optioned the Phoenix property from Noranda and began an exploration program to assess the property for gold mineralization. Geological mapping and rock sampling was done in the Brooklyn and Sylvester K areas in 1981 and 1982. A VLF-EM survey was also done, and follow-up backhoe trenching led to the discovery of the Sylvester K gold zone. Trenching exposed a zone of stratabound massive pyrite-pyrrhotite, averaging 3.5 meters in width, with an average grade of 10.3 g/t Au. A footwall stringer zone returned similar gold grades. Twenty-three diamond drill holes were drilled to test the Sylvester K zone. Drilling showed that the mineralized horizon was complexly faulted (Gilmour, 1981, 1982a,b; Stewart, 1986).
- 1984-87 Following the Sylvester K discovery, Noranda elected to participate in the Phoenix joint-venture, and became operator of the project. During 1984, an airborne geophysical survey was flown over the property and ground geophysics, geology and geochemistry was done to follow-up anomalous conductors. Four diamond drill holes were drilled in the Sylvester K - Brooklyn area in 1984, and an additional drill hole was done at the Brooklyn in 1985 (Keating and Bradish, 1984).
- In 1987, Noranda completed one reverse circulation drill hole on the Wendy 13 claim, south of the Phoenix pit, to test for mineralization along gently dipping (Tertiary) shear zones, such as on the adjoining Crown (now Merit Mining’s JD property) property. Anomalous gold values in drilling were associated with coarse grained pyrite-pyrrhotite in quartz-calcite vein material (Gill, 1987).
- 1985 In 1985, Kettle River Resources entered into an agreement with Canbec Resources Ltd. to earn a 60% interest in the Marshall-San Jacinto claims near Marshall Lake. Under an area of interest clause, these claims were included in the Noranda-Kettle River joint venture, with Noranda as the operator. A 1985 Kettle River news release reports that backhoe trenching and diamond drilling were done to test the Marshall zone. Details of this work are unknown.
- 1988-89 The Noranda-Kettle River joint venture granted Skylark Resources Ltd. the right to mine 250,000 tons of gold-bearing ore from the Sylvester K occurrence. Skylark completed a close spaced drill program and then commenced mining in January-February 1989. Ore was shipped to the Dankoe Mill near Keremeos for processing. The project was abandoned in March, 1989, after mining only 5,090 tonnes of ore (at an average grade of

5.1 g/t Au) (Seguin, 1989).

In 1988, Kettle River Resources acquired a 100% interest in the Canbec Marshall Lake claims, through a bankruptcy sale. These claims were included in the Phoenix property.

Detailed geological mapping was done in the Phoenix pit area as work towards a M.Sc. Thesis at Washington State University (Still, 1989).

- 1989-91 Kettle River Resources acquired 100% ownership to all of Noranda's claims, crown grants (surface and under surface) and Mine Leases in the Phoenix area.
- 1990-92 Battle Mountain (Canada) optioned the Phoenix property from Kettle River Resources in 1990, and completed a program of geological mapping, rock and soil sampling, a ground magnetometer survey. Battle Mountain staked additional claims in the southeastern part of the property, which were subsequently transferred to Kettle River Resources. Battle Mountain's work followed a gold skarn model, similar to the then recently discovered Crown Jewel (Buckhorn Mountain) deposit. Most of Battle Mountain's work was concentrated within 2 to 3 kilometers of the Phoenix pit. In the spring of 1991, a 10 hole (960 meter) diamond drill program was completed. An IP survey was then completed and, in 1992, a further 9 holes (1364 meters) were drilled (Deighton et al, 1991; Leigh, 1991; Caron, 1992a,b; Roth, 1992).
- 1995-96 Kettle River Resources staked additional claims to cover open ground, including the Sunnyside showing in the northwestern part of the property.
- 1997 Echo Bay Minerals optioned the Phoenix property from Kettle River Resources, as part of a larger package of claims in the Greenwood area. Seven diamond drill holes were drilled in an attempt to locate the at-depth faulted offset of the Sylvester K zone. An additional 2 holes tested the northern strike extension of the zone, and one hole was drilled on the Marshall zone (Caron, 1997b; Rasmussen, 1997).
- 2002 Kettle River Resources completed a limited trenching program on the Phoenix marble occurrence.
- 2004 Access roads in the vicinity of the Phoenix mine were trenched and gated by Kettle River Resources, to address liability issues in the vicinity of the mine site. A GPS survey of claims was also done during 2004 (MacDonald and Klassen, 2004).
- 2005 Kettle River Resources staked MTO cell claims to cover crown grants within the Phoenix property, and converted legacy mineral claims to MTO cell claims.

3.2 History of Exploration: Bluebell Property

The Bluebell property has a similarly long history of exploration and mining, dating back to the mid-1890's, when mineralization was discovered at the Emma, R. Bell, B.C., and Oro Denoro. Crown grants covering these and other showings, were issued in the late 1890's and early 1900's and considerable exploration and development work was done on many of the claims, and particularly at the Oro Denoro, Emma and B.C. mines, over the next 25 to 30 years. Thirteen Minfile showings (including 6 past-producing mines) occur on the Bluebell property, as shown on Figure 6. Production data from the property (compiled from Minfile) is tabulated below in Table 7.

	Tonnes Mined	Au (gm)	Ag (gm)	Cu (kg)
Emma¹				
1901	590			
1902	7,662	5,972	113,744	67,088
1903	17,744	8,678	232,930	89,833
1904	37,077	26,749	331,713	180,184
1905	9,700	8,677	111,442	62,366
1906	14,107	10,730	129,637	133,152
1907	19,916	15,925	126,558	211,907
1908	477			954
1910	442			870
1911	10,387	10,295	72,688	94,384
1912	6,741	4,261	30,325	62,194
1916	14,405	13,001	129,606	155,303
1917	30,822	36,422	308,635	427,551
1918	18,700	23,918	232,588	267,848
1919	19,298	16,298	227,114	214,879
1920	16,393	14,059	205,840	185,189
1921	17,055	16,827	178,687	196,180
1927	22	31	373	466
Total:	241,538 tonnes @	0.9 g/t Au	10.1 g/t Ag	1.0% Cu
Oro Denoro				
1903	10,229	10,513	70,137	102,293
1904	15,799	21,274	144,847	240,371
1905	2,593	4,292	34,462	37,897
1906	8,146	12,192	93,340	116,473
1907	12,992	13,934	136,760	186,052
1908	52,807	41,305	335,757	770,824
1909	10,357	5,941	55,674	129,817
1910	10,407	6,656	77,633	102,991
1916	232	156	2,426	2,409
1917	220	187	2,333	1,490
Total:	123,782 tonnes @	0.9 g/t Au	7.7 g/t Ag	1.4% Cu
B.C. Mine				
1900	17,428	9,362	2,126,574	1,327,971
1901	42,471	20,715	2,905,673	1,646,419
1902	13,154		653,163	453,590
1903	16,119		805,817	544,366
1906	1,350	404	43,886	31,031
1907	1,529	529	48,738	29,265
1916	201	31	7,838	5,094
1917	612	31	20,963	16,195
1918	781		42,891	33,061
1919	109		6,221	4,536
1938	120	93	2,830	2,443
Total:	93,874 tonnes @	0.3 g/t Au	71.0 g/t Ag	4.4% Cu

1. 1905-1010 includes some production from the Mountain Rose

Table 7 - Bluebell Property Production Records

cont ...

	Tonnes Mined	Au (gm)	Ag (gm)	Cu (kg)
Bluebell				
1938	23		933	422
1939	330	8,055	2,862	
Total:	353 tonnes @	22.8 g/t Au	10.75 g/t Ag	0.1% Cu
R. Bell				
1901	267		110,696	20,832
1918	20		2,053	450
Total:	287 tonnes @		392.9 g/t Ag	7.4% Cu
Cyclops				
1952	259			
Total:	259 tonnes @	5.9% Zn		

Table 7 - Bluebell Property Production Records, cont...

The early history of the property is summarized below, largely from descriptions in the Minfile occurrences and in the Minister of Mines Annual Reports. Additional details are available, particularly in the Minister of Mines Annual Reports, although they add little to an overall assessment of the property. More recent exploration work on the property is described in somewhat more detail, with specific references identified.

1894-99 Mineralization was discovered at the Emma, during railroad construction in 1894, and over the next few years crown grants were issued over most of the main showings in the Summit Camp. Considerable development work was done at the mines during this period and railroads were constructed to the Oro Denoro, Emma, B.C. and Bluebell mines.

1900-20 The period from 1900 - 1920 marked the height of mining activity in the Summit Camp, with the B.C., Emma and Oro Denoro mines all in full operation. A small amount of production is also noted from the Mountain Rose and R. Bell mines during this period.

For much of this time the B.C., Emma and Oro Denoro mines were all operated by the B.C. Copper Company, with ore shipped to the company's smelter in Greenwood for processing. Ore from the Emma was very low grade but was valuable because of its iron content and suitability as a flux in the smelter. A fire underground disrupted production from the Emma mine in 1912, but by 1916 the workings had been restored and production continued. In the latter years, the Consolidated Mining and Smelting Company operated the Emma mine.

1938-39 A small amount of production is reported from the Bluebell Mine.

1950-53 Silver Chief Mines carried out work on the Cyclops in 1950 and 1952. Work in 1950 including 488 meters of diamond drilling, then in 1952, an adit was driven about 40 meters and a short raise was completed to connect to the bottom of an old shaft. A shipment of 259 tonnes, at a grade of 5.9% Zn, was mined and processed in the Providence mill in Greenwood.

A series of percussion and diamond drill holes are reported to have been drilled north of the B.C. Mine (between 1953 and 1965) but details as to hole locations and results are uncertain. Considerable drilling is also reported east of the Emma Mine in this same time

period (Hitchens, 1991).

1955-6 Noranda Mines Ltd. completed a program of geological mapping, geophysics and drilling. 17 holes (including 2 underground holes) were drilled at the Oro Denoro, 2 were drilled at the Swallow and 2 at the R. Bell (Weymark, 1966).

1957 Carswell (1957) completed an M.Sc. thesis entitled "The Geology and Ore Deposits of the Summit Camp, Boundary District, British Columbia" and examined, sampled and described many of the showings on the current Bluebell property.

1963-70 West Coast Resources Ltd. optioned the Oro Denoro and did ground magnetics, mapping, and drilled 29 surface and 17 underground holes. Kermeen (1966) examined the property on behalf of Granby and concluded that drilling to date had identified a resource of 274,000 tonnes grading 1.3% Cu, which he felt could be mined at a modest profit.

West Coast Resources had Weymark Engineering conduct a feasibility study of the deposit, based on the results of the drilling. Indicated reserves for the Oro Denoro were quoted 42.5 million tonnes @ 0.93% Cu, 0.8 g/t Au, and 11.0 g/t Ag (Weymark, 1966). **THIS ESTIMATES DOES NOT CONFORM TO 43-101 STANDARDS.** Furthermore, in 1983, a re-examination of drill core on which these results were based was completed. Regarding this re-examination of drill core, Rayner (1995) stated that:

"the observed core intersections in the box visually could not possibly have produced results as high as the quoted assay values shown in the log".

Subsequent work by Dolmage Campbell and Associates further discredited the Weymark estimate, as described below. **THE ESTIMATE SHOULD BE REGARDED WITH THIS IN MIND.**

Furukawa Mining Co. Ltd. optioned the Oro Denoro from West Coast Resources and drilled an additional 42 vertical diamond drill holes to test the deposit. West Coast Resources Ltd then completed 120 meters of drifting at the Oro Denoro and commissioned a feasibility study by Dolmage, Campbell and Assoc. (1968), which stated that:

"In the first place, no applied geology was used in interpreting the results of the drilling and assaying, and secondly, no sensible method of calculation was made, all of the data was simply fed to a computer. Since the orientation and concentrations of drill holes (and assays) were without sensible relation to the geometry of the ore bodies involved, the computerization was not effective or suitable ... Had some simple geological mapping and interpretation been done early in the 1964-66 drill program not as much drilling would have been necessary, the Furukawa program would not have been conducted in the manner it was and the expense of computerization would have been avoided."

A drill indicated resource of 650,000 tonnes of grading 0.85% Cu was identified by Dolmage, Campbell, however this still relied on assay data from drilling which Rayner (1995) has subsequently discredited. **THIS ESTIMATE DOES NOT CONFORM TO 43-101 STANDARDS AND SHOULD BE TREATED WITH CAUTION.**

1966-69 A limited ground mag survey was done over the R. Bell and Cordick crown grants, by Bornite Mines Ltd. (Sullivan, 1966).

King Resources held the Rockland crown grant (now part of the Bluebell property) west of the Oro Denoro as part of the Stan-Rockland property. IP and mag surveys plus geological mapping, rock and soil sampling was completed.

Giant Explorations Limited did trenching, magnetometer and soil surveys at the Cyclops showing.

West Coast Resources completed an IP survey and did minor diamond drilling in the vicinity of the Emma during 1968 and 1969 (Finney, 1968a,b).

Granby completed an IP survey on the Pac claims, southeast of the R. Bell in 1966, and then drilled 9 diamond drill holes in 1968 to test IP anomalies (Paxton, 1966; Caron, 1996a).

1970-71 Reinsbakken (1970) completed geological mapping of the current Bluebell property, as part of a M.Sc. thesis entitled "Detailed Geological Mapping and Interpretation of the Grand Forks - Eholt Area, Boundary District, British Columbia"

Bayland Mines optioned the Tokyo claims (from Herman Hoehn) and carried out a small IP survey. A drill hole was reported to have returned 13.7 g/t Ag and 0.87% Cu over 7.6 meters (Minfile 082ESE257).

Jason Explorations did soil sampling, IP and hammer seismic on the Stan-Rockland property.

Granby completed a soil geochem survey (Cu and Zn only) in the Pac area, and drilled a further 4 diamond and 7 percussion holes in this area.

1974-76 Granby Mining Corp optioned the Oro Denoro and completed mapping, ground geophysics, trenching and a percussion drill program. Test mining was done from an open pit at Oro Denoro and 123,400 tonnes of "mineralized rock" was taken to the Phoenix mill before the mining operation was abandoned.

Granby also drilled 15 short diamond drill holes west and south of the B.C. Mine. Intercepts of 2.74% Cu over 2.5 meters and 0.47% Cu over 5.5 meters were reported (Hitchens, 1991).

1979 New Frontier Petroleum optioned the Oro Denoro claims and completed a small amount of surface work and sampling of old workings.

1981-82 Kettle River Resources optioned the B.C. Mine and a number of adjacent claims. The old B.C. mine workings were dewatered to the 200-foot level. Geophysical and geochemical surveys were completed and a small amount of trenching was done.

1982-84 Kettle River merged their B.C. Mine claims with New Frontier's Oro Denoro claims to form the Bluebell joint venture (51% Kettle River, 49% New Frontier). A program of geological mapping, rock and soil geochemistry and geophysics (mag, VLF-EM, SP) was completed in 1983, which resulted in a new massive sulfide (pyrrhotite, pyrite, sphalerite) discovery east of the B.C. Mine near Rathmullen Creek. Trenching and very limited drilling was done to test the discovery. Limited trenching was also done on the Mountain View and Bluebell targets (Kyba and Daughtry, 1984).

In 1984, New Fronteir's interest in the joint venture was transferred to Bulkley Silver (51% Kettle River, 49% Bulkley Silver), and then in 1987 to Houston Metals Corp and Petro

Mac Energy Inc.

- 1984-85 Noranda Exploration Company Limited held the Thim Group in the southeastern part of the current Bluebell property, in joint venture with Kettle River Resources (as part of a much larger land package including most of the current Phoenix property). Noranda completed a Dighem III airborne mag/EM survey over the claims. Two airborne EM anomalies were identified on the lower west facing slope of Thimble Mountain. Ground mag and Max Min EM survey was completed over the airborne anomalies, and three EM conductors were delineated. Two backhoe trenches and 8 test pits were dug in November 1985, to test the EM conductors. Trenching uncovered a dark grey to black siliceous pyritic breccia (the Thim breccia) (Keating and Mitchell, 1985).
- 1987 The Bluebell joint venture (Kettle River/Houston Metals Corp and Petro Mac Energy Inc.) granted an option to Skylark Resources Ltd. to earn a 51% interest in the property. Skylark completed soil and ground magnetometer surveys over a small grid on the Emma and Jumbo crown grants, and then drilled 6 NQ diamond drill holes (totalling 873 meters) to test anomalies on-strike of known mineralized zones. Skylark dropped their option on the property in March of 1988 (Burns, 1988).
- 1987 Imasco obtained a 6 month License of Occupation (issued by the Ministry of Forests and Lands under regulations then in effect) to drill test the Eholt limestone showing. There is no documentation that any work was completed on the showing.
- 1989 Polestar Exploration Inc. undertook a geostatistical study of the Oro Denoro deposit. Polestar's main interest in the Oro Denoro was for the garnet resource. Polestar felt that the economics of a garnet operation would require an open pit scenario where copper could be recovered at a profit to offset the cost of separating and cleaning a garnet concentrate. They concluded that such an operation was not viable (Giroux, 1989).
- 1990-91 In December 1990, Kettle River purchased all of Petro Mac Energy's interest in the Bluebell property, to hold 100% of the property. Battle Mountain (Canada) Inc. (who then held the Phoenix property under option from Kettle River) then completed a review of data on the property. Further work was recommended on 23 different targets (Kyba, 1990), but the claims were subsequently optioned to Canamax Resources.
- Canamax completed a program of airborne geophysics, followed by a drill program in January and February 1991 to test airborne geophysical anomalies. Six diamond drill holes totalling 970 meters were drilled. Three of the drill holes tested airborne mag high anomalies (north and south of Wilgress Lake) for the possibility of magnetite rich skarn mineralization, without success. Two holes were drilled north of the B.C. Mine to test the on-strike continuation of mineralization and one hole was drilled just north of the Bluebell showing to test for mineralization along the limestone/volcanic contact. A program of geological mapping, rock and soil sampling was then done in the summer of 1991 (Johnson, 1991; Hitchens, 1991). Canamax dropped their option on the property late in 1991.
- 1992 Crownex Resources Ltd. completed a small geochemical and geophysical program at the Tokyo showing, for Herman Hoehn. A rock sample was reported to have assayed 25.4 g/t Ag, 1.07 g/t Au and 1.0% Cu (Minfile 082ESE257).

- 1995-96 Kettle River Resources Ltd. completed a review of previous work on the Bluebell property, followed by geological mapping, soil and rock sampling programs over select targets (Rayner, 1995; Kyba 1996a,b; Caron 1996b). A new discovery was made in outcrop (high grade gold in silicified limestone), in follow-up to anomalous gold in soils near the old R. Bell mine workings. Several blast trenches were done on the newly discovered “Summit vein”, followed by a 14 hole (1080 meter) diamond drill program (Caron, 1997a). During this period, additional claims were staked to cover open ground, including the former Rockland crown grant and the Tokyo showing.
- 1997 Echo Bay Minerals Co. optioned the Bluebell property from Kettle River Resources (as part of a larger land package) and completed a 23 hole (1476 meter) diamond drill program to test the R. Bell, Bluebell and North Emma showings (Rasmussen, 1997). Echo Bay dropped their option on the property late in 1997.
- 2004 Kettle River Resources completed a GPS survey of (former) located claims comprising the Bluebell property (Macdonald and Klassen, 2004).
- 2005 Kettle River Resources staked MTO cell claims to cover all of the crown grants within the Bluebell property, and converted most of the legacy mineral claims to MTO cell claims.

3.3 Summary of 2006 Work Program

During July 2006, a 23 man-day prospecting and rock sampling program was carried out on the Phoenix and Bluebell properties, as detailed in this report. The objectives of the program were: to assess the potential for epithermal-style mineralization in and to the south of the Phoenix pit, to prospect for limestone-hosted epithermal style mineralization on the Bluebell property, and to locate, sample and evaluate the Maple Leaf showing, which had been untested by any recent work.

Work was done by John Boutwell, Alfrieda Elden and Linda Caron. A total of 96 rock samples were collected and submitted to Eco Tech Laboratories in Kamloops for preparation and analysis for gold and a multi-element ICP suite. Samples returning over-limit values for gold, silver, copper or zinc then assayed. Forty-three of the rock samples were collected from the Bluebell property. The remaining 53 samples were collected from the Phoenix property.

Fieldwork was completed from July 3 - 20, 2006, under the supervision of Linda Caron.

4.0 GEOLOGY

4.1 Regional Geology

Numerous people have mapped portions of the Boundary District on a regional basis, including Massey (2006), Höy and Dunne (1997), Fyles (1984, 1990), Little (1957, 1961, 1983), Monger (1967), Church (1986), Parker and Calkins (1964), Muessig (1967) and Cheney and Rasmussen (1996). While different formational names have been used within different parts of the district, the geological setting is similar.

The Boundary District is situated within Quesnellia, a terrane that accreted to North America during the mid-Jurassic. Proterozoic to Paleozoic North American basement rocks are exposed in the Kettle and Okanogan metamorphic core complexes. These core complexes were uplifted during the Eocene, and are separated from the younger overlying rocks by low-angle normal (detachment) faults. The distribution of these younger rocks is largely controlled by a series of faults, including both Jurassic thrust faults (related to the accretionary event), and Tertiary extensional and detachment faults.

The oldest of the accreted rocks in the district are late Paleozoic volcanics and sediments. In the southern and central parts of the district, these rocks are separated into the Knob Hill Complex and overlying Attwood Groups. Rocks of the Knob Hill Complex are of dominantly volcanic affinity, and consist mainly of chert, greenstone and related intrusives, and serpentinite. The serpentinite bodies of the Knob Hill Complex represent parts of a disrupted ophiolite suite which have since been structurally emplaced along Jurassic thrust faults. Commonly, these serpentinite bodies have undergone Fe-carbonate alteration to listwanite, as a result of the thrusting event. Serpentinite is also commonly remobilised along later structures. Unconformably overlying the Knob Hill rocks are sediments and volcanics (largely argillite, siltstone, limestone and andesite) of the late Paleozoic Attwood Group.

The Paleozoic rocks are unconformably overlain by the Triassic Brooklyn Formation, represented largely by limestone, clastic sediments and pyroclastics. Both the skarn deposits and the more recently recognized stratabound gold-bearing volcanogenic magnetite-sulfide deposits which occur in the district are hosted within the Triassic rocks. Volcanic rocks overlie the limestone and clastic sediments of the Brooklyn Formation and may be part of the Brooklyn Formation, or may belong (in part) to the younger Jurassic Rosslund Group. In the western part of the district, the Permo-Triassic rocks are undifferentiated at present and grouped together as the Anarchist Group.

At least four separate intrusive events are known regionally to cut the older rocks, including the Jurassic aged alkalic intrusives (i.e. Lexington porphyry, Rosslund monzonite, Sappho alkalic complex), Triassic microdiorite related to the Brooklyn greenstones, Cretaceous-Jurassic Nelson intrusives, and Eocene Coryell (and Scatter Creek) dykes and stocks.

In the Greenwood area, Fyles (1990) has shown that the pre-Tertiary rocks form a series of thrust slices, which lie above a basement high-grade metamorphic complex. A total of at least five thrust slices are recognized, all dipping gently to the north, and marked in many places by bodies of serpentine. There is a strong spatial association between Jurassic thrust faults and gold mineralization in the area.

Eocene sediments and volcanics unconformably overlie the older rocks. The oldest of the Tertiary rocks are conglomerate and arkosic and tuffaceous sediments of the Eocene Kettle River Formation. These sediments are overlain by andesitic to trachytic lavas of the Eocene Marron Formation, and locally by rhyolite flows and tuffs (such as in the Franklin Camp). The Marron volcanics are in turn unconformably overlain by lake bed sediments, lahars and volcanics of the Eocene Klondike Mountain Formation. The Klondike Mountain Formation is largely missing in the Greenwood area.

Three Tertiary fault sets are recognized, an early gently east dipping set, a second set of low-angle west dipping, listric normal (detachment-type) faults, and a late, steep dipping, north to northeast trending set of right or left lateral or west side down normal faults (Fyles, 1990). Epithermal gold mineralization, related to Eocene structural activity, has been an important source of gold in the Boundary District.

The Tertiary rocks are preserved in the upper plates of low-angle listric normal (detachment-type) faults related to the uplifted metamorphic core complexes, in a series of local, fault-bounded grabens (i.e. Republic graben, Toroda graben) (Cheney and Rasmussen, 1996; Fyles, 1990). In the Greenwood area, a series of these low-angle faults occur (from east to west, the main low-angle faults are the Granby River, Thimble Mountain, Snowshoe, Bodie Mountain, Deadwood Ridge, Windfall Creek, and Copper Camp faults). These faults have taken a section of the Brooklyn stratigraphy and sliced it into a series of discrete blocks, each separated by a low-angle fault. For example, the Phoenix section is rooted by the Snowshoe fault. Overlying these rocks were rocks now exposed about 6 kilometers to the west in the Deadwood Camp. The Deadwood segment was in turn overlain by rocks now situated to the west above the Copper Camp fault. The low angle Tertiary faults have displaced pre-Tertiary mineralization (i.e. the Deadwood camp represents the top of the Phoenix deposit), however current thinking attributes at least some of the gold in the deposits to the low angle Tertiary faults that underlie them. Many smaller low angle detachment-type faults are recognized on a property scale, and are often marked by Eocene sills which mask rocks the underlying fault plate. Because the skarn and VMS/O deposits have a strong stratigraphic control, an understanding of both stratigraphy and structure is critical to exploration success.

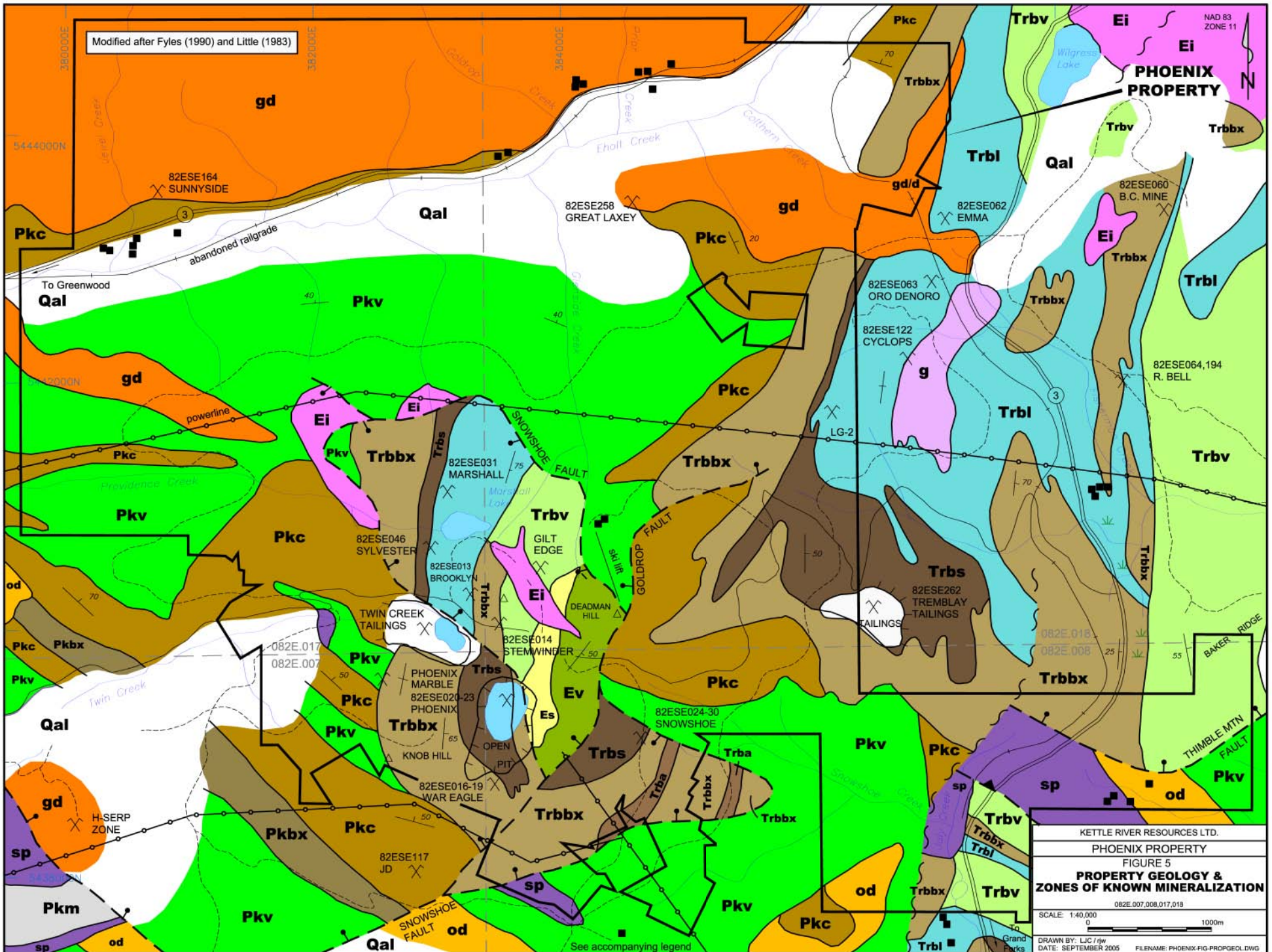
Most of the historical production and previous exploration in the Boundary District has been directed at gold or copper-gold/silver mineralization. The important gold and copper-gold deposits within the Boundary District can be broadly classified into six deposit types, including copper-gold or gold skarn deposits, gold-bearing volcanogenic magnetite-sulfide deposits (Lamefoot-type), mesothermal quartz veins with gold (+ silver, lead, zinc), epithermal quartz veins (and gold along Eocene structures), Jurassic alkalic intrusives related copper, gold, silver and/or PGE mineralization, and gold mineralization associated with serpentinite. Details and examples of each of these styles of mineralization are contained in Caron (2005) and are not repeated here.

4.2 Phoenix Property: Geology

The general geology of the Phoenix property is shown on Figure 5. A geological legend to accompany this (and other geology maps included later in this report) follows Figure 5. Numerous people have mapped the immediate Phoenix mine area in greater detail than that shown on the property geology map (i.e. Deighton et al, 1991; Still, 1989; Fyles, 1985; White, 1949; LeRoy, 1912). The reader is referred to these sources for a more detailed discussion of the geology and structure in the vicinity of the Phoenix mine.

The Phoenix property is underlain by chert and greenstone of the Knob Hill Complex. In the central portion of the property, a section of the Triassic Brooklyn Formation rests unconformably above the Knob Hill rocks and is separated from the older rocks by the Snowshoe Fault. The Brooklyn sequence is comprised of a basal section of chert pebble conglomerate (known locally as “sharpstone conglomerate”), which is overlain by tuffaceous sandstone and siltstone, then by massive limestone and finally by fragmental greenstone.

Regionally, stratiform volcanogenic massive sulfide/oxide mineralization occurs at the top of the sharpstone unit (above the tuffaceous siltstone), stratigraphically below massive Brooklyn limestone (i.e. the Lamefoot horizon). Most of the mineralization in the Phoenix area has historically been considered to be copper-



KETTLE RIVER RESOURCES LTD.
PHOENIX PROPERTY
 FIGURE 5
PROPERTY GEOLOGY & ZONES OF KNOWN MINERALIZATION
 082E.007,008,017,018
 SCALE: 1:40,000
 0 1000m
 DRAWN BY: LIC/rhw
 DATE: SEPTEMBER 2005
 FILENAME: PHOENIX-FIG-PROPGEOL.DWG

GEOLOGICAL LEGEND

Qal Quaternary Alluvium

EOCENE

Ei Coryell Intrusions
Syenite, plaskite, monzonite and diorite dykes, sills and intrusions.

Ev Marron Formation
Andesite and trachyte flows.

Es Kettle River Formation
Volcaniclastic and arkosic sediments.

CRETACEOUS and/or JURASSIC

gd
d Nelson Plutonic Complex
Granodiorite and diorite dykes and stocks.

g Gabbro

TRIASSIC BROOKLYN FORMATION

Trbv Brooklyn Volcanics
Fine grained, chloritic and locally calcareous greenstone. Locally grades to microdiorite.

Trbl Brooklyn Limestone
Massive white to grey limestone, locally well bedded. May be dark grey, carbonaceous limestone. Also includes minor calcareous sandstone.

Trbs Brooklyn Sediments
Tuffaceous sandstone, siltstone and hornfels.

Trbbx Brooklyn Conglomerate
Chert breccia (sharpstone conglomerate), tuffaceous sandstone and polymictic (+limestone cobble) conglomerate.

Trba Brooklyn argillite and black siltstone

PERMIAN ATTWOOD GROUP

Paa Attwood Sediments
Black siltstone and phyllite, cherty siltstone, minor sandstone, conglomerate and greenstone.

Pal Attwood Limestone
Massive grey and white limestone, locally well bedded.

PERMIAN KNOB HILL COMPLEX

Pkc Knob Hill Chert
Chert plus minor argillite, siliceous greenstone.

Pkv Knob Hill Greenstone
May be siliceous and grade to Pkc.

Pkbx Knob Hill Chert Breccia and Conglomerate

Pkm Knob Hill Metamorphic Rocks
Chlorite schist, meta-intrusive, quartzite and chlorite-biotite schist.

od Old Diorite
Coarse to fine-grained hornblende diorite laced with feldspathic veinlets.

sp Serpentinite

/ / / Skarn

. . . Silicification

$\frac{50}{\text{---}}$ Strike/dip of bedding

$\frac{50}{\text{---}}$ Strike/dip of foliation

— Quartz vein

~ ~ ~ High angle fault

┆┆ Low angle detachment fault

▲▲ Thrust fault

●→ Drill hole

⊠ Pit

└─ Adit

■ Shaft

<— Trench

⬭ Open stope

gold skarn-type mineralization. While there is unquestionably skarn gangue mineralogy at many of the known mineralized zones, current thinking now attributes much of mineralization within the skarns to a volcanogenic event that pre-dates the skarn alteration. An Eocene gold event is also recognized which post-dates the skarn alteration. Epithermal-type quartz veins are seen cross-cutting skarn alteration in the vicinity of the War Eagle. Eocene sediments are in fault contact with the Brooklyn rocks along the east side of the Phoenix pit. An epithermal quartz vein cuts both the skarn and Eocene sediments within this section of the pit. The Eocene sediments are overlain to the east by Eocene volcanics.

The Snowshoe fault, which underlies the Brooklyn rocks in the Phoenix mine area, is a low-angle, Eocene-aged, arcuate listric normal fault with top to the west movement (and perhaps a component of dextral strike-slip movement). All of the known mineralization in the Phoenix mine area (including the Phoenix, Stemwinder, Brooklyn and Snowshoe deposits, and the War Eagle, Sylvester K, Marshall and Gilt Edge showings) occurs within a (maximum 300 meter and typically in the order of 150 meter thick) panel of Brooklyn rocks in the hangingwall of the Snowshoe fault. There has been relatively little exploration on the property outside of this detached panel of Brooklyn stratigraphy. Known zones of mineralization elsewhere on the claims include several small skarn zones associated with the contacts a large body of Nelson granodiorite in the northern part of the property with the Knob Hill and Brooklyn rocks. Mineralization is also known within the Brooklyn rocks in the eastern part of the property, at the LG-2 occurrence.

The Snowshoe fault is one of a series of Eocene-aged detachment-type faults in the Greenwood area. These low-angle faults have taken a section of the Brooklyn stratigraphy and sliced it into a series of discrete blocks. In a general sense, the Brooklyn rocks in the Summit basin (in the eastern part of the Phoenix property and on the adjoining Bluebell property) represent rocks which were formerly beneath those currently exposed at Phoenix. The Phoenix section is rooted by the Snowshoe fault and represents the detached top of the Summit section. Overlying the Phoenix section were rocks now exposed about 6 kilometers to the west in the Deadwood Camp.

Many smaller low-angle detachment-type faults, sympathetic to the larger faults, are recognized on a property scale. These low-angle faults are often marked by Eocene sills (common on surface and at shallow depths) which mask rocks the underlying fault plate. The low-angle Tertiary faults have not only displaced pre-Tertiary mineralization, but in places they control gold mineralization.

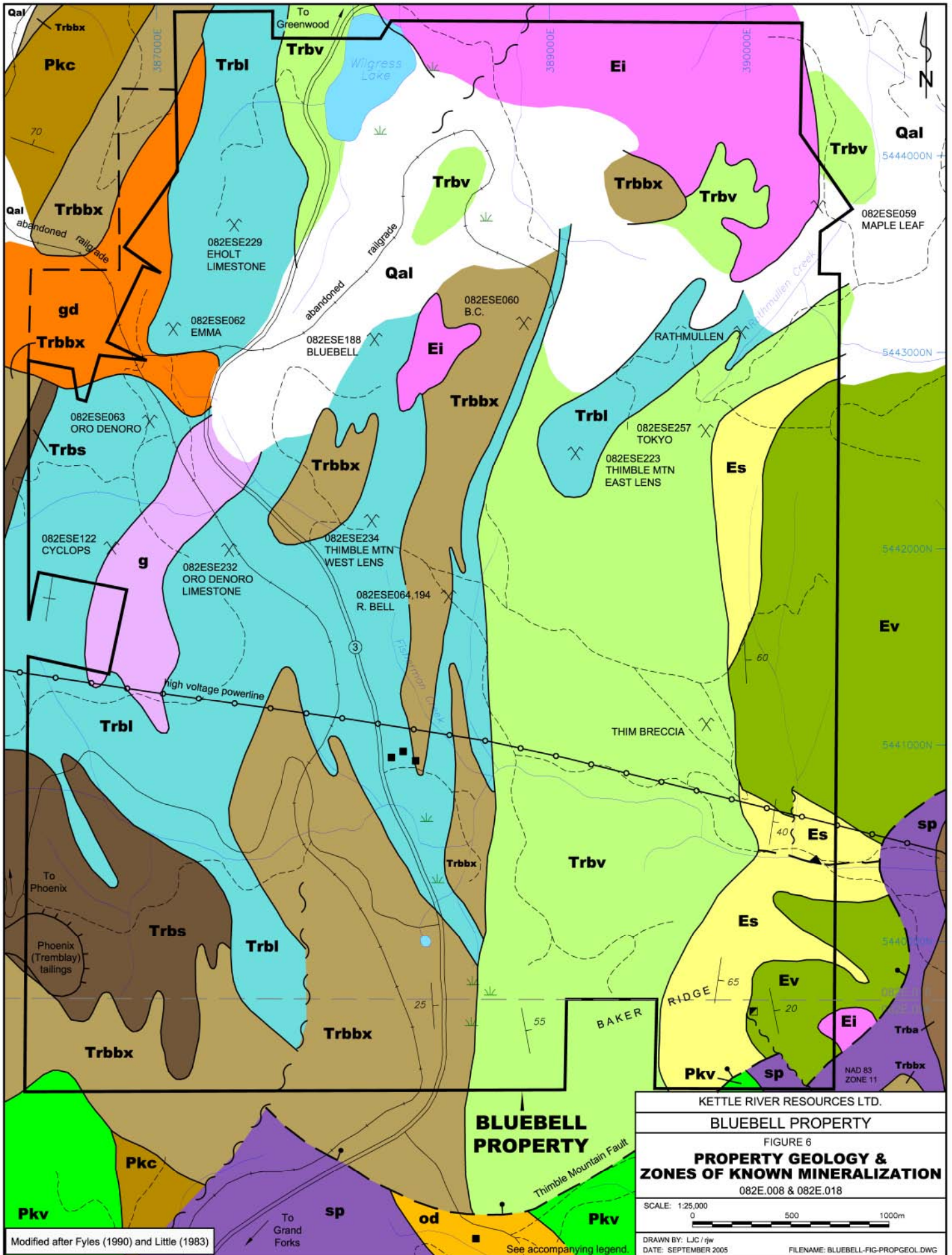
The entire Phoenix section is complexly faulted with a series of Tertiary faults of various attitudes, and as a result, it is difficult to identify pre-Tertiary structures. The older rocks (and pre-Tertiary mineralization) have been tilted in the Tertiary extensional event, so that deposits which were deposited horizontally are now moderate to steeply dipping. A large fold (the Phoenix syncline) is postulated in the Phoenix area, with the U-shaped form of the Phoenix deposit outlining the hinge zone.

Nineteen Minfile showings (including 6 past-producing mines) occur on the property, as shown on Figure 5. Each of these showings is described in detail in Caron (2005).

4.3 Bluebell Property: Geology

The general geology of the Bluebell property is shown on Figure 6. Numerous people have mapped the property in greater detail than that shown on Figure 6, including Carswell (1957), Reinsbakken (1970), Kyba and Daughtry (1984) and Hitchens (1991), however questions as to stratigraphy and structure still remain, as described below.

The property covers a large area of the Triassic Brooklyn Formation in an area referred to as the B.C. (or Summit) Basin. The B.C. Basin hosts the thickest sequence of Brooklyn rocks exposed in the Greenwood



area. A number of significant mineral occurrences are located within the basin, in what has historically been known as the Summit Camp. The mineral occurrences include copper skarn-type deposits, such as the Oro Denoro, where mineralization has strong structural controls and cross-cuts stratigraphy, as well as a number of occurrences such as the Emma and B.C. Mine where massive sulfides/oxides (with high precious metal content) are stratabound and may be volcanogenic in origin. Stratabound mineralization also occurs at the Cyclops, Rathmullen and Lancashire Lass showings (the latter within but not part of the Summit property), among others.

The main lithologies on the property are massive limestone, chert pebble (sharpstone) conglomerate and fragmental volcanics (all belonging to the Brooklyn Formation) however there is considerable disagreement amongst previous workers as to the stratigraphic section. Kyba and Daughtry (1984) describe a simple section which youngs to the east. Peatfield (1978) and Reinsbakken (1970) believe that the stratigraphy has been folded, while Fyles (1990, 1992) believes that the sequence is faulted, with a series of discrete fault panels each with east-facing stratigraphy. The author favours this latter hypothesis, but detailed mapping is required to confirm it.

The Brooklyn rocks overlie Knob Hill chert (exposed west of the property) and are in turn overlain on the east by Eocene sediments and volcanics on Baker Ridge and Thimble Mountain. These Eocene rocks have an abrupt western boundary that may be faulted, with the rocks east of the fault uplifted (?).

A granodiorite intrusive (part of the Jurassic-Cretaceous Nelson suite and known locally as the Lion Creek granodiorite) occurs in the western part of the property, near the Oro Denoro mine. Copper skarn mineralization at the Oro Denoro is related to the Lion Creek granodiorite. A feldspar-hornblende porphyritic diorite occurs just west of the Emma mine (the Emma diorite) and a small body of fine grained, dark greenish-grey gabbro (the Cyclops gabbro) occurs east of the Oro Denoro mine, near the Cyclops zinc showing. The age of the gabbro is unknown, but it cross-cuts the Brooklyn stratigraphy and is in turn cut by Eocene dykes. Reinsbakken (1970) felt that both the Cyclops gabbro and Emma diorite were border phases of the Nelson suite.

Numerous Eocene syenite stocks, dykes and sills intrude the Brooklyn rocks, and often mark the position of Eocene structures. Exploration is hampered by these sills, which mask the rocks in the underlying fault panel.

Thirteen Minfile showings (including 6 past-producing mines) occur on the Bluebell property, as shown on Figure 6. Descriptions of these (and other) showings are included in Caron (2005).

5.0 PROSPECTING AND ROCK SAMPLING

5.1 *Prospecting and Rock Sampling: Phoenix Property*

Deighton et al (1991) report several occurrences of epithermal type veining and alteration in and south of the Phoenix pit. A narrow quartz vein returning very high gold values was reported in a trench west of the Rawhide pit and a “breccia pipe” was mentioned northeast of the Snowshoe pit. The 2006 prospecting and rock sampling program was designed to locate these areas and to evaluate the potential for a late-stage epithermal-type gold event overprinting the earlier skarn system.

Fifty-three rock samples were collected from the Phoenix property during the 2006 program. Sample locations have been plotted on a series of 1:1250 scale geology maps from Deighton et al (1991), which are included as Figures 7, 8 and 9. Sample descriptions (with UTM coordinates) are contained in Appendix 1. Rock samples were shipped to EcoTech Laboratories in Kamloops for preparation and analysis for gold plus a 28 element ICP suite. Samples returning over-limit values for gold, silver, copper or zinc were then assayed. A description of analytical procedures is contained in Appendix 2. Analytical results are included in Appendix 3 and results for select elements are shown on Figures 7-9.

Approximately 100 meters west-northwest of the southern Rawhide pit, a 35-40 meter long trench trending east-west, cuts weak-moderate skarn altered sharpstone conglomerate. At the east end of the trench, a small old pit exposes a 0.5 meter wide quartz vein trending 090°/70°N (the “Rawhide vein”). The Rawhide vein is a massive white quartz (+ calcite) vein with weak malachite staining and with poddy sulfides (pyrite and chalcopyrite) to 5%. A shaft was dug at the west end of the trench, but is now water-filled and the vein cannot be seen in-situ. The vein is poorly exposed in the trench between the pit and shaft, but there is abundant quartz vein and gossan rubble and float in the trench floor. A total of 17 rock samples were collected from this area, as shown on Figure 7 and summarized below in Table 8. Samples returned good gold, silver and copper values, along with elevated mercury (to 740 ppb) and arsenic (to 835 ppm). High precious metal values are commonly associated with higher copper grade. Texturally and mineralogically, the vein does not appear to be part of a late-stage epithermal event, however it is an attractive target which is untested by any recent trenching or drilling and which should be explored further.

Sample	Au ppb or g/t	Ag ppm	Cu ppm or %
KR - 09	86.2 g/t	60.7	1.53 %
KR - 10	16.7 g/t	14.2	2155
KR - 11	5	<0.2	22
KR - 12	19.6 g/t	121.0	4.06 %
KR - 13	1.51 g/t	94.8	3.94 %
KR - 14	25.2 g/t	87.1	4374
KR - 15	160	2.2	909
KR - 16	610	3.5	3660
KR - 17	20.4 g/t	22.7	5001
KR - 110	1.74 g/t	11.8	3257
KR - 111	770	0.6	231
KR - 112	345	0.4	78
KR - 113	8.66 g/t	52.6	2.41 %
KR - 114	66.5 g/t	61.9	5.26 %
KR - 115	3.71 g/t	6.1	2164
KR - 116	8.75 g/t	65.3	5.56 %
KR - 117	37.1 g/t	46.5	1.09 %

Table 8 - Rawhide Vein Rock Sample Results

An epithermal-style quartz vein/silicified zone is exposed in the east wall of the Phoenix pit, intermittently over a strike length of about 75-100 meters. Access to this area is difficult and best done from the upper benches. The vein follows the faulted contact between Eocene Kettle River sediments (or a syenite sill which has intruded along the contact) on the east and underlying skarn altered Brooklyn sediments. Silicification is seen overprinting both the skarn and the younger overlying sediments. The vein has been removed by mining in places and in other places is obscured by debris, however it appears to strike at about 020° at the north end of the exposure, and swings to about 055° at south end. Its dip is similarly unclear. The vein may be near vertical, or the vein could be gently east dipping (as the sediment contact). The width also unclear but is at least 1 meter wide where seen in place. The eastern contact is marked by a 1 meter wide strongly graphitic zone. The vein is an intensely silicified zone with 5-10% fine silvery disseminated pyrite, and it weathers to a characteristic pale yellowish colour. It is vuggy with quartz druse and contains minor patchy white clay altered zones.

Ten samples were collected from this area, as shown on Figure 7 and listed below in Table 9. The vein was elevated in gold and silver, to a maximum of 1.06 g/t Au and 11.6 ppm Ag. Arsenic was weakly anomalous, to 265 ppm; mercury was not elevated. The Phoenix epithermal vein is conclusive proof of a late-stage epithermal event overprinting the skarn. Although gold values were sub-economic in this area, further work is recommended to explore for this style of mineralization in the area.

Sample	Au ppb or g/t	Ag ppm
KR - 30	55	0.6
KR - 31	200	1.4
KR - 32	455	1.6
KR - 46	205	6.5
KR - 47	1.06 g/t	8.4
KR - 48	405	11.6
KR - 130	120	1.2
KR - 131	210	5.6
KR - 132	275	2.5
KR - 133	135	5.7

Table 9 - Phoenix Epithermal Vein Rock Sample Results

At the main War Eagle shaft dump, approximately 15-20% of the rocks on the dump have epithermal-style drusy quartz veinlets which overprint the chalcopyrite-pyrite-magnetite-garnet skarn. Bleaching and weak-moderate argillic alteration is not uncommon. Approximately 80 meters east of the shaft, epithermal-style veinlets are exposed in several old pits and trenches.

Thirteen rock samples were collected from old workings and waste dumps in the War Eagle area, as shown on Figure 9 and summarized below in Table 10. Samples were selectively taken of epithermal-style veining and alteration and sulfide-rich skarn was avoided. Samples returned elevated gold and silver values, to a maximum of 2.01 g/t Au and 92.7 g/t Ag. Arsenic was consistently anomalous, to 1120 ppm As. Mercury values were not elevated. As with the Phoenix epithermal skarn, despite the fact that precious metal values were sub-economic, the significance of the epithermal system should be recognized. Further work is recommended to explore for this style of mineralization in the area.

Sample	Au ppb or g/t	Ag ppm	Cu ppm
KR - 00	10	<0.2	9
KR - 01	325	22.5	54
KR - 02	420	11.2	28
KR - 03	1.62 g/t	10.5	47
KR - 04	1.21 g/t	17.6	608
KR - 05	300	5.7	443
KR - 100	655	41.2	547
KR - 101	500	1.1	419
KR - 102	50	0.2	26
KR - 103	590	1.3	63
KR - 104	1.39 g/t	92.7	2511
KR - 105	890	6.2	78
KR - 106	2.01 g/t	30.6	76

Table 10 - War Eagle Epithermal Rock Sample Results

Figure 8 shows the location of samples collected from the “Snowshoe breccia pipe”, approximately 200 meters northeast of the Snowshoe pit. Several outcrops of a rusty-weathering medium-grained granodiorite (?) intrusive are poorly exposed along old road cuts in this area. Seven samples were collected, as shown on Figure 8, which returned elevated gold (to 880 ppb Au) and arsenic (to 395 ppb As).

5.2 *Prospecting and Rock Sampling: Bluebell Property*

During the mid-1990’s, Kettle River Resources discovered limestone-hosted silicification with high gold values at the R. Bell-Summit showing on the Bluebell property. One of the objectives of the 2006 prospecting and rock sampling program was to explore for similar styles of mineralization elsewhere on the property. The program was also designed to locate and assess the Maple Leaf showing, which was untested by any recent work.

Forty-three rock samples were collected from the Bluebell property during the 2006 program. Sample locations are shown on Figure 10, and sample descriptions (with UTM coordinates) are contained in Appendix 1. Rock samples were shipped to EcoTech Laboratories in Kamloops for preparation and analysis for gold plus a 28 element ICP suite. Samples returning over-limit values for gold, silver, copper or zinc were then assayed. A description of analytical procedures is contained in Appendix 2. Analytical results are included in Appendix 3 and results for select elements are shown on Figure 10.

Several outcrops of siliceous limestone with drusy quartz veinlets and vugs were discovered north and west of the R. Bell-Summit showing, however none returned significantly elevated values of gold or silver.

Historic references describe a 40 meter deep shaft, with 22 meters of drifting at the Maple Leaf showing. Drifting on the “70 foot level” reportedly passed through an 8.5 meter wide ore zone (Minister of Mines Annual Report 1899). In 1904, 33 tonnes of ore were reportedly shipped from the Maple Leaf showing to the BC Copper Company smelter in Greenwood, but the grade of this material is unknown (Minister of Mines Annual Report 1904). The 2006 program was successful in locating the Maple Leaf showing. Abundant massive, white quartz (+ calcite) vein material is present on the dump from the historic Maple Leaf shaft, but the vein cannot be seen in place. The quartz contains patchy sulfides (pyrite, pyrrhotite, chalcopyrite and sphalerite) to 5-10%. It does not have textural or mineralogical characteristics consistent

with epithermal-style veining. Host rocks are siliceous Nelson? intrusive and mottled cherty greenstone (Knob Hill). Eocene biotite diorite is also seen in outcrop and on dumps.

Twelve rock samples were taken from dumps and old workings in this area with results summarized below in Table 11. Samples returned values to 298 ppm Ag, 1.51% Cu and 4.94% Zn, although typical results were significantly lower. Gold values were low, to a maximum of 1.99 g/t Au and further work is not justifiable at the present time.

Sample	Au ppb or g/t	Ag ppm	Cu ppm or %	Zn ppm or %
KR - 37	20	0.8	258	20
KR - 38	1.61 g/t	151.0	0.99 %	2801
KR - 39	180	75.1	1415	108
KR - 40	1.19 g/t	298.0	1.51 %	1518
KR - 41	85	11.0	797	150
KR - 42	80	0.2	23	246
KR - 136	30	1.0	60	213
KR - 137	5	0.5	78	33
KR - 138	10	2.3	358	59
KR - 139	415	85.2	7167	312
KR - 140	1.99 g/t	49.3	6816	2391
KR - 141	460	56.6	6826	4.94 %

Table 11- Maple Leaf Rock Sample Results

6.0 RECOMMENDATIONS

Further work is recommended to explore for epithermal-style mineralization within and to the south of the Phoenix pit. Areas of anomalous Au, Ag and As from previous soil geochemical surveys should be ground located and prospected. Excavator trenching is recommended to provide better exposure of the epithermal system in the War Eagle area (and in areas of interest from the above prospecting program), for detailed mapping and sampling.

Work is also recommended to further test the Rawhide vein. Trenching should be done to better expose the vein for sampling, and to test the on-strike extent to the east and west.

Follow-up diamond drilling is then recommended to test both the Rawhide vein and the epithermal system at depth.

7.0 STATEMENT OF QUALIFICATIONS

I, Linda J. Caron, certify that:

1. I am an independent consulting geologist residing at 717 75th Ave (Box 2493), Grand Forks, B.C., V0H 1H0
2. I obtained a B.A.Sc. in Geological Engineering (Honours) in the Mineral Exploration Option, from the University of British Columbia (1985) and graduated with an M.Sc. in Geology and Geophysics from the University of Calgary (1988).
3. I have practised my profession since 1987 and have worked in the mineral exploration industry since 1980. Since 1989, I have done extensive geological work in Southern B.C. and particularly in the Greenwood - Grand Forks area, both as an employee of various exploration companies and as an independent consultant.
4. I am a member in good standing with the Association of Professional Engineers and Geoscientists of B.C. with professional engineer status.
5. I previously worked on both the Phoenix and Bluebell properties, as well as on numerous exploration properties in the vicinity these properties over the past twelve years. I supervised the work program described in this report.

Linda Caron, M.Sc., P. Eng.



Date of signing

8.0 COST STATEMENT**Labour:**

John Boutwell	Prospector - prospecting, rock sampling 9 days @ \$350.00/day	\$ 3,150.00
Alfrieda Elden	Prospector - prospecting, rock sampling 9 days @ \$250.00/day	\$ 2,250.00
Linda Caron	Geologist - geological mapping, program supervision report preparation 5 days @ \$530.00/day	<u>\$ 2,650.00</u> \$ 8,050.00

Analytical Costs:

Eco Tech Laboratory, Kamloops, B.C.		
96 samples - 28 element ICP + Au FA/AA finish		\$ 3,509.98
20 Au assays, 17 Ag assays, 10 Cu assays, 1 Zn assay		

Expenses:

Vehicle rental: 10 days @ \$75.00/day	\$ 750.00
Fuel	\$ 131.08
Greyhound - shipping costs (samples, supplies)	\$ 92.50
Misc. field supplies (bags, flagging etc)	\$ 100.79
Report - photocopies, map copies, drafting	<u>\$ 325.00</u>
	\$ 1,399.37

TOTAL: \$ 12,959.35

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APPENDIX 1

Rock Sample Descriptions

Rock Sample Descriptions - 2006.XLS

Sample	Date	Sampler	Easting	Northing	Type	Area	Description	Au	Ag	Cu	Zn
			UTM Nad 83, Zone 11					ppb or g/t	ppm	ppm or %	ppm or %
KR-00	3-Jul-06	AE	383443	5438593	dump	War Eagle	Same loc as KR-101-103, KR-00-03. See KR-101. Epithermal style veining from War Eagle shaft dump. Drusy quartz/cc veining, bleached white look (argillic alteration), very minor sulfides.	10	<0.2	9	14
KR-01	3-Jul-06	AE	383443	5438593	dump	War Eagle	Same loc as KR-101-103, KR-00-03. War Eagle shaft dump. Epithermal style drusy veinlets, minor sericite, bleached with pale yellow weathered surface. Minor small clasts with sulfides.	325	22.5	54	3
KR-02	3-Jul-06	AE	383443	5438593	dump	War Eagle	Same loc as KR-101-103, KR-00-03. War Eagle shaft dump. Pale grey massive silica and minor diss sulfides (probably py). Pale yellow coating and orange-brown weathering.	420	11.2	28	4
KR-03	3-Jul-06	AE	383443	5438593	dump	War Eagle	Same loc as KR-101-103, KR-00-03. War Eagle shaft dump. Rock is very altered - just lattice of silica and goethite left, with occasional small pocket of sulfides.	1.62 g/t	10.5	47	14
KR-04	3-Jul-06	AE	383514	5438563	grab	War Eagle	Same loc as KR-104-106. Old pits/trenches east of War Eagle shaft dump. See KR-104. Punky limonitic rock from outcrop in trench. Minor visible silica.	1.21 g/t	17.6	608	17
KR-05	3-Jul-06	AE	383543	5438567	dump	War Eagle	Same loc as KR-104-106. Old pits/trenches east of War Eagle shaft dump. See KR-104. Drusy silica in skarnified rock. Vuggy and crystalline, minor sulfides visible.	300	5.7	443	24
KR-06	3-Jul-06	AE	384126	5438736	grab	Rawhide	Same loc as KR-108-109, KR-07. Minor malachite stain and sulfides in silica. Outcrop of garnet skarn, quartz crystals in skarn.	50	4.5	6371	6
KR-07	3-Jul-06	AE	384126	5438736	grab	Rawhide	Same loc as KR-108-109, KR-06. Same as KR-06. Silica with some quartz crystals.	15	0.6	840	7
KR-08	3-Jul-06	AE	384100	5438736	subcrop	Rawhide	Approx GPS. ~30 m west of KR-06,07. Large quartz crystals in skarny rock. Subcrop or float. Very minor malachite.	50	0.3	119	56
KR-09	4-Jul-06	AE	384093	5438787	grab	Rawhide trench	Old trench ~ 100 m west-northwest of Rawhide pit. Samples KR-110-117, KR-9-17 from this area. KR-09 is from east end of trench, from N wall. Quartz vein with coarse py. Very oxidized and crumbly.	86.2 g/t	60.7	1.53 %	41
KR-10	4-Jul-06	AE	384093	5438787	grab	Rawhide trench	See KR-110. ~ 3 m west of KR-09, from base of N wall of trench. Limonite coated, mostly silica, but still fizzes. Fine dark green chlorite stringers & patches of coarse py.	16.7 g/t	14.2	2155	53
KR-11	4-Jul-06	AE	384093	5438787	grab	Rawhide trench	See KR-110. ~ 3 m west of KR-10. From N wall. Chlorite & calcite with very minor silica patches and no visible sulfides.	5	<0.2	22	84
KR-12	4-Jul-06	AE	384093	5438787	grab	Rawhide trench	See KR-110. ~ 3 m west of KR-11, from N wall. Vein is ~ 0.2 m wide here, can't tell if quartz vein or shear zone. Sample is limonite coated coarse opaque quartz with coarse py filling in cavities with silica. Malachite and limonite stain.	19.6 g/t	121.0	4.06 %	43
KR-13	4-Jul-06	AE	384093	5438787	grab	Rawhide trench	See KR-110. 1 m higher at same loc as KR-12. ~ middle of trench. Quartz very altered, some coarse opaque xtals. Vugs, malachite stain, hematite on fractures.	1.51 g/t	94.8	3.94 %	88
KR-14	4-Jul-06	AE	384093	5438787	grab	Rawhide trench	See KR-110. Same loc in trench as KR-12, 13, but float in trench. Limonitic, coarse opaque xtalline quartz with cavities.	25.2 g/t	87.1	4374	21
KR-15	4-Jul-06	AE	384099	5438782	grab	Rawhide trench	See KR-110. From pit at E end of trench. Coarsely xtalline white quartz vein in outcrop. Minor malachite and limonite stain, fractured.	160	2.2	909	11
KR-16	4-Jul-06	AE	384099	5438782	dump	Rawhide trench	See KR-110. From dump of pit at east end of trench at same loc as KR-15. Quartz vein with coarse pyrite.	610	3.5	3660	39
KR-17	4-Jul-06	AE	384093	5438782	chip	Rawhide trench	See KR-110. ~ 2 m west of KR 12-14, from outcrop on N wall of trench. Chip sample of coarse quartz-cc vein with oxidized pyrite and malachite stain.	20.4 g/t	22.7	5001	92
KR-18	4-Jul-06	AE	384616	5439241	grab	Snowshoe "Breccia pipe"	Intrusive? Silica & hematite throughout. Lots of vugs. Busted up looking.	85	<0.2	30	32
KR-19	4-Jul-06	AE	384629	5439245	grab	Snowshoe "Breccia pipe"	Intrusive? Mica, some fizz in rock. Quartz xtals in layers or seams and in cavities.	880	0.2	32	47
KR-20	4-Jul-06	AE	384629	5439245	grab	Snowshoe "Breccia pipe"	Intrusive? Same loc as KR-19. Patchy hematite stain. Some fizz.	55	<0.2	21	30
KR-21	4-Jul-06	AE	384629	5439245	grab	Snowshoe "Breccia pipe"	Intrusive? Subcrop adjacent to KR-19,20 outcrop. Limonitic, maybe bleached.	70	0.3	30	33

Rock Sample Descriptions - 2006.XLS

Sample	Date	Sampler	Easting	Northing	Type	Area	Description	Au	Ag	Cu	Zn
			UTM Nad 83, Zone 11					ppb or g/t	ppm	ppm or %	ppm or %
KR-22	5-Jul-06	AE	388556	5442122	grab	Summit/R Bell	Siliceous limestone with fine drusy vugs, from outcrop.	10	<0.2	15	13
KR-23	5-Jul-06	AE	388556	5442122	grab	Summit/R Bell	Same loc as KR-22. Quartz or chert? Very minor fizz.	10	<0.2	17	21
KR-24	5-Jul-06	AE	388556	5442122	grab	Summit/R Bell	Grab of float rock at same loc as KR-22,23. Extensive druse and vugs in pale grey siliceous rock with minor limonite.	10	0.5	16	63
KR-25	6-Jul-06	AE	388605	5442143	float	Summit/R Bell	Unsilicified limestone float with fluorite crystals.	5	<0.2	25	45
KR-26	6-Jul-06	AE	388603	5442138	float	Summit/R Bell	Same loc as KR-25. Unsilicified limestone float with limonite on fractures.	5	<0.2	19	26
KR-27	6-Jul-06	AE	388568	5442149	grab	Summit/R Bell	Buff coloured, angular fractured crystalline silica with vugs. No fizz.	15	0.3	7	7
KR-28	6-Jul-06	AE	388568	5442149	grab	Summit/R Bell	From rubble below outcrop at same loc as KR-27. Crystalline silica, vuggy, pink. No fizz.	5	<0.2	8	12
KR-28A	5-Jul-06	AE	389008	5442373	dump	Summit/R Bell	Old digging on quartz veins, to 4 cm wide, in volcanics. Sample is coarse white quartz with minor chlorite, pyrite, from dump.	10	4.5	21	627
KR-29	6-Jul-06	AE	388568	5442149	grab	Summit/R Bell	Same loc as KR-27,28. Silica has bleached yellow look, more opaque and less crystalline than KR-27,28. No fizz.	10	<0.2	8	29
KR-30	7-Jul-06	AE	383531	5438974	grab	Phoenix pit - East wall	Epithermal style quartz vein exposed in wall of Phoenix pit, intermittently over a strike length of about 75-100 meters. Appears to strike ~020° at N end and ~055° at S end. Vein follows Eocene sed or Ei contact with underlying skarn. Dip of vein isn't clear - maybe vertical or could be east dipping (as sed contact)? Width also unclear but at least 1 meter where seen in place. KR-30 is sample of float on bench below vein outcrop. Strongly silicified, vuggy with quartz druse, yellowish-rusty weathering.	55	0.6	4	44
KR-31	7-Jul-06	AE	383531	5438974	grab	Phoenix pit - East wall	See KR-30. Float on bench below vein outcrop. Pale grey-green crystalline silica with drusy vugs and dissem py.	200	1.4	9	9
KR-32	7-Jul-06	AE	383531	5438974	grab	Phoenix pit - East wall	See KR-30. Float on bench below vein outcrop. Altered skarn - mostly siliceous. Minor calcite and pyrite. Pale yellow powdery coating.	455	1.6	11	10
KR-33	7-Jul-06	AE	388614	5442409	grab	Summit/R Bell	Old trench cutting garnet skarn with pyrite in pale grey limestone, ~ 150 m North and 85 m West of Cordick. Rusty rock with minor pyrite and silica in skarn, from floor of trench.	100	0.8	45	41
KR-34	8-Jul-06	AE	388738	5442637	grab	Summit/R Bell	Mostly unsilicified limestone with black dots and powdery deep red spots, minor sulfide? "Just in case sample"	15	1.8	611	6465
KR-35	8-Jul-06	AE	388738	5442637	grab	Summit/R Bell	1.5 cm band of silicified material in unsilicified limestone, as in KR-34.	15	3.1	1361	5834
KR-36	9-Jul-06	AE	388258	5442460	grab	Summit/R Bell	Old digging into limestone outcrop. Mostly silicified, minor malachite + visible sulfides. Fractures coated with dendrites and black spots.	50	12.6	7097	642
KR-37	11-Jul-06	AE	389951	5443733	dump	Maple Leaf	See KR-136. Open cut on rusty zone in volcanics. Dump sample of rusty totally rotten rock, gossan.	20	0.8	258	20
KR-38	11-Jul-06	AE	390132	5443555	dump	Maple Leaf	See KR-136. Maple Leaf shaft dump. Massive to semi-massive pyrrhotite with quartz.	1.61 g/t	151.0	0.99 %	2801
KR-39	11-Jul-06	AE	390132	5443555	dump	Maple Leaf	See KR-136. Maple Leaf shaft dump. Opaque quartz, may have very fine po stringers.	180	75.1	1415	108
KR-40	11-Jul-06	AE	390132	5443555	dump	Maple Leaf	See KR-136. Maple Leaf shaft dump. Dissem and blotchy po in quartz.	1.19 g/t	298.0	1.51 %	1518
KR-41	11-Jul-06	AE	390150	5443575	grab	Maple Leaf	See KR-136. Trench on quartz vein. Sample is subcrop from quartz vein in trench. Fractured quartz with strong malachite stain.	85	11.0	797	150
KR-42	11-Jul-06	AE	389719	5443048	grab	Rathmullen	Silica veinlets in unsilicified limestone outcrop.	80	0.2	23	246
KR-43	11-Jul-06	AE	389722	5443056	float	Rathmullen	Near KR-42. Float of silicified limestone, bleached looking with minor oxidized pyrite and hematite stain on fractures.	225	7.3	19	40
KR-44	13-Jul-06	AE	390118	5444456	grab	North of Maple Leaf	On roadcut below clearcut. Same loc as KR-45, KR-144-146. Subcrop of intrusive? with drusy silica veinlets.	10	<0.2	6	31
KR-45	13-Jul-06	AE	390118	5444456	grab	North of Maple Leaf	Same loc as KR-44, KR-144-146. On roadcut below clearcut. Subcrop of intrusive? with drusy silica veinlets and black coating on fractures.	5	<0.2	15	43

Rock Sample Descriptions - 2006.XLS

Sample	Date	Sampler	Easting	Northing	Type	Area	Description	Au	Ag	Cu	Zn
			UTM Nad 83, Zone 11					ppb or g/t	ppm	ppm or %	ppm or %
KR-46	20-Jul-06	AE	383540	5438950	grab	Phoenix pit - East wall	See KR-30. Sample of white quartz vein in rubble from upper bench, where E1 unit intrudes along Eocene sed/skarn contact. Rusty weathering, very fine grained massive white quartz with 2-5% pyrite and with minor sericite on fractures.	205	6.5	31	4
KR-47	20-Jul-06	AE	383540	5438946	grab	Phoenix pit - East wall	See KR-30. Very large boulder of yellowish-rusty weathering very strongly silicified rock/quartz vein. Vuggy with quartz druse, 5-10% very fine silvery disseminated pyrite. Minor patchy white clay altered patches within vein. Just uphill from this sample, vein is exposed in-situ (sampled as KR-48).	1.06 g/t	8.4	20	5
KR-48	20-Jul-06	AE	383540	5438946	chip	Phoenix pit - East wall	See KR-30. Vein sampled in-situ, uphill from KR-47. Vein strikes 020-055°/90° ? and has 1 m wide strong graphite zone along east contact, then coarse fsp phyrical syenite sill (up to 6 m thick), then uphill to E into Kettle River arkose. KR-48 is chip sample over 1 meter. West contact of vein not exposed, could be wider than 1 m.	405	11.6	406	19
KR-100	3-Jul-06	JB	383442	5438429	dump	War Eagle	Lower dump at War Eagle. 2 pieces of epithermal looking vein material from dump. One has minor argillic alteration.	655	41.2	547	33
KR-101	3-Jul-06	JB	383437	5438604	dump	War Eagle	Shaft dump at War Eagle. Approx 15-20% of rocks on dump show drusy quartz veining - appears to be epithermal overprint to cpy-py-mag skarn. Samples KR 101-103, KR-00-03 are from this dump. All are samples that show epithermal veining. KR-101 is crackle breccia/drusy veining in semi-massive garnet skarn with minor disseminated pyrite.	500	1.1	419	16
KR-102	3-Jul-06	JB	383437	5438604	dump	War Eagle	Same loc as KR-101. Very siliceous. Minor coarse pyrite. Bleached and slightly argillic altered with fairly massive drusy white quartz. Minute vugs and minor sericite.	50	0.2	26	11
KR-103	3-Jul-06	JB	383437	5438604	dump	War Eagle	Same loc as KR-101. Very reddish "muddy" looking rock, with some manganese and with drusy quartz veinlets.	590	1.3	63	16
KR-104	3-Jul-06	JB	383515	5438555	grab	War Eagle	Old pits/trenches about 50-80 meters east of War Eagle shaft dump shows epithermal style drusy quartz veining. Samples KR 104-106, KR-04-05 from this site. KR-104 is sugary drusy quartz veining with minor malachite.	1.39 g/t	92.7	2511	21
KR-105	3-Jul-06	JB	383558	5438569	grab	War Eagle	Same loc as KR-104. Drusy veinlets and vugs in pyritic chert/quartzite.	890	6.2	78	20
KR-106	3-Jul-06	JB	383558	5438569	grab	War Eagle	Same loc as KR-104. Drusy epithermal style veins in pyritic skarn/chert. This pit shows a large gossan at one end, shot thru with drusy quartz. Not much alteration. Lots of pyrite.	2.01 g/t	30.6	76	26
KR-107							No sample				
KR-108	3-Jul-06	JB	384126	5438736	grab	Rawhide	~ 40 meters west of Rawhide pit is approx 3 m wide zone of drusy quartz veining with minor malachite in outcrop. KR-108 is drusy whitish vein quartz with mal, cpy and pyrite.	170	5.9	1.14 %	27
KR-109	3-Jul-06	JB	384126	5438736	grab	Rawhide	Same loc as KR-108, KR-06-07. Whitish drusy quartz. Coarsely crystalline. Wall rock is unaltered.	30	0.2	165	8
KR-110	4-Jul-06	JB	384069	5438757	grab	Rawhide trench	Old trench ~ 100 m west-northwest of Rawhide pit. Samples KR-110-117, KR-9-17 from this area. Trench is ~ 35-40 m long, trending E-W, in weak-moderate skarn altered sharpstone conglom. At E end of trench is old pit on a 0.5 m wide quartz vein trending 090°/70°N. Vein is massive white quartz + calcite with weak malachite stain and minor pyrite, cpy. At W end of trench is a water filled shaft. Vein is not exposed in place in trench, but there are lots of pockets and rubble of quartz and gossan (some seem to be x-cut trench). KR-110 is very limonitic crud, greasy looking, dark coloured goethite from shear at west end of trench.	1.74 g/t	11.8	3257	13
KR-111	4-Jul-06	JB	384069	5438757	grab	Rawhide trench	See KR-110. Same loc as KR-110. Rusty punky skarn with no visible quartz.	770	0.6	231	42
KR-112	4-Jul-06	JB	384078	5438757	grab	Rawhide trench	See KR-110. Sericite-quartz-calcite in greenish talc altered rock (serpentine?).	345	0.4	78	22
KR-113	4-Jul-06	JB	384078	5438757	grab	Rawhide trench	See KR-110. Talc altered with sericite, cpy, chlorite and minor quartz.	8.66 g/t	52.6	2.41 %	179
KR-114	4-Jul-06	JB	384054	5438789	dump	Rawhide trench	See KR-110. Vein quartz. Coarsely crystalline (re-cemented?) with up to 35% cpy from dump adjacent to west end of trench. Malachite, chlorite and late red hematite.	66.5 g/t	61.9	5.26 %	50
KR-115	4-Jul-06	JB	384054	5438789	dump	Rawhide trench	See KR-110. Same loc as KR-114. Plain looking quartz vein with late red hematite.	3.71 g/t	6.1	2164	18

Rock Sample Descriptions - 2006.XLS

Sample	Date	Sampler	Easting	Northing	Type	Area	Description	Au	Ag	Cu	Zn
			UTM Nad 83, Zone 11					ppb or g/t	ppm	ppm or %	ppm or %
KR-116	4-Jul-06	JB	384054	5438789	grab	Rawhide trench	See KR-110. Float from bottom of trench, west end. Vein quartz with 25% cpy.	8.75 g/t	65.3	5.56 %	46
KR-117	4-Jul-06	JB	384054	5438789	chip	Rawhide trench	See KR-110. Chips from area that was previously sampled (Battle Mountain) as #2587. 0.5 cm thick xtalline quartz veins cut skarn on trench walls. Liminoitic and weakly silicified. Chlorite, minor cpy.	37.1 g/t	46.5	1.09 %	101
KR-118	4-Jul-06	JB	384632	5439178	grab	Snowshoe "Breccia pipe"	Intrusive? Silica, limonite, mica, chlorite. Very weak mariposite.	755	0.4	72	92
KR-119	4-Jul-06	JB	384606	5439164	grab	Snowshoe "Breccia pipe"	Intrusive? Very punky leached out, yellowish with minor whitich very crystalline quartz (drusy). At old pit.	320	0.2	29	10
KR-120	4-Jul-06	JB	384592	5439219	grab	Snowshoe "Breccia pipe"	Intrusive? Slightly bleached, minor drusy quartz, moderate mariposite & silica.	20	<0.2	27	15
KR-121	4-Jul-06	JB	384588	5439202	grab	Snowshoe "Breccia pipe"	Intrusive? Siliceous, whitish with "spots" of Cr mica. Fine white silica.	15	<0.2	5	40
KR-122	5-Jul-06	JB	388556	5442115	grab	Summit/R Bell	Very cherty limestone outcrop, approx 5-10 m wide, greyish brown to white, drusy vugs and coatings.	15	<0.2	12	8
KR-123	5-Jul-06	JB	388556	5442115	grab	Summit/R Bell	Same location as KR-122. General silicification in whitish-yellow limestone.	5	<0.2	5	19
KR-124	5-Jul-06	JB	388556	5442115	grab	Summit/R Bell	Same location as KR-122,123. Slightly vuggy, massive cherty limestone with minor drusy silica.	10	<0.2	8	19

Rock Sample Descriptions - 2006.XLS

Sample	Date	Sampler	Easting	Northing	Type	Area	Description	Au	Ag	Cu	Zn
			UTM Nad 83, Zone 11					ppb or g/t	ppm	ppm or %	ppm or %
KR-125	5-Jul-06	JB	388517	5442110	grab	Summit/R Bell	Totally silicified greenish-brown limestone with minor vugs and minor drusy qtz. Band of cherty limestone appears to trend ~ 035°.	10	0.3	11	18
KR-126	5-Jul-06	JB	389000	5442376	grab	Summit/R Bell	3 or 4, 4 cm quartz veins along limestone/volcanic contact. Some alteration and bleaching, lots of dendrites and minor fine py.	10	6.3	77	2993
KR-127	6-Jul-06	JB	387951	5442101	grab	Summit/R Bell	Hornfelsed banded limestone with disseminated py in bands.	5	0.2	57	29
KR-128	6-Jul-06	JB	388579	5442190	grab	Summit/R Bell	Massive reddish-brown chert? (cherty limestone?). Very siliceous, minor blebs of py.	10	0.3	8	40
KR-129	6-Jul-06	JB	388579	5442190	grab	Summit/R Bell	Brownish-grey-green silica replaced limestone with drusy quartz. Same loc as KR-128.	5	<0.2	5	28
KR-130	7-Jul-06	JB	383530	5438983	grab	Phoenix pit - East wall	See KR-30. From "gossan"/altered vein outcrop. Epithermal veinlets cutting skarn. Drusy vuggy silicified skarn. Bleached.	120	1.2	2	6
KR-131	7-Jul-06	JB	383530	5438983	grab	Phoenix pit - East wall	See KR-30. Same as KR-130, but not as strongly bleached.	210	5.6	1	6
KR-132	7-Jul-06	JB	383530	5438983	grab	Phoenix pit - East wall	See KR-30. Argillic altered skarn, partially silicified. No veinlets.	275	2.5	4	9
KR-133	7-Jul-06	JB	383530	5438983	grab	Phoenix pit - East wall	See KR-30. Massive whitish epithermal silica from rubble on bench below vein system outcrop.	135	5.7	20	<1
KR-134	7-Jul-06	JB	388632	5442473	grab	Summit/R Bell	Very old trench - epidote, pyrite, late red hematite in skarn.	70	1.7	11	147
KR-135	8-Jul-06	JB	388624	5444105	grab	BC Mine area	Along road/old rwy to BC Mine. Very rusty volcanic breccia.	20	<0.2	6	26
KR-136	11-Jul-06	JB	390024	5443563	dump	Maple Leaf	Very large dump from shaft and from nearby trench. Abundant white high-T looking quartz on dump. Vein is mineralized with py, cpy, sphal, locally to 5-10% patchy sulfides, locally ribbon quartz texture. Can't see vein in place. Host rocks (from dump) are siliceous intrusive (Nelson?) and mottled cherty greenstone. Also see Eocene biotite diorite intrusive. KR-136 is 1.5 cm quartz stringers in cherty greenstone from dump of smaller workings N of main Maple Leaf shaft.	30	1.0	60	213
KR-137	11-Jul-06	JB	389992	5443554	dump	Maple Leaf	See KR-136. Shaft dump. "Sandy" textured rotten? hornfelsed calcareous volcanic.	5	0.5	78	33
KR-138	11-Jul-06	JB	389992	5443554	dump	Maple Leaf	See KR-136. Shaft dump. Pale green hornfelsed calcareous volcanic, possibly very minor drusy silica, dendrites. Same loc as KR-137.	10	2.3	358	59
KR-139	11-Jul-06	JB	390132	5443555	dump	Maple Leaf	See KR-136. Main Maple Leaf shaft dump. Semi-massive pyrrhotite in quartz, to 10%. Minor cpy.	415	85.2	7167	312
KR-140	11-Jul-06	JB	390132	5443555	dump	Maple Leaf	See KR-136. Fairly whitish vein quartz from main shaft dump, with dendrites, limonite stain & malachite. Few sulfides. Minor cpy blebs.	1.99 g/t	49.3	6816	2391
KR-141	11-Jul-06	JB	390132	5443555	dump	Maple Leaf	See KR-136. Main Maple Leaf shaft dump. Cpy + sphal + poss galena in a slightly banded quartz vein.	460	56.6	6826	4.94 %
KR-142	11-Jul-06	JB	390145	5443623	dump	Maple Leaf	See KR-136. Clean white quartz with no sulfides.	35	0.2	19	41
KR-143	11-Jul-06	JB	390054	5442930	grab	Rathmullen	Crumbly breccia or conglomerate on road cut east of Rathmullen Creek. Manganese dendrites, minor silica. Grey-green in colour.	25	1.1	232	518
KR-144	13-Jul-06	JB	390118	5444456	grab	North of Maple Leaf	2-3 meter wide epithermal looking vein in diorite, no strong argillic alteration but in places strong propylitic alteration with epidote & green minerals. KR-144 is stockwork breccia in intrusive, strange large very green fragments, some banded margins on veinlets. Subcrop.	15	<0.2	9	55
KR-145	13-Jul-06	JB	390118	5444456	grab	North of Maple Leaf	See KR-144. Dark grey-green siliceous intrusive? Drusy vugs and veinlets, biotite gone, argillic altered feldspars.	15	<0.2	3	42
KR-146	13-Jul-06	JB	390118	5444456	grab	North of Maple Leaf	See KR-144. Mottled looking, dark grey-green-brown intrusive? Veinlets and blobs of drusy silica, altered feldspars.	5	<0.2	2	29

APPENDIX 2

Analytical Procedures

Eco Tech Laboratory Analytical Procedure

SAMPLE PREPARATION

Samples are catalogued and dried. Soils are prepared by sieving through an 80 mesh screen to obtain a minus 80 mesh fraction. Samples unable to produce adequate minus 80 mesh material are screened at a coarser fraction. These samples are flagged with the relevant mesh. Rock samples are 2 stage crushed to minus 10 mesh and a 250 gram subsample is pulverized on a ring mill pulverizer to -140 mesh. The subsample is rolled, homogenized and bagged in a prenumbered bag.

GEOCHEMICAL GOLD ANALYSIS

The sample is weighed to 30 grams and fused along with proper fluxing materials. The bead is digested in aqua regia and analyzed on an atomic absorption instrument. Over-range values for rocks are re-analyzed using gold assay methods.

Appropriate reference materials accompany the samples through the process allowing for quality control assessment. Results are entered and printed along with quality control data (repeats and standards). The data is faxed and/or mailed to the client.

MULTI ELEMENT ICP ANALYSIS

A 0.5 gram sample is digested with 3ml of a 3:1:2 (HCl:HN03:H2O) which contains beryllium which acts as an internal standard for 90 minutes in a water bath at 95°C. The sample is then diluted to 10ml with water. The sample is analyzed on a Jarrell Ash ICP unit.

Results are collated by computer and are printed along with accompanying quality control data (repeats and standards). Results are printed on a laser printer and are faxed and/or mailed to the client.

	Detection Limit			Detection Limit	
	Low	Upper		Low	Upper
Ag	0.2ppm	30.0ppm	Mo	1ppm	10,000ppm
Al	0.01%	10.0%	Na	0.01%	10.00%
As	5ppm	10,000ppm	Ni	1ppm	10,000ppm
Ba	5ppm	10,000ppm	P	10ppm	10,000ppm
Bi	5ppm	10,000ppm	Pb	2ppm	10,000ppm
Ca	0.01%	10,00%	Sb	5ppm	10,000ppm
Cd	1ppm	10,000ppm	Sn	20ppm	10,000ppm
Co	1ppm	10,000ppm	Sr	1ppm	10,000ppm
Cr	1ppm	10,000ppm	Ti	0.01%	10.00%
Cu	1ppm	10,000ppm	U	10ppm	10,000ppm
Fe	0.01%	10.00%	V	1ppm	10,000ppm
La	10ppm	10,000ppm	Y	1ppm	10,000ppm
Mg	0.01%	10.00%	Zn	1ppm	10,000ppm
Mn	1ppm	10,000ppm			

GOLD ASSAY

A 30 g sample size is fire assayed using appropriate fluxes. The resultant dore bead is parted and then digested with aqua regia and then analyzed on a Perkin Elmer AA instrument.

Appropriate standards and repeat sample (Quality Control Components) accompany the samples on the data sheet.

BASE METAL ASSAYS (Ag,Cu,Pb,Zn)

Samples are catalogued and dried. Rock samples are 2 stage crushed followed by pulverizing a 250 gram subsample. The subsample is rolled and homogenized and bagged in a prenumbered bag.

A suitable sample weight is digested with aqua regia. The sample is allowed to cool, bulked up to a suitable volume and analysed by an atomic absorption instrument, to .01 % detection limit.

Appropriate certified reference materials accompany the samples through the process providing accurate quality control.

Result data is entered along with standards and repeat values and are faxed and/or mailed to the client.

APPENDIX 3

Analytical Results

ECO TECH LABORATORY LTD.

10041 Dallas Drive
KAMLOOPS, B.C.
V2C 6T4

Phone: 250-573-5700

Fax : 250-573-4557

ICP CERTIFICATE OF ANALYSIS AK 2006-1027

Kettle River Resources

Box 130
Greenwood, BC
V0H 1J0

No. of samples received: 96

Sample Type: Rock

Project: Greenwood

Shipment #: 06-1

Submitted by: Linda Caron

Values in ppm unless otherwise reported

Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	Hg(ppb)	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
1	KR - 00	10	<0.2	0.57	20	15	<5	>10	<1	3	121	9	1.24	9	<10	0.48	944	3	<0.01	21	260	6	5	<20	481	<0.01	<10	29	<10	25	14
2	KR - 01	325	22.5	0.08	110	30	<5	1.13	<1	3	159	54	2.10	26	<10	<0.01	136	388	<0.01	6	<10	6	<5	<20	21	<0.01	<10	7	<10	<1	3
3	KR - 02	420	11.2	0.11	170	20	<5	0.24	<1	5	150	28	2.16	5	<10	0.02	56	25	<0.01	8	50	2	<5	<20	10	<0.01	<10	6	<10	<1	4
4	KR - 03	>1000	10.5	0.12	680	45	15	0.08	<1	8	91	47	9.20	99	<10	<0.01	143	62	<0.01	12	280	4	<5	<20	4	<0.01	<10	53	<10	<1	14
5	KR - 04	>1000	17.6	0.38	455	35	<5	0.07	<1	31	113	608	>10	13	<10	0.05	140	66	<0.01	22	220	14	<5	<20	6	0.02	<10	37	<10	<1	17
6	KR - 05	300	5.7	0.72	215	55	<5	0.25	<1	66	134	443	5.39	<5	<10	0.47	1488	42	<0.01	46	1130	6	<5	<20	6	<0.01	<10	32	<10	11	24
7	KR - 06	50	4.5	0.16	20	10	<5	0.87	<1	4	146	6371	1.38	26	<10	0.08	169	9	<0.01	8	3440	<2	<5	<20	5	<0.01	<10	15	<10	<1	6
8	KR - 07	15	0.6	0.31	15	15	<5	0.25	<1	2	191	840	1.16	26	<10	0.17	415	11	<0.01	10	870	<2	<5	<20	<1	<0.01	<10	22	<10	1	7
9	KR - 08	50	0.3	1.62	10	45	<5	5.44	1	5	107	119	3.20	<5	<10	1.36	1642	33	<0.01	18	120	12	<5	<20	42	<0.01	<10	46	<10	3	56
10	KR - 09	>1000	>30	0.41	835	50	<5	0.09	<1	26	70	>10000	>10	251	<10	0.03	396	35	<0.01	14	<10	<2	<5	<20	3	<0.01	<10	19	<10	<1	41
11	KR - 10	>1000	14.2	0.66	315	35	<5	4.31	<1	15	105	2155	6.91	114	<10	0.34	963	14	<0.01	18	<10	10	<5	<20	71	<0.01	<10	26	<10	<1	53
12	KR - 11	5	<0.2	3.41	45	30	10	>10	<1	6	92	22	6.20	18	<10	1.94	2659	15	<0.01	13	3650	18	<5	<20	101	<0.01	<10	60	<10	3	84
13	KR - 12	>1000	>30	0.29	425	45	<5	0.10	<1	19	93	>10000	>10	145	<10	<0.01	198	20	<0.01	22	<10	<2	<5	<20	3	0.02	<10	10	<10	<1	43
14	KR - 13	>1000	>30	0.83	5	245	<5	0.13	3	10	83	>10000	>10	372	<10	0.46	1200	25	<0.01	5	<10	<2	<5	<20	10	0.02	<10	23	<10	<1	88
15	KR - 14	>1000	>30	0.10	335	225	<5	0.03	<1	6	114	4374	>10	88	<10	<0.01	62	21	<0.01	7	20	6	<5	<20	4	<0.01	<10	9	<10	<1	21
16	KR - 15	160	2.2	0.18	60	45	<5	0.24	<1	2	118	909	1.70	22	<10	0.11	330	8	<0.01	6	40	<2	<5	<20	5	<0.01	<10	7	<10	<1	11
17	KR - 16	610	3.5	0.46	200	20	<5	7.54	1	8	115	3660	4.36	46	<10	0.43	855	9	<0.01	9	<10	<2	<5	<20	96	<0.01	<10	14	<10	2	39
18	KR - 17	>1000	22.7	0.53	290	125	<5	2.32	2	9	111	5001	7.49	103	<10	0.42	1053	20	<0.01	10	190	<2	<5	<20	26	<0.01	<10	19	<10	<1	92
19	KR - 18	85	<0.2	1.10	25	220	<5	1.00	<1	9	83	30	2.27	11	<10	0.98	856	3	<0.01	19	570	16	<5	<20	21	<0.01	<10	34	<10	4	32
20	KR - 19	880	0.2	0.91	10	235	<5	1.48	<1	2	131	32	1.81	18	<10	0.78	890	4	<0.01	12	360	28	5	<20	20	<0.01	<10	27	<10	11	47
21	KR - 20	55	<0.2	0.84	20	115	<5	1.23	<1	5	99	21	1.50	9	<10	0.72	618	3	<0.01	17	450	28	5	<20	27	<0.01	<10	31	<10	5	30
22	KR - 21	70	0.3	0.78	30	95	<5	0.13	<1	5	76	30	3.32	11	<10	0.52	481	5	0.02	43	950	36	<5	<20	7	<0.01	<10	37	<10	5	33
23	KR - 22	10	<0.2	0.08	5	20	<5	>10	<1	1	125	15	0.36	13	<10	0.09	272	4	<0.01	9	800	<2	<5	<20	955	<0.01	<10	10	<10	9	13
24	KR - 23	10	<0.2	0.12	<5	35	<5	0.57	<1	1	132	17	0.30	7	<10	0.05	81	3	<0.01	8	510	2	<5	<20	21	<0.01	<10	7	<10	3	21
25	KR - 24	10	0.5	0.17	10	90	<5	0.45	<1	2	229	16	0.63	7	<10	0.09	77	18	<0.01	14	590	8	<5	<20	24	<0.01	<10	12	<10	2	63
26	KR - 25	5	<0.2	0.05	10	<5	<5	>10	6	1	6	25	0.26	9	<10	0.18	342	<1	<0.01	3	310	<2	10	<20	2859	<0.01	<10	9	<10	<1	45
27	KR - 26	5	<0.2	0.09	10	<5	<5	>10	2	1	9	19	0.70	55	<10	0.22	303	1	<0.01	18	1100	<2	10	<20	1920	<0.01	<10	16	<10	30	26
28	KR - 27	15	0.3	0.18	5	160	<5	0.24	<1	1	169	7	0.51	<5	<10	0.06	79	4	<0.01	15	750	4	<5	<20	20	<0.01	<10	8	<10	4	7
29	KR - 28	5	<0.2	0.19	5	85	<5	0.19	<1	1	239	8	0.56	<5	<10	0.12	141	6	<0.01	10	540	4	<5	<20	13	<0.01	<10	10	<10	2	12
30	KR - 28A	10	4.5	0.69	25	15	<5	7.50	12	11	123	21	1.64	103	<10	0.28	802	8	<0.01	25	200	612	<5	<20	142	0.02	<10	12	<10	<1	627

Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	Hg(ppb)	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
31	KR - 29	10	<0.2	0.36	10	75	<5	0.35	<1	3	128	8	0.62	7	<10	0.26	103	4	<0.01	11	940	10	<5	<20	24	<0.01	<10	19	<10	2	29
32	KR - 30	55	0.6	0.52	60	25	<5	0.16	<1	2	59	4	1.70	9	40	0.09	342	57	0.03	2	350	32	<5	<20	16	<0.01	<10	8	<10	9	44
33	KR - 31	200	1.4	0.42	90	25	10	0.13	<1	13	146	9	2.26	<5	<10	0.27	102	20	<0.01	19	310	8	<5	<20	9	<0.01	<10	12	<10	<1	9
34	KR - 32	455	1.6	0.36	265	15	<5	0.79	<1	9	116	11	2.05	<5	<10	0.13	168	13	<0.01	7	180	2	<5	<20	15	<0.01	<10	6	<10	<1	10
35	KR - 33	100	0.8	0.52	165	35	20	6.24	<1	36	72	45	>10	<5	<10	0.14	805	7	<0.01	10	810	2	<5	<20	20	0.06	<10	73	<10	<1	41
36	KR - 34	15	1.8	0.81	25	60	<5	8.91	59	29	82	611	1.24	431	10	0.70	1521	45	<0.01	35	1140	24	15	<20	102	0.08	<10	24	<10	8	6465
37	KR - 35	15	3.1	0.66	30	50	<5	>10	48	36	78	1361	1.19	169	<10	0.50	1266	17	<0.01	45	1040	26	5	<20	98	0.06	<10	18	<10	7	5834
38	KR - 36	50	12.6	1.46	90	60	<5	2.90	10	39	71	7097	0.98	55	<10	0.13	349	<1	0.05	53	740	56	<5	<20	95	0.12	<10	42	<10	12	642
39	KR - 37	20	0.8	0.71	<5	60	25	0.08	2	13	118	258	>10	15	<10	0.15	311	15	0.02	6	690	6	<5	<20	6	0.10	<10	74	<10	<1	20
40	KR - 38	>1000	>30	0.07	620	90	<5	0.88	73	167	21	>10000	>10	22	<10	<0.01	148	30	<0.01	16	<10	578	<5	<20	33	<0.01	<10	4	<10	<1	2801
41	KR - 39	180	>30	0.05	45	25	<5	0.35	4	11	178	1415	1.68	343	<10	0.02	76	5	<0.01	6	<10	62	<5	<20	15	<0.01	<10	<1	<10	<1	108
42	KR - 40	>1000	>30	0.03	90	30	<5	2.11	39	31	147	>10000	6.60	224	<10	<0.01	277	8	<0.01	6	<10	2358	<5	<20	83	<0.01	<10	2	<10	<1	1518
43	KR - 41	85	11.0	1.15	15	60	<5	0.42	2	7	123	797	2.36	11	<10	0.99	1002	4	<0.01	6	320	26	5	<20	19	<0.01	<10	42	<10	4	150
44	KR - 42	80	0.2	0.56	25	<5	<5	>10	7	4	39	23	0.45	33	10	0.50	280	<1	0.01	9	1130	4	20	<20	1484	0.04	<10	22	<10	18	246
45	KR - 43	225	7.3	0.42	90	20	<5	7.11	1	5	84	19	1.39	57	<10	0.33	296	<1	0.02	14	1650	162	<5	<20	334	0.07	<10	29	<10	13	40
46	KR - 44	10	<0.2	1.21	15	60	<5	0.39	<1	4	65	6	1.96	7	120	0.88	204	7	0.03	4	1020	14	<5	<20	30	<0.01	<10	22	<10	12	31
47	KR - 45	5	<0.2	1.75	10	65	5	0.60	<1	12	97	15	3.19	<5	50	1.17	377	8	0.02	9	1870	16	<5	<20	45	<0.01	<10	57	<10	10	43
48	KR - 46	205	6.5	0.16	55	10	<5	0.10	<1	5	169	31	1.24	<5	<10	0.03	40	25	<0.01	6	70	2	<5	<20	4	<0.01	<10	3	<10	<1	4
49	KR - 47	>1000	8.4	0.12	110	20	<5	0.05	<1	29	149	20	2.09	<5	<10	0.03	34	14	<0.01	14	180	4	<5	<20	17	<0.01	<10	4	<10	<1	5
50	KR - 48	405	11.6	0.51	115	25	<5	0.15	<1	13	130	406	3.01	<5	<10	0.30	144	30	0.01	15	630	12	<5	<20	11	<0.01	<10	14	<10	<1	19
51	KR - 100	655	>30	0.45	155	25	<5	6.47	1	45	100	547	4.78	<5	<10	0.15	1048	17	<0.01	38	380	4	<5	<20	150	<0.01	<10	25	<10	<1	33
52	KR - 101	500	1.1	0.82	205	55	<5	>10	<1	32	92	419	9.93	<5	<10	0.19	2332	13	<0.01	11	190	<2	<5	<20	112	0.02	<10	48	<10	<1	16
53	KR - 102	50	0.2	0.60	20	20	<5	2.25	<1	6	157	26	1.27	<5	<10	0.57	311	5	<0.01	22	190	4	<5	<20	28	<0.01	<10	22	<10	3	11
54	KR - 103	590	1.3	0.66	355	95	25	0.31	<1	25	131	63	>10	<5	<10	0.15	906	32	<0.01	8	1380	2	<5	<20	13	<0.01	<10	76	<10	<1	16
55	KR - 104	>1000	>30	0.84	45	60	<5	2.07	<1	12	162	2511	2.04	7	<10	0.78	604	16	<0.01	36	690	6	5	<20	107	<0.01	<10	46	<10	5	21
56	KR - 105	890	6.2	0.52	830	35	10	0.10	<1	17	109	78	>10	18	<10	0.12	369	57	<0.01	20	<10	<2	<5	<20	6	<0.01	<10	38	<10	<1	20
57	KR - 106	>1000	>30	0.58	1120	55	30	0.82	<1	29	80	76	>10	20	<10	0.12	331	28	<0.01	35	1960	2	<5	<20	8	<0.01	<10	77	<10	<1	26
58	KR - 108	170	5.9	0.99	40	30	<5	0.14	<1	5	123	>10000	3.95	31	<10	0.72	850	85	<0.01	21	120	<2	<5	<20	2	0.01	<10	75	<10	<1	27
59	KR - 109	30	0.2	0.54	35	20	<5	1.61	1	2	149	165	1.94	760	<10	0.14	652	6	<0.01	5	4440	4	<5	<20	9	<0.01	<10	33	<10	3	8
60	KR - 110	>1000	11.8	0.31	150	80	<5	0.12	<1	12	58	3257	>10	125	<10	<0.01	32	49	<0.01	3	250	<2	<5	<20	13	<0.01	<10	46	<10	<1	13
61	KR - 111	770	0.6	1.64	75	70	<5	0.08	<1	36	51	231	>10	484	<10	0.30	388	172	<0.01	17	370	8	<5	<20	9	<0.01	<10	20	<10	<1	42
62	KR - 112	345	0.4	0.92	55	45	<5	4.73	1	9	119	78	2.93	308	<10	0.51	852	12	<0.01	11	190	4	<5	<20	67	<0.01	<10	18	<10	3	22
63	KR - 113	>1000	>30	1.02	320	55	<5	6.04	8	28	31	>10000	>10	740	<10	0.82	1855	18	<0.01	43	<10	<2	<5	<20	152	0.02	<10	18	<10	<1	179
64	KR - 114	>1000	>30	0.42	75	45	<5	2.71	5	12	97	>10000	7.80	64	<10	0.28	704	10	<0.01	23	>10000	<2	<5	<20	42	<0.01	<10	8	<10	<1	50
65	KR - 115	>1000	6.1	0.44	10	25	<5	4.13	2	3	142	2164	2.23	48	<10	0.27	1006	6	<0.01	9	<10	<2	<5	<20	53	<0.01	<10	11	<10	5	18
66	KR - 116	>1000	>30	0.04	20	50	<5	1.04	5	7	155	>10000	5.25	51	<10	<0.01	210	8	<0.01	15	>10000	<2	<5	<20	10	<0.01	<10	2	<10	<1	46
67	KR - 117	>1000	>30	1.42	30	90	<5	>10	5	6	79	>10000	4.74	249	<10	1.10	1814	9	<0.01	12	250	<2	<5	<20	159	0.01	<10	34	<10	4	101
68	KR - 118	755	0.4	1.83	250	90	<5	0.18	2	15	200	72	3.63	20	<10	1.79	1532	5	<0.01	43	710	62	<5	<20	7	<0.01	<10	75	<10	6	92
69	KR - 119	320	0.2	0.25	395	70	5	0.03	2	25	123	29	5.19	15	<10	0.10	257	11	<0.01	18	360	22	<5	<20	9	<0.01	<10	18	<10	<1	10
70	KR - 120	20	<0.2	0.66	15	110	<5	1.01	<1	4	81	27	1.08	9	<10	0.52	497	2	<0.01	15	400	12	<5	<20	35	<0.01	<10	23	<10	6	15

ECO TECH LABORATORY LTD.

ICP CERTIFICATE OF ANALYSIS AK 2006-1027

Kettle River Resources

Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	Hg(ppb)	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
71	KR - 121	15	<0.2	1.15	5	190	<5	3.78	<1	2	119	5	1.62	7	<10	1.00	1028	4	<0.01	16	400	22	10	<20	63	<0.01	<10	27	<10	7	40
72	KR - 122	15	<0.2	0.15	10	95	<5	4.61	<1	2	145	12	0.46	9	<10	0.08	208	3	<0.01	10	720	4	<5	<20	112	<0.01	<10	10	<10	4	8
73	KR - 123	5	<0.2	0.22	15	75	<5	>10	<1	2	73	5	0.39	11	<10	0.11	497	2	<0.01	9	630	2	<5	<20	415	<0.01	<10	12	<10	6	19
74	KR - 124	10	<0.2	0.15	10	70	<5	2.23	<1	2	165	8	0.40	11	<10	0.07	129	4	<0.01	12	540	6	<5	<20	78	<0.01	<10	9	<10	3	19
75	KR - 125	10	0.3	0.12	15	85	<5	9.66	<1	1	137	11	0.42	15	<10	0.08	419	9	<0.01	9	460	6	<5	<20	471	<0.01	<10	7	<10	9	18
76	KR - 126	10	6.3	1.21	80	55	<5	7.51	31	20	108	77	2.11	317	<10	1.32	914	25	0.02	50	510	996	15	<20	214	0.08	<10	45	<10	3	2993
77	KR - 127	5	0.2	1.40	20	40	<5	5.10	<1	25	73	57	2.45	13	<10	0.19	126	2	0.13	107	870	24	<5	<20	154	0.08	<10	17	<10	6	29
78	KR - 128	10	0.3	0.38	10	210	<5	0.43	<1	4	157	8	0.87	13	<10	0.32	228	4	<0.01	18	1210	6	<5	<20	28	<0.01	<10	22	<10	3	40
79	KR - 129	5	<0.2	0.34	10	185	<5	0.24	<1	3	170	5	0.78	11	<10	0.33	162	4	<0.01	14	680	10	<5	<20	15	<0.01	<10	18	<10	3	28
80	KR - 130	120	1.2	0.31	75	30	<5	0.52	<1	8	177	2	1.36	11	<10	0.16	97	18	<0.01	13	130	4	<5	<20	23	<0.01	<10	7	<10	<1	6
81	KR - 131	210	5.6	0.36	95	30	<5	0.54	<1	13	145	1	1.62	11	<10	0.21	112	32	<0.01	17	240	6	<5	<20	19	<0.01	<10	10	<10	<1	6
82	KR - 132	275	2.5	0.38	195	35	<5	0.13	<1	10	99	4	1.89	11	<10	0.12	61	22	<0.01	6	130	6	<5	<20	5	<0.01	<10	6	<10	<1	9
83	KR - 133	135	5.7	0.14	10	35	<5	1.12	<1	1	189	20	0.31	<5	<10	0.01	218	12	<0.01	6	<10	<2	<5	<20	44	<0.01	<10	3	<10	3	<1
84	KR - 134	70	1.7	1.18	100	55	35	4.79	1	58	64	11	7.65	70	<10	1.19	622	3	<0.01	19	700	54	<5	<20	213	0.14	<10	67	<10	<1	147
85	KR - 135	20	<0.2	0.93	15	60	30	0.12	<1	12	33	6	8.97	411	<10	0.33	168	7	0.03	3	710	10	<5	<20	43	0.14	<10	131	<10	<1	26
86	KR - 136	30	1.0	0.22	25	45	5	7.40	1	6	87	60	1.42	11	<10	0.16	5001	20	<0.01	27	250	42	<5	<20	50	0.04	<10	23	<10	7	213
87	KR - 137	5	0.5	0.89	30	60	<5	2.68	<1	19	66	78	1.49	<5	20	0.25	1082	<1	0.02	17	1660	14	<5	<20	21	0.10	<10	55	<10	13	33
88	KR - 138	10	2.3	1.44	30	50	<5	2.46	<1	16	55	358	1.83	7	<10	0.33	394	7	0.06	35	980	22	<5	<20	93	0.07	<10	29	<10	9	59
89	KR - 139	415	>30	0.30	325	95	<5	0.23	9	157	58	7167	>10	<5	<10	0.07	265	38	<0.01	18	<10	2382	<5	<20	15	<0.01	<10	6	<10	<1	312
90	KR - 140	>1000	>30	0.91	90	50	<5	0.68	45	19	137	6816	3.78	48	<10	0.65	592	30	<0.01	6	<10	30	<5	<20	19	<0.01	<10	20	<10	<1	2391
91	KR - 141	460	>30	0.38	25	50	<5	3.65	497	26	135	6826	2.90	75	<10	0.35	569	<1	<0.01	8	<10	1756	<5	<20	81	<0.01	<10	12	<10	<1	>10000
92	KR - 142	35	0.2	0.03	5	25	<5	0.19	<1	<1	199	19	0.30	<5	<10	0.03	81	4	<0.01	5	<10	2	<5	<20	7	<0.01	<10	1	<10	<1	41
93	KR - 143	25	1.1	1.08	25	85	<5	1.52	3	15	56	232	1.70	46	<10	1.35	849	<1	0.03	11	820	36	10	<20	53	0.08	<10	124	<10	8	518
94	KR - 144	15	<0.2	0.41	15	35	<5	0.14	<1	3	164	9	0.69	<5	40	0.18	121	5	<0.01	5	140	8	<5	<20	9	<0.01	<10	9	<10	3	55
95	KR - 145	15	<0.2	1.30	20	80	<5	0.40	<1	6	111	3	2.19	11	100	0.92	256	5	0.02	7	1010	22	<5	<20	32	<0.01	<10	31	<10	14	42
96	KR - 146	5	<0.2	1.01	25	70	<5	0.29	<1	3	143	2	1.73	<5	80	0.77	229	10	0.01	6	660	16	<5	<20	18	<0.01	<10	24	<10	8	29

QC DATA:

Repeat:

1	KR - 00	5	<0.2	0.57	15	15	<5	>10	<1	3	120	6	1.25	8	<10	0.49	962	4	<0.01	22	270	4	5	<20	488	<0.01	<10	30	<10	27	11	
3	KR - 02	445																														
10	KR - 09	>1000	>30	0.40	800	55	<5	0.04	<1	24	69	>10000	>10	229	<10	0.03	396	34	<0.01	13	<10	<2	<5	<20	2	<0.01	<10	19	<10	<1	41	
17	KR - 16	690																														
19	KR - 18	75	<0.2	1.05	20	200	<5	0.97	<1	9	79	25	2.20	13	<10	0.94	851	3	<0.01	20	570	16	5	<20	21	<0.01	<10	32	<10	5	32	
34	KR - 32	415																														
36	KR - 34	25	1.8	0.81	25	55	<5	8.74	58	29	79	586	1.23		10	0.65	1520	45	<0.01	35	1130	24	15	<20	99	0.08	<10	24	<10	6	6454	
41	KR - 39													351																		
45	KR - 43	225	6.9	0.42	85	30	<5	6.91	1	5	83	17	1.35	<10	0.32	289	<1	0.02	14	1610	158	<5	<20	325	0.07	<10	29	<10	13	35		
50	KR - 48													<5																		
51	KR - 100	670																														
54	KR - 103	570	1.3	0.69	355	100	25	0.30	2	26	135	67	>10	<10	0.16	926	35	<0.01	11	1400	4	<5	<20	13	<0.01	<10	78	<10	<1	16		
59	KR - 109													750																		
61	KR - 111	720																														

ECO TECH LABORATORY LTD.

ICP CERTIFICATE OF ANALYSIS AK 2006-1027

Kettle River Resources

Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	Hg(ppb)	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn	
63	KR - 113													740																		
68	KR - 118	825																														
71	KR - 121	10	<0.2	1.08	10	190	<5	3.69	<1	2	117	4	1.59		<10	0.98	1010	3	<0.01	16	400	18	10	<20	61	<0.01	<10	26	<10	8	38	
72	KR - 122													9																		
80	KR - 130	110	1.0	0.30	70	20	<5	0.51	<1	8	173	1	1.32		<10	0.16	94	17	<0.01	13	130	2	<5	<20	23	<0.01	<10	7	<10	<1	5	
81	KR - 131													11																		
89	KR - 139	420																														
90	KR - 140													56																		
94	KR - 144													5																		
Resplit:																																
1	KR - 00	10	<0.2	0.57	10	25	<5	>10	<1	3	118	10	1.17		<10	0.51	937	3	<0.01	20	270	8	10	<20	494	<0.01	<10	28	<10	30	11	
36	KR - 34	20	1.6	0.75	30	55	<5	8.42	58	28	80	617	1.19		10	0.65	1471	44	<0.01	34	1140	24	5	<20	92	0.07	<10	22	<10	5	6427	
71	KR - 121	25	<0.2	1.13	10	170	<5	3.76	<1	2	127	3	1.60		<10	0.96	1005	4	<0.01	16	400	18	10	<20	63	<0.01	<10	26	<10	6	37	
Standard:																																
Pb106		>30	0.73	270	85	<5	1.73	59	4	40	6170	1.74		<10	0.29	553	37	0.03	8	270	5206	60	<20	188	0.01	<10	14	<10	<1	8400		
Pb106		>30	0.76	280	85	<5	1.80	50	4	42	6265	1.78		<10	0.30	582	33	0.03	8	270	5250	65	<20	203	0.01	<10	17	<10	<1	8440		
Pb106		>30	0.73	275	90	<5	1.75	53	5	49	6254	1.51		<10	0.27	576	30	0.03	7	270	5216	65	<20	184	<0.01	<10	13	<10	<1	8322		

JJ/kc
df/1031/1027/844
XLS/06

ECO TECH LABORATORY LTD.
Jutta Jealous
B.C. Certified Assayer

CERTIFICATE OF ASSAY AK 2006- 1027

Kettle River Resources

23-Aug-06

Box 130

Greenwood, BC

VOH 1J0

No. of samples received: 96

Sample Type: Rock

Project: Greenwood

Shipment #: 06-1

Submitted by: Linda Caron

ET #.	Tag #	Au (g/t)	Au (oz/t)	Ag (g/t)	Ag (oz/t)	Cu (%)	Zn (%)
4	KR - 03	1.62	0.047				
5	KR - 04	1.21	0.035				
10	KR - 09	86.2	2.514	60.7	1.77	1.53	
11	KR - 10	16.7	0.487				
13	KR - 12	19.6	0.572	121	3.53	4.06	
14	KR - 13	1.51	0.044	94.8	2.77	3.94	
15	KR - 14	25.2	0.735	87.1	2.54		
18	KR - 17	20.4	0.595				
40	KR - 38	1.61	0.047	151	4.40	0.99	
41	KR - 39			75.1	2.19		
42	KR - 40	1.19	0.035	298	8.69	1.51	
49	KR - 47	1.06	0.031				
51	KR - 100			41.2	1.20		
55	KR - 104	1.39	0.041	92.7	2.70		
57	KR - 106	2.01	0.059	30.6	0.89		
58	KR - 108					1.14	
60	KR - 110	1.74	0.051				
63	KR - 113	8.66	0.253	52.6	1.53	2.41	
64	KR - 114	66.5	1.939	61.9	1.81	5.26	
65	KR - 115	3.71	0.108				
66	KR - 116	8.75	0.255	65.3	1.90	5.56	
67	KR - 117	37.1	1.082	46.5	1.36	1.09	
89	KR - 139			85.2	2.49		
90	KR - 140	1.99	0.058	49.3	1.44		
91	KR - 141			56.6	1.65		4.94

ECO TECH LABORATORY LTD.

Jutta Jealous

B.C. Certified Assayer

ET #.	Tag #	Au (g/t)	Au (oz/t)	Ag (g/t)	Ag (oz/t)	Cu (%)	Zn (%)
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QC DATA:**Repeat:**

10	KR - 09	90.7	2.645	57.9	1.69	1.54	
11	KR - 10	17.4	0.507				
60	KR - 110	1.77	0.052				
89	KR - 139			85.2	2.49		

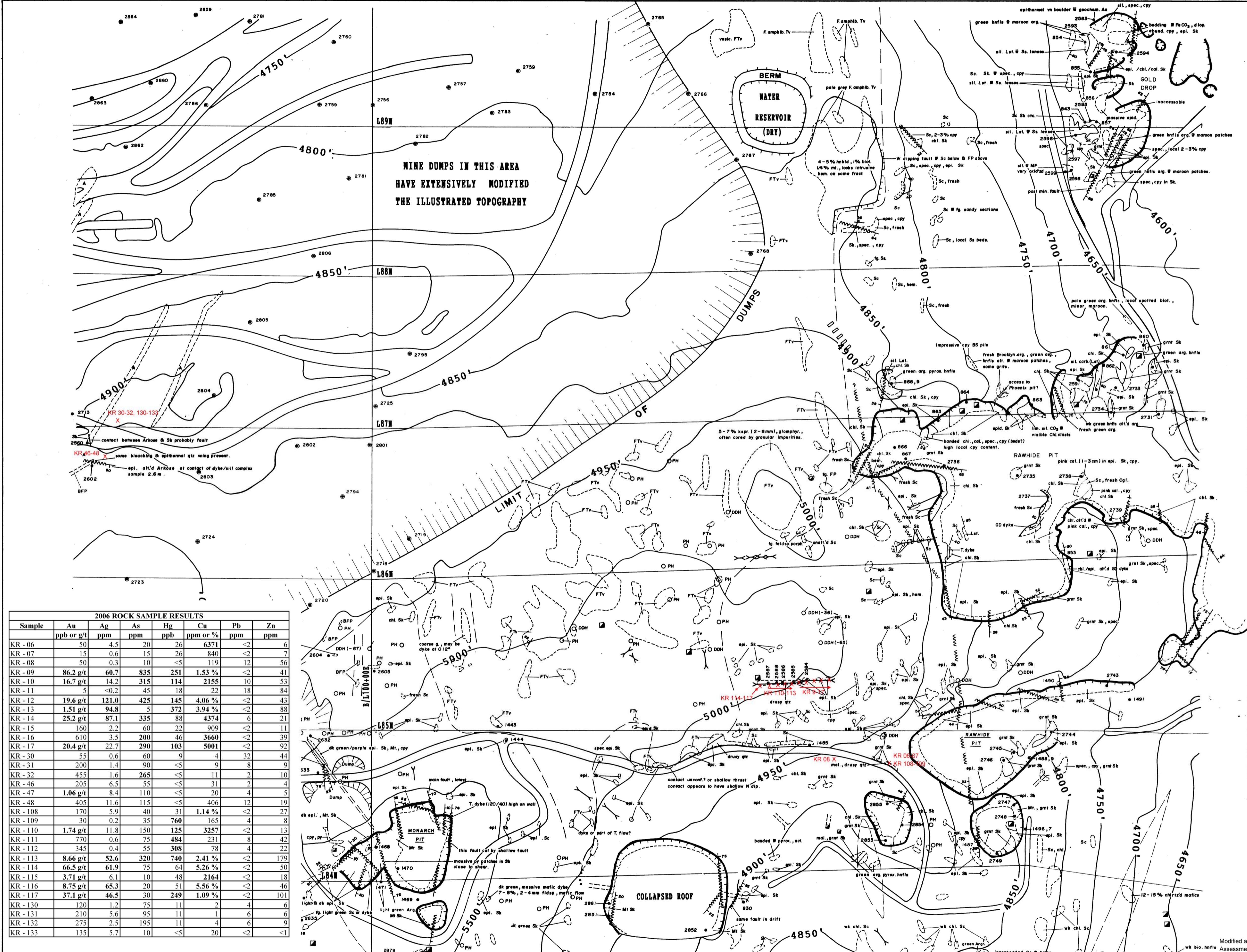
Standard:

OX140		1.82	0.053				
SN16		8.41	0.245				
Pb106				58.5	1.71	0.62	0.53
Pb106				58.5	1.71	0.62	0.52
Cu120				34.2	1.00	1.50	
Cu120				34.7	1.01	1.53	

JJ/bp
XLS/06

ECO TECH LABORATORY LTD.

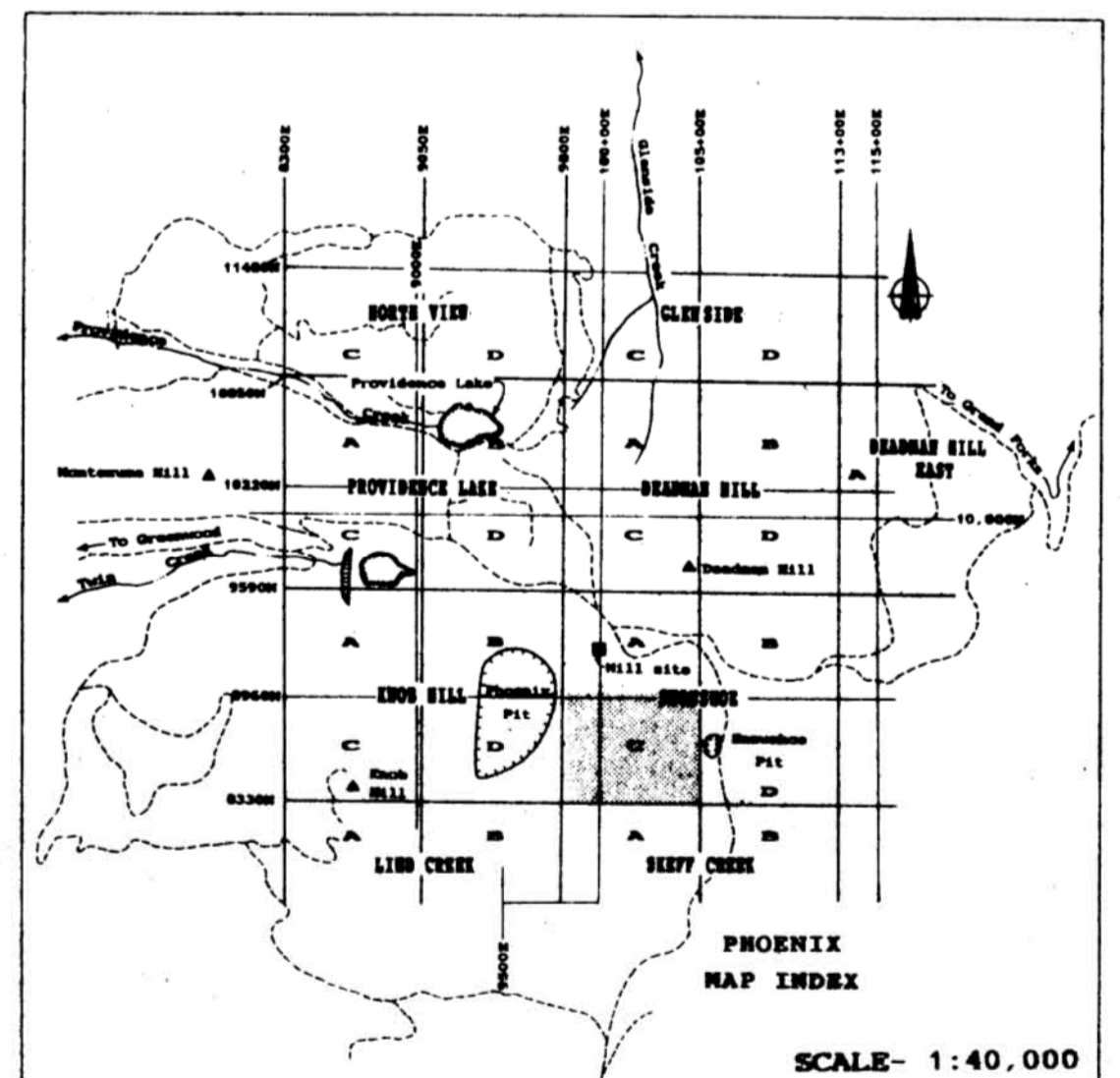
Jutta Jealouse
B.C. Certified Assayer



2006 ROCK SAMPLE RESULTS							
Sample	Au	Ag	As	Hg	Cu	Pb	Zn
	ppb or g/t	ppm	ppm	ppb	ppm or %	ppm	ppm
KR-06	50	4.5	20	26	6371	<2	6
KR-07	15	0.6	15	26	840	<2	7
KR-08	50	0.3	10	<5	119	12	56
KR-09	86.2 g/t	60.7	835	251	1.53 %	<2	41
KR-10	16.7 g/t	14.2	315	114	2155	10	53
KR-11	5	<0.2	45	18	22	18	84
KR-12	19.6 g/t	121.0	425	145	4.06 %	<2	43
KR-13	1.51 g/t	94.8	5	372	3.94 %	<2	88
KR-14	25.2 g/t	87.1	335	88	4374	6	21
KR-15	160	2.2	60	22	909	<2	11
KR-16	610	3.5	200	46	3660	<2	39
KR-17	20.4 g/t	22.7	290	103	5001	<2	92
KR-30	55	0.6	60	9	4	32	44
KR-31	200	1.4	90	<5	9	8	9
KR-32	455	1.6	265	<5	11	2	10
KR-46	205	6.5	55	<5	31	2	4
KR-47	1.06 g/t	8.4	110	<5	20	4	5
KR-48	405	11.6	115	<5	406	12	19
KR-108	170	5.9	40	31	1.14 %	<2	27
KR-109	30	0.2	35	760	165	4	8
KR-110	1.74 g/t	11.8	150	125	3257	<2	13
KR-111	770	0.6	75	484	231	8	42
KR-112	345	0.4	55	308	78	4	22
KR-113	8.66 g/t	52.6	320	740	2.41 %	<2	179
KR-114	66.5 g/t	61.9	75	64	5.26 %	<2	50
KR-115	3.71 g/t	6.1	10	48	2164	<2	18
KR-116	8.75 g/t	65.3	20	51	5.56 %	<2	46
KR-117	37.1 g/t	46.5	30	249	1.09 %	<2	101
KR-130	120	1.2	75	11	2	4	6
KR-131	210	5.6	95	11	1	6	6
KR-132	275	2.5	195	11	4	6	9
KR-133	135	5.7	10	<5	20	<2	<1

LITHOLOGY		SYMBOLS	
argillite	Arg	strike (vertical - dipping)	— —
shale	Sh	joint (vertical - dipping)	— —
siltstone	Silt	steering or foliation	— —
silty argillite	SilArg	fault (defined - approximate)	— —
sandstone	Sand	thrust fault	— —
arkose	Ark	slab/dike (strike, dip, plunge)	— —
sharptonite conglomerate	ShCgl	shaft or decline	— —
chert	Ch	tranch	— —
limestone	Lst	adi	— —
monzonite	Monz	pit wall	— —
gneiss	Gne	drill hole (vertical, inclined)	— —
granodiorite	GD	claim post	— —
diorite	DI	survey pin	— —
porphyry	P	swamp or wetland	— —
biotite feldspar porphyry	BFP	rock sample	— —
diabase	D, Diab	outcrop (open circle = low reliable location)	— —
mafic flows	MF		
feldspathic volcanics	FV		
pyroxene-bearing volcanics	PTV		
feldspathic volcanics	FTV		
intermediate volc. sediments	MVS		
skarn	Sk		
massive sulphide/magnetite	MS		

ABBREVIATIONS LIST:			
chalcocite	— Cpy	wack	— Wk
pyrite	— Py	dark	— Dk
pyrrhotite	— Po	black	— Blk
hematite	— Hem	green	— Grn
speckle	— Spc	apophanitic	— Aph
magnetite	— Mag	clined	— Cln
malachite	— Mal	dissiminated	— Diss
manganese	— Mn	abundant	— Abund
limonite	— Lim	occasional	— Occ
sericite	— Ser	pervasive	— Perv
calcite	— Cal	irregular	— Irrg
biotite	— B, Bio, Biol	pervasive	— Perv
quartz	— Qtz		
chlorite	— Chl	brecciated	— Bx
epidote	— Epi	silicified	— Silc
pyroxene	— Pyrox	angular	— Ang
diopside	— Dio	vesicular	— Vesc
garnet	— Grnt	amygdaloid	— Amygd
orthoclase	— Orth	colonnar	— Col
jasp	— Jasp	intrusive	— Intr
feldspar	— F, Feld, Fldsp	fragment	— Frag
		fine grained	— Fg
		coarse grained	— Cg
percussion hole	— PH	trac	— Tr
diamond drill hole	— DDH	contact	— Cnt
		outcrop	— O/c
		vein	— Vn



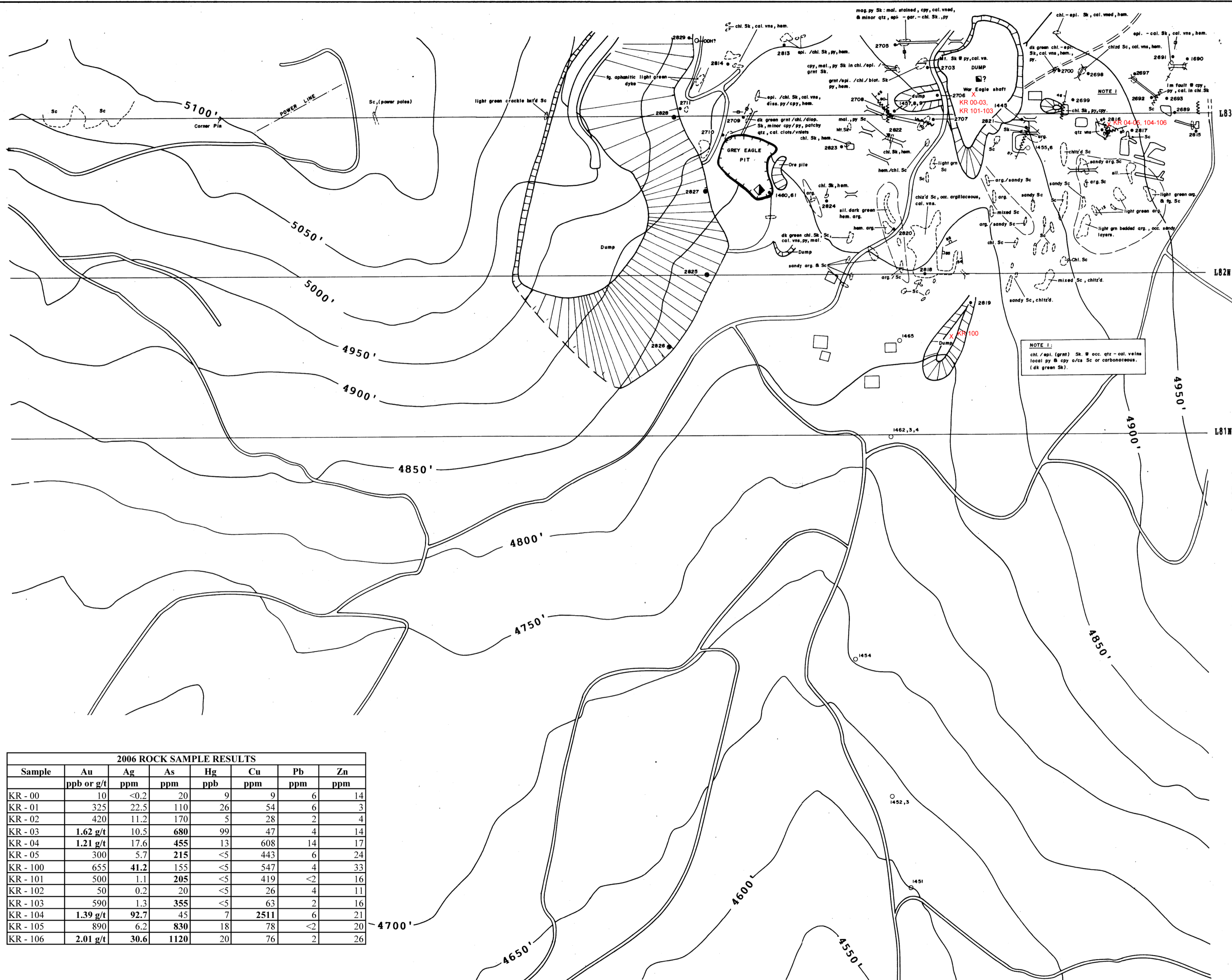
KETTLE RIVER RESOURCES LTD.
PHOENIX PROPERTY

FIGURE 7
1991 "SNOWSHOE C" GEOLOGY MAP
WITH
2006 ROCK SAMPLE LOCATIONS AND RESULTS

PROJECT No. #7596	DATA BY:
NTS: 82E/2	DRAWN BY: Sphinx Draft. Serv.
DRAWING No. 14	DATE: APRIL, 1991 Aug, 2006

SCALE: 1:1250 (m x 10)

Modified after Deighton et al (1991), Assessment Report 21240

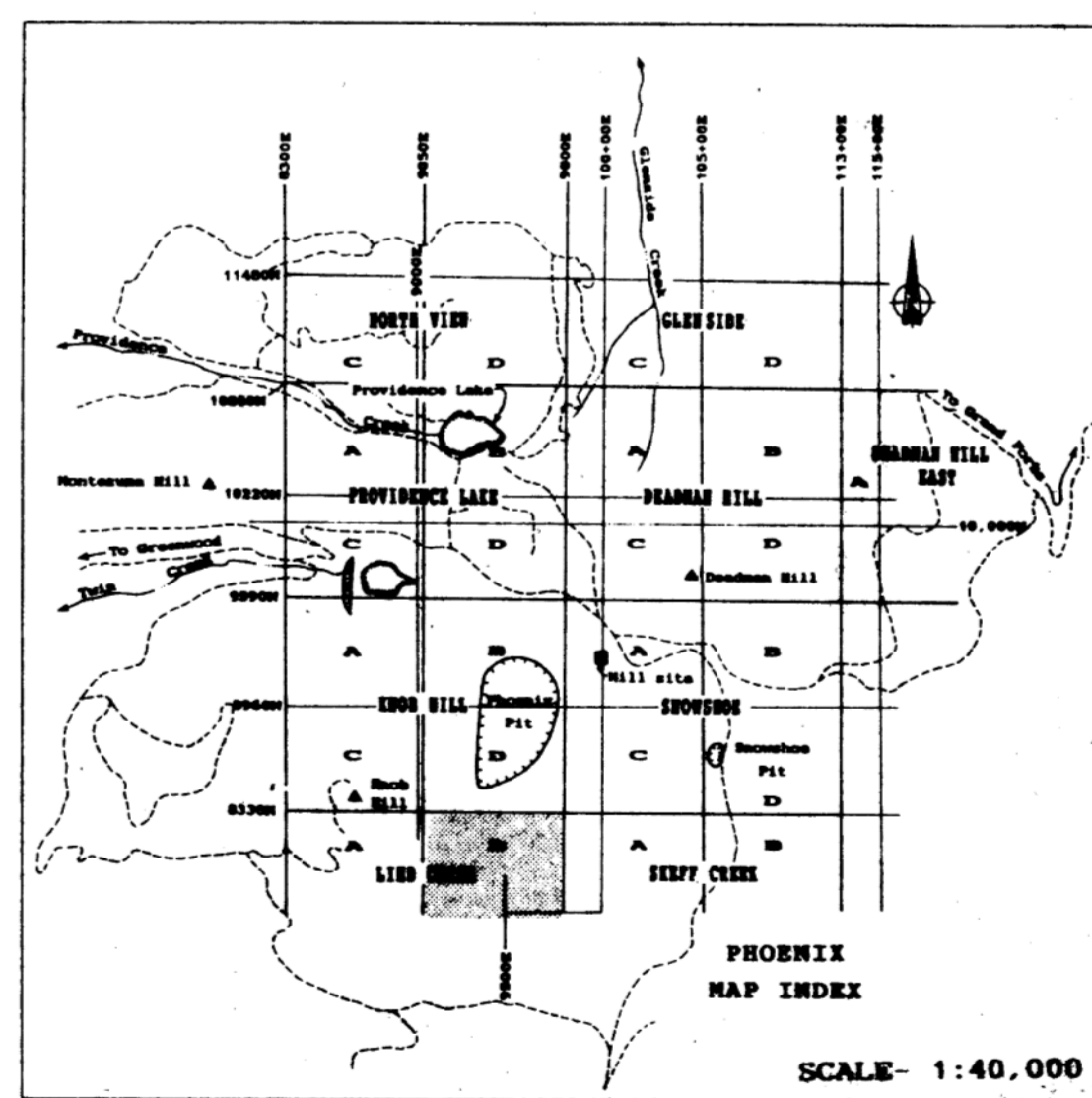


LITHOLOGY	SYMBOLS
argillite	Arg
shale	Sh
siltstone	Sst
silty argillite	Scs
sandstone	Ss, SandS
arkose	A, Ark
sharpsite conglomerate	Sc, Cgl
chert	Ch
limestone	Lst
monzonite	Monz
syenite	Syn
granodiorite	GD
diorite	DI
porphyry	PP
biotite feldspar porphyry	BFP
diabase	D, Diab
mafic flows	MF
feldspathic volcanics	V, Tv
pyroxene-bearing volcanics	PTV
feldspathic volcanics	FTV
intermediate volc. sediments	MVS
skarn	Sk
massive sulfide/magnetite	MS

ABBREVIATIONS LIST:

chalcopyrite	Cpy	weak	Wk
pyrite	Py	dark	Dk
pyrrhotite	Po	mafic	MaF
		black	Blk
hematite	Hem	green	Grn
specularite	Spec	aphanitic	Aph
magnetite	Mag	all	All
malachite	Mal	altered	Altr
manganese	Mn	disseminated	Dis
limonite	Lim	abundant	Abund
		occasional	Occ
sericite	Ser	pervasive	Per
calcite	Cal	irregular	Irreg
biotite	B, Bio, Biol	pervasive	Per
quartz	Q, Qtz		
chlorite	Ch	bracketed	Br
epidote	Epi	skarnsides	Skcn
pyroxene	Pyrox	angular	Ang
diopside	Diop	vesicular	Vesic
garnet	Grt	amygduoidal	Amg
orthoclase	Orth	columnar	Col
jasp	Jasp	intrusive	Intr
feldspar	F, Fld, Fldsp	fragment	Frag
		fine grained	Fg
		coarse grained	Cg
percussion hole	PH	trace	Tr
diamond drill hole	DDH	contact	Ctc
		outcrop	O/c
		vein	Vn

2006 ROCK SAMPLE RESULTS							
Sample	Au	Ag	As	Hg	Cu	Pb	Zn
	ppb or g/t	ppm	ppm	ppb	ppm	ppm	ppm
KR-00	10	<0.2	20	9	9	6	14
KR-01	325	22.5	110	26	54	6	3
KR-02	420	11.2	170	5	28	2	4
KR-03	1.62 g/t	10.5	680	99	47	4	14
KR-04	1.21 g/t	17.6	455	13	608	14	17
KR-05	300	5.7	215	<5	443	6	24
KR-100	655	41.2	155	<5	547	4	33
KR-101	500	1.1	205	<5	419	<2	16
KR-102	50	0.2	20	<5	26	4	11
KR-103	590	1.3	355	<5	63	2	16
KR-104	1.39 g/t	92.7	45	7	2511	6	21
KR-105	890	6.2	830	18	78	<2	20
KR-106	2.01 g/t	30.6	1120	20	76	2	26



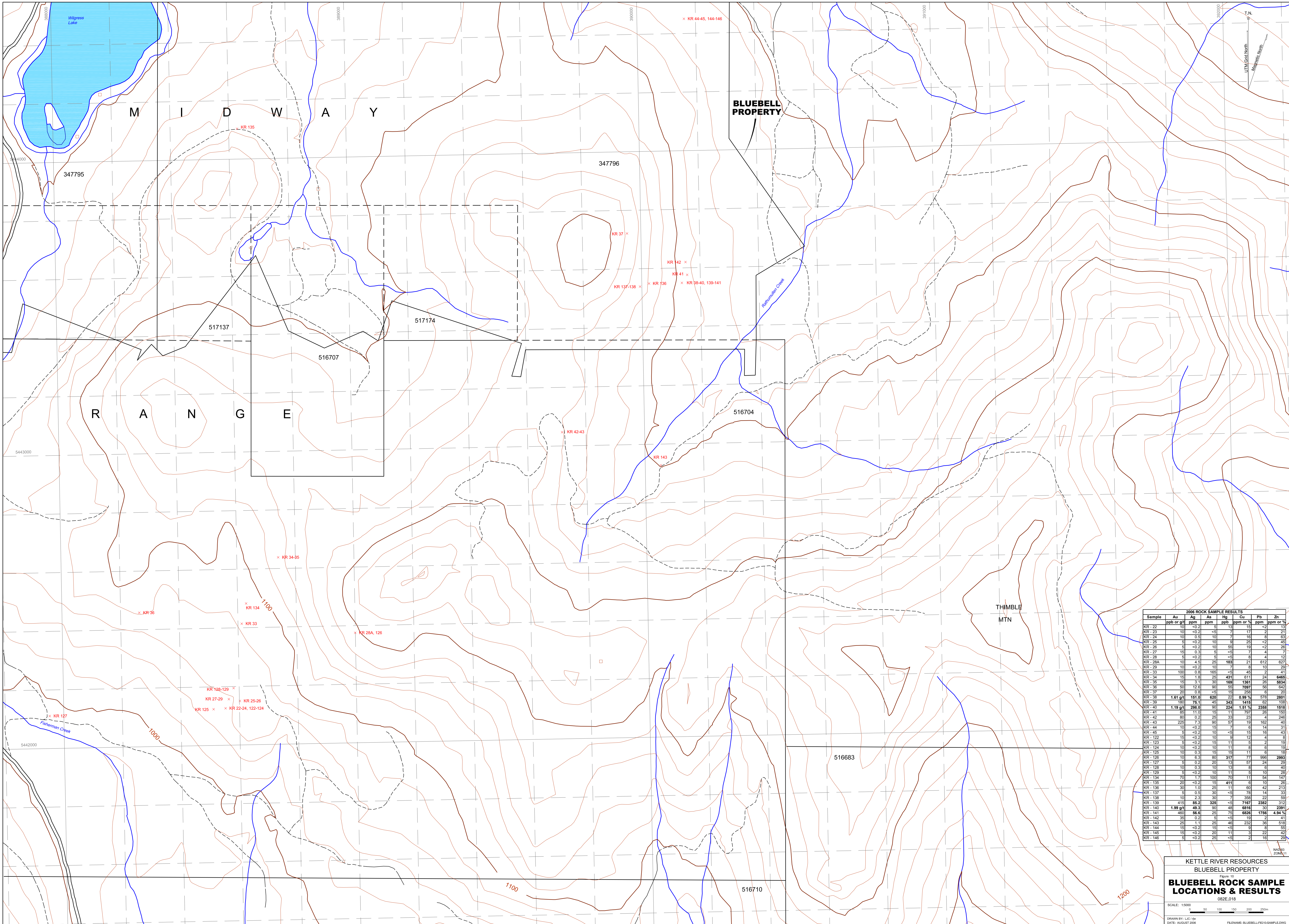
KETTLE RIVER RESOURCES LTD.
PHOENIX PROPERTY

FIGURE 9
1991 "LIND CREEK B" GEOLOGY MAP
WITH
2006 ROCK SAMPLE LOCATIONS AND RESULTS

PROJECT No. #7596	DATA BY:
N.T.S. 82E/2	DRAWN BY: Sphinx Draft. Serv.
DRAWING No. 17	DATE: APRIL, 1991 Aug 2006

SCALE: 1:1250 (m x 10)

Modified after Deighton et al (1991), Assessment Report 21240



2006 ROCK SAMPLE RESULTS

Sample	Au	Ag	As	Hg	Cu	Pb	Zn
	ppb or g/t	ppm	ppm	ppb	ppm or %	ppm	ppm or %
KR-22	10	<0.2	5	13	10	<2	13
KR-23	10	<0.2	<5	7	17	2	21
KR-24	10	0.5	10	7	19	8	63
KR-25	5	<0.2	10	9	25	<2	45
KR-26	5	<0.2	10	55	19	<2	26
KR-27	15	0.3	5	<5	7	4	7
KR-28	5	<0.2	5	<5	8	4	12
KR-28A	10	4.5	25	103	21	612	627
KR-29	10	<0.2	10	7	8	10	28
KR-33	100	0.8	165	<5	45	2	41
KR-34	15	1.8	25	431	611	24	6485
KR-35	15	3.1	30	169	1351	26	5334
KR-36	50	12.6	80	55	7097	59	642
KR-37	20	0.8	<5	15	258	6	20
KR-38	1.61 g/t	151.0	620	22	8.99 %	578	2891
KR-39	80	76.1	45	343	1415	62	108
KR-40	1.19 g/t	298.0	90	224	1.51 %	2358	1518
KR-41	80	11.0	15	11	737	26	150
KR-42	80	0.2	25	33	23	4	246
KR-43	225	7.3	90	57	19	162	40
KR-44	10	<0.2	15	7	8	14	31
KR-45	5	<0.2	10	<5	15	16	43
KR-122	15	<0.2	10	9	12	4	8
KR-123	5	<0.2	15	11	5	2	18
KR-124	10	<0.2	10	11	8	6	19
KR-125	10	0.3	15	15	11	6	16
KR-126	10	3.7	60	3.7	77	98	293
KR-127	5	0.2	20	13	57	24	29
KR-128	10	0.3	10	13	8	6	40
KR-129	5	<0.2	10	11	5	10	26
KR-134	70	1.7	100	70	11	54	147
KR-135	20	<0.2	15	411	6	10	26
KR-136	30	1.0	25	11	60	42	213
KR-137	5	0.5	30	<5	78	14	33
KR-138	10	2.3	30	7	358	22	59
KR-139	415	85.2	325	<5	7187	282	312
KR-140	1.99 g/t	48.3	90	48	6516	30	2391
KR-141	460	86.6	25	75	6826	1756	4.94 %
KR-142	35	0.2	5	<5	19	2	41
KR-143	25	1.1	25	46	232	36	518
KR-144	15	<0.2	15	<5	9	8	55
KR-145	15	<0.2	20	11	3	22	42
KR-146	5	<0.2	25	<5	2	16	29

KETTLE RIVER RESOURCES
BLUEBELL PROPERTY
 Figure 10
BLUEBELL ROCK SAMPLE
LOCATIONS & RESULTS
 082E.018

SCALE: 1:5000
 0 50 100 150 200 250m

DRAWN BY: L.C./aw
 DATE: AUGUST 2006
 FILENAME: BLUEBELL-F03-SAMPLE.EDWG