

# SYMC RESOURCES LIMITED

## TECHNICAL REPORT FOR THE 2006 DIAMOND DRILLING PROGRAM AND THE 2006 PROSPECTING PROGRAM ON THE MACKTUSH PROPERTY

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Alberni Mining Division  
British Columbia

Prepared for:  
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## SUMMARY

SYMC Resources Limited (SYMC or Company) holds outright three separate mineral properties near Port Alberni in south-central Vancouver Island, British Columbia. Portions of the properties have been explored by SYMC for gold, silver, copper and/or molybdenum since 1981, targeting primarily vein type deposits. The Company began systematic exploration in 2005 on the largest and most advanced of the three properties, Macktush, which was continued in 2006.

From June to December 2006, SYMC completed 982 m. in 11 holes of diamond drilling on five known target areas: 3 holes each on the MC Zone and the Zinc Vein, 2 holes each on the Moly Vein and the Jack Vein, and one hole on the Sara Vein. Detailed geological mapping and representative outcrop chip sampling (where possible) was conducted in four of the five target areas by the author prior to drilling, excluding the Sara Vein, which was not a primary drilling target. From May to October, 2006 the author took 48 representative outcrop chip and grab samples. The respective target zones were successfully tested in all 11 holes, but drill core intercepts invariably yielded much lower values in copper, silver and gold than did pre-2000 chip and grab sampling from trenched surface exposures. However, the metal values from the author's representative chip samples from the same trenches (where available) were generally consistent with those values obtained in the drill intercepts from the respective zones. Nevertheless, all available data were used at face value in estimating mineral resources for the zones (see Table 2), assuming all samples were representative of the exposures available when sampled. The estimated resource grades for two of the Macktush area quartz-calcite-sulphide vein targets (Fred and Zinc) are marginally economic, and are sub-economic for the other two targets (Jack and Moly), and drilling in 2006 has reduced significant tonnage expansion potential for the all four zones. At the MC Zone, drilling in 2006 discovered two additional deeper quartz-calcite-sulphide stockwork veins (MC2, MC3) beneath the primary target (MC1) mapped and chip sampled by the author, all of which are open and untested at depth and along strike. Although resource grades of the MC zones appear sub-economic, significant potential exists for increasing both thicknesses and grades, particularly for the MC2 zone, warranting additional drilling.

From June to December, 2006, SYMC deployed a full time prospecting crew consisting of two experienced prospectors, plus one geoscience student for the June-August period. The prospectors used pre-programmed GPS units to systematically locate priority airborne conductive anomalies, beginning with areas of anomaly clusters. Totals of 288 select rock grab samples, 66 B horizon soil samples and 26 stream moss mat samples were taken in the areas of the clusters, all located by GPS (with elevations) with all sample sites flagged and tagged with the sample numbers. Prospecting work has identified the entire Rex cluster as a top priority exploration target, and four new targets in the Cous cluster which warrant mapping, sampling, trenching and/or drilling. However, the Cous area requires acquisition of adjacent mineral tenures prior to any significant future exploration programs. Prospecting is warranted in the West cluster to

follow up elevated metal values in rock float and stream moss mat samples, to investigate the South cluster, and also to investigate other isolated anomalies.

The immediate Port Alberni area is mainly underlain by Triassic mafic volcanic rocks of the Karmutsen Formation of the Vancouver Group. These are intruded by large granodiorite sills, stocks and dikes of the Jurassic Island plutonic suite. Local inliers consist of Triassic Quatsino Formation sedimentary limestones of the Vancouver Group overlain by Jurassic sediments and volcanics of the Bonanza Group, and sandstones, shales and conglomerates of the Cretaceous Nanaimo Group. The Macktush property is mostly underlain by Karmutsen mafic volcanics and Island felsic intrusives, with local inliers of possible Quatsino limestone and/or Parson Bay and Bonanza sediments and volcanics. These rocks are variably block-faulted and represent ideal settings for clustered copper-gold-silver-molybdenum porphyry, skarn and epithermal vein deposits.

Delineation diamond drilling was completed in 2006 by SYMC on five known mineral occurrences yielding new indicated mineral inventory estimates for the Zinc, Jack and Moly gold-silver-copper quartz-calcite-sulphide veins, and for the MC1, MC2 and MC3 copper-gold-silver quartz-calcite stockwork zones. Modeling of historical data from the Fred gold-silver-copper vein allowed re-estimation of an indicated mineral resource for it in 2006 as well. In 2006 SYMC also began systematic prospecting following up on the detailed, multi-parameter airborne geophysical survey flown over the Macktush property in 2005. Four of five clusters of combined magnetic, electromagnetic and radiometric anomalies were prospected and tested using combinations of rock, soil and stream moss mat sampling, with significant new copper-silver-gold mineralization discovered in outcrop at five locations in two clusters, Rex and Cous. Significant copper-gold-silver mineralization was also discovered in a float sample from the West cluster, and no significant values were obtained from the Macktush cluster. The South cluster, along with several isolated 1-3 point conductive anomalies throughout the Macktush property were not tested in 2006. For background information, the reader is referred to previous work on the Macktush property documented by the author in Technical Reports dated December 7, 2004, and February 28, 2006.

## **INTRODUCTION**

The author was requested in April, 2006 by the officers of SYMC to design and implement drilling programs on mineralized zones in the Fred Vein and MC areas as per some of the recommendations in the author's 2005 technical report. Due to the lack of any previous detailed and well documented geological mapping having been conducted on these zones, it was determined that localized geological mapping over each of the drill target areas was an essential minimum requirement prior to drilling, similar to that done in 2005. In addition, it was determined prudent to undertake representative outcrop check sampling of drill target zones where exposed in trenches to confirm historic sampling data. This geological mapping and check sampling program was commenced by the author in May, 2005 using 1:1000 base maps and a hand-held GPS unit for control, and

continued during the drilling program as required. The diamond drilling program was commenced in June, 2006 and continued to December, 2006, employing the same drill and 2-person crew as during the 2005 program, working on a single shift basis.

The author was also requested in April, 2006 by the officers of SYMC to design and manage a prospecting program to follow up airborne geophysical targets as recommended in the author's 2005 technical report. This program was commenced in June, 2006 and continued until December, 2006, employing a 2-3 person field crew. The field crew used 1:5,000 to 1:10,000 scale base maps and pre-programmed, hand-held GPS units to locate airborne conductive anomalies, and to establish sample locations. Wherever possible, select outcrop grab samples were taken at the locations of the conductive anomalies and/or any mineralized zones found nearby. Where no outcrop was available, 5 point diamond arrays of soil samples were taken at and surrounding conductive anomaly locations at 30 metre spacing. Also, stream moss mat samples were taken from selected sites where creeks appeared to drain anomaly cluster areas, and stream pH values were tested using electronic pH metres. At all rock, soil and stream sediment sites, field data was recorded by the prospecting crews and all sample sites were marked in the field. This technical report is dated January 26, 2007, was commissioned by the officers of SYMC, is intended for the directors and management of SYMC and for public disclosure, and is to be paid for by SYMC. The author has read NI 43-101, Companion Policy 43-101.CP, and Form 43-101F1. The author fulfills the requirements of a "qualified person" for the purposes of NI 43-101. The author is independent of SYMC, and is a mineral exploration consultant working for various clients including SYMC.

## **RELIANCE ON OTHER EXPERTS**

Results from historic sampling conducted by Mr. Robert Davey, P. Eng. of drill core and trenched outcrops from both the Fred Vein area and the MC Zone area on the Macktush property, were used in combination with 2006 data obtained by the author to estimate indicated mineral resources for the Fred and Zinc veins and the MC2 Zone. The author has verified sampling procedures with Mr. Davey, and is satisfied that industry standard sampling practices were followed, and the data has been taken at face value by the author. However, many historic outcrop sample sites and drilling locations were reclaimed after sampling and drilling and are no longer visible. Therefore, exact outcrop sample and drill site locations could not be verified by the author and were therefore estimated, based on GPS-controlled surface mapping. In addition, logging of historic drill core from the Fred Vein area by Mr. John Wilson, F.G.A.C. was used by the author in combination with sampling of the core by Mr. Davey to re-create four of the drill logs (MF-87-01, MF-87-03, MF-87-08, and MF-88-05) which appear in Appendix 1, are displayed in the figures, and are used in the indicated mineral resource estimate for the Fred Vein. Base maps used for geological mapping by the author and for prospecting by the field crews were generated by Dugald Dunlop,



The Macktush property hosts the most advanced of SYMC's projects including a cluster of at least seven known sub-parallel, NE-striking and SE-dipping gold-silver-copper-bearing quartz-calcite-sulphide veins which have been prospected, trenched and sampled: the Fred, David, Upper David, Zinc, Jack, Sy and Moly veins (Macktush Veins Area in Figures 4 and 5). The Fred, David, Zinc, Jack and Moly Veins have also been tested by diamond drilling. Based on 2006 field work, and compilation by the author of historic data, indicated mineral resource estimates to the standards and guidelines of National Instrument 43-101 and the Canadian Institute of Mining have been made by the author for the Fred, Zinc, Jack, and Moly veins (Table 3). These estimates are to the same standards, guidelines and parameters as made by the author for the David Vein in 2006. The Macktush veins are documented as BC MINFILE 092F012, and classified as a developed prospect of the porphyry copper-molybdenum-gold type.

A second advanced project area on the property hosts a series of stacked, sub-parallel, NNE-striking and variably west-dipping copper-gold-silver quartz-calcite-sulphide stockwork zones (MC Area in Figures 4 and 9) which have been prospected, trenched, sampled and initially tested by diamond drilling. Based on 2006 field work and compilation by the author of historic data, indicated mineral resource estimates have also been made by the author for the MC1, MC2 and MC3 zones (Table 3), to the same standards, guidelines and parameters. The MC/Kola zones are documented as BC MINFILE 092F103, and classified as a prospect of the copper-silver quartz vein type.

A third advanced project area on the property hosts a cluster of at least six Easterly to NE-striking and steeply dipping copper-silver-gold quartz-calcite-sulphide veins and/or stockwork zones (Dauntless area in Figures 4 and 11) which have been prospected, trenched, sampled and initially tested by drilling: Dauntless North Veins, Dauntless South Vein, Herbert Jr. Vein, Sara Vein and Tasha Zone. Based on 2005 field work and compilation by the author of historic work, mineral inventory estimates for Dauntless North Veins, Herbert Jr. Vein and Tasha Zone were made by the author in 2006 (Table 3). The Dauntless area veins are documented as BC MINFILE 092F 168, and classified as a prospect of the copper-silver quartz vein type.

The Macktush property also hosts eight other documented BC MINFILE showings as well as 50 or so other unclassified mineral occurrences located and prospected by SYMC since 1981. This includes the Rex MINFILE 092F221, classified as a showing of the porphyry molybdenum type, located 5 kilometres northwest of the Macktush veins area. During 2006, extensive prospecting work by SYMC field crews identified an extensive (3 by 5 kilometre) halo of alteration and sulphide mineralization surrounding the Rex showing, including veins of semi-massive chalcopyrite and pyrite mineralization. This has served to enhance the Rex target significantly, with further work warranted and proposed to test it, including trenching, detailed geological mapping and sampling, and preliminary diamond drilling. Refer to Figures 2 and 12, and to Table 2 for the mineral occurrence map, the target map and the mineral occurrence list, respectively.



**Table 2**  
**BC MINFILE/Undocumented Occurrences on SYMC's Macktush Property**

Number	Name	Property	UTM E.	UTM N.	Elev	Category	Type	Au	Ag	Cu	Mo	Fe	Lst.
092F155	Holk	Macktush	365909	5455028	90	Showing	Cu-Ag Qtz. Veins	Au	Ag	Cu			
092F168	Dauntless	Macktush	366846	5452780	20	Prospect	Cu-Ag Qtz. Veins	Au	Ag	Cu			
092F549	Stamp 3	Macktush	366901	5451698	30	Showing	Cu-Ag Qtz. Veins?	Au		Cu			
092F551	DevilsDen	Macktush	364498	5456051	180	Showing	Cu-Ag Qtz. Veins	Au		Cu			
092F012	Macktush	Macktush	365693	5442798	450	Dev.Prospr.	Porph. Cu-Mo-Au	Au	Ag	Cu	Mo		
092F221	Rex	Macktush	360661	5446692	550	Showing	Porph. Mo (Low-F)			Cu	Mo		
092F103	Kola/MC	Macktush	357702	5450630	640	Prospect	Cu-Ag Qtz. Veins	Au	Ag	Cu			
092F362	Buck 1	Macktush	356650	5452202	520	Showing	Porph. Cu-Mo-Au?	Au		Cu			
092F412	Sproat Lk.	Macktush	356461	5453505	440	Showing	Sed. Limestone						Lst.
092F553	Creek	Macktush	356249	5449277	420	Showing	Porph. Cu-Mo-Au?			Cu			
092F555	Sky 2	Macktush	358907	5451031	280	Showing	Cu Skarn?			Cu			
Dauntless Vein L. Adit	Macktush	Macktush	366705	5452670	92	Prospr.	Qtz.Vein	Au	Ag	Cu			
Dauntless Vein U. Adit	Macktush	Macktush	366686	5452667	96	Prospr.	Qtz.Vein	Au	Ag	Cu			
Dauntless S. Vein Adit	Macktush	Macktush	366755	5452201	79	Showing	Qtz.Vein	Au	Ag	Cu			
Herbert Jr. Vein	Macktush	Macktush	366766	5452277	75	Prospr.	Qtz.Vein	Au	Ag	Cu			
Sara Vein	Macktush	Macktush	366797	5452362	59	Showing	Qtz.Vein						
Vein S. of Sara Vein	Macktush	Macktush	366822	5452425	56	Showing	Qtz.Vein						
Sara Vein Adit	Macktush	Macktush	366821	5452337	49	Showing	Qtz.Vein						
Middle Vein	Macktush	Macktush	366768	5452251	70	Showing	Qtz.Vein						
Tasha Zone	Macktush	Macktush	366533	5453382	52	Prospr.	RedBed?		Ag	Cu			
Mainline Pit	Macktush	Macktush	364370	5452743	181	Showing	Qtz.Vein	Au	Ag	Cu	Mo		
Beach Adit	Macktush	Macktush	366874	5452318	-4	Showing	Qtz.Vein			Cu			
Upper Adit	Macktush	Macktush	366812	5452351	32	Showing	Qtz.Vein		Ag	Cu			
Flat Vein	Macktush	Macktush	366809	5452653	50	Showing	Qtz.Vein			Cu			
Stamp 3 Adit	Macktush	Macktush	366953	5451568	3	Showing	Qtz.Vein	Au	Ag	Cu			
South South Adit	Macktush	Macktush	366869	5452229	5	Showing	Qtz.Vein			Cu			
Quartz Sericite Alt'n.	Macktush	Macktush	362316	5447651	691	Showing	?						
Sericite Zone	Macktush	Macktush	366297	5456424	28	Showing	?						
Quartz Sericite Alt'n.	Macktush	Macktush	364479	5454344	234	Showing	?						
Quartz Sericite Porphyry	Macktush	Macktush	364575	5453874	229	Showing	Porphyry						
Quartz Sericite Alt'n.	Macktush	Macktush	364621	5453255	207	Showing	?						
Quartz Sericite Altn.	Macktush	Macktush	364717	5452591	163	Showing	?	Au	Ag	Cu			
Qtz. Vein W. Dauntless	Macktush	Macktush	362712	5455177	316	Showing	Qtz.Vein						
Porphyry W. Dauntless	Macktush	Macktush	361569	5454469	414	Showing	Porphyry						
Quartz Sericite Alt'n.	Macktush	Macktush	366895	5451831	4	Showing	?						
Upper Holk	Macktush	Macktush	365600	5454850	150	Showing	Qtz.Vein	Au	Ag	Cu			
Mainline North	Macktush	Macktush	364450	5454450	250	Showing	Qtz.Vein	Au	Ag	Cu			
Porphyry	Macktush	Macktush	366000	5453250	250	Showing	Porphyry	Au	Ag	Cu			
Mainline	Macktush	Macktush	365150	5450850	200	Showing	Porphyry	Au	Ag	Cu			
Fred Vein Adit	Macktush	Macktush	364929	5443574	562	Prospect	Qtz.Vein	Au	Ag	Cu	Mo		
David Vein Trench	Macktush	Macktush	365001	5443649	540	Prospect	Qtz.Vein	Au	Ag	Cu			
Sy Vein Trench	Macktush	Macktush	365056	5443153	650	Showing	Qtz.Vein	Au	Ag	Cu			
Jack Vein	Macktush	Macktush	364707	5443272	752	Showing	Qtz.Vein	Au	Ag	Cu			
Upper Bowl Zone	Macktush	Macktush	363619	5444427		Showing	Qtz.Vein		Ag	Cu	Mo		
Branch 1111	Macktush	Macktush	363556	5445319		Showing	Porphyry	Au	Ag	Cu			
Epi. Vn. W. Macktush	Macktush	Macktush	362768	5443415	847	Showing	Qtz.Vein						
Skarn/Marble Pod	Macktush	Macktush	362614	5443335	836	Showing							Skrn/Marble
Skarn/Marble Pod	Macktush	Macktush	362538	5443335	830	Showing							Skrn/Marble
Flat Vein W. Macktush	Macktush	Macktush	361870	5443896	820	Showing	Qtz.Vein						
Rex creek bed	Macktush	Macktush	360652	5446351	574	Showing	Porphyry						
The Pit	Macktush	Macktush	360137	5445833	687	Showing	Porphyry						
Canal Main #1	Macktush	Macktush	364200	5451840	171	Showing	Porphyry			Cu			
Qtz. Vein S. Macktush	Macktush	Macktush	361862	5442864	204	Showing	Qtz.Vein						
Qtz. Str'rs. S. Macktush	Macktush	Macktush	362480	5442551	199	Showing	Qtz.Vein						
Canal Main Roadcut	Macktush	Macktush	366092	5449176	34	Showing	Qtz.Vein			Cu			
Porphyry	Macktush	Macktush	363550	5446000	500	Showing	Porphyry						
Branch 1111 North	Macktush	Macktush	363550	5445350	700	Showing	?	Au	Ag	Cu			
North Bowl Zone	Macktush	Macktush	363600	5444700	700	Showing	?	Au	Ag	Cu			
Cu-Fe Skarn	Macktush	Macktush	363650	5444400	800	Showing	Fe Skarn			Cu			Mt.
North Bowl Zone	Macktush	Macktush	363600	5444350	800	Showing	Qtz.Vein		Ag	Cu			
Lower Bowl Zone	Macktush	Macktush	364100	5444250	550	Showing	Qtz.Vein	Au	Ag	Cu			
South Bowl Zone	Macktush	Macktush	364050	5444100	600	Showing	Qtz.Vein	Au	Ag	Cu			
Fe-Cu Skarn	Macktush	Macktush	364350	5443100	750	Showing	Fe Skarn			Cu			Mt.
W. Macktush	Macktush	Macktush	361650	5443150	350	Showing	Qtz.Vein	Au	Ag	Cu			
W. Macktush Porphyry	Macktush	Macktush	360700	5444000	350	Showing	Porphyry	Au	Ag	Cu			

**Table 3****SYMC Macktush Property Mineral Inventory Estimates by Vein/Zone**

Vein/Zone	Tonnes	Gold g/t	Silver g/t	Copper %	Category	Source
David Vein	16,278	5.65	25.6	0.31	Indicated	Houle, 2006
Fred Vein	65,475	13.91	48.1	0.59	Indicated	Houle, 2007
Zinc Vein	35,710	8.97	44.5	0.57	Indicated	Houle, 2007
Jack Vein	13,994	2.00	0.8	0.02	Indicated	Houle, 2007
Moly Vein	504	4.27	1.5	0.01	Indicated	Houle, 2007
Dauntless North Veins	14,171	0.04	6.2	2.05	Indicated	Houle, 2006
Herbert Jr. Vein	8,479	0.12	6.7	5.16	Indicated	Houle, 2006
Tasha Zone	20,423	0.01	0.6	0.16	Indicated	Houle, 2006
MC1 Zone	21,851	0.26	6.9	0.43	Indicated	Houle, 2007
MC2 Zone	138,499	0.33	5.2	0.47	Indicated	Houle, 2007
MC3 Zone	17,618	0.38	1.0	0.05	Indicated	Houle, 2007

**ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY**

The Macktush property is located two to 20 kilometers west to southwest of Port Alberni, British Columbia, along the western shore of Alberni Inlet and 120 kilometers west of Vancouver. Access to the properties is west along provincial highway 4 from Port Alberni for three kilometers to the Somass River Bridge then southeast via Mission Road for one kilometer to the northern property boundary.

The terrain over the property consists of moderately steep-sided mountains covered by prime timber, second-growth forest and clear-cut logged areas. The areas of lower elevation along the creeks, rivers and coastlines generally have gentle relief and are free of snow during the winter. The climate is cool and wet, with windstorms in late fall. There are typically hot, dry spells during the summer when exploration work may be curtailed because of forest fire hazard. The eastern limits of the Macktush property is bounded by the tidewaters of Alberni Inlet, with occasional outwash beaches and embayments that provide boat access from Port Alberni.

Port Alberni is a resource-based community of about 17,000 people with a sheltered deep sea port accessing the Pacific Ocean, and a paved highway accessing the rest of Vancouver Island. An underutilized railway network also exists between all the major communities on the island, including Port Alberni. Island Timberlands is actively logging portions of the property area and holds surface rights to all of SYMC's mineral properties under the Timber Forest License TFL44, as well as foreshore leases for booming cut logs along the shores of Alberni Inlet. SYMC shares responsibility with Island Timberlands for maintaining a logging road network that provides access to SYMC's properties.

There are two aboriginal bands based in Port Alberni with interests and unsettled land claims for traditional territories that may cover portions of the properties. Consultation and negotiations for surface rights access have been ongoing between the management of SYMC and the leaders of both the Tseshaht and Hupacasath First Nations, who are supportive of SYMC's exploration activities.

## HISTORY

The Macktush property has been prospected and explored continuously since 1981 by principals of SYMC. Work through 1986 included prospecting, trenching and sampling. In 1987, SYMC purchased the Macktush property from Herbert McMaster and Sylvester Tresierra for \$1 (SYMC Resources Limited (1998) Prospectus). Work included some photo-lineament interpretation, and extensive trenching, sampling and trench rehabilitation on the Fred, David, Sy and Jack Veins, all northeast trending quartz-calcite-sulphide veins located on the southern part of the Macktush property (B.C. MINFILE 092F012).

Ten short diamond drill holes were completed on the Fred Vein at the Macktush property during 1987, plus one hole in 1988. Four of these holes were logged and sampled; the results are presented in map form in SYMC's 1998 prospectus, with intercepts in the table below. Core from the remaining six holes was spilled onto the ground; as a result, the core could neither be logged nor sampled (personal communication, Mr. H. McMaster).

Hole	Interval (m)	Length(m)	Au (g/t)	Ag (g/t)	Cu (%)
DDH87-01	109.58-110.72	1.14	5.97	2.06	0.03
DDH87-03	33.50-34.29	0.79	3.84	16.46	0.80
	36.59-40.39	3.81	44.23	172.80	0.95
DDH87-08	71.63-72.88	1.25	9.94	1.71	0.03
DDH88-05	47.22-48.80	1.58	0.21	3.09	0.02

In 1993, SYMC began acquiring mineral claims north of the Macktush Property along the west side of the Alberni Inlet, then called the Dauntless Property. The Dauntless North Vein is a northeasterly trending quartz-sulphide vein exposed within two adits and a shaft that were excavated in the 1920's (B.C. M.E.M. MINFILE number 092F 168) on the Property. This vein is believed to extend over a strike length of approximately 400 meters and is 0.5 to 1.5 meters thick. Twenty four grab samples of vein material contained 17.5 to 27.2% copper, up to 37.7 g/t silver, and up to 0.89 g/t gold (SYMC news release December 7, 1998).

In 1996, systematic surface trenching and chip sampling plus basic geological mapping was completed by SYMC on the Fred Vein, David Vein and the Beach Road mineral occurrences on the Macktush Property, and on the MC property (Carter and Davey, 1997). This data has been compiled (Houle, 2006) and used by the author in estimating mineral resources for the Fred vein, the David vein and the MC Zone.

Preliminary metallurgical testing in 1999 of a composite sample of approximately 25 kilograms of Dauntless North Vein material with a head grade of 17.61% copper, 0.24 g/t gold, 36.69 g/t silver and 21.11% sulphur showed recoveries of 99.73% copper, 85.09% gold, 98.72% silver and 99.8% sulphur in the flotation concentrate. Canadian Environmental and Metallurgical Inc. (CEMI) concluded that high metal recoveries could be obtained using simple, conventional grinding and flotation circuits. The acid-base accounting completed in 2002 on hanging wall and footwall material yielded neutralizing to acid potential ratios of 4.2 and 4.8, respectively. These results indicate that the material sampled has contained neutralizing potential and is not acid generating.

Four short diamond drill holes were completed in 2000 to test the down-dip continuity of the Fred Vein, northeast and along strike of the 1987-88 diamond drill holes. Unfortunately, the core samples from the drilling program were destroyed during analyses, and no attempt was made to re-sample the drill core. However, logging of the drill core did suggest down-dip continuity of the Fred Vein structure (personal communication, Mr. R. Davey, P. Eng.).

Late 2000 and early 2001 exploration by SYMC resulted in the discovery of an on-strike extension of 450 meters on the Fred Vein on the Macktush Property. The total known strike length of the Fred Vein is greater than 1000 meters, and the structure is open at both ends and at depth. A representative sample of Fred Vein material was sent to for metallurgical testing. The sample had a head grade of 14.57 g/t gold, 59.66 g/t silver, 0.05% copper, and 3.134% zinc. It produced a flotation concentrate grading 131.31 g/t gold, 349.29 g/t silver, 0.36% copper and 28.50% zinc. CEMI determined that this mineralized vein material would be relatively simple to process (SYMC news release June 7, 2001). Acid-base accounting completed in 2002 on hanging wall and footwall material from the Fred Vein yielded neutralizing to acid potential ratios of 47.6 and undefined, respectively. The undefined value is due to the sulphur content of the sample being less than the analytical detection limit of 0.01%. These results indicate that the material sampled contains strong neutralizing potential and is not acid generating.

During September of 2002, SYMC constructed a 1400 meter excavator road from the shoreline of Alberni Canal upslope to the Dauntless North Vein. In 2003-2004 SYMC connected the local forestry road network to the excavator road constructed in 2002 by extending the Beach Main road southwards in two phases for a total of 2.25 kilometers along the western shore of the Alberni Canal. A series of sheared sulphide veins was intersected nearly paralleling the road around the 850 metre mark. This cluster of 5 to 10 centimetre thick, sheared sulphide veins oriented at 150 to 205, dipping 60 to 80 degrees east and surrounded by clots of chalcopyrite and epidote in the wall rock around the veins were intersected and sampled. Four select grab samples taken in 2003 yielded an average of 5.58% copper, 0.095% zinc, 8.70 grams of silver per tonne and 0.146 grams of gold per tonne over an average thickness of 0.2 metres (SYMC December 7, 2004 Technical Report). The individual veins within the cluster contain up to 75% sulphides, primarily chalcopyrite, bornite, pyrite, possible

sphalerite, tetrahedrite and covellite and also native copper, and has collectively been named the Tasha Zone, a new discovery by SYMC. The mineralogy and geochemistry found at the Tasha Zone suggests that the property may host Volcanic Redbed copper-silver deposits as well as copper-silver quartz-sulphide stockwork veins.

In early 2005, after completion of the Beach Main road to the location of the Dauntless South adit, ten select grab samples taken from a rock dump and vein mineralization outcropping at the mouth of the adit yielded an average of 10.7% copper, 0.523% zinc, 27.9 grams of silver per tonne and 0.262 grams of gold per tonne over an average thickness of 0.6 metres (SYMC February 7, 2005 press release). The adit and outcropping vein are oriented at 130 degree Azimuth, and the vein dips at 70 degrees southeast and contains varying amounts of pyrite, pyrrhotite, chalcopyrite, bornite and sphalerite, and has been named the Dauntless South Vein. Approximately 75 metres north along the Beach Main road another vein was intersected and trenched in early 2005, from which ten chip samples yielded an average of 13.7% copper, 14.8 grams of silver per tonne and 0.294 grams of gold per tonne over an average thickness of 1 metre. (SYMC March 16, 2005 press release). The vein is oriented at 080 and dips 80 degrees south, and was named the Herbert Jr. Vein, a new discovery by SYMC.

The Company also conducted preliminary prospecting in the Bowl Zone, a recently discovered copper-molybdenum-gold-silver stockwork vein or disseminated porphyry occurrence located about 1,000 metres northwest of the Fred and David veins on the Macktush Property. The stockwork veins in the zone have undefined dimensions, but only mineralized float samples have been documented to date. In 2005, an access road totalling 1.45 kilometres in length was driven by SYMC from the existing road network to the general area of the Bowl zone, where mapping and chip sampling of the road cut failed to detect any significant mineralization. However, the access road is topographically above the area where the mineralized float samples were located, and may be useful in future work as a drilling platform to test the Bowl Zone.

Subsequently in 2005, the Company commenced systematic exploration work on the Macktush property, consisting of sequential delineation diamond drilling of four of its more advanced exploration targets, and undertaking a detailed, multi-parameter airborne geophysical survey over the entire Macktush property. From May to December, 2005 a total of 2,136 metres in 35 holes of diamond drilling was completed on the Herbert Jr. Vein, Tasha Zone, Dauntless North Veins and David Vein, with the best drill intercepts achieved as follows:

Hole	Vein	Interval (m)	Length(m)	Cu %	Ag (g/t)	Au (g/t)
DH-05-03	HJV	99.7-100.2	0.5	5.237	8.800	0.142
DT-05-03	Tasha	15.4 – 43.3	27.9	0.139	0.554	0.004
DV-05-09	DNV3	7.0 – 8.4	1.4	3.309	15.000	0.105
And	DNV4	16.2 – 16.7	0.5	4.261	5.000	0.039
MD-05-01	David	9.0 – 10.7	1.7	0.049	16.000	3.282
MD-05-02	David	9.9 – 11.4	1.5	0.061	16.000	3.159

The respective target zones were successfully tested in 32 of 35 holes, but drill core intercepts invariably yielded much lower values in copper, silver and gold, and generally contained much lower contents of copper sulphide minerals than did trenched surface exposures which had been previously chip and grab sampled. However, the drill intercepts, in combination with previous chip sample data, established sufficient continuity in the target zones to permit the estimation of indicated mineral resources for all four zones (see Table 3).

The drilling program also generated the first systematic sub-surface data set and led to the recognition of repeating, low-angle (5-30 degree) plunge directions within the vein systems in the two target areas which were most extensively drilled (Macktush David Vein and Dauntless North Veins) and possibly a third target area (Dauntless Herbert Jr. Vein). This concept may be applicable to other targets in the project area, and should help both to better understand historic development and lead to more effective future exploration.

In September 2005, a detailed 1,661 line km. magnetic, electromagnetic and radiometric airborne geophysical program was conducted by Fugro Airborne Surveys Corp. (Fugro) for SYMC over the Macktush property. Independent quality control for the airborne survey was provided to SYMC by Ken Robertson, P.Geol. of Vox Geoscience Inc., who also visited the property during the survey.

## **GEOLOGICAL SETTING**

Vancouver Island consists of three tectonic terranes, the Wrangellia, Pacific Rim and Crescent. Wrangellia covers the northern 90% of the island, which also extends to the coastal mainland and the Queen Charlotte Islands. The Pacific Rim and Crescent terranes each cover about 5% of the south end of Vancouver Island and are thought to represent exotic tectonic plates, which collided with and became attached to Vancouver Island. Narrow slivers of the Pacific Rim terrane also exist along the southwest coast of the island. The terrane boundaries are marked by pronounced, east-west trending and north-dipping regional fault structures that contain major river systems on the southern island.

The rocks that make up Vancouver Island range in age from Palaeozoic to Tertiary and represent three major volcano-sedimentary events (Palaeozoic, Triassic and Jurassic), one major sedimentary event (Cretaceous) and three major intrusive events (Triassic, Jurassic and Tertiary). Major structural features consist of northwest-trending, north-south trending and north-east trending faults and folds. This includes many northwest-trending, low-angle thrust faults and fold axes. The oldest rocks are generally the most structurally disrupted, and areas of high metamorphic grades occur within and locally near the Pacific Rim terrane in the south and along the southwest coast of the island.

Port Alberni is located in Wrangellia in south-central Vancouver Island and is surrounded by some of the most varied and structurally complex geology on the

island. Port Alberni also sits between two major uplifts exposing the island's oldest Palaeozoic volcano-sedimentary rocks of the Sicker and Buttle Lake Groups, the Cowichan Uplift to the southeast and the Myra Falls Uplift to the northwest. Small stocks of the Triassic Mount Hall Gabbro suite occasionally intrude the Palaeozoic rocks southeast of Port Alberni. The immediate Port Alberni area is mainly underlain by Triassic mafic volcanic rocks of the Karmutsen Formation of the Vancouver Group. These are commonly intruded by large granodiorite sills, stocks and dikes of the Jurassic Island plutonic suite. Locally inliers consist of Triassic Quatsino Formation sedimentary limestones of the Vancouver Group that are overlain by Jurassic volcanics of the Bonanza Group, sandstones, shales and conglomerates of the Cretaceous Nanaimo Group. All units are occasionally intruded by small quartz diorite stocks and dikes of the Tertiary-Eocene Mount Washington plutonic suite. The geology of the Macktush Property taken from B.C. Ministry of Energy, Mines and Petroleum Resources' MapPlace appears in Figure 3.

## **DEPOSIT TYPES**

The highly complex geology of Vancouver Island and the Port Alberni area specifically has resulted in the discovery of diverse mineral deposit types, containing varied metallic, industrial and energy minerals. According to the B.C. Ministry of Energy Mines and Petroleum Resources' MINFILE database, mineral deposits of economic significance on Vancouver Island are as follows:

- Porphyry copper-molybdenum-gold-silver
- Sedimentary coal
- Volcanic massive sulphide copper-zinc-lead-silver-gold
- Copper-gold-silver-iron Skarns
- Gold-silver-copper quartz veins
- Sedimentary limestone

Other potentially significant mineral and energy deposit types in the region include magmatic copper-nickel-PGE deposits, volcanic redbed copper-silver deposits, dimension stone, coal bed methane and offshore oil and gas.

Exploration activity in the Southwest Region of British Columbia increased substantially in 2005, more than doubling from 2004 to over \$10 million, with 2006 data still pending as of the date of this report. The region hosts one large underground base metal mine, one small underground coal mine, and eight major industrial mineral quarries; both underground mines and three of the quarries are on Vancouver Island. Of the seventeen major exploration projects in the region in 2005, twelve were on Vancouver Island.

There are 45 developed prospects (those which contain mineral resources of any class) on Vancouver Island, according to B.C. MINFILE records. Discounting iron, coal, limestone and industrial mineral deposits, the remaining

17 developed prospects documented on Vancouver Island, plus the more significant updated SYMC developed prospects\*, are as follows:

**Table 4**

Name	Owner	Deposit Type	Tonnes	Au g/t	Ag g/t	Mo %	Cu %	Pb %	Zn %
Valentine Mtn. C Vein	Beau Pre Expl.	Au-quartz vein	30,660	14.70					
Lara	Laramide Res.	Nor./Kur. VMS	528,839	4.73	100.09		1.01	1.22	8.87
Macktush Fred Vein*	SYMC Res.	Por.Cu-Mo-Au or Epithermal Au vein	66,350	13.75	47.78		0.59		
Macktush Zinc Vein*	SYMC Res.	Por.Cu-Mo-Au or Epithermal Au vein	35,710	8.97	44.50		0.57		
Macktush David Vein*	SYMC Res.	Por.Cu-Mo-Au or Epithermal Au vein	16,278	5.65	25.57		0.31		
Dauntless North Veins*	SYMC Res.	Cu-Ag Quartz vein	14,171	0.56	6.16		2.06		
Dauntless Herbert Jr.*	SYMC Res.	Cu-Ag Quartz vein	8,479	0.12	6.66		5.16		
Dauntless Tasha Zone*	SYMC Res.	Cu-Ag Quartz vein or Redbed Cu-Ag	20,423		0.56		0.16		
MC Zones 1-3*	SYMC Res.	Cu-Ag Quartz vein	177,967	0.32	5.01		0.42		
Fandora	Doublestar Res.	Cu-Ag Quartz vein	181,434	12.74					
Shack	SYMC Res.	Cu-Ag Quartz vein	37,920	19.20					
Bear	SYMC Res.	Cu-Ag Quartz vein	160,000	17.40					
Debbie	Bitterroot Res.	Au-quartz vein	471,956	6.23					
Domineer	Bluerock Res.	Epith.Au-Ag-Cu	550,298	6.75	32.23				
Catface	Doublestar Res.	Por.Cu-Mo-Au	188,000,000			0.01	0.42		
900 (Debbie)	Bitterroot Res.	Au-quartz vein	28,285	11.65					
Villalta	R. Billingsley	Gossan Au-Ag	22,677	4.11					
Privateer	Newmex Min.	Au-quartz vein	122,470	17.00					
Pilgrim	H. Cohen	Pb-Zn skarn	96,162	0.03	32.64				8.86
Caledonia	J. Shearer	Pb-Zn skarn	68,000	0.34	704.2			0.60	7.45
Uebell	Newmex Min.	Cu skarn	146,042				2.00		
Red Dog	J. Shearer	Por.Cu-Mo-Au	25,000,000	0.44		0.01	0.35		
Smith Copper	Doublestar Res.	Pb-Zn skarn	83,906		64.40		1.69	3.70	12.5
Hushamu	Western Copper Corp.	Por.Cu-Mo-Au	230,900,000	0.309		0.01	0.28		

The resources quoted in MINFILE and displayed in Table 4 above were largely compiled prior to the implementation of NI-43-101 and CIM guidelines. However, many of these developed prospects have changed ownership in recent times,



and are being reviewed by their new owners. Exploration activity on Vancouver Island is expected to remain near current levels for the next few years.

SYMC is using the past producing Island Copper Mine combined with the developed prospects Hushamu, Red Dog and Hep as a Vancouver Island mineral deposit model for the Macktush property. Both the Island Copper district and the Port Alberni district are underlain by rocks of the same formations and host mineralization of similar types. Combined past production and mineral inventory at Island Copper, Hushamu, Red Dog and Hep are 588 million tonnes grading 0.32% copper, 0.01% molybdenum, 0.18 grams of gold per tonne, 0.55 grams of silver per tonne and 0.4 grams of rhenium per tonne containing 1.9 million tonnes of copper, 54,000 tonnes of molybdenum, 106 million grams of gold, 322 million grams of silver and 236 million grams of rhenium (B.C. MINFILE's 092L158, -200, -240, -078). Western Copper Corp. is actively exploring its large land position in the Island Copper District (Western Copper website). SYMC believes their properties in the Port Alberni area have a reasonable chance to host mineralization similar to the Island Copper District.

In addition to the mineral deposit model above, the Company believes the Macktush property may also host volcanic redbed copper-silver deposits such as those at the Sustut copper developed prospect (MINFILE 094D063). This deposit is currently being developed as a potential satellite producer to the nearby Kemess mine (MINFILE 094E094) in northern British Columbia. The measured plus indicated resource at Sustut copper is 4.676 million tonnes grading 2.02% copper and 6 g/t silver (Northgate Exploration website). The MC area on the Macktush property may host copper skarn mineralization in a similar geological setting as the Old Sport past producer (MINFILE 092L035) in the Merry Widow district of northern Vancouver Island, where Grand Portage Resources Ltd. is actively exploring. Old Sport produced 2.6 million tonnes grading 1.6% copper, 1.5 g/t gold, 4.5 g/t silver and 19.5% iron. The quartz veins found on the Macktush property are in a similar geological setting as the Zeballos district of northern Vancouver Island, which produced 0.6 million tonnes averaging 14.6 g/t gold and 6.2 g/t silver from a total of 18 past producers (B.C. MINFILE). Newmex Minerals Inc. is actively exploring the Privateer and White Star past producers (MINFILE's 092L080 and 092L010) in the Zeballos district.

Karmutsen basalts are intruded by a northwesterly trending, quartz diorite stock of the Island Intrusions within the Macktush property area (Muller, 1963). Basalt on the Macktush property hosts the Dauntless prospect, plus the Holk, Bell, Stamp 3 and Devil's Den showings, all of the copper-silver quartz vein type (B.C. MINFILE's 092F168, 092F155, 092F383, 092F549, 092F551). Altered volcanics cut by intrusive dikes hosts the Rex showing, of the porphyry molybdenum-copper deposit type (MINFILE 092F221). In the MC area of the Macktush property, the MC/Kola MINFILE 092F103 prospect and three showings (Buck 1, Creek and Sky 2 (MINFILE's 092F362, 092F553 and 092F555) occur near the contact of the Karmutsen volcanics and the overlying Triassic Quatsino Limestone, contain copper+/-gold-silver and may be skarn-related. The MC area

on the Macktush property also hosts the Sproat Lake MINFILE 092F412 sedimentary limestone showing, hosted in the Triassic Quatsino Limestone.

Quartz diorite on the Macktush property hosts the Macktush veins prospects, which consists of gold-silver-copper veins, probably of the low-sulphidation epithermal type (B.C. MINFILE 092F012). The prospect is described as a porphyry copper-molybdenum-gold type of deposit in MINFILE, although the vein deposits have been explored primarily at this location. Northeasterly trending copper- and silver-bearing stockwork veins of undefined dimensions have been found in the Bowl Zone located about 1000 meters northwest of the epithermal veins on the Macktush property. It is possible that the epithermal and stockwork veins are related to a common mineralizing system.

## **MINERALIZATION**

Detailed geological mapping and diamond drill core logging of the known mineralized zones on the Macktush property in 2005 and 2006 has enabled the author to develop an improved understanding of their geological controls. Although each of the three areas tested by drilling in 2006 is quite different, some common characteristics have been recognized in at least some of them and also with those drilled in 2005, which could prove useful in property and regional exploration. These common characteristics are as follows:

1. Consistently positive geochemical correlation amongst copper, silver, gold, iron and sulphur plus occasionally with molybdenum, zinc, lead, nickel, cobalt, cadmium, antimony and/or arsenic as well in vein or stockwork zone intercepts due to observed mineralogical clusters of chalcopyrite and pyrite mineralization, with lesser bornite, molybdenite, sphalerite, galena, tetrahedrite, tennantite and/or arsenopyrite.
2. Gangue mineralogical and physical vein characteristics often include pervasive silicification including quartz as eyes in surrounding rocks and as quartz +/- calcite, chlorite, sericite, epidote alteration, and often include brecciation and/or banding within the veins and stockworks.
3. Quartz-feldspar porphyry intrusive dikes exhibit a positive spatial correlation with mineralized zones, but generally do not host the higher grade mineralization.
4. Consistent structural predictability of quartz-calcite-sulphide veins and zones both along strike and down-dip from surface exposures.
5. Stacking of parallel veins within vein systems, and splaying and merging of thinner, intermediary veins between thicker, more consistent veins along sub-horizontal (5-30 degree plunging) splay lines. Thicker vein and higher grade copper-silver-gold intercepts occur along or near these sub-horizontal splay lines. This suggests a consistent deposit-scale, property-scale and possible regional-scale plunge trend orientation.

The individual characteristics of the veins or zones tested by drilling in 2006 in the five target areas are as follows:

### **Zinc Vein (Au-Ag-Cu-Zn-Mo)**

The gold-silver-copper-zinc-molybdenum bearing Zinc Vein is centred at UTM Zone 10N 5443350N, 364650E and outcrops along a slope ranging between 650 and 750 metres above sea level in the Macktush Veins area. It curves along strike from 020 to 070 degrees Azimuth and dips approximately 75 degrees to the southeast, and is 0.5 to 4.5 metres thick. The Zinc Vein is a banded and brecciated vein with sulphide mineralogy consisting of pyrite, chalcopyrite, sphalerite and minor molybdenite comprising 2 to 10% of the vein. Gangue mineralogy of the vein is mainly quartz with minor amounts of calcite and chlorite. The host rock of the Zinc Vein is sheared granodiorite or quartz feldspar porphyry of the Jurassic island plutonic suite. It is currently exposed in at least three trenches and at one time was exposed in fourteen trenches over a strike length of 300 metres from above the M160 road in the northeast to above and southwest of the M180 south road. It was originally considered to be part of the Fred Vein, and has been referred to as the Upper Fred Vein in historical documentation. However, detailed sampling and mapping by the author in 2006 suggests that the Fred and Zinc Veins are offset by approximately 50 metres horizontally, and are therefore probably separate structures. The three available trench sites mapped and chip sampled by the author in 2006 yielded far lower values in gold, silver and copper than did the historic chip sampling from the same trenches, and in fact all the other trenches along the Zinc Vein. The author's best chip sample (312705) yielded 0.75 metres @ 1.54 g/t gold, 0.40 g/t silver, 0.01% copper, 0.02% zinc and 0.001% molybdenum. Three diamond drill holes tested the Zinc Vein in 2006 and yielded similar low values in gold, silver and copper. The best drill intercept was 1.4 metres @ 0.334 g/t gold, 1.1 g/t silver, 0.006% copper, 0.197% zinc and 0.0025% molybdenum in MZ-06-01. See Figures 5, 7 and 7a, and Appendices 1, 2 and 6 for details.

### **Jack Vein (Au-Ag-Cu-Mo-Zn)**

The gold-silver-copper-zinc-molybdenum bearing Jack Vein is centred at UTM Zone 10N 5443300N, 364700E and outcrops in a single trench at 750 metres above sea level in the Macktush Veins area. It strikes at 020 degrees Azimuth and dips vertically, and is 0.3 to 2.3 metres thick, and lies in the structural footwall to the southeast of the Zinc Vein, and may converge with the Zinc Vein to the northeast. Drilling in 2006 established a strike length for the Jack Vein of approximately 200 metres. The Jack Vein is a banded and brecciated vein with sulphide mineralogy consisting of pyrite, chalcopyrite, bornite, sphalerite and minor molybdenite comprising 3 to 8% of the vein. Gangue mineralogy of the vein is mainly quartz with minor amounts of calcite, chlorite, sericite, magnetite, hematite and/or rhodonite. The host rock of the Jack Vein is sheared granodiorite or quartz feldspar porphyry of the Jurassic island plutonic suite. The only available trench site mapped and chip sampled by the author in 2006 displayed two parallel veins 1.15 metres apart, the best which yielded 0.4 metres @ 1.82 g/t gold, 0.6 g/t silver, 0.01% copper and 0.001% molybdenum. Three diamond drill holes tested the Jack Vein in 2006 and yielded similar low

values in gold, silver, copper molybdenum and zinc. The best drill intercept was 0.6 metres @ 2.161 g/t gold, 0.9 g/t silver, 0.02% copper, 0.26% zinc and 0.007% molybdenum in MJ-06-02. See Figures 5, 7 and 7b, and Appendices 1, 2 and 6 for details.

### **Moly Vein (Au-Ag-Cu-Mo)**

The gold-silver-copper-molybdenum bearing Moly Vein is centred at UTM Zone 10N 5443550N, 364575E and outcrops at approximately 700 metres above sea level in the Macktush Veins area. It is oriented at 040 to 060 degrees Azimuth and dips vertically to 60 degrees southeast, and is 0.5 to 1 metre thick. The Moly Vein is a banded and brecciated vein with sulphide mineralogy consisting of pyrite, chalcopyrite and molybdenite comprising 1.5 to 5% of the vein. Gangue mineralogy of the vein is primarily quartz with variable amounts of calcite and chlorite. The host rock of the Moly Vein is sheared granodiorite of the Jurassic island plutonic suite, which occasionally contains altered xenoliths of presumably Triassic Karmutsen volcanics. It was exposed and sampled in 2 trenches 300 metres apart, one along the M160 road and the other along the Waterhole trail near the junction with the M180 south road. It was also tested by an alleged drill hole (MM-86-01) completed by Mr. Herb McMaster in 1986, for which no log or core records exist other than a 5 cm. long section of drill core containing abundant molybdenite, for which no documented geochemistry exists. The Moly Vein was mapped and sampled by the author in each of the two trenches, yielding significant values in only gold and molybdenum, the best being 0.3 m. @ 4.27 g/t gold and 0.006% molybdenum in sample 312708. The best drill intercept from the two holes drilled in 2006 on the Moly Vein was 0.5 m. @ 0.600 g/t gold and 0.006% molybdenum in MM-06-01. See Figures 5, 8 and 8a, and Appendices 1, 2 and 6 for details.

### **MC1, MC2, MC3 Zones (Cu-Au-Ag)**

The copper-gold-silver bearing MC zones are centred at UTM Zone 10N 5450600N, 357725E in the MC area of the Macktush property. One or two of the zones (MC1 and possibly MC2) outcrop at approximately 625 metres above sea level along the west side of Cous 405 logging road. The MC zones consist of three or more sub-parallel, banded, brecciated and sheared veins and/or vein stockwork zones apparently oriented at 040 degrees Azimuth and dipping highly variably to the northwest, between sub-vertically and sub-horizontally. One or more of the MC zones are discontinuously exposed in trenches over a strike length of approximately 150 metres. Prior to the 2006 drilling program, the MC zone was considered to be a single, narrow, replacement copper skarn deposit, but detailed mapping and sampling by the author, and the subsequent diamond drilling results suggest that the three or more zones appear to be sheared veins and/or vein stockwork zones. The sulphides in the MC1, MC2 and MC3 zones are comprised mainly of pyrite and chalcopyrite with minor pyrrhotite, arsenopyrite and/or tetrahedrite/tennantite. The host rock for the zones consists

of pervasively silicified, tuffaceous to massive, intermediate to mafic volcanics which may be either part of the uppermost Karmutsen Formation or part of the lowermost Parsons Bay Formation. These are intruded by approximately 10% thin (less than 5 metre thick) feldspar porphyry dikes and/or sills of the Jurassic Island plutonic suite, which occur mainly between the MC1 and MC2 zones. For details on the MC1, MC2 and MC3 zones refer to Figures 9, 10, 10a to 10e inclusive, and Appendices 1, 2 and 6.

The MC1 zone is the only one of the three zones now exposed, and was mapped and chip sampled by the author, and intersected as expected in all three drill holes completed in 2006. It is interpreted as a 15 to 50 degree west dipping, narrow (0.3 to 4.0 metre thick) banded and brecciated quartz-calcite-chlorite-actinolite-sulphide vein, with a strike length of at least 100 metres. It is open and untested down-dip and along strike both to the north and the south. The best representative chip sample results from the MC1 zone was 2.2 metres @ 1.74% copper, 0.904 g/t gold and 26.4 g/t silver (continuous samples # 312720 and 312722). The best drill intercept from the MC1 zone was 0.3 metres @ 1.01% copper, 0.692 g/t gold and 24.0 g/t silver (MC-06-02).

The MC2 zone was apparently exposed and sampled in historic trenches along the Cous 405 road, where generalized mapping by Mr. Robert A. Davey, P.Eng. indicated a sheared, steeply east-dipping zone, opposite in dip direction to the MC1 zone currently exposed and mapped by the author. Mr. Davey's chip sampling from what is interpreted to be the MC2 zone yielded 12.39% copper, 6.71 g/t gold and 137.5 g/t silver over an average thickness of 0.55 metres and over a strike length of 40 metres. The MC2 zone is interpreted as a steeply west-dipping to vertically-dipping, 10 to 15 metre thick, sheared, banded and brecciated quartz-calcite-sericite-chlorite-actinolite-sulphide vein stockwork zone with a strike length of at least 75 metres. It is open and untested down-dip and along strike both to the north and the south. The best drill intercept from the MC2 zone was 16.6 metres @ 0.164% copper, 0.194 g/t gold, and 2.051 g/t silver (MC-06-01), which contained three higher grade sections including a core zone of 0.6 metres @ 1.38% copper, 1.19 g/t gold and 15.3 g/t silver.

The MC3 zone is only known from the two deeper intercepts in holes MC-06-01 and MC-06-03, and is interpreted as a west-dipping, narrow (1 to 1.5 metre thick) banded and brecciated, quartz-calcite-epidote-chlorite-sulphide stringer zone with a strike length of at least 90 metres. It is open and untested down-dip and along strike both to the north and the south. The best drill intercept was 1.1 metres @ 0.037% copper, 0.797 g/t gold and 0.900 g/t silver.

### **Sara Vein (Cu-Ag-Au)**

The Sara Vein is exposed along the road-cut along the west side of the Beach Main access road to the Dauntless South Vein and Herbert Jr. Vein which SYMC completed in 2005, and was located by the author using a GPS unit (see Table 2) but was neither mapped nor sampled. There is a short, old exploration adit

(Sara Vein Adit) located 10 metres below the road in this area, but no significant vein is exposed within it. The Sara Vein appears to be one of several narrow, sheared and variably weathered, quartz-sericite-sulphide veins containing variable amounts of chalcopyrite and bornite exposed along the 350 metre north-south section of the Beach Main road between the Dauntless North Veins and the Herbert Jr. Vein. Drill hole DS-06-01 was drilled as the first of two or more stratigraphic holes planned to test this section, and intersected 18 zones with veining exceeding 25% of the core interval, 10 zones with visually detectable amounts of chalcopyrite mineralization. The vein containing the greatest amount of chalcopyrite and copper content was assumed to be the Sara Vein, and yielded 0.5 metres @ 0.186% copper, 0.100 g/t silver and 0.009 g/t gold. See Figures 11 and 11a and Appendix 1 for details.

## **EXPLORATION**

In May, 2006 SYMC engaged Mr. Ken Robertson, P.Geol. of Vox Geoscience to undertake a review and prioritization of favourable exploration targets on the Macktush Property resulting from the 2005 airborne geophysical survey. Mr. Robertson compiled a list of 35 priority electromagnetic conductive, magnetic and radiometric targets to augment 45 electromagnetic conductivity targets compiled by Mr. Paul Smith, P.Geol., of Fugro in his 2005 report (Appendix 10 in Houle, 2006). That combined list appears in this report as Appendix 7.

Also beginning in May and continuing until November, 2006 the author began targeted geological mapping and representative chip sampling of the best trenched exposures of selected, known mineral occurrences on the Macktush property which were candidates for testing by diamond drilling. These included all the available Fred, Zinc, Jack, Sy and Moly Vein trenches in the Macktush Veins area, and all the MC zone trenches in the MC area. The sample sites were mapped with GPS control by the author using a Garmin Etrex Vista unit with a barometric altimeter calibrated daily, and all sites were flagged and tagged using metal tags inscribed with the sample numbers. The author also completed targeted geological mapping and took representative outcrop chip and/or select outcrop grab samples from any significant new occurrences discovered by the field crews during the course of the prospecting program. The geological mapping by the author is not shown in detail in this report, but was used to establish surface projections of the mineralized zones as shown in drilling location maps and sections (Figures 5 to 10 inclusive) for four of the five zones tested by drilling in 2006.

Beginning in June and continuing until December, 2006 the company employed two experienced prospectors (Allan Francis and Sy Tresierra), along with one geoscience student from Malaspina University-College (Rachel Harris) for the June to August period only. Mr. Tresierra is a shareholder and former director of SYMC. The 2-3 person prospecting field crew was trained for one day by Dugald Dunlop, P.Geol., of Meridian Mapping Ltd. on the use of the company's two Garmin Etrex Vista CX GPS units, and Ozzi Explorer software for up-loading

GPS data from the units to the company's computer in Port Alberni. Mr. Dunlop also generated a 1:20,000 scale property target map with five (5) target clusters established by the author (Figure 12) and 1:5,000 to 1:10,000 target cluster scale base maps to assist the field crews in navigating to the individual target sites, which appear as 15 maps, 3 for each target cluster, consisting of base, magnetic and radiometric maps (Figures 13-17 a-c inclusive).

The field crew used the GPS units to navigate to each target site on each target cluster, where prospecting was used to locate sulphide mineralized outcrops if possible. Where outcrops were found at target locations, select outcrop rock grab samples and reference outcrop rock samples were taken, and the sample numbers entered as waypoints in the GPS units. The sample locations were flagged, and the sample numbers were inscribed on metal tags and fixed as close to the sample site as possible. If no outcrops were found at or near a target location, a diamond shaped array of 5 B horizon soil samples was taken at and 30 metres from each target location in each of the four cardinal directions (North, South, East, and West). Each soil sample location was flagged and tagged, and the sample numbers was entered as waypoints in the GPS units. Also, any streams potentially draining any of the target clusters was subjected to moss mat sampling, with sample sites flagged and tagged, locations entered as waypoint into the GPS units, and the stream pH was measured using one of the company's two pH meters. All field data was recorded on different, pre-printed data forms for rock, soil or moss mat samples; and each of the field crew members was issued and used separate sample tag books and field note books. It was decided by September, 2006 that soil samples were not providing any useful results, and therefore the use of soil sampling was curtailed, and the data resulting from the soil sampling ignored.

In total, 288 rock samples, 66 soil samples and 26 stream moss mat samples were taken by the field crews, and 48 rock samples were taken by the author. All samples taken by the author and the field crew were placed in the company's secure core handling facility in Port Alberni at the end of each field work day. Separate reference specimens were taken at each rock sample site and identified by duplicate tags; and at the Company's secure core handling facility, a 1-3 cm. slab was cut from each specimen sample using a 14" Diteq core saw. The 336 rock slabs from the duplicate samples were reviewed by the author using a Madell SZM zoom boom 90x binocular microscope to help identify rock types and sulphide minerals and their contents within each specimen. All reference rock specimens have been retained in the secure storage facility in Port Alberni in numbered rice bags. The author or one of the field crew members delivered all accumulated samples on a weekly basis in secured poly rice bags to either the Port Alberni or Nanaimo bus depot for shipment to the Acme Analytical Labs. Ltd. in Vancouver via Greyhound BPX, along with drill core samples. Secure custody was maintained for all samples from the field to the core handling facility and to the analytical laboratory, from the time the samples were taken in the field to the receipt of final analyses, under the supervision of the author, who supervised all technical aspects of the 2006 prospecting program for SYMC.

The author compiled key data from all 378 rock samples taken from 2003 to 2006, and from the 26 moss mat samples taken in 2006 into MS Excel tables which appear in Appendices 2 and 3, respectively, ignoring the 2006 soil sample data. Included are separate sample data tables for each media including locations, descriptions (only for rocks), geochemistry, re-assays (only for rocks) and summary tables with significant geochemistry values highlighted for rocks and moss mats, incorporating all re-assays for rocks. Analytical certificates from the rock, soil and moss mat samples appear in Appendix 4, and the Methods and Specifications used by Acme appears in Appendix 5.

The author used Geosoft's Geochemistry software to plot and contour select rock and moss mat geochemistry data on both property and target area scale maps with UTM grid backgrounds. The property scale maps were printed in Adobe Acrobat 5.0 at 1/3 the scale marked on the 1:20,000 scale maps (1 to 60,000 true scale) to fit on 11x17 size paper, with property boundaries added. The property rock sample maps show posted sample numbers and colour range contoured values for 14 select elements: Ag, As, Au, Bi, Cd, Co, Cu, Hg, Mo, Ni, Pb, Sb, Se and Zn, which appear as Figures 18 a – 18n respectively. The property moss mat sample maps show posted sample numbers and colour range contoured values for 6 select elements: As, Au, Cd, Cu, Mo and Sb, which appear as Figures 19a – 19f respectively. The target scale rock sample maps for the 4 target areas prospected and sampled in 2006 were printed using Adobe Acrobat 5.0 to scale at 1:1500 to fit on 11x17 paper, with claim boundaries and claim numbers added. These consist of 5 maps one each for Rex North, Rex South, West, Cous and Macktush Veins area which each show posted sample numbers and increasing size and colour range symbol values for Au, Ag and Cu, and contours for Cu on the first 4 maps and Au on the 5<sup>th</sup> map. These appear as Figures 20 to 24 inclusive. The individual results, summary and interpretation from prospecting of the four target areas are as follows:

## **Rex Area**

The Rex target area is situated entirely on the Macktush Property, is centred at approximately UTM 5446000N 361000E near the northwest corner of mineral claim 361106, and has a geophysical and geochemical expression of up to 5 km. N-S and 4 km. E-W. It is topographically co-incident with a flat-topped N-S ridge approximately 700 metres in elevation separating the headwaters of Cous Creek to the north and Macktush Creek to the south. cursory geological mapping by the author indicates that the Rex area is underlain primarily by tuffaceous to massive mafic volcanics (probably Triassic Karmutsen or possibly Parson Bay Formation) which appear to dip into the centre of the Rex area to form a synclinal structure. There are also numerous, N-S striking and steeply dipping porphyritic intrusive dikes (probably Jurassic Island plutonic suite) cutting the volcanics, and occasional areas of gossanous quartz-sericite-chlorite-epidote alteration with common pyrite and occasional chalcopyrite/bornite mineralization in short, narrow veins at various orientations commonly exposed in old logging road cuts.



The magnetic expression of the Rex area consists of an area of strong magnetic high response bisected in a N-S direction along its centre by an elongated, magnetic low response. This magnetic low corresponds to two N-S creeks and contains the Rex MINFILE showing. The radiometric expression consists of an overall weak high response with local radiometric lows corresponding to the highest magnetic responses. There is a weak, low-frequency resistivity low corresponding to the magnetic high response, and nine priority conductive targets scattered across the Rex area.

Approximately 105 rock samples and 6 moss mat samples were taken in the Rex area. Many of the rock samples yielded variably elevated values in Ag, As, Au, Bi, Cd, Co, Cu, Mo, Sb, Se and/or Zn, as shown in Figures 18a,b,c,d,e,f,g,i,l,m,n and Figures 20 and 21. The best rock sample values by far in the Rex Area came from select rock grab sample # 343892 which yielded 0.009% Mo, 13.91% Cu, 0.15% Zn, 29 g/t Ag, 2.713 g/t Au from a 0.25m. thick sulphide-chlorite-quartz vein located approximately 500 metres southeast of the Rex MINFILE showing. The sample site has neither been verified nor the immediate area mapped by the author. Three of the six moss mat samples taken in the Rex area yielded elevated values in Au, Cu and/or Mo, including # 343821 which yielded 302 ppm Cu and 146 ppb Au, # 343845 which yielded 3.6 ppm Mo and 221 ppb Au, and # 360391 which yielded 3.6 ppm Mo. All six moss mat samples taken in the Rex area are from the southern portion which drains southwards from the centre of the target area where copper and gold mineralization in bedrock has already been established.

The Rex area is the best un-drilled exploration target on the Macktush property at this time, in the opinion of the author. The large aerial extents of the geophysical response, the alteration signature and the sulphide mineralization along with the combination of elevated multiple geochemical indicators could represent the halo near one or more of the following types of mineral deposits:

- porphyry copper-molybdenum-gold
- skarn copper-gold-iron
- high sulphidation epithermal gold-silver-copper
- volcanogenic massive sulphide copper-lead-zinc

The presence of the Rex (MINFILE 092F221) porphyry molybdenum-copper showing discovered by AMAX in 1967-68 near the centre of the area is significant, and suggests that a porphyry is the most likely target deposit type of the three. The geological setting is similar to that of past producer Island Copper (MINFILE 092L158) and is favourable to host one or more Jurassic age porphyry copper-molybdenum-gold deposits, in the author's opinion. The Rex area could also represent the source of vein-type gold-silver-copper mineralization seen nearby on SYMC's property in the Macktush Veins and the Bowl Zone, and could be related to the nearby South, West and even Cous area targets. Much more geological information is required to fully evaluate the Rex area target, including detailed geological mapping on surface and preliminary widely-spaced diamond drilling to establish sub-surface geological and geochemical variations both across the large area and to depths of up to 500 metres. As of 2006, extensive and relatively accessible roads and trails exist across the entire Rex area.

## West Area

The West target area is situated along the western side largely within the Macktush Property, is centred at approximately UTM 5447500N 358000E near the northeast corner of mineral claim 518172, and has a geophysical and geochemical expression of up to 3 km. E-W and 2 km. N-S. The West area may straddle the western property boundary (untenured beyond) and/or the local northern property boundary tenured by mineral claim 507354. It is topographically co-incident with a steep valley which contains the east-flowing southern headwaters of Cous Creek, with elevations from 250 metres to 900 metres. The West area is shown in government mapping as entirely underlain by Triassic Karmutsen mafic volcanics, and has not been visited by the author for verification.

The magnetic expression of the West area is a magnetic low response surrounded by magnetic highs on all sides, and with a co-incident weak radiometric high response. There is also a strong low-frequency resistivity low response over the West area, and eight priority conductive anomaly targets scattered across it.

There were approximately 20 rock samples and 5 moss mat samples taken from the West area during the 2006 field program, with insufficient time allocated to prospecting it due to time-consuming foot access. Three rock samples from across the West area yielded variably elevated values in Ag, As, Co, Cu, Hg, Mo, Sb, Se and/or Zn, as shown in Figures 18a,b,f,g,h,i,l,m,n and Figure 22. The best rock sample values by far from the West area came from select float grab sample # 343652, which was taken from a large boulder found at 500 metres elevation in a steep, north-flowing creek bed in the southwest part of the area which contained massive and altered Fe/Cu skarn containing 60% magnetite and 5% disseminated sulphides including 3% chalcopyrite, and yielded 24.7 ppm molybdenum, 1.37% copper, 2.5 ppm silver and 55.7% iron. The best outcrop rock sample values from the West area came from select outcrop grab sample # 343571, which was taken near the centre of the West area, and yielded 814.8 ppm copper from a highly silicified volcanic breccia containing 40% chalcedonic quartz veins of undocumented dimensions.

Two of the five moss mat samples taken in the West area yielded elevated values in mainly gold, including # 343574 which yielded 362.9 ppb Au and # 343597 which yielded 60.7 ppb Au, as shown in Figure 19b. Both of these moss mat samples are from the eastern part of the West Area, and sample #374574 is from a steep, north-flowing creek at 306 metres elevation in the southeast part of the area. Therefore, both the molybdenum-copper-silver-iron bearing skarn float rock sample #343652 and the gold-rich moss mat sample #343574 suggest that outcropping mineralization including molybdenum, copper, silver, iron and/or gold may exist in the elevated (above 500 metres) areas along the southern part of the West area.

The West area requires additional prospecting, which to be effective will require either helicopter access, or refurbishing of existing overgrown logging roads, or a cost-effective combination of both. The large, mineralized skarn float boulder from which sample # 343652 was taken demands to be follow-up to its source outcrop source location, if possible. As there are no documented MINFILE occurrences in the West area of the Macktush property, this source would represent a new discovery if found. The target deposit type for the West area is certainly Cu/Fe skarn, but may also include possibly related porphyry copper-molybdenum-gold and/or related epithermal gold-silver-copper deposits.

### **Cous Area**

The Cous target area is situated in the northwest portion partially within the Macktush Property, is centred at approximately UTM 5451000N 358500E in the eastern half of mineral claim 512247, and has a geophysical and geochemical expression of at least 5 km. E-W and 4 km. N-S. The Cous area straddles the northwest property boundary (untenured beyond) and local northern, eastern and southeast boundaries tenured by mineral claims 507349, 507348 and 507354 respectively. It is topographically co-incident with a steep valley which contains the east-flowing eastern headwaters of Cous Creek, with elevations ranging from 250 metres to 900 metres. The Cous target area is situated in perhaps the most geologically interesting and complex area on the Macktush property, and consists of a northwest-southeast elongated and faulted syncline containing the youngest rocks on the property. The perimeter of the syncline is underlain by the uppermost portion of the Triassic Vancouver Group, including Karmutsen Formation volcanics overlain by Quatsino Formation Limestone, which in turn is unconformably overlain by the Upper Triassic Parson Bay Formation volcanics and sediments, and which in turn is unconformably overlain by the lower Jurassic Bonanza Group volcanics. This faulted sequence is intruded by numerous porphyry intrusive dikes of the Jurassic Island plutonic suite and hosts many limestone beds within both the Quatsino and Parson Bay, an ideal geological environment for skarn type deposits. The Cous area in fact hosts six MINFILE occurrences, four of which are located on the Macktush property, consisting of the following:

- MC/Kola (MINFILE 092F103) Cu-Au-Ag vein prospect
- Buck (MINFILE 092F362) Cu-Au showing possibly of the porphyry type
- Sproat Lake (MINFILE 092F412) sedimentary limestone showing
- Sky 2 (MINFILE 092F555) Cu-Ag showing possibly of the skarn type

The tenured property which covers the eastern part of the Cous Area hosts an additional two MINFILE occurrences as follows:

- Cous Creek (MINFILE 092F360) Cu-Ag-Au skarn prospect and undocumented minor past producer
- Summit (MINFILE 092F361) Cu showing in a breccia of unknown type

The results of detailed target mapping, representative chip and select grab outcrop sampling by the author and diamond drilling completed in the immediate MC/Kola area located in the centre of the Cous Target area in 2006 are detailed

in the Drilling section of this report. Representative outcrop chip sampling and cursory targeted geological mapping was also undertaken by the author in late 2006 following up on two new occurrences discovered by the field crews approximately 500 metres north and 750 metres east of the MC/Kola area, in separate road cuts along an old logging road at an elevation of 400 metres, 225 metres lower in elevation than the MC/Kola occurrence.

The eastern new occurrences (**East zone** – UTM 5450787E, 358401E) consists of a sheared, 0.25 metre thick Fe/Cu skarn horizon oriented at a strike of 070 Azimuth and dipping 50 degrees southeast containing mainly pyrite with minor chalcopyrite and rare bornite, with a 1 metre thick, sub-parallel epidotic skarn footwall zone. Representative outcrop chip sample # 312747 from the East zone yielded 0.25 metres @ 0.111% copper, 35.67% iron, 928.6 ppm arsenic and 683.5 ppb gold. The footwall zone also yielded 1.0 metres @ 742.5 ppm copper in representative chip sample 312748.

The northern new occurrence (**North zone** – 5451177N, 357871E) consists of two sub-parallel zones (possibly reverse fault-repeated exposures of the same zone) each 0.5 metre thick and 1.5 metres apart, of brecciated and banded, epidotic and/or chloritic Fe/Cu skarn mineralization oriented at a strike of 210 degrees Azimuth and dipping 40-50 degrees to the northwest containing mainly pyrite and/or magnetite and 2% to 10% chalcopyrite. Representative outcrop chip sample # 312742 from the Upper North zone yielded 0.373% copper, 17.5 ppm silver, 627 ppm cobalt, 32.2% iron, 661 ppm arsenic, and 184 ppb gold; representative outcrop chip sample # 312746 from the Lower North zone yielded 0.246% copper, 197 ppm lead, 130 ppm zinc, 420 ppm cobalt, 27.4% iron, 913 ppm arsenic and 683.5 ppb gold. Interestingly, the North zone is roughly on strike with the MC/Kola prospect, and could in fact be the strike extension of the same zone.

The magnetic expression of the Cous area consists of an intense circular magnetic high response with thin, arcing and radiating arms of highs separated by lows. This feature lies along the southwest flank of an intense, radiometric high response which is co-incident with a very strong and broad low-frequency resistivity low response centred immediately north of claim 512247. There are seventeen priority conductive anomaly targets scattered the Cous area, twelve of which are on the Macktush property and 5 on the adjacent mineral tenures to the immediate north and east of mineral claim 512247.

There were approximately 155 rock samples and 14 moss mat samples taken from the Cous area during the 2006 field program. Many of the rock samples taken in 2006 yielded variably elevated values in Ag, As, Au, Bi, Cd, Co, Cu, Hg, Ni, Pb, Sb, Se and/or Zn, as shown in Figures 18a,b,c,d,e,f,g,h,j,k,l,m,n and Figure 23. The best four select rock grab samples came from three different locations in the Cous area, including two of which came from the East zone, the only one of the three locations visited and check sampled by the author.

The best two select grab samples from the East zone were # 343712 taken from a 0.33 metre thick copper skarn outcrop in a road cut which yielded 2.355% copper, 5 ppm silver and 350 ppb gold; and # 343879 taken from a 1 metre thick highly altered, mafic volcanic in a road cut which yielded 0.805% copper, 2.8 ppm silver and 424 ppb gold. Midway between the East zone and the MC/Kola zone at an elevation of 491 metres, sample # 343778 was taken a float boulder of quartz-calcite-sulphide stockwork which yielded 2.831% copper and 3.8 ppm silver.

Follow-up prospecting in the area led to the discovery of copper-gold mineralization in outcrop (**South Zone** – 5450550N, 358074E) which was sampled in two locations approximately 100 metres apart. Select grab sample # 343912 yielded 636 ppm copper and 155 ppb gold from a probable outcrop of quartz-calcite-sulphide mineralization in tuffaceous volcanics; and select grab sample # 343915 yielded 829 ppm copper and 113 ppb gold from an outcrop of magnetic, coarse grained felsic intrusive containing disseminated sulphides. It is uncertain if either sample represents a source location for float sample # 343778.

Approximately 1 kilometre NNW of the MC/Kola zone and 600 metres NW of the North Zone and at an elevation of 450 metres, select grab sample # 343923 was taken from a 1 metre thick outcropping exposure of sheared, altered and sulphidic tuffaceous volcanics oriented at 260 degrees Azimuth and striking 44 degrees which yielded 0.044% copper, 0.15% lead, 0.63% zinc, 57 ppm cadmium and 23 ppm mercury. The geochemical signature of this sample (**Northwest zone** – 5451732N, 357459N) is quite different from anything else yet seen on the Macktush property, and may represent volcanogenic massive sulphide mineralization, possibly hosted in the upper Triassic Parson Bay Formation.

Five of the fourteen moss mat samples taken in the Cous area yielded elevated values in As, Cd, Cu, Mo and/or Sb including # 343385 which yielded 214.4 ppm Cu, # 343815 which yielded 2.8 ppm Mo, 23.5 ppm As and 2.6 ppm Sb, # 343819 which yielded 3.4 ppm Mo, 3.5 ppm Cd and 2.6 ppm Sb, # 343903 which yielded 212.9 ppm Cu and 23.8 ppm As, and # 343922 which yielded 3.7 ppm Mo, 42.1 ppm As and 2.4 ppm Cd, as shown in Figures 19a,c,d,e,f. All five moss mat samples with elevated values could represent secondary dispersion from undiscovered bedrock sources of mineralization, and need to be followed up.

The Cous target area surrounding the MC/Kola occurrence is at an awkward stage for SYMC at this time. Although ample distance exists away from the MC/Kola zone to continue delineation drilling, continued prospecting work in the surrounding Cous area may discover new mineralization trending across the local property boundary, across which the land is tenured. Since these two exploration activities should logically and strategically proceed simultaneously, it is strongly advisable for SYMC to acquire at least the adjacent mineral claims 507348, 507349, 507354 prior to undertaking any future work in MC/Cous area.

## **South Area**

The South target area is situated along the southern side largely within the Macktush Property, is centred at approximately UTM 5442500N 361500E near the centre of mineral claim 200215, and has an elongate NW-SE oriented geophysical expression of at least 4 km. NW-SE and 1 km. across. The South area may straddle the southern property boundary (untenured beyond). It is topographically co-incident with the Macktush Creek valley, with elevations from 200 metres to 500 metres. The South area is shown in government mapping as entirely underlain by Triassic Karmutsen mafic volcanics, and has not been visited by the author for verification.

The magnetic expression of the South area is an intense magnetic low response with a co-incident radiometric high response. There is also a strong low-frequency resistivity low response over the South area, and four priority conductive anomaly targets all located near the 300 metre elevation contour along the steep south side of the Macktush Creek valley. An old logging road of unknown condition passes to within 100 metres of all four priority anomalies. Unfortunately, the South area was not prospected in 2006 due to other priorities.

## **Macktush Veins Area**

The Macktush Veins target area is situated entirely within the Macktush property surrounding the historic Fred Vein system, and is centred at approximately UTM 5443500N 364500E near the west side of mineral claim 200212. It is topographically co-incident with a flat-topped plateau at 750 metres elevation incised by NE-SW oriented valleys which host the Fred and David veins to the NE and the Moly Vein to the SW, and probably is caused by a shear zone. The Bowl Zone is located approximately 1 kilometre to the northwest of the centre of the Macktush Veins target area. It is mainly underlain by the coarse-grained northwest-striking felsic intrusive (mainly quartz diorite) Jurassic Island plutonic suite dike to the northeast in sheared contact with mafic volcanics of the Triassic Karmutsen Formation in the southwest quarter of the area.

The geophysical expression of the Macktush Veins area consists of co-incident intense magnetic and radiometric highs which continue but are subdued to the southwest beyond the NNW-trending contact with the Karmutsen volcanics. There is also a weak, smaller and elliptical low-frequency resistivity low response over the centre of the area with four priority conductive anomaly targets aligned with both the Fred-David-Moly Vein trend and the long axis of the resistivity low ellipse. One anomaly is near the David Vein, and the other three are in the SW-oriented valley 100 to 400 metres southwest of the Moly Vein.

Between 2004 and 2006 twenty-nine rock samples were taken with GPS control from the area of the Macktush Vein target, and many more were taken by many people without GPS control prior to that. Only those 29 samples taken since 2004 with GPS control are utilized in the databases used and maps generated in

this section of this report, including the 16 representative chip samples of the known zones taken by the author prior to the 2006 (Moly, Zinc, Jack Veins) drilling programs, which are discussed elsewhere in this report. In 2004 and 2005, the author took 6 outcrop rock samples in the area of the Bowl Zone, including 3 representative outcrop chip samples which yielded elevated values in Ag, As, Cu, Mo, and/or Zn. In 2006, the prospecting crews took an additional 7 select outcrop grab samples consisting of 5 from the area of the three priority conductivity anomalies west of the Moly Vein, and 2 from the Canal Main road showing, a documented occurrence (Davey and Carter, 1997) located 3 kilometres east of the centre of the target along the Alberni Inlet at an elevation of 55 metres. No stream moss mat samples were taken in the area of the Macktush Veins target.

In 2004, the author took representative outcrop chip sample # 179001 in a road cut along Road 1111H from 0.5 metre thick sheared, quartz-calcite-sulphide stockwork vein hosted in quartz diorite which yielded 2893 ppm copper. In 2005, the author took two representative outcrop chip samples # 201702 and # 201703 located 600 and 400 metres south respectively of # 179001. Sample # 201702 yielded 772 ppm arsenic from a banded, 5 metre thick quartz-calcite-chlorite vein oriented at 320 degrees Azimuth and dipping 75 degrees NE. Sample # 201703 yielded 38.9 ppm molybdenum, >1% copper, 198 ppm zinc and 29 ppm silver from a 0.1 metre thick quartz-chlorite-sulphide stockwork vein containing 5% chalcopyrite and 1% bornite near the intrusive-volcanic contact and oriented at 070 degrees Azimuth and dipping 85 degrees SE.

In 2006, the 5 select outcrop grab samples taken in the area of the conductivity anomalies contained minor magnetite but no significant sulphide mineralization, and failed to yield any significant metal values or to explain the reasons for the conductivity anomalies. The 2 select outcrop grab samples taken in the Canal Main area yielded elevated values as follows: # 343809 yielded 0.098% molybdenum and 0.834% copper from a 1.2 metre zone within coarse grained felsic intrusive containing traces of chalcopyrite, bornite and malachite; and # 343880 yielded 190 ppm lead and 313 ppm zinc from a 1 metre zone within coarse grained felsic intrusive containing 0.5% clustered sulphides.

## **DRILLING**

From June 5 to December 5, 2006 SYMC completed 11 diamond drill holes totalling 982 metres in five target areas, as shown in Figures 4, 5, 9 and 11. Drilling targets areas were selected by the officers of SYMC, with the intention of testing as many known targets as possible on the Macktush property in 2006, continuing from the program begun in 2005. As in 2005, the officers of SYMC decided to use drilling equipment owned by Herb McMaster, President and CEO of SYMC, to re-hire the same experienced local personnel to conduct the drilling program, and to re-establish the secure core handling facility for the drilling program in Mr. McMaster's garage detached from his home office at 3009 Kingsway Avenue in Port Alberni. Salaried drilling personnel were re-

hired by SYMC, consisting of lead driller Claude Lessard and driller's helper Herbert McMaster Jr., son of the President and CEO of SYMC. The drilling equipment consists of a modified Hydrocore "Gopher" gasoline-driven hydraulic drill using standard rods providing 34 m.m. diameter drill core, mounted on a sliding metal tripod attached to a collapsible timber platform. The drill and ancillary equipment was transported between target areas and drill collars using SYMC's 1977 GMC 4-ton flat bed truck. A 1989 Chevrolet  $\frac{3}{4}$  ton pick-up was provided by Mr. McMaster Sr. for the drillers commuting daily between Port Alberni and the drill site. The drillers delivered the drill core to the secure core handling facility after each shift.

The author supervised all technical aspects of the 2006 drilling program for SYMC, including selecting and checking all the drill sites and orientations, stopping all the holes, and designing and supervising the secure core handling procedures. All drill holes were spotted by the author in the field using collar, foresight and backlight pickets prior to drilling, and 7' long by 2" thick pressure treated fence posts marked with the drill hole numbers inscribed on metal tags stapled to the posts which were inserted into each drill collar by the drillers upon completion of each hole. It should be noted that the drill core recovery achieved by the drillers was excellent during the 2006 program, in spite of frequently fractured and weathered rock encountered in many of the holes.

The author logged all drill core, and trained and supervised members of the field crew in sawing and sampling of the drill core, who took turns on this task. The sawer/sampler used 14" circular diamond-impregnated blade installed on the Company's specialized Diteq core saw set up in the secure core handling facility in Port Alberni. The saw blade and core carriage were cleaned by the sawer/sampler between each sample, and a grinding wheel was used to clean and sharpen the saw blade as required. Drill core samples were placed in new, clear poly sample bags with pre-numbered tags, secured with plastic cable ties, and grouped by hole in poly rice bags also secured with plastic cable ties. Corresponding pre-numbered tags were stapled in the core boxes at the ends of each sample interval, along with metal tags inscribed with the same corresponding sample numbers. Drill hole numbers were also inscribed on metal tags stapled to the ends of each core box. Sampled drill core was stored in a locked shed adjacent to the core handling facility until all analyses were received from each hole, after which the drill core was cross-piled in Mr. McMaster's yard. The author or one of the field crew members delivered all core samples grouped by hole in secured poly rice bags to either the Port Alberni or Nanaimo bus depot for shipment to the Acme Analytical Labs. Ltd. in Vancouver via Greyhound BPX, along with other samples. Secure custody was maintained for all drill core samples from the drill rig to the core handling facility and to the analytical laboratory, from the time the core was generated to the receipt of final re-assays, under the supervision of the author.

The author completed all logging and selection and marking of core sampling intervals at SYMC's secure core handling facility in Port Alberni. Portable 1000 watt halogen lights were used to illuminate the logging platform, which was



established using portable metal saw horses. A Madell SZM zoom boom 90x binocular microscope was used to help identify minerals and estimate their contents within sample intervals. All relevant observed data including colour, texture, host rocks, mineralogy, metallic mineral content estimates, core angles to the long core axis, and RQD were recorded for each sample interval into a pre-designed, multi-worksheet MS Excel file field drill log in imperial units on a notebook computer in the core handling facility. The data was converted into a metric drill log on one or more separate worksheets, with selected geochemical and assay information added. The complete geochemical and assay data for each hole is also provided as a separate worksheet in the same Excel file. Select vein intercepts are named and the lines containing them highlighted for emphasis, as are select vein intercepts. (See drill logs and drill hole records in Appendix 1). Copies of all analytical certificates appear in Appendix 4, and the Methods and Specifications used by Acme appear in Appendix 5. Sampling method and approach for the drill core is described in the following section of this report.

The author used Geosoft's Target drill hole plotting software to perform QA/QC on the drill data, and to generate scaled plan, cross section and long section views of the drill data as appropriate, showing colour-coded rock types as logged and selected analytical data (either gold only or both copper and gold) as bar graphs scaled to values on labelled UTM grid backgrounds. These were printed in Adobe Acrobat 5.0 also used by the author to add roads/trails, surface mapping and sampling information, and simplified target interpretation. The author also compiled drilling data from the 1987-88 drilling of the Fred Vein target, and the 1996 surface sampling data (Carter and Davey, 1997) which is presented as well. The final maps are presented as scaled 11x17 figures. The individual results, summary and interpretation from drilling of the five target areas are as follows:

### **Moly Vein (Au-Ag-Cu-Mo)**

From June 5-20, 2006 two (2) holes totaling 138 metres were completed on the Moly Vein target, starting with hole MM-06-01 collared at a bearing of 300 degrees Azimuth and at -45 degrees inclination from the M180 road to duplicate an alleged, undocumented drill hole (MM-86-01) by Mr. McMaster in 1986. The hole was drilled entirely in coarse grained felsic intrusive rock and intersected two narrow, banded and brecciated quartz-calcite-chlorite-sulphide veins at depths of approximately 22 and 57 metres down-hole, and was stopped at a depth of 72.3 metres. The upper vein was unexpected, and yielded an intercept of 0.6 metres @ 0.280 g/t gold, 0.1 g/t silver, 0.006% copper, and 0.001% molybdenum. The lower vein is interpreted as the target Moly Vein, and yielded 0.5 metres @ 0.600 g/t gold, 0.2 g/t silver, 0.006% copper, and 0.006% molybdenum.

Hole MM-06-02 was collared at the same orientation and inclination as, and approximately 60 metres southwest of, MM-06-01 from the Waterhole Trail to test

directly down-dip of a trenched exposure of the Moly Vein which yielded 0.3 metres @ 4.27 g/t gold, 1.5 g/t silver, 0.014% copper, 0.007% molybdenum from a moderately oxidized quartz-sulphide vein oriented at 060 degrees Azimuth and dipping 60 degrees southeast from representative outcrop chip sample # 312708 taken by the author. Hole MM-06-02 was also drilled entirely in coarse grained felsic intrusive rock and intersected two narrow quartz-calcite-chlorite stringer zones at depths of approximately 44 and 50 metres down-hole, and was stopped at a depth of 65.9 metres. The upper stockwork stringer zone yielded only 0.8 metres @ 0.008% copper and the lower banded stringer zone, interpreted as the Moly Vein, yielded 1.1 metres @ 0.035 g/t gold, 0.003% copper and 0.011% molybdenum. The Waterhole Trail was rehabilitated by the Company in 2006 to provide access to collar locations for Moly, Jack and Zinc Vein drill holes as well as to provide truck access between two water sources used for drilling.

A second trenched outcrop exposure interpreted as the Moly Vein along the M160 Road was mapped striking 040 degrees Azimuth and dipping vertically, and was representatively chip sampled by the author in sample # 312715, yielding 0.5 metres @ 0.133 g/t gold, 0.5 g/t silver, and 0.001% molybdenum.

The Moly Vein drilling data is presented Appendix 1 in drill logs and in the drill hole record. The entire data set with interpretation is also presented in plan view (Figure 8) and in long section view (Figure 8a) at 1:1,000 scale, all showing drill hole traces, rock types and gold bar graphs, along with trench locations, mapped vein orientations and gold intercepts for the Moly Vein in both trenches and drill holes. Mineral Resource estimate block perimeters and block identification numbers have also been added to the long section. These mineral resource blocks have been used to calculate the un-cut, un-diluted, in-situ, indicated mineral resource estimate for the Moly Vein using 3 arbitrary block cut-off grades for gold (see Appendix 6 with details described in the Mineral Resource and Mineral Reserve Estimates section of this report), summarizes as follows:

>0 g/t Au (All 4 blocks)	14,070 tonnes @ 0.405 g/t Au, 0.212 g/t Ag, 0.005% Cu
>1 g/t Au (1 block)	504 tonnes @ 4.270 g/t Au, 1.500 g/t Ag, 0.014% Cu
>10 g/t Au (0 blocks)	0 tonnes

The outcrop chip and diamond drill intercept grades achieved in the 2006 program are clearly sub-economic and no further work is warranted on this target in this immediate area. However, three of the four priority electromagnetic conductors from the 2005 airborne geophysical survey are situated in a line between 100 and 400 metres southwest of and along strike of the Moly Vein, which remain unexplained after the 2006 prospecting program. If the conductors are due to increased sulphide content in the Moly Vein, it may contain higher grades of gold, silver, copper and molybdenum as well.

### **Jack Vein (Au-Ag-Cu-Mo-Zn)**

From June 20 to August 30, 2006 two (2) drill holes totaling 155 metres were completed to test the Jack Vein target, and one (1) hole (MZ-06-03) totaling 56 metres (a Zinc Vein hole) was drilled to test both the Jack and Zinc Vein targets along a 140 metre strike length of the Jack Vein between M160 Road and the south end of M180 South Road. Holes MJ-06-02 and MJ-06-01 were drilled from the same set-ups as, at opposite bearings to, and concurrent with holes MZ-06-02 and MZ-06-01 completed to test the sub-parallel Zinc Vein target.

Drill hole MJ-06-02 was collared at a bearing of 120 degrees Azimuth and an inclination of -45 degrees from the Waterhole Trail to test the northerly and down-dip projection of the Jack Vein 35 metres north from and below the only trenched outcrop of the Jack Vein mapped and chip sampled by the author in 2006. Continuous representative outcrop chip samples # 312701 and 312703 were taken from two slightly oxidized, parallel quartz-sulphide veins 1.15 metres apart, striking at 020 degrees Azimuth and dipping vertically yielded 0.4 metres @ 1.82 g/t gold, 0.6 g/t silver, 0.009% copper, and 0.002% molybdenum, and 0.5 metres @ 0.44 g/t gold, 0.2 g/t silver, and 0.001% molybdenum, respectively. Drill hole MJ-06-02 was collared in medium grained quartz feldspar porphyry intrusive rock until about 19 metres down-hole after which it entered coarse grained felsic intrusive rock until the end of the hole at 90.5 metres. The hole intersected an unexpected 1.5 metre thick zone of quartz-calcite-chlorite-sulphide stockwork stringers at the lower porphyry contact, which yielded 1.5 metres @ 0.053 g/t gold; and two narrow, banded and/or brecciated quartz-chlorite-sulphide veins 2.4 metres apart at down-hole depths of approximately 79 and 82 metres. The upper vein (called the Jill Vein) yielded 0.150 g/t gold, 0.1 g/t silver, and 0.014% copper; and the lower vein (assumed Jack Vein) yielded 2.161 g/t gold, 0.9 g/t silver, 0.020% copper, 0.007% molybdenum and 0.260% zinc.

Drill hole MJ-06-01 was collared at the same orientation and inclination as MJ-06-02 from a short trail extended west from the end of M 180 South Road to test the southerly and down-dip projection of the Jack Vein 50 metres south of MJ-06-02 and 15 metres south of the trench mentioned in the paragraph above. Drill hole MJ-06-01 was collared in coarse grained felsic intrusive rock and intersected several sections of medium grained feldspar+/-quartz porphyry intrusive rock between 18 and 46 metres down-hole before stopping in coarse grained intrusive rock at a depth of 104.6 metres. The hole intersected six (6) separate, narrow quartz-calcite-sulphide stringer zones and/or veins, none of which yielded significant values, including the assumed Jill Vein at approximately 66 metres down-hole. The assumed Jack Vein intercept at approximately 67 metres down-hole yielded 0.3 metres @ 0.352 g/t gold.

Drill hole MZ-06-03 was collared at an bearing of 300 degrees Azimuth and an inclination -45 degrees from the M 180 Road approximately 90 metres north of holes MJ-06-02 and MZ-06-02, to test the northwards projections of both the Jack and Zinc veins, if possible. Drill hole MZ-06-02 was commenced in coarse grained felsic intrusive, cut a medium grained feldspar porphyry dike from 34 to

43 metres down-hole, and resumed into coarse grained intrusive until 60 metres down-hole, where it resumed in medium grained feldspar porphyry intrusive rock until the end of the hole at 75.6 metres. The hole intersected three (3) banded quartz-calcite-±-chlorite-hematite-magnetite-sulphide veins, all at least 2 metres in thickness, the first at 28 metres down-hole which was 2.3 metres thick but contained little sulphides and yielded only low metal values. The second and assumed Jack Vein was intersected at 44 metres down-hole and yielded 2.3 metres @ 0.165 g/t gold at the lower contact of the feldspar porphyry dike. The third and assumed Zinc Vein will be discussed in the appropriate section below.

The Jack Vein drill logs are presented in Appendix 1, and the 1:1000 scale plan view and long section appear as Figures 7 and 7b, respectively. Mineral Resource estimate block perimeters and block identification numbers have also been added to the long section. These mineral resource blocks have been used to calculate the un-cut, un-diluted, in-situ, indicated mineral resource estimate for the Jack Vein (see Appendix 6 with details described in the Mineral Resource and Mineral Reserve Estimates section of this report), summarizes as follows:

>0 g/t Au (All 4 blocks)	43,092 tonnes @ 0.765 g/t Au, 0.311 g/t Ag, 0.009% Cu
>1 g/t Au (2 blocks)	13,944 tonnes @ 1.993 g/t Au, 0.752 g/t Ag, 0.015% Cu
>10 g/t Au (0 blocks)	0 tonnes

The outcrop chip and diamond drill intercept grades achieved in the 2006 program and resulting mineral inventory estimate grades are clearly sub-economic and no further work is warranted on this target in this immediate area. However, the Jack Vein appears to merge with the Zinc Vein somewhere between the M180 and the M160 Roads. Such a projected vein merger location could be considered favourable for higher grade and thicker vein intercepts.

### **Zinc Vein (Au-Ag-Cu-Mo-Zn)**

From July 4 to August 30, 2006 two (2) drill holes totaling 181 metres were completed to test the Zinc Vein and one (1) hole (MZ-06-03) totaling 56 metres was drilled to test both the Jack and Zinc Vein targets along a 150 metre strike length of the Zinc Vein between M160 Road to the north and the M180 South Road to the south. Holes MZ-06-02 and MZ-06-01 were drilled from the same set-ups as, at opposite bearings to, and concurrent with holes MJ-06-02 and MJ-06-01 completed to test the sub-parallel Jack Vein target. The three Zinc Vein drill holes were targeted to test beneath a series of fourteen reclaimed trenches chip sampled by Mr. Robert A. Davey, P.Eng. in 1996 when all were exposed over strike length of 280 metres, as tabulated by the author in the 2005 Technical Report. The author was only able to re-locate, map and representatively check sample three widely spaced outcrop trenches, consisting of one each on the uphill southwest sides of M180 Road South, M180 Road and M160 Road.

Sample # 312705 was taken in a trenched outcrop just above the M180 South Road from a slightly oxidized quartz-sulphide vein striking 020 degrees Azimuth

and dipping 75 degrees East, and yielded 0.75 metres @ 1.54 g/t gold, 0.40 g/t silver, 0.011% copper, and 0.024% zinc. This compares to three continuous samples (#'s 100022, 100023, 100024) taken by Mr. Davey from what appears to be the same location (identified as Section 21 by the author) which yielded an average of 4.48 metres @ 35.56 g/t gold, 18.88 g/t silver and 0.182% copper.

Sample # 312709 was taken in a trenched outcrop just above the M180 Road from a site of convergence of two slightly oxidized quartz-sulphide veins, one which strikes at 070 degrees Azimuth and dips at 70 degrees south and the other which strikes at 035 degrees Azimuth and dips 50 degrees southeast, and yielded 0.9 metres @ 0.276 g/t gold, 0.5 g/t silver, 0.015% copper, and 0.002% molybdenum. This compares to sample # 100014 taken by Mr. Davey from what appears to be the same location (identified as Section 15 by the author) which yielded 3.0 metres @ 5.246 g/t gold, 15.09 g/t silver and 0.595% copper.

Samples # 312713 and 312714 were taken in a trenched outcrop just above the M160 Road from two sub-parallel, moderately oxidized quartz-sulphide veins which are separated by a fault, and strike 035-045 degrees Azimuth and dip 65-70 degrees southeast. The southeast sample # 312713 yielded 0.369 g/t gold, 1.0 g/t silver, 0.031% copper, and 0.001% molybdenum. The sample # 312714 from the northwest side yielded 0.404 g/t gold, 1.6 g/t silver, and 0.052% copper. These compare to two continuous samples (#'s 100006 and 100008) taken by Mr. Davey from what appears to be the same location (identified as Section 9 by the author) which yielded an average of 2.4 metres @ 12.29 g/t gold, 45.94 g/t silver and 0.539% copper.

Drill hole MZ-06-02 was collared at a bearing of 300 degrees Azimuth and an inclination of -45 degrees from the Waterhole Trail to test the down-dip projection of the Zinc Vein at a convenient starting location along its strike length. MZ-06-02 was collared in coarse grained felsic intrusive rock, intersected a medium grained quartz feldspar porphyry intrusive rock from 27 to 56 metres down-hole, and continued in coarse grained felsic intrusive rock until the end of the hole at 74.1 m. The hole intersected four (4) banded, brecciated and/or stockwork quartz-calcite-sulphide veins/stringer zones, consisting of two stronger veins at each the upper and lower contacts of the quartz feldspar porphyry intrusive dike, and two weak stringers within the same intrusive dike. The upper contact vein intersected at 27 metres down hole was sampled in two intervals, which yielded 0.9 metres @ 0.076 g/t gold and 1.4 metres @ 0.029 g/t gold, respectively. The lower contact vein (assumed the Zinc Vein) yielded 0.658 g/t gold, 0.3 g/t silver, 0.006% molybdenum and 0.050% zinc.

Drill hole MZ-06-01 was collared at a bearing of 300 degrees Azimuth and an inclination of -45 degrees from a short trail extended west from the end of M 180 South Road to test the Zinc Vein directly down-dip from the site of outcrop trench sample # 312705. MZ-06-01 was collared in coarse grained felsic intrusive rock, intersected a medium grained feldspar porphyry dike from 29 to 59 metres down-hole, and continued in coarse grained felsic intrusive rock until the end of the hole at 106.7 metres. The hole intersected ten (10), banded and brecciated

veins/stringer zones including three within the medium grained porphyritic unit, the middle vein at 42 metres down-hole (assumed Zinc Vein) which yielded by far the best intercept in the hole, consisting of 1.4 metres @ 0.334 g/t gold, 1.1 g/t silver, 0.006% copper, 0.0025% molybdenum and 0.197% zinc.

Drill hole MZ-06-03 was drilled from the M180 Road both to test the north projection of the Jack Vein in conjunction with primarily testing the Zinc Vein down-dip from the site of outcrop trench sample # 312709. The assumed Zinc Vein intercept at 65 metres down-hole in hole MZ-06-03 (see rest of hole description in the Jack Vein section above) yielded 2.0 metres @ 0.240 g/t gold, 0.50 g/t silver, 0.019% copper, 0.0015% molybdenum and 0.005% Zn.

The Zinc Vein drill logs are presented in Appendix 1, and the 1:1000 scale plan view and long section appear as Figures 7 and 7a, respectively. Mineral Resource estimate block perimeters and block identification numbers have also been added to the long section. These mineral resource blocks have been used to calculate the un-cut, un-diluted, in-situ, indicated mineral resource estimate for the Zinc Vein (see Appendix 6 with details described in the Mineral Resource and Mineral Reserve Estimates section of this report), summarizes as follows:

>0 g/t Au (All 20 blocks)	86,628 tonnes @ 3.912 g/t Au, 19.75 g/t Ag, 0.262% Cu
>1 g/t Au (14 blocks)	35,710 tonnes @ 8.973 g/t Au, 44.50 g/t Ag, 0.567% Cu
>10 g/t Au (6 blocks)	17,637 tonnes @ 15.05 g/t Au, 64.48 g/t Ag, 0.792% Cu

The 2006 outcrop chip sample and drill intercept grades from the Zinc Vein were all sub-economic, and contrasted sharply with the 1996 outcrop chip sample grades which were much higher in grade and also much thicker. Although the mineral resource estimate for the Zinc Vein appears to be marginally economic, the discrepancy between the 1996 and 2006 data should be resolved before any advanced exploration or development is considered for the Zinc Vein.

### **Fred Vein (Au-Ag-Cu)**

Although no drilling has been documented on the Fred Vein target since 1987-88, it was an intended 2006 drilling target for which the author compiled all existing data and for which the Company rehabilitated the drill access road (Drill Trail) to the old drill collar sites during 2006. However, the steep and unsafe nature of the Drill Trail combined with negative drilling results from the Moly, Jack and Zinc Vein target drilling programs suggested that resources would be better and more safely spent on drilling other target areas on the Macktush property.

In 2006, the author compiled the 1987-88 diamond drilling data and the 1996 trench sampling data (Carter and Davey, 1997) and partially conflicting drill collar survey data which was geo-referenced by Mr. Dugald Dunlop, P. Geo. of Meridian Mapping Ltd. in 2006. The author was only able to map and representatively chip sample one location along the Fred Vein at the site of the Lower Adit just above the M100 Road, where a moderately oxidized quartz-sulphide vein

(assumed Fred Vein) was mapped striking 050 degrees Azimuth and dipping 65 degrees southeast. Sample # 312716 yielded 0.088 g/t gold, 0.4 g/t silver, 0.001% copper and 0.001% molybdenum, compared to the sample # 100102 taken by Mr. Davey from the same location (Section 2) which yielded 0.6 metres @ 12.82 g/t gold, 44.23 g/t silver and 0.845% copper. All the available data was taken at face value and utilized to complete an indicated mineral resource estimate using the same parameters as those for the rest of the Macktush property.

The re-created Fred Vein drill logs are in Appendix 1, and the 1:1000 scale plan view and long section appear as Figures 6 and 6a, respectively. Mineral Resource estimate block perimeters and block identification numbers have also been added to the long section. These mineral resource blocks have been used to calculate the un-cut, un-diluted, in-situ, indicated mineral resource estimate for the Fred Vein (see Appendix 6 with details described in the Mineral Resource and Mineral Reserve Estimates section of this report), summarizes as follows:

>0 g/t Au (All 13 blocks)	66,350 tonnes @ 13.75 g/t Au, 47.78 g/t Ag, 0.587% Cu
>1 g/t Au (11 blocks)	65,475 tonnes @ 13.91 g/t Au, 48.08 g/t Ag, 0.593% Cu
>10 g/t Au (8 blocks)	46,973 tonnes @ 18.08 g/t Au, 65.15 g/t Ag, 0.772% Cu

The only 2006 outcrop chip sample value did not compare well with the corresponding 1996 chip sample value, but is only a single comparison. Similar to the situation for the Zinc Vein, although the mineral resource estimate for the Fred Vein appears to be marginally economic, discrepancies between the previous (1987-88 and 1996) and 2006 data should be resolved before any advanced exploration or development is considered for the Fred Vein.

### **MC1, MC2, MC3 Zones (Cu-Au-Ag)**

From September 7 to November 9, 2006 three (3) drill holes totaling 331 metres were completed to test the area immediately down-dip and along strike from the existing trenched outcrop exposure of the MC/Kola (MINFILE 092F103) prospect along west side of the Cous 405 Road. An existing exploration trail 50 metres west and up-hill from the trenched exposure was rehabilitated by the Company in 2006 in order to provide the optimal direction to drill the west-dipping zone. Preliminary geological mapping was undertaken in the MC Zone area in 2006 by geoscience student Rachel Harris as a training exercise under the supervision of the author, but is not presented in this report. The author also took a series of three continuous representative outcrop chip samples across the 10 metre long road cut exposure of the MC Zone, and six select outcrop grab samples from a sub-vertical shear zone which intersects and parallels the MC showing in the trench along the west side of the Cous 405 Road over a strike length of approximately 150 metres. This sampling was done to verify the 1996 generalized mapping and chip sampling of the MC Zone by Mr. Robert Davey, P.Eng. and compiled by the author (Houle, 2006) from trenches which have since been largely reclaimed.

The 1996 mapping and chip sample data from eighteen (18) closely-spaced sections along the MC Zone exposure of 40 metres estimated strike length yielded an average of 0.55 metres in thickness @ 12.39% copper, 6.71 g/t gold and 137.5 g/t silver from a NNE-striking and steeply east-dipping zone. The sample data was taken at face value, and for the purpose of this report, this data was re-compiled into 2 segments: a southern portion 20 metres in length which yielded an average of 0.58 metres in thickness @ 10.45% copper, 5.42 g/t gold and 117.9 g/t silver; and a northern portion 15 metres in length which yielded an average of 0.51 metres in thickness @ 12.60% copper, 7.92 g/t gold and 127.3 g/t silver.

Targeted geological mapping of the existing 10 metre MC Zone exposure by the author in 2006 indicated a 1 metre thick zone of fractured, banded, semi-massive sulphides striking 220 degrees Azimuth and dipping 50 degrees northwest (sample # 312720) lying directly between two vertically dipping shear zones striking 015-020 degrees Azimuth. Sample # 312721 was taken from the hanging-wall directly above the upper shear and sulphide zone, and sample # 312722 was taken from the footwall directly below the lower shear and the sulphide zone. The combined average for sample # 312720 and # 312722 was 2.2 metres @ 1.74% copper, 0.904 g/t gold and 26.4 g/t silver, including the sulphide zone # 312720 which yielded 1.0 metres @ 2.195% copper, 1.194 g/t gold and 39.0 g/t silver. Sample # 312720 also yielded elevated geochemistry values consisting of 276 ppm zinc, 465 ppm cobalt and 827 ppm arsenic. The same locally sulphidic and/or malachitic shear zone was traced for approximately 150 metres along the road cut trench, from which six (6) select outcrop grab samples were taken by the author in 2006. The best values achieved in the select outcrop grab samples by far was from 150 metres northeast of the three continuous representative chip samples, where sample # 312719 yielded 4.45% copper, 5.63 g/t gold and 22.0 g/t silver from a milled quartz-sulphide vein fragment taken from the shear zone.

Drill hole MC-06-01 was collared at a bearing of 115 degrees Azimuth and an inclination of -60 degrees from the southern of two drill pads along the drill trail to test the MC Zone directly down-dip and beneath the trenched exposure along the west side of Cous 405 Road. The hole commenced in fine grained tuffaceous volcanics and intersected three, narrow, fine grained feldspar porphyry intrusive dikes between 31 metres and 48 metres down-hole, resumed in tuffaceous volcanics until a veined contact with fine grained massive volcanics 71 metres down-hole (MC2 Zone core), and continued in massive volcanics until the end of the hole at 105.8 metres. The hole intersected fourteen (14) sections of brecciated and/or banded quartz-calcite+/-chlorite-sulphide veins/stringer zones with fairly consistent core angles of 70 degrees, plus many zones of pervasive silicification including sulphides in quartz eyes. Six (6) of the mineralized sections in MC-06-01 contained significantly elevated values of copper, gold and silver, five (5) of which appear to be clustered in two discontinuous zones over intervals of 4 to 16 metres, and all of which are determined primarily by analytical cut-offs. Drill intercepts achieved in hole MC-06-01 were as follows:



MC1 Zone	31.1 to 35.1	4.0 metres	0.058% Cu, 0.081 g/t Au, 0.669 g/t Ag
Including:	31.1 to 31.7	0.6 metres	0.152% Cu, 0.045 g/t Au, 2.000 g/t Ag
And:	33.2 to 35.1	1.9 metres	0.068% Cu, 0.156 g/t Au, 0.700 g/t Ag
MC2 Zone	62.5 to 79.1	16.6 metres	0.164% Cu, 0.194 g/t Au, 2.051 g/t Ag
Including:	62.5 to 66.9	4.4 metres	0.132% Cu, 0.096 g/t Au, 1.652 g/t Ag
And:	70.6 to 71.2	0.6 metres	1.380% Cu, 1.193 g/t Au, 15.30 g/t Ag
And:	73.5 to 79.1	5.6 metres	0.205% Cu, 0.286 g/t Au, 2.749 g/t Ag
MC3 Zone	96.2 to 97.3	1.1 metres	0.037% Cu, 0.797 g/t Au, 0.900 g/t Ag

Drill hole MC-06-02 was collared at a bearing of 115 degrees Azimuth and an inclination of -86.5 degrees from the same setup as MC-06-01 to test the down-dip potential of the MC1 to MC3 zones beneath MC-06-01. The hole commenced in fine grained primarily tuffaceous volcanics, intersected three, narrow, fine grained feldspar porphyry intrusive dikes between 20 metres and 56 metres down-hole, resumed in primarily tuffaceous volcanics until a gradational contact with fine grained primarily massive volcanics 79 metres down-hole, and continued in primarily massive volcanics until the end of the hole at 99.7 metres. Most of the core from MC-06-02 was highly fractured and sheared with low-angle structures which resulted in difficult and slow drilling conditions, probably due to extensive shearing parallel to the structure mapped along the Cous 405 Road. MC-06-02 intersected eight (8) sections of brecciated and/or banded quartz-calcite+/-chlorite-sulphide veins/stringer zones with fairly consistent core angles of 40-60 degrees, plus occasional zones of pervasive silicification including sulphides in quartz eyes, but the zones were thinner than in MC-06-01. The only two significant drill intercepts achieved in hole MC-06-02 were as follows:

MC1 Zone:	32.5 to 32.8	0.3 metres	1.009% Cu, 0.692 g/t Au, 24.00 g/t Ag
??? Zone:	94.4 to 94.7	0.3 metres	0.638% Cu, 0.582 g/t Au, 4.000 g/t Ag

Drill hole MC-06-03 was collared at a bearing of 115 degrees Azimuth and an inclination of -60 degrees from the northern of two drill pads along the drill trail to test the MC1-3 Zones 40 metres northeast along strike from MC-06-01. The hole commenced in fine grained massive mafic volcanics until a gradational, fractured contact with fine grained tuffaceous volcanics at 15.5 metres down-hole. The hole continued in primarily tuffaceous and locally massive mafic volcanics intruded by five (5) narrow, fine grained feldspar porphyry dikes between 23.5 metres and 78.5 metres down-hole until a faulted contact with massive volcanics at 109 metres which continued until the end of the hole at 125.0 metres. The hole intersected four (4) sections of brecciated and/or banded quartz-calcite+/-chlorite-sulphide veins/stringer zones with fairly consistent core angles of 70 degrees, plus many zones of pervasive silicification including quartz-sulphides eyes. Five (5) of the mineralized sections in MC-06-03 contained variably elevated values of copper, gold and silver, two which appear to be clustered in a discontinuous 10 metre thick zone, and all which are determined primarily by

analytical cut-offs. However, the values achieved in MC-06-03 were generally lower than those achieved in either MC-06-01 or MC-06-02, and are as follows:

MC1 Zone	35.7 to 36.0	0.3 metres	0.067% Cu, 0.042 g/t Au, 0.500 g/t Ag
??? Zone	61.4 to 62.6	1.4 metres	0.049% Cu, 0.030 g/t Au, 0.500 g/t Ag
MC2 Zone	69.5 to 79.4	9.9 metres	0.092% Cu, 0.075 g/t Au, 1.082 g/t Ag
Including:	70.9 to 72.6	1.7 metres	0.306% Cu, 0.218 g/t Au, 4.000 g/t Ag
And:	78.5 to 79.4	0.9 metres	0.073% Cu, 0.098 g/t Au, 0.800 g/t Ag
MC3 Zone	109.3 to 111.1	1.8 metres	0.058% Cu, 0.132 g/t Au, 1.000 g/t Ag

The MC Zone drilling data is presented in Appendix 1 as drill logs and a drill hole record table. The entire drill and trench data set with interpretation is also presented in plan view (Figure 10), and in two cross sections (Figures 10a-b) at 1:500 scale showing drill hole traces, rock types, both copper and gold in scaled bar graphs, and with appropriate intercepts by zone and mineral resource estimate block perimeters and block identification numbers added. Individual long section views with the drill hole traces and both copper and gold bar graphs are presented for the each of the interpreted MC1, MC2 and MC3 Zones at 1:500 scale (Figures 10c-e), also with appropriate intercepts by zone and mineral resource estimate block perimeters and block identification numbers added.

These mineral resource blocks have been used to calculate the un-cut, un-diluted, in-situ, indicated mineral resource estimate for the MC1-3 Zones (see Appendix 6 with details described in the Mineral Resource and Mineral Reserve Estimates section of this report), summarizes as follows:

MC1 Zone	21,851 tonnes @ 0.429% Cu, 0.260 g/t Au, 6.852 g/t Ag
MC2 Zone	138,499 tonnes @ 0.465% Cu, 0.327 g/t Au, 5.233 g/t Ag
MC3 Zone	17,618 tonnes @ 0.050% Cu, 0.384 g/t Au, 0.962 g/t Ag

The author has assumed that the 1996 mapping and sampling (Carter and Davey) was taken from the steeply dipping MC2 Zone, which is co-incident with a thin, vertical shear zone converging with the gently-dipping MC1 Zone in the exposed trenches. The MC2 Zone also yielded the best and thickest intercepts in the 2006 drilling program, although values of copper, gold and silver achieved in drilling were considerably less than those in the 1996 chip sampling program. By comparison, chip sampling by the author of the MC1 Zone in 2006 yielded similar values to one of the three MC1 Zone drill intercepts (MC-06-02), but considerably higher than the other two. More importantly, the MC zones appear to be converging to the southwest, and more delineation drilling is warranted to test this hypothesis, and to expand and hopefully improve the grades of the mineral resources of the three and possibly other MC Zones.

## **Sara Vein (Cu-Ag-Au)**

From November 20 to December 5, 2006 one hole totaling 122.0 metres was drilled from the Beach Main Road to test the down-dip projection of several, narrow, steeply-dipping and often sheared and muddy quartz-sericite-sulphide veins containing variable chalcopyrite and bornite occurring in the 350 metre section exposed by the north-south road cut between the Dauntless North Veins and the Herbert Junior Vein. This section includes the Sara Vein, which was located by the author using a GPS unit (see Table 2) but was neither mapped nor sampled. There is a short, old exploration adit (Sara Vein Adit) located 10 metres below the road in this area, but no significant vein is exposed within it. Drill hole DS-06-01 was collared at a bearing of true north and an inclination of -45 degrees, and intersected fine grained, brecciated to pillowed mafic volcanics for its entire 122 metre depth. It also intersected eighteen (18) zones with veining exceeding 25%, and 10 zones with detectable amounts of chalcopyrite mineralization. The vein containing the greatest amount of chalcopyrite and copper content was assumed to be the Sara Vein, and yielded 0.5 metres @ 0.186% copper, 0.100 g/t silver and 0.009 g/t gold. The drill log for DS-06-01 appears in Appendix 1, and a 1:2000 scale cross section is presented in Figure 11a, showing DS-06-01 relative to 2005 drill holes, showing rock types, copper value histograms and generalized interpretation of the zones. Targeted geological mapping, sampling and additional drilling is warranted in the area to follow up mineralization both in historic adits, and from the 2005 drilling program.

## **SAMPLING METHOD AND APPROACH**

All sampling of drill core during the 2006 drilling program was done under the supervision of, and by personnel trained by, the author. All drill core was routinely subjected to one of either of two types of sampling: continuous sawn halved core (saw-cut) sampling over sections containing visible sulphide mineralization or immediately adjacent to or between significantly mineralized sections, or systematic modified buttoned core (button) sampling over apparently un-mineralized sections. This procedure was designed to establish both a continuous geochemical record over the entire length of each hole drilled, and sufficient analytical data to establish drill intercepts over single or multiple mineralized intervals each with well-defined boundaries. The modified button core sampling consisted of a 3 inch piece of sawn halved core taken every 2.5 feet along a sample interval, representing about 10% of the drill core length. It is considered a superior alternative to leaving non-mineralized core un-sampled.

All drill core was delivered, marked and logged in imperial units, and subsequently converted into metric units on a separate worksheet using Microsoft Excel. The initial step of core logging by the author involved subdividing the core from each drill hole into as visually homogenous sections as possible, based on rock type, alteration, mineralization and fracturing. Within each homogenous section, sample intervals were established varying in length from one (1) to seven (7) feet for saw cut samples, and five (5) to thirty (30) feet

for button samples, averaging about three (3) and twenty (20) feet in length, respectively. Over the course of the 2006 drilling program, 376 drill core samples were taken from the 11 holes totaling 982 metres.

Most drill core obtained during the 2006 drilling program contained nearly 100% delivered recovery, a testament to the skill and experience of the lead driller, Claude Lessard. Because most the drill holes were relatively short in length, and collared in or near blasted rock along logging road cuts, much of the cored rock was inevitably fractured and/or highly weathered near the drill hole collars, often resulting in blocky ground, short and frequent runs, and occasionally lost drilling fluids. The most difficult drilling conditions occurred in hole MC-06-02, which was near-vertical in orientation and consequently sub-parallel to steeply dipping shear zones as mapped in the nearby road cut. In a few cases, ground drill core was delivered in the core boxes and positioned at the depth recovered by the drillers, and marked accordingly. In the very few cases where such drill core contained ground, mineralized drill core that may have originated further up the drill hole, that mineralized material was removed from the core box and discarded by the author in order to prevent possible erroneous intercepts. The author is satisfied that all intercepts reported from the 2006 drilling program are representative of the in-situ mineralization, and do not contain erroneous materials.

All drill holes in the 2006 drilling program were designed to test each individual target vein or zone as close to perpendicular as possible to its mapped or interpreted orientation, while maintaining inclinations exceeding 45 degrees from horizontal to help maintain stability of drilling platforms. All 11 holes in five target areas were oriented within ten degrees of perpendicular to the mapped strike direction of each target vein or zone. Most of the target veins were tested using holes inclined at -45 degrees in order to intersect the target vein and as many parallel structures as possible at the shallowest possible depths from surface. The two Jack Vein holes compromised (slightly) penetration angle for the benefit of minimizing the number set-ups and resulting down-time, utilizing the Zinc Vein drill platforms. The MC Zone was tested using steeper holes inclined at -60 degrees or more, since targeted mapping suggested zone dips of 15 to 50 degrees. Therefore, the angles between the individual drill holes and their target zones range from 45 degrees (Jack Vein) to 80 degrees (MC Zone), and ratio of true thickness to cored sample intercepts range from 71% to 98% for these three target areas.

All sampling of rocks, soils and stream moss mats during the 2006 program was done either by the author, or by prospecting personnel using methods specified by, and under the general supervision of, the author. Only the author conducted representative chip sampling of rocks in outcrop. The main objective for the prospecting personnel was to locate and record outcropping mineralization or possible indications thereof, and to appropriately sample the available selected media, using the airborne geophysical data to help select optimal target areas for prospecting. If possible, select grab samples of mineralized outcrop, or alternately proximal float, were taken at the locations of the conductive anomalies

and/or any mineralized zones found nearby. Where no outcrop was available, 5 point diamond arrays of soil samples were taken at and surrounding conductive anomaly locations at 30 metre spacing. The rationale for soil sampling was to detect any possible secondary dispersion of mineralization from possible overburden-covered mineralization. Also, stream moss mat samples were taken from selected sites where creeks appeared to drain anomaly cluster areas, and therefore potentially outcropping or secondary dispersion from, mineralized zones. Stream water pH values were tested where possible using electronic pH metres in order to establish local acid/base characteristics, which could affect the stream water's metal carrying capacities. All rock samples were taken in duplicate, using duplicate sample tag numbers, one sample which was sent for analyses. The duplicate rock sample was sawn into 2 cm. thick slabs, analyzed by the author using a binocular microscope, and kept for future reference, including possible petrography or other analyses.

At all rock, soil and stream sediment sites, field data was collected by the prospecting crews and compiled on pre-printed forms in order to record any significant factors of the site. All sample sites were flagged and tagged using florescent orange flagging tape and metal tags inscribed with the sample number affixed as close as possible to the sample site. Also at all sample sites, the same sample number was entered as a waypoint into the GPS unit, and subsequently up-loaded on a weekly basis to the Company's computer in Port Alberni. The obvious benefit of this sampling procedure is the ability to quickly and accurately re-locate any sample site, either in the field or in the GIS environment. In order to minimize the inherent inaccuracies in GPS surveying, both the barometric altimeters and satellite compasses in each unit were calibrated by the prospecting crews each morning before field work began.

## **SAMPLE PREPARATION, ANALYSES AND SECURITY**

All drill core generated during the 2006 drilling program was kept secure at all times from the time of coring until all analyses had been received on a target by target basis, and all core has been retained permanently for future reference. All sampling of the drill core was done to minimize any possible contamination, and all samples were kept secure at all times until they arrived at the analytical laboratory. The core sampling procedures followed are described in detail in the Drilling section of this report. All the drill core sawing and sampling, as well as the prospecting and rock, soil and moss mat sampling was done by Sy Tresierra, Allan Francis and/or Rachel Harris who were contract workers for SYMC at the time the work was done. All rock, soil and stream moss mat samples generated during the 2006 prospecting program and intended for analyses were kept secure at all times from the time each was taken until each arrived at the analytical laboratory. The rock, soil and moss mat sampling procedures followed are described in detail in the Exploration section of the report. All drilling, sampling and handling of drill core and samples were done to industry standards, supervised by and using procedures specified by the author.

All analytical work on 2006 drill core, rock, soil and moss mat samples was performed by Acme Analytical Laboratories Ltd. (Acme), Vancouver, British Columbia, with analytical certificates appearing in Appendix 4. All drill core, rock soil, and moss samples were subjected to preliminary geochemical analyses using Acme's R150 method for drill core and rock samples, or the SS80 method for soils and moss mats. This was followed by Acme's Group 1DX 30 gram multi-element ICP-MS method, specifications for which appear in Appendix 5. Any sample pulps of drill core or rocks yielding elevated values for copper, silver or gold in the preliminary geochemical analyses were re-analyzed at the request of the author on a sample by sample basis by Acme using the 1 gram Group 7AR multi-element ICP-ES method and the 30 gram Group 3B gold fire assay ICP-ES method, specifications for which appear in Appendix 5. This combination of methods allowed the most appropriate method to be applied to each sample, and the most appropriate values were reported as the final selected analyses on the title page of each drill log or rock sample table. The appropriate excerpts from each analytical report (both geochemistry and re-assays) for each drill hole appears as separate worksheet in each drill log in Appendix 1, and for each rock sample and moss mat sample on the appropriate sample tables in Appendix 1.

It was intended prior to the 2006 drilling program for SYMC to establish property-specific geochemical standards from saved drill core sample rejects, to be used in current and future quality assurance and quality control programs. However, no appropriate source materials were available after the 2005 drilling program, and the first appropriate materials only became available with the MC2 Zone intercept achieved in drill hole MC-06-01 in September, 2006. Therefore, the all the core pulps and rejects from drill hole MC-06-01 (samples # 312930 to 312983 inclusive) were returned to the custody of the author for the future creation of a series of analytical standards for the Macktush property, to be used in subsequent exploration programs by SYMC. The costs to create such standards can be borne by the next exploration budget approved by the Company. SYMC neither obtained nor systematically submitted certified blank samples along with other core samples submitted to Acme during the 2005 drilling program, but the numerous modified button samples taken and analyzed did serve to confirm minimal contamination during sample preparation and analyses by Acme. The samples containing little or no sulphide mineralization which were button-sampled generally yielded low or nil values of copper, silver and gold.

## **DATA VERIFICATION**

The quality control measures applied in all stages of SYMC's 2006 exploration program on the Macktush property were to industry standards and resulted in reliable, high quality data being collected and documented, both in the diamond drilling and prospecting programs. In the 2006 diamond drilling program, the four primary drill targets (Moly, Jack and Zinc Veins and the MC Zone) exposed in surface trenches were successfully intersected and thereby verified structurally in all 10 drill holes which tested them. The fifth drill target (Sara Vein) was probably

intersected in the single hole which tested it, but many other vein structures were also intersected so there is some doubt regarding structural continuity.

Two of the four primary 2006 drill targets (Zinc Vein and MC Zone) were chip sampled in 1996 (Carter and Davey, 1997) as compiled by the author (Houle, 2007) in trenched outcrops, many of which are no longer exposed and available for verification, and none which were geo-referenced at the time of sampling. This applies to the Fred and David veins as well, which were not drill targets in 2006. Note that the upper Fred Vein in previous documentation has been renamed the Zinc Vein in 2006, since it is non-contiguous with the Fred Vein.

In 2006, the author geo-referenced, mapped and representatively chip sampled eight (8) exposed trenches using eighteen (18) separate samples in six (6) target areas, consisting of the following:

- Jack Vein – 1 trench – 3 samples (# 312701-703 inclusive)
- Zinc Vein – 3 trenches – 6 samples (# 312704-706; 312709, 312713-714)
- Fred Vein – 1 trench – 1 sample (# 312716)
- Moly Vein – 2 trenches – 2 samples (# 312708, 312715)
- Sy Vein – 1 trench – 3 samples ( # 312710-712 inclusive)
- MC Zone - 1 trench – 3 samples (# 312720-722 inclusive)

All representative chip samples were taken in duplicate with reference samples cut into slabs and analyzed by the author with a microscope. The values of copper obtained in the analyses of the quartz-sulphide vein/stringer zone samples from the five Macktush area vein targets were much lower than the visual estimates made by the author of copper-bearing minerals in corresponding reference samples. The sulphide mineralogy from the veins/stringer zones consisted of pyrite, chalcopyrite and minor bornite, sphalerite and tetrahedrite, and the correlations of copper, silver and gold were consistently positive in the analyses, but much lower in values than both visual estimates from hand specimens and the analytical results from the 1996 trench sampling. These discrepancies have not been resolved to the satisfaction of the author.

No attempts were made in 2006 to duplicate (twin) any of the 1987-88 diamond drill intercepts from the Fred Vein, but a reasonable attempt was made to geo-reference the drill collars, and to compile the Fred Vein drill data into a digital format. It was determined by the officers of the Company that the 2006 drilling capacity would be best utilized attempting to expand the mineral resources on multiple known targets than to increase confidence on one specific target. Unfortunately, the values of gold, silver and copper achieved in the 2006 drill intercepts from the Moly, Jack and Zinc Veins were consistently much lower than most of the 1987-88 drilling program intercepts and the documented 1996 trench sampling results from the Zinc Vein. These discrepancies have not been resolved to the satisfaction of the author. However, the values of gold, silver and copper in the 2006 drill intercepts were generally consistent with those from the 2006 trench sampling results.

The values of copper obtained in the quartz-sulphide vein/stringer zone drill intercepts from the three MC Zone copper-gold-silver targets tested generally corresponded well to the visual estimates of copper-bearing minerals in each sample made by the author using a microscope while core logging. This also applied to the representative chip sampling by the author from the trenched surface exposure of the interpreted MC1 Zone. The sulphide mineralogy from the intercepts consisted of pyrite, chalcopyrite and minor bornite and tetrahedrite/tennantite, and the correlations of copper, silver and gold were consistently positive in all significant drill intercepts. Therefore, the author used visual sulphide mineralogy estimates to successfully predict the copper values subsequently obtained from each sample interval, thereby verifying the analyses of at least one of the three major commodities of interest in the drill core obtained from those targets. However, the values of copper, gold and silver in the drill intercepts in all zones were much lower than those from the documented 1996 trench sampling results from the interpreted MC2 Zone. This discrepancy has not been resolved to the satisfaction of the author.

All 288 select rock grab samples were taken in duplicate with reference samples cut into slabs and analyzed by the author with a microscope. Generally, the correlation was very good between visual estimates of sulphide minerals and major elements iron and copper in reference specimens, and geochemistry and assays received from the corresponding samples sent for analyses.

## **ADJACENT PROPERTIES**

There are no significant, active mineral exploration or development projects occurring on properties adjacent to those held by SYMC. The Cous Creek property owned by Clive Ashworth is located within an embayment of SYMC's Macktush property, was covered by SYMC's 2005 airborne geophysical survey, and may have strategic value to the Company. The nearest active project is by Bitterroot Resources Ltd. who optioned the Debbie developed prospect and 900 Zone prospect (MINFILE's 092F079 and 092F331) from Mineral Creek Ventures Inc. and completed a surface drilling program on their Mineral Creek Project in 2005 which continued in 2006 (Bitterroot Resources website). The Mineral Creek Project is immediately west of and adjacent to SYMC's Cameron Valley Project, east of Port Alberni.

## **MINERAL PROCESSING AND METALLURGICAL TESTING**

There is anecdotal evidence for the existence of historic past producers of copper, silver and gold from several locations along the Alberni Inlet dating back to the late 1800's and early 1900's. This includes the Dauntless Vein, which is listed as a prospect in MINFILE (B.C. M.E.M. MINFILE 092F168), implying a lack of documented past production. These past producers allegedly mined small quantities of high grade ore from shallow adits and shafts, and shipped the ore directly to smelters in the Pacific Northwest. All that remains of these



occurrences are poorly-located, largely overgrown mine workings and muck piles, which are considered to be naturally reclaimed. No modern mine workings or processing facilities exist on any of SYMC's mineral properties.

## MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

As a result of the structural continuity established in the 2006 diamond drilling program completed on the four primary target areas on the Macktush property, the author was able to use this high quality sub-surface data to estimate indicated mineral resources for all four target areas to established standards. These include the Moly, Jack, and Zinc Veins, and the MC1, MC2 and MC3 Zones. The author also used similar procedures to estimate indicated mineral resources for the Fred Vein. The indicated mineral resources for two of the areas (Fred Vein and Zinc Vein) supersede and replace the inferred mineral resources estimated for the Fred Vein by David Pawliuk, P.Geol. in 2002. The author in part and Mr. Pawliuk exclusively relied on the chip sampling of surface trenches by Mr. Robert Davey, P.Eng. for the Fred/Zinc Vein. The author was able to successfully integrate the 2006 drilling data, the 1987-88 drilling data, and Mr. Davey's sampling data for the Fred (& Zinc) Veins and the MC Zone (Carter and Davey, 1997). All available data was taken at face value, regardless of the unexplained discrepancies listed in the Data Verification section of this report.

The indicated mineral resources for each of the seven (7) veins/zones, including those using 1g/t gold block cut-off grades for four of the veins, is shown in detail in the Mineralization section of this report, and summarized as follows:

Vein/Zone	Tonnes	Gold g/t	Silver g/t	Copper %	Category	Source
Fred Vein	65,475	13.91	48.1	0.59	Indicated	Houle, 2007
Zinc Vein	35,710	8.97	44.5	0.57	Indicated	Houle, 2007
Jack Vein	13,994	2.00	0.8	0.02	Indicated	Houle, 2007
Moly Vein	504	4.27	1.5	0.01	Indicated	Houle, 2007
MC1 Zone	21,851	0.26	6.9	0.43	Indicated	Houle, 2007
MC2 Zone	138,499	0.33	5.2	0.47	Indicated	Houle, 2007
MC3 Zone	17,618	0.38	1.0	0.05	Indicated	Houle, 2007

The methodology of estimating the indicated mineral resources for each of the four steeply dipping Macktush area veins used by the author was identical. This consisted of first estimating a polygonal area of influence surrounding each data point projected horizontally onto the vertical long section for each interpreted vein, extrapolating up to 25 metres from each data point and interpolating up to 100 metres midway between data points (50 metres from each point) to establish the limits of each polygon. No correction was made for projecting a dipping zone horizontally to the vertical plane. The horizontal thickness was used for each data point, which was assumed to equal the drill intercept length for all drill or trench intercepts. The polygons for each vein were made contiguous to one another as long as continuity along each vein could be reasonably interpreted.

The tonnages for each mineral resource block on the four Macktush area veins were calculated using the horizontally projected area of each polygon multiplied by the intercept length of each data point multiplied by a density factor for each

zone. Density factors were assumed to be 2.8 grams per cubic metre for all four veins, corresponding to the average density for the host rock, being generally quartz diorite (Berkman, 1989). The grades for each block were assigned from the respective drill or trench intercept of each corresponding data point. Therefore, each indicated mineral resource is un-cut, un-diluted and in-situ. No minimum thickness was applied to any block, other than the sampling lengths established when logging core or sampling trenched outcrops or adits. There may exist some opportunities for compositing multiple intercepts to increase tonnages, or selecting only the best intercept to increase grades, but generally the most logical intercepts honouring vein or zone boundaries were used by the author in establishing intercepts.

For each of the four Macktush area veins, the author decided to use variable block cut-off grades using three arbitrary threshold values of the primary metal of interest for each zone, being gold, for consistency with the David Vein resource estimate (Houle, 2006). Block cut-off grades of 0, 1 and 10 grams per tonne were used, and the mid-point threshold value of 1 g/t gold was selected for reporting the mineral resources.

For the MC1-3 zones, primarily because of the subjective and varied interpretations of the dips of the three zones, the methodology used for estimating the indicated mineral resources was slightly different than for the Macktush area veins. The main difference for the MC zones consisted of first interpreting each zone as a rectangular or trapezoidal shape centred around each data point, extrapolating up to 25 metres from each data point and interpolating up to 50 metres midway between data points (25 metres from each point) on one of two cross sections, each centred on one of the 2006 drill sections which were 40 metres apart. Then, each zone was projected horizontally onto the vertical long section for each interpreted zone, extrapolating up to 25 metres from each data point and interpolating up to 100 metres midway between data points (50 metres from each point) to establish the limits of each polygon. The polygons for each zone were made contiguous to one another as long as continuity along each zone could be reasonably interpreted.

The tonnages for each mineral resource block on the three MC zones were calculated using the cross sectional area multiplied by the long sectional length multiplied by a density factor. Density factors were assumed to be 3.0 grams per cubic metre for all three zones, corresponding to the average density for the host rock, being generally basalt (Berkman, 1989). The grades for each block were assigned from the respective averaged drill or trench intercept of each corresponding data point. Therefore, each indicated mineral resource is un-cut, un-diluted and in-situ. No minimum thickness was applied to any block, other than the sampling lengths established when logging core or sampling trenched outcrops. There may exist some opportunities for compositing multiple intercepts to increase tonnages, or selecting only the best intercept to increase grades, but generally the most logical intercepts honouring vein or zone boundaries were used by the author in establishing intercepts.

The indicated mineral resource estimates for all six veins/zones are clearly too small and/or of too low grades to consider being subjected to scoping or other economic studies at this time. However, the estimates do provide baselines from which to measure possible future increases in mineral resources if additional drilling or other work is successful in increasing the sizes and/or grades of the veins/zones, as per the Recommendations section of this report.

## **OTHER RELEVANT DATA AND INFORMATION**

All work to date by SYMC on its owned and optioned properties in the Port Alberni area has been conducted through valid exploration permits issued, and adhering to the environmental standards imposed, by the Mining Division of the British Columbia Ministry of Energy, Mines and Petroleum Resources. However, exploration work on all the properties is still at a very early stage. The Dauntless access road along the west shore of the Alberni Inlet and the Mackush Bowl Zone access road will have a much greater environmental impact than anything previously undertaken by the company. Baseline environmental sampling and monitoring program for all the properties should be established and maintained.

Several material assumptions were made in preparing this report. Perhaps the most significant assumption is that metal mining and mineral exploration are considered to be socio-politically acceptable and environmentally permissible activities in the Port Alberni area by local residents and by the provincial and federal environmental permitting agencies. No new metal mining and milling operation has been permitted on Vancouver Island since the 1970's, and mineral exploration activity on the island has only recently started to increase. The only currently operating metal mining and milling operation on Vancouver Island is Myra Falls, which faces constant struggles against anti-mining organizations, and until recently, low market prices for zinc, the primary commodity it produces. If SYMC discovers one or more major mineral deposits on its properties and decides to install a large mining and processing facility in the Port Alberni area, the social and environmental repercussions are completely unknown. Another significant assumption is that the security of SYMC's mineral tenure for its properties in the Port Alberni area will not be adversely impacted by any future aboriginal land claims resulting from the ongoing treaty process. It has been assumed that the Ministry of Energy, Mines and Petroleum Resources will continue to act as the lead government agency in permitting activities, and that it will be effective in this role on behalf of SYMC and its projects.

Natural disasters such as earthquakes and related tsunamis occur periodically on Vancouver Island. Port Alberni is especially susceptible to tsunamis due to the shape of the Alberni Inlet, as evidenced by the last significant tsunami that devastated much of the city in the 1960's. Such a tsunami could adversely impact exploration and mining operations near tidewater along the Alberni Inlet, which bounds the eastern side of SYMC's properties. This is a risk that can be mitigated by standard insurance policies, if and when deemed appropriate.

## **INTERPRETATIONS AND CONCLUSIONS**

SYMC's Port Alberni mineral properties remain very worthy of continued industry-standard, systematic, phased exploration work. In 2006 the Company completed two technically sound and fully documented exploration work programs on its core property, for the second consecutive year. The focused, multi-target diamond drilling program increased knowledge and confidence in the geology and mineralization on five known targets, so that indicated mineral resources have now been established on eleven (11) veins/zones in three target areas on the Macktush property since 2005. The 2006 prospecting program following up the multi-parameter airborne geophysical survey flown in 2005 discovered four (4) new mineral occurrences in two of three priority target areas prospected, with two others remaining to be fully prospected. The Rex area in particular warrants top priority and systematic, phased exploration work targeting porphyry copper-molybdenum-gold deposits. The Cous area which surrounds the MC zones also warrants additional phased exploration work targeting copper-gold-silver vein, skarn and possible porphyry deposits as well. However, the Cous area requires acquisition of adjacent mineral tenures prior to any significant future exploration programs. The spatial and genetic relationships between the known and generally narrow gold-silver-copper vein deposits and any possible larger bulk mineable deposits on the properties still need to be understood and exploited as a priority in the author's opinion.

Although the 2006 drilling program yielded intercept grades consistently and significantly below expectations, the detailed observations of the characteristics of the various vein/zones as listed in the Mineralization section are significant. The 2006 drilling program met the objective of effectively establishing structural continuity of four target areas tested, thereby permitting the estimation of new indicated mineral resources in seven veins/zones. The question still remains whether any of these narrow gold-silver-copper vein targets in the Macktush veins area contains sufficient grade continuity to be economically viable. Additional drilling to fully delineate one or more of these targets is required to answer this question, and may be justified in prioritized and phased programs, pending the results of the necessary reconciliation of discrepancies as outlined in the Data Verification section of the report. However, narrow vein exploration should not be the Company's primary focus for the Macktush property, in the author's opinion, but rather large, bulk mineable porphyry and related massive replacement skarn type deposits.

## **RECOMMENDATIONS**

A two-phase budget of \$2.0 million is proposed by the author to continue both reconnaissance and focused exploration programs on the Macktush property. The reconnaissance programs are aimed at the discovery and initial delineation of new mineral deposits. The focused programs are designed to improve and upgrade the new mineral resources established in the MC zones, and to establish new mineral resources in the surrounding Cous area, and in the large

Rex area. The proposed programs are summarized in Table 5, followed by detailed budgets.

**Table 5**  
**Proposed Exploration Program Budget Summary**

Item	Phase 1	Phase 2	Phase 1+2
Rex Area – drilling	\$ 335,000	\$ 640,000	\$ 975,000
MC Zones – drilling	85,000	140,000	225,000
Cous Area – drilling & prospecting	115,000	140,000	255,000
West Area – prospecting	45,000	115,000	160,000
South Area – prospecting	45,000	115,000	160,000
Other Target Areas – prospecting	45,000	115,000	160,000
<u>Contingency (5%)</u>	<u>33,500</u>	<u>63,250</u>	<u>99,750</u>
<b>Totals</b>	<b>\$ 703,500</b>	<b>\$1,328,250</b>	<b>\$2,031,750</b>

A minimum of \$703,500 is proposed to cover 1 phase work consisting of drilling on six (6) targets in two areas and prospecting the rest of the targets on the Macktush property, including 5% contingencies.

### **Rex Area**

A 2-phase program and budget of \$975,000 is proposed to carry out sufficient diamond drilling over the 5 by 4 kilometre Rex area to a depth of 500 metres to establish indicated mineral resources in a large, disseminated deposit if found in Phase 1 work. Initial geological mapping is required to establish optimal locations and orientations for Phase 1 drilling to consist of 5 widely spaced 500 metre deep holes which should intersect a large deposit if it exists in the area. Phase 2 drilling should delineate the aerial limits of, and establish the minimum continuity requirements for indicated mineral resources on, a large disseminated deposit if it exists at not too great a depth below surface.

#### **Phase 1 Exploration Drilling:**

Geological Mapping – 1 Geologist @ 2 wks.	\$ 7,500	
Trenching – 1 excavator @ 1 wk.	7,500	
Diamond Drilling – 2500 metres @ \$125/metre	312,500	
Modeling & Reports – 1 Geologist @ 2 wks.	<u>7,500</u>	
		<b>\$335,000</b>

#### **Phase 2 Definition Drilling: Conditional on Phase 1**

Diamond Drilling – 5000 metres @ \$125/metre	\$625,000	
Modeling & Reports – 1 Geologist @ 4 mo.	<u>15,000</u>	
		<b><u>\$640,000</u></b>

**Total Phase 1 + 2 Rex area** **\$975,000**

### **MC Zones**

A 2-phase program and budget of \$225,000 is proposed to follow up successful results obtained in the 2006 drilling program on the MC 1-3 Zones. Phase 1 mapping, trenching/trail construction and drilling should delineate the aerial extents of the three quartz-calcite-sulphide zones and possible related skarns, initially to the southwest where they appear to converge and the grades appear to increase. Phase 2 drilling will establish minimum continuity requirements for indicated mineral resources on one or more clustered deposits of these types.

**Phase 1 Delineation Drilling:**

Geological Mapping – 1 Geologist @ 2 wks.	\$ 7,500	
Trenching/Trail construction – 1 excavator @ 1 wk.	7,500	
Diamond Drilling – 500 metres @ \$125/metre	62,500	
Modeling & Reports – 1 Geologist @ 2 wks.	<u>7,500</u>	
		<b>\$ 85,000</b>

**Phase 2 Definition Drilling: Conditional on Phase 1**

Diamond Drilling – 1000 metres @ \$125/metre	\$125,000	
Modeling & Reports – 1 Geologist @ 1 mo.	<u>15,000</u>	
		<b><u>\$140,000</u></b>

**Total Phase 1 +2 MC Zones** **\$225,000**

**Cous Area**

A 2-phase program and budget of \$255,000 is proposed to follow up both new outcrop discoveries and elevated values in stream moss mats made in the 2006 prospecting program in the Cous Area. Detailed target mapping, chip sampling, and probable trenching and initial diamond drilling, are required at each outcrop discovery, and follow-up prospecting is required to locate bedrock sources of moss mat geochemistry anomalies. It is a reasonable expectation that at least one of the new occurrences will require phase 2 delineation drilling as well.

**Phase 1 Exploration:**

Prospecting – 2 Prospectors @ 1 mo. + expenses	\$ 20,000	
Geochemistry – 75 samples @ \$33 each	2,500	
Geological Mapping – 1 Geologist @ 2 wks.	7,500	
Trenching/Trail construction – 1 excavator @ 2 wk.	15,000	
Diamond Drilling – 500 metres @ \$125/metre	62,500	
Modeling & Reports – 1 Geologist @ 2 wks.	<u>7,500</u>	
		<b>\$115,000</b>

**Phase 2 Delineation Drilling: Conditional on Phase 1**

Diamond Drilling – 1000 metres @ \$125/metre	\$125,000	
Modeling & Reports – 1 Geologist @ 1 mo.	<u>15,000</u>	
		<b><u>\$140,000</u></b>

**Total Phase 1 + 2 Cous Area** **\$255,000**

### **West, South and Other Areas**

Three, two-phase budgets of \$160,000 each are proposed for each of the two priority airborne conductivity targets not fully prospected in 2006 (West and South Areas) and a similar amount to target all other 1-3 point priority airborne conductivity targets on the Macktush property. Each of these three budgets is identical in details as shown below, and is listed separately in budget summary Table 5 above. It is a reasonable expectation that at least one of the target areas will require phase 2 mapping, trenching and exploration drilling as well.

#### **Phase 1 Follow-up:**

Road/Trail rehabilitation – 1 excavator @ 2 wks.	\$ 15,000	
Prospecting – 2 Prospectors @ 1 mo. + expenses	20,000	
Geochemistry – 75 samples @ \$33 each	2,500	
Modeling & Reports – 1 Geologist @ 2 wks.	<u>7,500</u>	
<b>Total</b>		<b>\$ 45,000</b>

#### **Phase 2 Exploration: Conditional on Phase 1**

Geological Mapping – 1 Geologist @ 2 wks.	\$ 7,500	
Trenching – 1 excavator @ 2 wks.	10,000	
Sampling, Mapping – 1 Geol. +1 Pros. @ 2 wks.	17,500	
Geochemistry – 75 samples @ \$33 each	2,500	
Diamond Drilling – 500 metres @ \$125/metre	62,500	
Modeling & Reports – 1 Geologist @ 1 mo.	<u>15,000</u>	
<b>Total</b>		<b><u>\$115,000</u></b>

<b>Total Phase 1 + 2 West, South and other areas (Each)</b>	<b>\$160,000</b>
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## CERTIFICATE OF QUALIFICATIONS

I, Jacques Houle, P.Eng. Do hereby certify that:

1. I am currently employed as a consulting geologist by:  
Jacques Houle, P.Eng. Mineral Exploration Consulting  
6552 Peregrine Road, Nanaimo, British Columbia, Canada V9V 1P8
2. I graduated with a Bachelor's of Applied Science degree in Geological Engineering with specialization in Mineral Exploration from the University of Toronto in 1978.
3. I am a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia, the Society of Economic Geologists, and the Association for Mineral Exploration British Columbia, and the Vancouver Island Exploration Group; I am also a member of the Technical Advisory Committee for Geoscience B.C.
4. I have worked as a geologist for 29 years since graduating from university, including 5 years as a mine geologist in underground gold and silver mines, 15 years as an exploration manager, 3 years as a government geologist and 4 years as a mineral exploration consultant.
5. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, membership in a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.
6. I am responsible for the preparation of the technical report entitled "TECHNICAL REPORT FOR THE 2006 DIAMOND DRILLING PROGRAM AND THE 2006 PROSPECTING PROGRAM ON THE MACKTUSH PROPERTY" (the Technical Report). I visited the mineral property extensively between 2000 and 2006.
7. I have had prior involvement with the properties that are the subject of the Technical Report, both as a government geologist and as a consultant.
8. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
9. I am independent of the issuer applying all the tests in NI 43-101.
10. I have read National Instrument NI43-101, Companion Policy 43-101.CP and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument, policy and form.
11. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the company public files on their websites accessible to the public of the Technical Report.

Dated this 26<sup>th</sup> day of January, 2007.



Signature of Qualified Person

Jacques Houle, P.Eng.  
Print name of Qualified Person



Seal of Qualified Person

## Statement of Costs

### 2006 SYMC Macktush Property

Item	Detail	Number	Units	Unit Cost	Total Cost
Management	H.McMaster, Sr.	12	months	3,750.00	45,000.00
Drillers	C.Lessard	7	months (Jun-Dec)	5,500.00	38,500.00
	H.McMaster, Jr.	7	months (Jun-Dec)	3,500.00	24,500.00
Automotive Costs	3 trucks	from cost report			39,370.85
Drilling Costs	various suppliers	from cost report			90,065.75
Exploration Supplies	various suppliers	from cost report			25,710.31
Prospectors	A.Francis	93.80	days (May-Dec)	250.00	23,450.00
	S.Tresierra	75.50	days (May-Dec)	150.00	11,325.00
	R.Harris	24.00	days (May-Jul)	150.00	3,600.00
	D.McMaster	1.00	days	100.00	100.00
Mapping	R.Harris	11.5	days (May-Jul)	150.00	1,725.00
	Meridian Mapping	from cost report			5,978.37
Geologist	J.Houle, P.Eng.	1338.8	hours	60.00	80,330.00
(invoiced Jan-Dec)	J.Houle office	646.4	hours	6.00	3,878.50
	J.Houle field	62.0	hours	6.00	372.00
	J.Houle truck	231.5	hours	24.00	5,555.00
	J.Houle coreshack	196.8	hours	6.00	1,181.00
	J.Houle per diem	1	day	100.00	100.00
	J.Houle GST				5,964.37
Assays	Acme Analytical	from cost report			18,368.55
Geophysical	VOX Geosciences	from cost report			6,000.00
<b>TOTALS</b>					<b>431,074.70</b>