GEOLOGICAL and METALLURGICAL

REPORT

on the

IRON ROSS PROJECT

(TENURE #503831)
MX-8-216
SAYWARD AREA, ELK CREEK
NANAIMO MINING DIVISION
N.T.S. 92K/05W (92K.031)
LONGITUDE 125°58'20"/ LATITUDE 50°18'42"N

For

Eagle Industrial Minerals
7 Fielding Circle
Mill Valley, California, USA
94941
Phone: 415-381-4300/Fax: 415-381-6570
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By

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Consulting Geologist
Quarry Supervisor #98-3550

March 31, 2007

Work Completed Between February 3, 2006 and February 3, 2007

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SUMMARY

1) The Iron Ross Claim (503831) (totalling 42 cells or 866.9 ha) cover 4 main magnetite showings. Metallurgical testing was completed in 2006 and 2007.

2) The area is 6 km from tidewater on Kelsey Bay at the town of Sayward and about 52 km north of Menzies Bay.

3) The two main undeveloped magnetite showings are a short distance (400m) west of the past producer called the Iron Mike.

4) Initial resources at the Iron Mike mine were estimated to be approximately 700,000 tons to 1.15 million tons @ 62% Fe (Atherton, 1983). Mining took place in 1965-1966. Drilling by 1965 had delineated reserves of 688,277 tonnes proven and 266,983 tonnes probable grading 43.5% iron (Hill & Stark, 1965). Production by Orecan Mines Ltd. in 1965-1966 totalled 168,735 tonnes (82,862 tonnes of 62.25% concentrate). A further 29,937 tonnes of concentrate was shipped in 1969.

5) Extensive geological mapping, airborne and ground magnetometer work was completed by Dickenson Mines Limited in 1983. Four large ground magnetic anomalies coinciding with massive magnetite outcrops were identified by the 1983 work by Dickenson Mines Ltd.

6) The claims are underlain by garnet-epidote-magnetite skarn, which occurs along the contact between underlying Upper Triassic Karmutsen Formation volcanics and overlying Upper Triassic Quatsino Formation Limestone.

7) The largest magnetic anomaly is called the Iron Ross (formerly the Iron Dick). As defined by the 5000 gamma fluxgate contour its dimensions are 120m by 60m. Massive magnetite assayed (in 1983) 64.15% soluble Fe.

8) A small massive magnetite showing 500m northwest of the anomaly was sampled in 1997 using a saw to cut a channel sample. Immediately north of this showing is the Iron Steve Deposit which about 4,700 tonnes of massive magnetite was produced in 2006.

9) Trenching in February 2002 has exposed the massive magnetite outcrop on the Iron Ross Zone over a length of 60m and thickness of at least 4m. Thirteen diamond drill holes were drilled at the Iron Ross Zone prior to 1965. However, the results of this drilling is not currently available.

10) Specific Gravity measurements average 5.1 with the following assay results

Al_2O_3	CaO	Fe_2O_3	K_2O	MgO	MnO	Na_2O	P_2O_5	SiO_2	Zn	V	S
0.46	0.47	91.00	0.79	0.16	0.21	0.29	0.05	2.95	330	14	<0.01

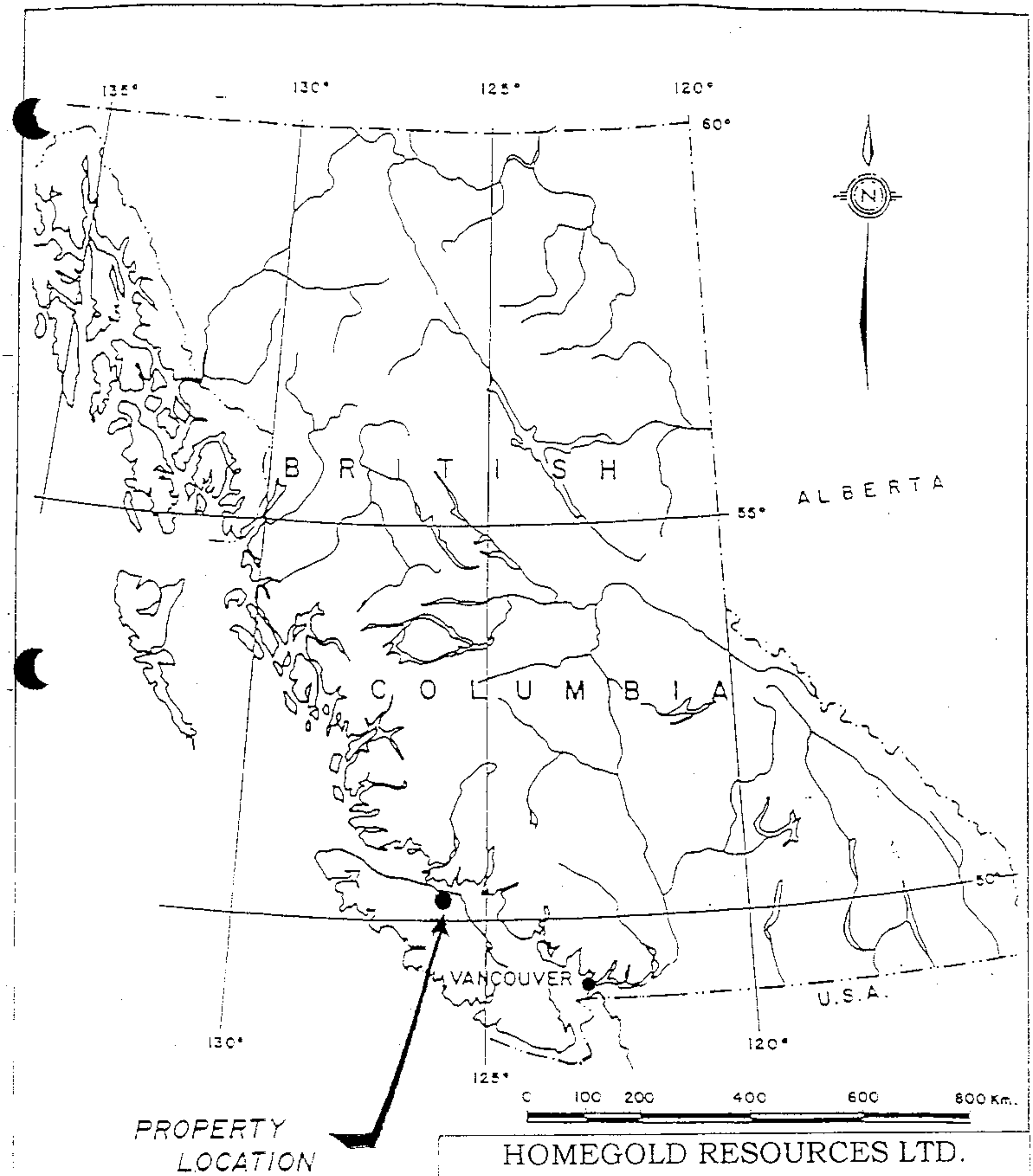
11) 400m south of the Iron Ross is the Iron Bethea (formerly the Iron Mac) anomaly measuring 60m by 40m indicates a shallow southwest dip. Massive magnetite assayed (in 1983) 63.1% soluble Fe. Eight diamond drill holes were completed at the Iron Bethea Zone prior to 1965. However, the results of this drilling is not currently available.

12) The Iron Herb I and Iron Herb II magnetometer anomalies occur 750m north of the Iron Ross showing. Assays for skarn and magnetite at the poorly exposed Iron Herb II (1983) is 26.0% soluble Fe.

13) A program of mining up to 300,000 tonnes of magnetite is proposed for later 2007 and 2008.

Respectfully submitted,

J. T. Shearer, M.Sc., P.Geo.
March 31, 2007



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IRON ROSS PROJECT

ROSS CLAIMS
LOCATION MAP

NTS 92H/05W	September 2001	SCALE as shown

INTRODUCTION

The Iron Ross Project is approximately 6 km from tidewater, west of the Community of Sayward, B.C. The main showings of massive magnetite are 700m west of the Iron Mike Mine, which operated in 1965-1966, producing from 168,735 tonnes about 112,799 tonnes of 62.26% iron concentrate. Metallurgical testing was conducted in 2006 and 2007

Extensive airborne and ground magnetometer surveys were completed by 1983 by Dickenson Mines Limited, which outline 4 additional large massive to skarn and magnetite zones to the west of the Iron Mike main pit.

Magnetite concentrates from the Iron Mike were apparently shipped (by large ship) out of Menzies Bay 52.2 km to the south. However, as part of a major reorganization of their island operations, the large dryland Log sort operated in Sayward by Weyerhaeuser is scheduled to be phased out during the near future, which may open up opportunities to barge out of Kelsey Bay. Most Weyerhaeuser logs will now go out of Menzies Bay. The Eve River log sort has already been shut down.

Eagle Industrial Minerals Corp. ("Eagle") is continuing development of a magnetite quarry near Sayward, Vancouver Island, British Columbia. In 2005 a bulk sample of approximately 4,700 tons of magnetite was extracted and shipped by barge from Kelsey Bay. The next phase of the Project will include extracting a much larger amount of magnetite from the quarry, crushing and processing the magnetite to the specifications required for use as iron ore, loading onto barges at Kelsey Bay, and transloading to a ship anchored in deeper water nearby.

Magnetite is a naturally occurring iron oxide (chemical formula: Fe_3O_4) and is the most magnetic mineral. Magnetite occurs in a number of forms including crystalline, granular and massive. Massive magnetite is a black, hard, dense (specific gravity about 5.0) rock with high iron content. The magnetite to be mined in this project is massive magnetite occurring near the limestone contact in garnet skarn.

Magnetite's chemical and physical properties make it useful for a number of purposes. One of the largest volume uses of magnetite is as a source of iron for making steel. Pure magnetite is 72.4% iron and 27.6% oxygen by weight, although in nature there are always small amounts of impurities which reduce the percentage of iron below this theoretical level. Customers who purchase magnetite as iron ore for their steel mills want the magnetite to be relatively pure, at least 65% iron. While there are many magnetite deposits in the world, very few deposits have this high a percentage of iron naturally, so raw ore must be concentrated to increase the purity (or "grade"). The magnetite in this deposit is approximately 60% iron prior to any processing, so the concentration process can be relatively simple.

Magnetite can also be used for several other purposes, including as a source of iron for manufacturing cement, purifying water and other chemical purposes, and as a high-density material for coal washing, sand-blasting and producing high-density or radiation-shielding concrete. In May 2005, operating under a bulk sample permit, we produced approximately 4,700 metric tons of magnetite for use in radiation-shielding concrete and shipped that material by barge from Kelsey Bay to a concrete producer in the Vancouver area. For the iron ore phase of the project, we will mine approximately 90,000 metric tons of raw ore from the quarry, and after processing (crushing and magnetic separation), we will produce approximately 70,000 metric tons of high-grade iron ore for delivery by ship to our customer. If this first shipload meets the approval of our iron ore customer, two additional shiploads will be mined, processed and shipped.

Sayward Area

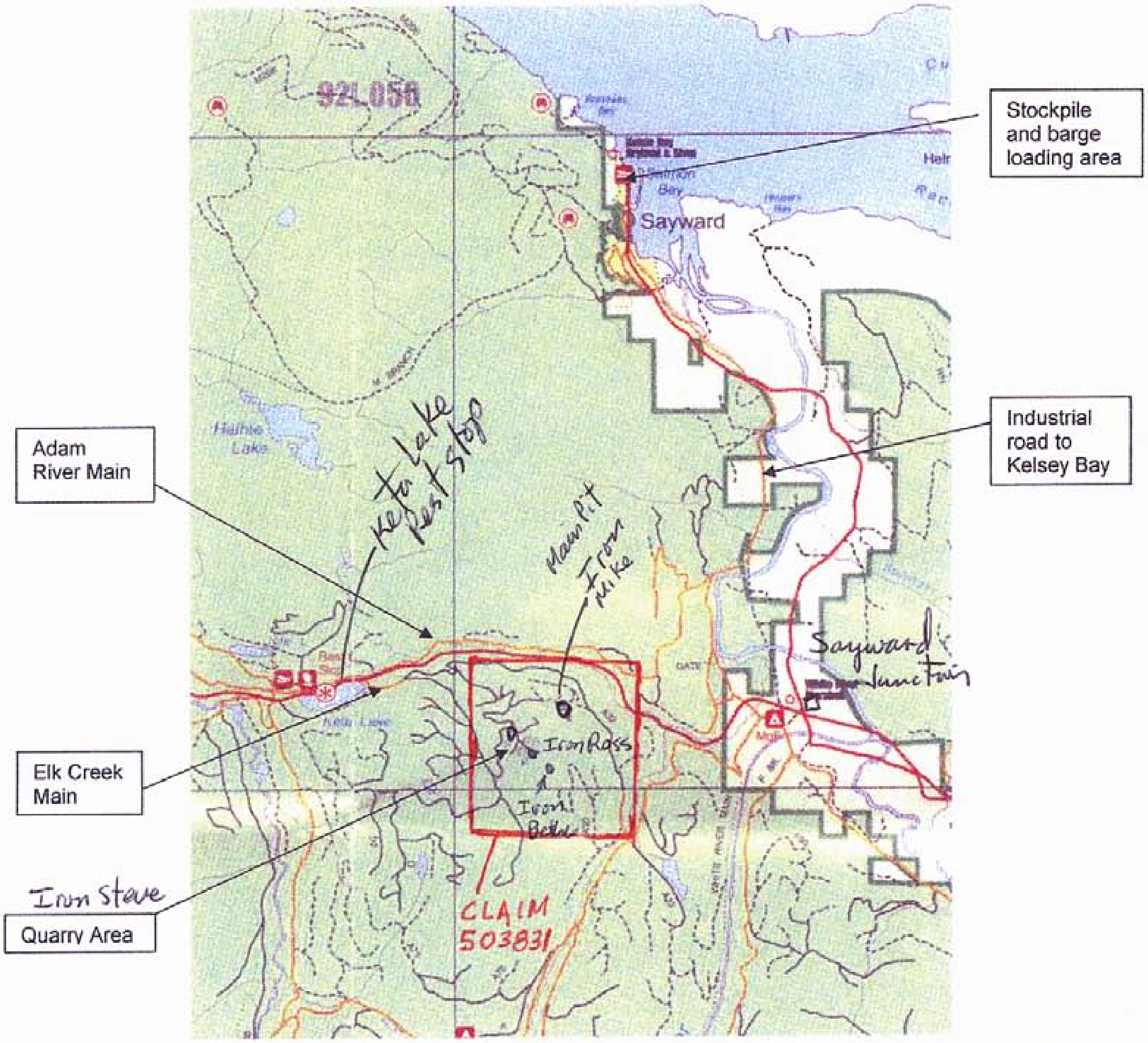

Figure 2
Access Map

Eagle Industrial Minerals Corp. is a Nevada corporation established in 2003, originally under the name of Sechelt Industrial Minerals Corporation, to develop an industrial minerals project on the Sechelt Peninsula. (Eagle is registered to do business in BC under registration number A58577 and holds Free Miner Certificate #145061.) Unfortunately, we discovered flaws in the title to the Sechelt mining claims we were to purchase and develop, so we elected not to pursue the Sechelt project and subsequently changed the name. Eagle has since developed two industrial minerals projects, the Sayward magnetite project and a dolomite project near Jeune Landing.

Eagle is wholly-owned by Charles E. Eaton, a California resident. Mr. Eaton is an investment banker with 27 years of international investment banking experience, including over ten years of experience in the construction materials industry and five years of experience in the industrial minerals industry. Mr. Eaton also owns Eaton Capital Corporation, an investment banking corporation established in 1990 which specializes in the construction materials industry. Mr. Eaton holds a Bachelor of Science in Electrical Engineering from the University of Arizona and a Master of Business Administration from Stanford University.

SIMC currently employs and expects to continue to employ the following technical contractors:

Jo Shearer, M.Sc., P.Geo. – Geologist
Gary Hawthorne, P.Eng. – Process engineer and metallurgist
John Nilsson, P.Eng. – Mining engineer
Paul Steffens, P.Eng. – Marine engineer

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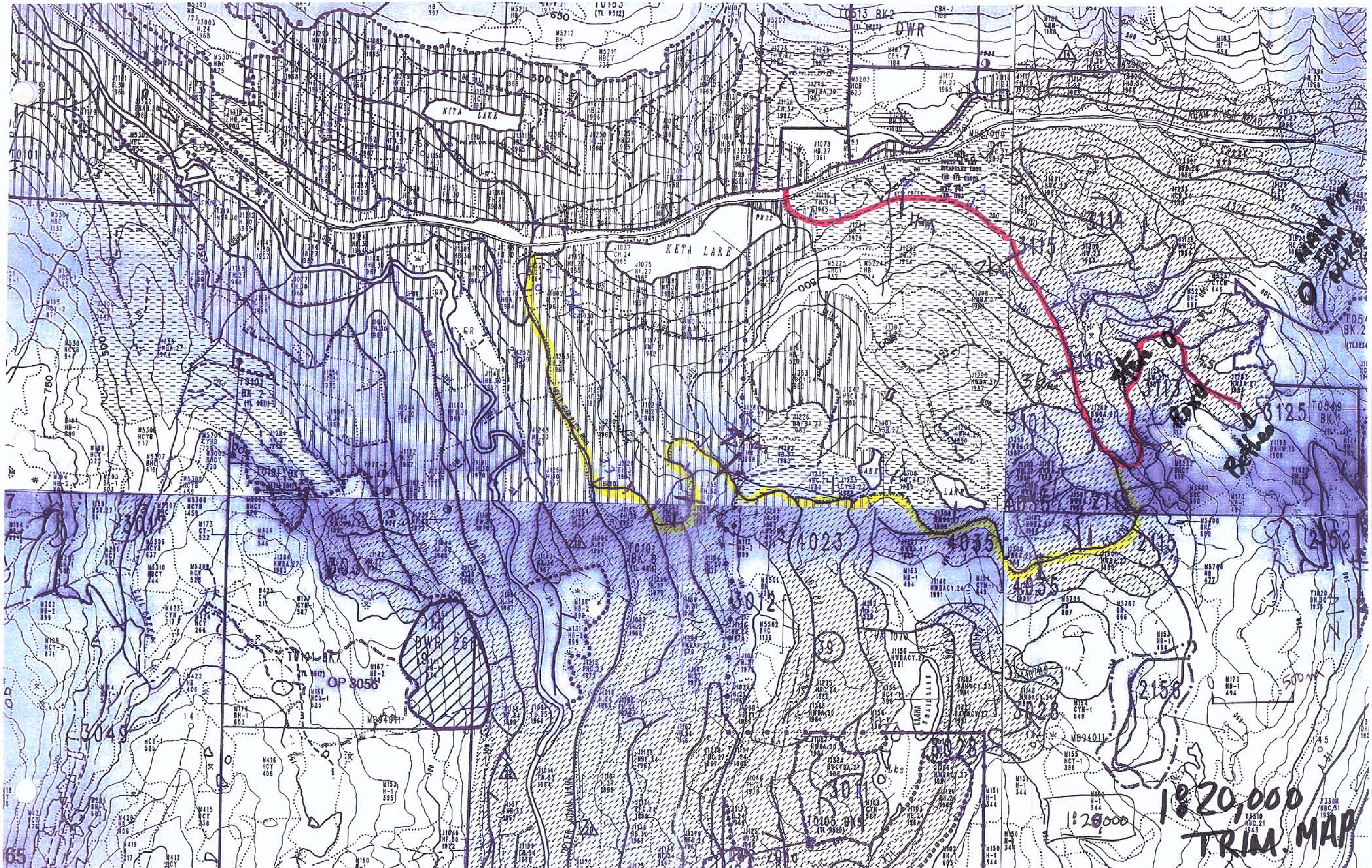


NITA LAKE
KETA LAKE
DWR
DWR 261
OP 8056
1:20,000
TRIM. MAP
1:20000
500 m

LOCATION and ACCESS

The Iron Ross Project is located about 6 km from tidewater at the town of Sayward B.C. Access is currently from the Elk Creek Mainline logging road, which crosses the Island Highway (Hwy 19) just east of the Keta Lake rest stop.

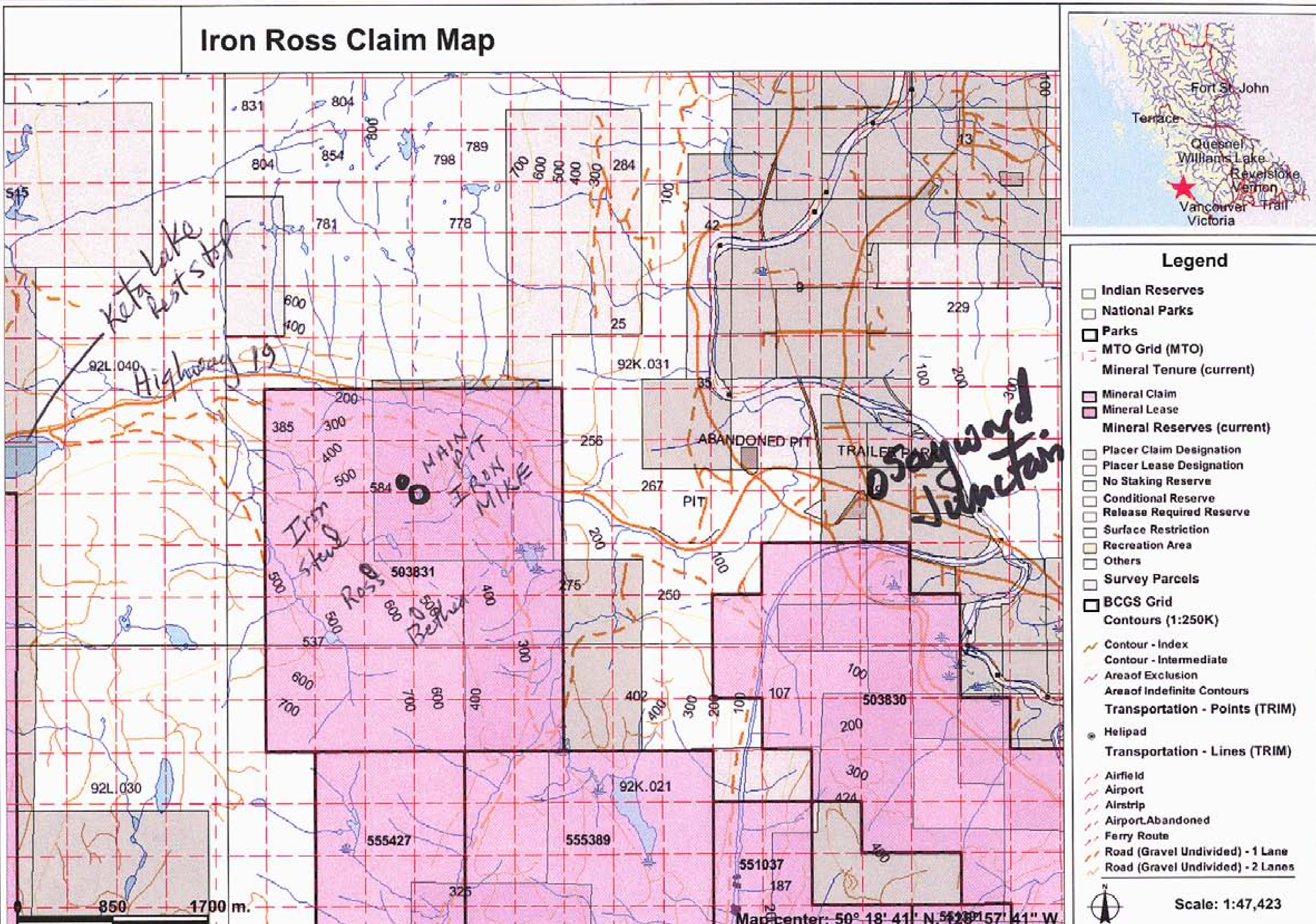
The magnetite showing on the Iron Ross (formerly the Iron Dick) is at 5.13 km along the Elk Creek Mainline from the Highway.

The area is within Tree Farm License #39 owned by Weyerhaeuser (North Island Timberlands, Block 2). Some of the logging in the Sayward Area is done on contract to Weyerhaeuser by Dyer Logging, Superintendent: Bruce Flower, phone 250-282-3381.

Formerly, the Iron Mike Mine area was accessed by the White River road, Branch A and then along the Branch A-32. However, the Bridge on A-30 and 4-32 over Tlowlis (lower Elk) Creek has been recently removed.

The claims have a variety of second growth and old growth patches of forest. Some of the second growth dates to the 1950's and 1960's along A-32 road. The second growth on the Elk Creek Mainline appears to be in the late 1980's and some harvesting is still taking place along A-30 and Elk Creek 500 branch. Elevations range from 800 feet on the east to 3000 feet on the west.

Iron Ross Claim Map



This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

Notes: Iron Ross Claim is503831

CLAIM STATUS

The Iron Ross Project consists of 1 claim as listed in Table I and shown on Figure 3.

TABLE I

List of Claims

Claim Name	Tenure #	Size (ha)	Cells	Date Located	Current Anniversary Date*	Owner
Ross	503831	866.9	42	Aug 29, 2001	Apr 1, 2009	Eagle IMC

*by application of assessment work documented in this report.

The principal area of interest is covered by the Ross mineral claim staked under the MTO (Mineral Titles Online) system which surrounds the Iron Joe and Iron Mike 2-post claims. The Ross claim also includes four additional areas of known magnetite occurrence, the Iron Steve, Iron Ross, Iron Bethea and Iron Herb sites, as shown on the attached map and as more fully described below. Eagle has met with and is in continuing contact with the owners of the Iron Joe and Iron Mike claims and will enter into an agreement with them to mine their claims.

Under the present status of mineral claims in British Columbia, the consideration of industrial minerals requires careful designation of the products end use. An industrial mineral is a rock or naturally occurring substance that can be mined and processed for its unique qualities and used for industrial purposes (as defined in the *Mineral Tenure Act*). It does not include "Quarry Resources". Quarry Resources includes earth, soil, marl, peat, sand and gravel, and rock, rip-rap and stone products that are used for construction purposes (as defined in the *Land Act*). Construction means the use of rock or other natural substances for roads, buildings, berms, breakwaters, runways, rip-rap and fills and includes crushed rock. Dimension stone means any rock or stone product that is cut or split on two or more sides, but does not include crushed rock.

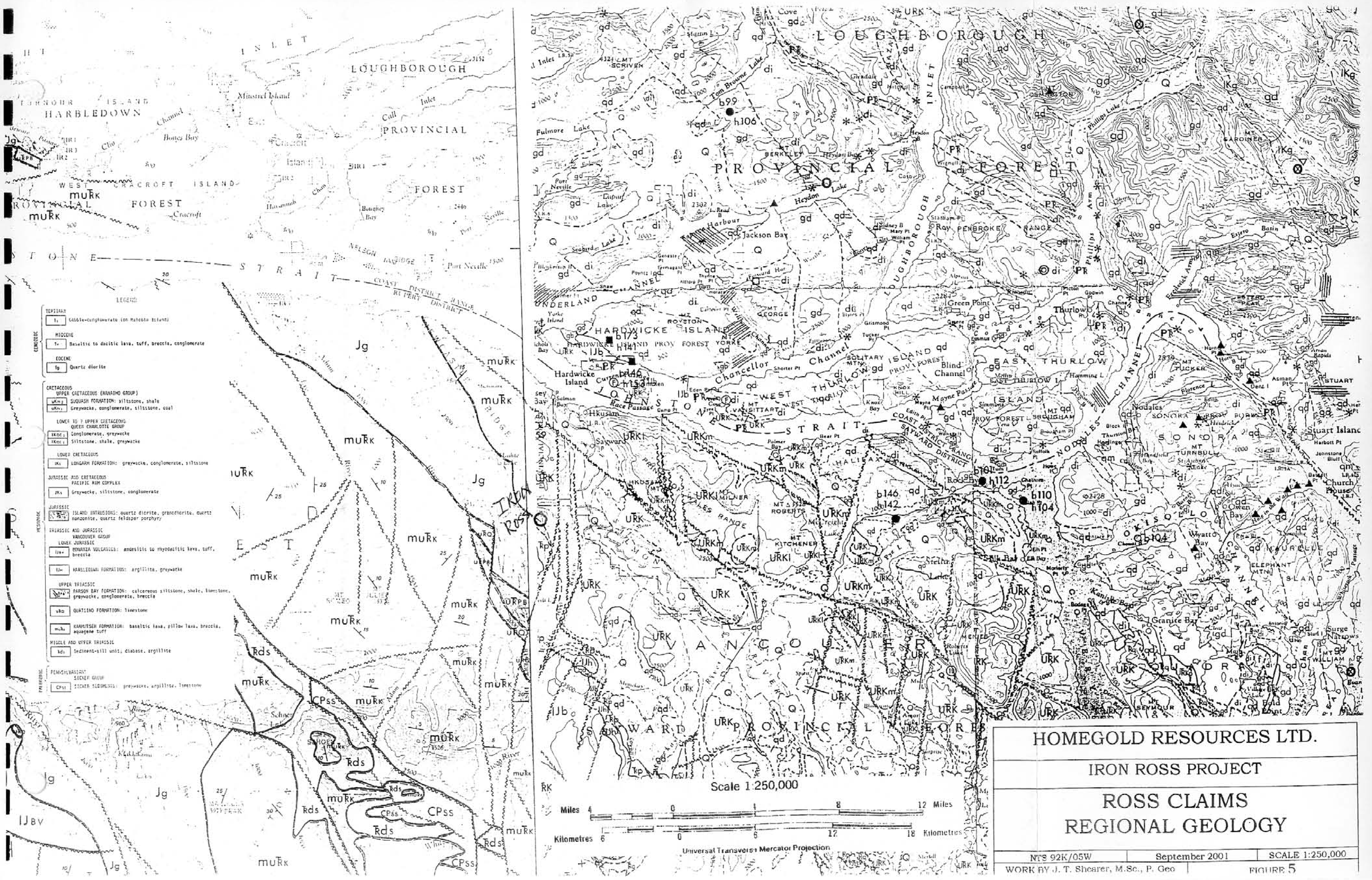
The north part of the Ross Claim was taken up by 2-post claims Iron Mike (231490) and Iron Joe 9231489) but these two claims have now lapsed and are automatically absorbed into Tenure 503831.

HISTORY

The early mining history of the area is closely tied to the development of the Iron Mike mine, with more recent exploration and development of the Iron Steve, Iron Ross, Iron Bethea and Iron Herb magnetite zones.

A summary of the main events is as follows:

- 1959 - Iron ore discovered by R. Hartt.
- 1960 - Property optioned to Marwell Construction from R. Hartt.
  - 19 drill holes for 1924 feet (Ex diameter)
  - 13 were drilled on Iron Mike claim.
  - Dip needle survey over Iron Mike (Main Zone) deposit and Iron Mac, Iron Dick and West Zone deposits (all on Ross Claim)
- 1961 - Hartt & Associates diamond drilling (Ex diameter) (24 drill holes of 2100 feet) and prospecting of claim.
- 1963 - Inter-Can Development Ltd. optioned the property on a ten year renewable lease royalty agreement.
  - Stripping and diamond drilling began, claims assigned to Orecan Mine Ltd.
- 1964 - 5,000 feet diamond drilling by Orecan.
  - Stripping in preparation for open pit mining.
  - Reserves 700,000 tons to 1.15 million tons at 62% Fe.
- 1965-66 - Most of magnetite on Main and West Pit Zones that was available to open pit mining was mined, no detail methods are recorded.
  - Mine closed, mill sold.
- 1969 - Additional stockpiled concentrate sold (29,937 tonnes)
- 1966-1983 - No known work on claims.
- 1983 - airborne Magnetometer by Dickenson Mines Limited followed by geological mapping, extensive sampling and ground magnetometer surveys.
- 1997 - Area staked by J. L. Paquet of Campbell River, who held the claims till 2001.
- 2001 - The area was staked by J. T. Shearer, trenching and bulk sampling Jan.-Feb. 2002 and optioned the claim to Hillsborough in August 2002.
- 2003 - Road construction, bulk sampling, ground magnetometer, percussion drilling, line cutting, geological mapping.
- 2004 - Phase 2 – Percussion drilling, Option to Sechelt Industrial Minerals.
- 2005 - Bulk sample 4,700 tonnes, diamond drilling at Iron Ross and Iron Steve.
- 2006 – Metallurgical studies, marketing work.


LEGEND
TERTIARY
Cobble-conglomerate (on Malcolm Island)
MIOCENE
Basaltic to dacitic lava, tuff, breccia, conglomerate
EOCENE
Quartz diorite
CRETACEOUS
UPPER CRETACEOUS (NANAIMO GROUP)
SUQUASH FORMATION: siltstone, shale
Greywacke, conglomerate, siltstone, coal
LOWER TO ? UPPER CRETACEOUS
QUEEN CHARLOTTE GROUP
Conglomerate, greywacke
Siltstone, shale, greywacke
LOWER CRETACEOUS
LONGARM FORMATION: greywacke, conglomerate, siltstone
JURASSIC AND CRETACEOUS
PACIFIC RIM COMPLEX
Greywacke, siltstone, conglomerate
JURASSIC
ISLAND INTRUSIONS: quartz diorite, granodiorite, quartz monzonite, quartz feldspar porphyry
TRIASSIC AND JURASSIC
VANCOUVER GROUP
LOWER JURASSIC
BONANZA VOLCANICS: andesitic to rhyodacitic lava, tuff, breccia
HARBLEDOWN FORMATION: argillite, greywacke
UPPER TRIASSIC
PARSON BAY FORMATION: calcareous siltstone, shale, limestone, greywacke, conglomerate, breccia
QUATSINO FORMATION: limestone
KARMUTSEN FORMATION: basaltic lava, pillow lava, breccia, aquagene tuff
MIDDLE AND UPPER TRIASSIC
Sediment-sill unit; diabase, argillite
PENNSYLVANIAN
SICKER GROUP
SICKER SEDIMENTS: greywacke, argillite, limestone
CENOZOIC
MESOZOIC
PALEOZOIC
LOUGHBOROUGH INLET
HARBLEDOWN
WEST CRACROFT ISLAND
PROVINCIAL FOREST
JOHNSTONE STRAIT
HARDWICKE ISLAND
EAST THURLOW ISLAND
WEST THURLOW
SONORA ISLAND
CHANCELLOR CHANNEL
VANCOUVER ISLAND
Scale 1:250,000
Miles 4 0 4 8 12 Miles
Kilometres 6 0 6 12 18 Kilometres
Universal Transverse Mercator Projection
HOMEGOLD RESOURCES LTD.
IRON ROSS PROJECT
ROSS CLAIMS
REGIONAL GEOLOGY
NTS 92K/05W
September 2001
SCALE 1:250,000
WORK BY J. T. Shearer, M.Sc., P. Geo
FIGURE 5

REGIONAL GEOLOGY

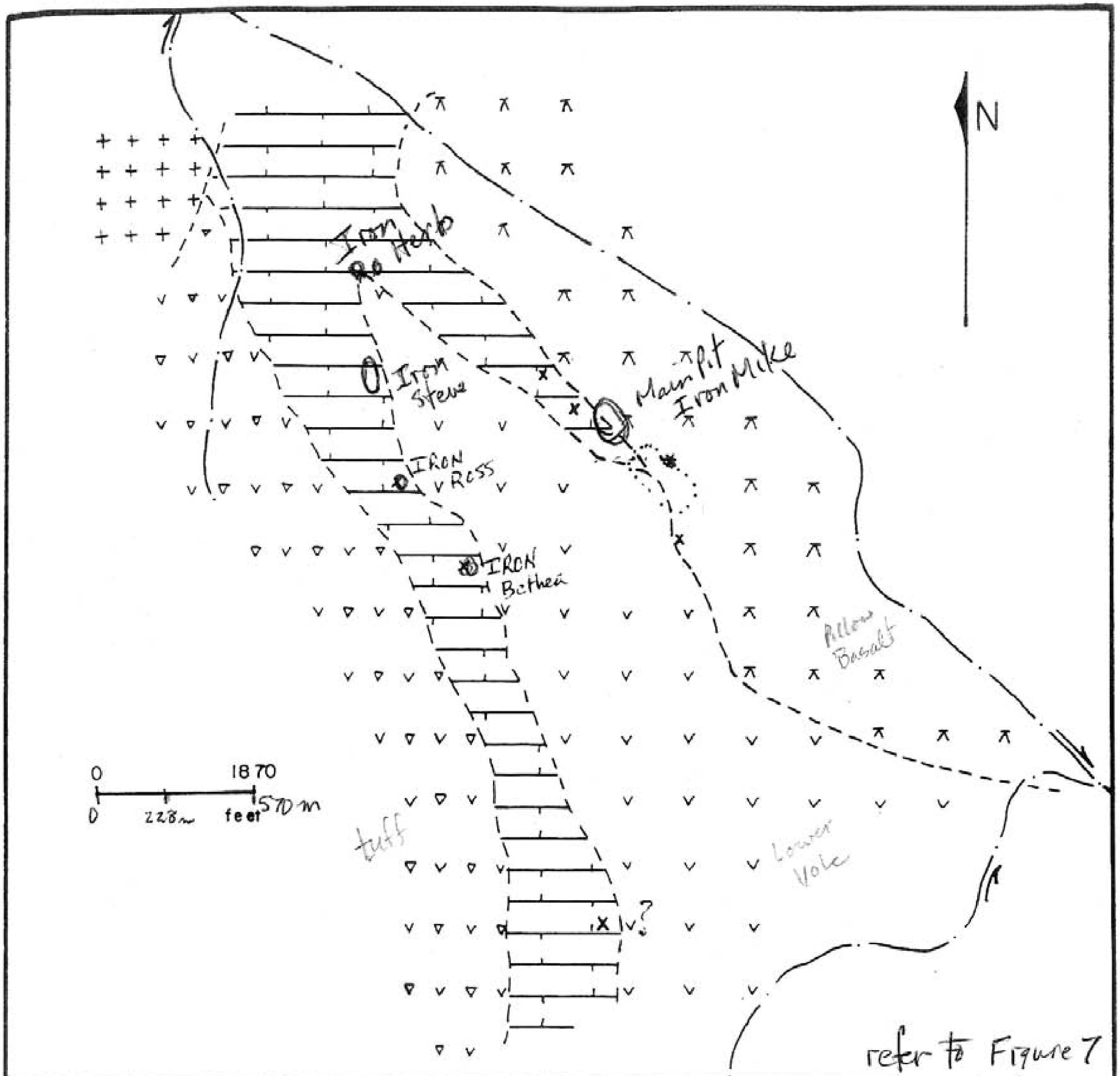
Regional geology has been mapped by Muller etal (1974) (92L) and Roddick (1980) (92K) and is published as Geological Survey of Canada Paper 74-8 on the general area to the west of the Iron Ross Project (Muller, Northcote and Carlise, 1974). Northern Vancouver Island and Adjacent Mainland has a complex structural history with frequent rejuvenation of previous structures. All Paleozoic rocks are affected by a series of southeast trending, upright to overturned, southwest-verging folds. An inspection of the regional geology map, Figure 5 (Roddick, 1980, O.F. 480), shows several elongate, fault-bounded slices of metasedimentary rocks sandwiched between separate plutons of the Coast Plutonic Complex.

The rocks underlying the claim group are part of the eastern limb of regional synclinal structure. The oldest rocks are in the area of Late Triassic, pillowed and porphyritic basalt of the Karmutsen Formation. This formation is estimated to be greater than 3000m thick.

The Quatsino Formation conformably overlies the Karmutsen Formation. The formation consists of Limestone up to 900m thick. Granitic intrusives are common within the formation and the limestone has been, in places, converted to marble and skarn.

The early Jurassic Bonanza Formation conformably overlies the Quatsino limestone. The lower part of the formation is composed of carbonaceous shale, calcareous shale and greywacke, occasional tuff units are present. The upper half of the formation is composed of dacitic to andesitic lavas with tuffs and breccias.

The Adams River intrusive intrudes all of the above rock types. In the Adams River area the intrusive is mainly granodiorite in composition with some quartz diorite along the lower contacts. The intrusive is early Jurassic in age. The contact with the lower Quatsino Formation is concordant in most places.



+ + Granite Intrusion

contact

v ▿ v Tuff

outline of orebody

v v Volcanic Rocks

× magnetite outcrop

Limestone

ㅈ ㅈ Pillowed Basalt

Figure 10 : Sketch geol
(after Hill and Starck, '

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IRON ROSS PROJECT

ROSS CLAIMS LOCAL GEOLOGY

1:95,000

NTS 92K/05W	September 2001	SCALE 1:95,000
WORK BY J. T. Shearer, M.Sc., P. Geo		FIGURE 6

LOCAL GEOLOGY and MINERALIZATION

The area around the Main and West Pit (Iron Mike) areas is underlain by Karmutsen Formation basalt and an intravolcanic band of limestone, which is thought to be part of the Karmutsen Formation rather than the Quatsino Formation. The magnetite occurs on the same horizon as the limestone band and within the basalt (Atherton, 1983).

The volcanics that underlie the limestone and magnetite are pillowed to massive, fine-grained to porphyritic basalts. The pillows indicate tops to be to the west. The volcanics are slightly magnetic to non-magnetic and are generally fine grained. The rocks strike north-south and dip about 25° west. The volcanics are light grey to buff on the weathered surface to dark grey on the fresh surface. The porphyritic rocks contain hornblende phenocryst up to 1 cm long. Slickensides are present along some of the joint planes indicating some movement.

The upper basalt is similar to the lower basalt with more massive porphyritic lava than the pillowed variety. The rock is basically unaltered except in the area of magnetite concentrations. There is a 1-2m band of highly sheared basalt above the magnetite in the Main Pit. The volcanics in the magnetite zone in the West Pit show amphibolite and garnet facies metamorphism. Epidote is common throughout the rock unit.

There is an exposure of limestone along the access road below the Main Pit. The rock is crystalline, granular weathered and pitted. The unit strikes 16° and dips 40° west. Earlier drilling by Orecan indicates the limestone is not continuous (Atherton, 1983).

The magnetite in the Main Pit is dark black crystalline nearly pure magnetite. The magnetite occurs as mainly massive to occasional thin bedded layers. In the West Pit area the magnetite occurs as irregular bands and lenses in a highly altered volcanic. The ratio of magnetite and altered volcanics is variable from section to section. The distribution of magnetite in the pit is shown on the sample sections accompanying this report from the 1983 work by Atherton.

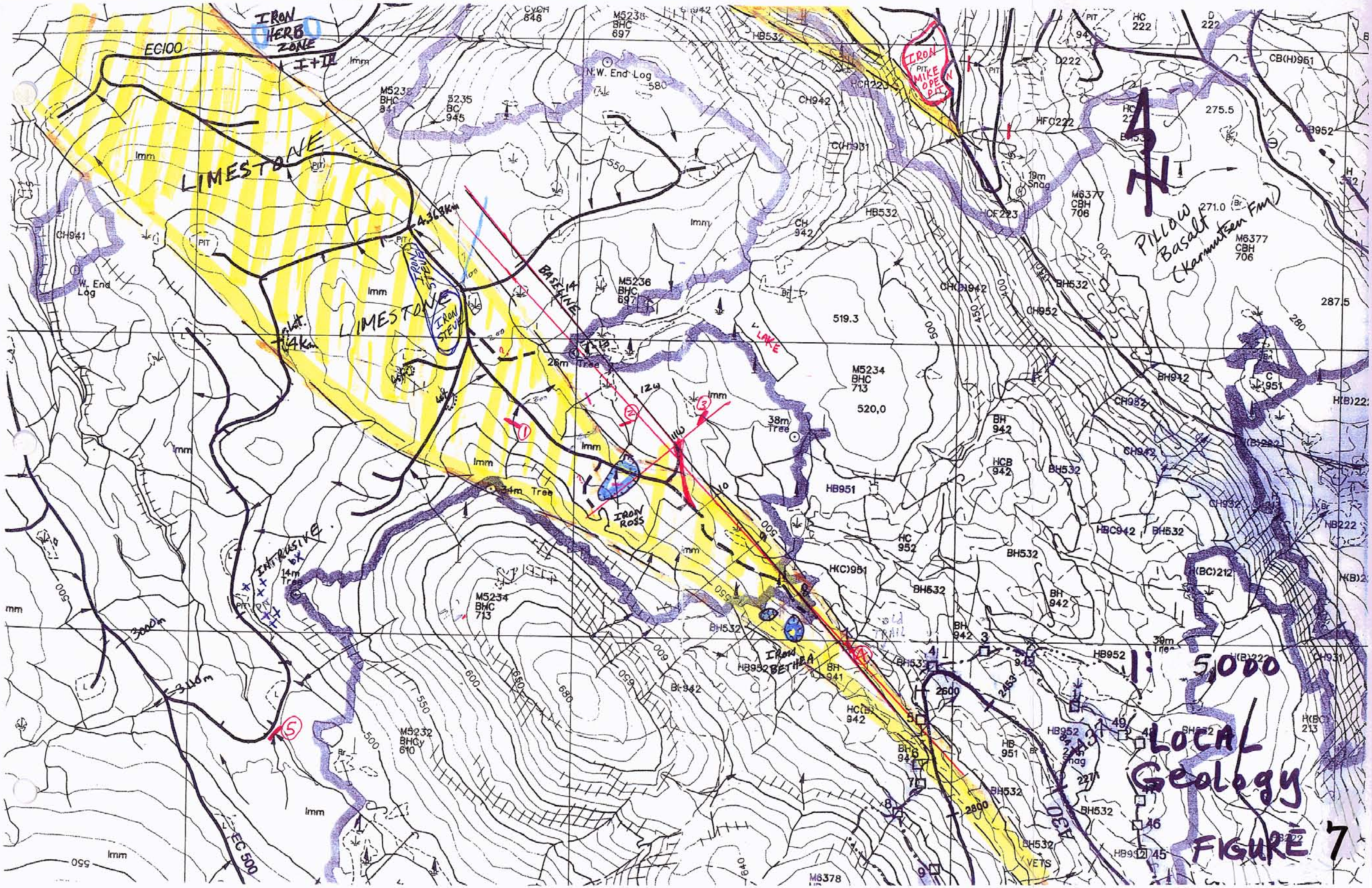
A reference in the Annual Report of the Minister of Mines (ARMM) for 1965 mentions:

> "On the Jim Mineral Claim some 1,400 feet westward from the southwest corner of the Iron Mike Mineral Claim, six holes have been drilled in an area of about 100 by 200 feet. Massive magnetite was cut in core lengths of 27 to 63 feet, all near surface. On the Ken Mineral Claim, about 1,300 feet south-southwest of the same Iron Mike corner, three holes have been drilled, all of which cut magnetite in core lengths up to 10 feet. The Jim and Ken areas are about 1,300 feet apart; a line joining them is sub-parallel to the Iron Mike Zone."

It would appear that this reference is to the currently named Iron Ross and Iron Bethea magnetometer anomalies.

The rocks underlying the grid #1 area appear to be higher in section than those in the Main Pit area. It is not known if the limestone that occurs on this grid is a second horizon above the Main Pit area or whether the section is repeated by faulting. The geology is shown on Map 7.

The volcanics below the limestone and magnetite are massive porphyritic to fine grained basalts. All of the outcrops are weakly magnetic. The rock strike north and dip 20° to 40° west.



IRON HERB ZONE I+II
IRON MIKE OPEN PIT
LIMESTONE
LIMESTONE
IRON STEVE
IRON ROSS
IRON BETHEA
INTRUSIVE
BASELINE
LAKE
OLD TRAIL
Pillow Basalt (Karmutsen Fm)
N
1: 5000
LOCAL Geology
FIGURE 7

The limestone occurs as a thin band in the volcanics. The rock has granular texture with some mica. The limestone occurs south of the baseline and is continuous for the length of the grid.

The magnetite occurs in two lensitic bodies. The outline of the occurrences has been outlined by the ground magnetic survey and is described in the magnetometer report. The magnetite is poorly exposed. The Iron Bethea (formerly Iron Mac) occurrence is located between lines 7W and 8W. It is fine grained, massive nearly pure magnetite. One grab sample taken from the outcrop assayed 58% magnetic Fe. The Iron Ross (formerly Iron Dick) occurrence is exposed in magnetite outcrops located between lines 11W and 12W. Grab samples taken from these outcrops assayed 58.1% Fe and 66.6% Mag. Fe.

The magnetite in the Iron Ross (formerly Iron Dick) and Iron Bethea (formerly Iron Mac) occurrences is very similar to the magnetite in the Main Pit Zone indicated by the massive texture and lack of volcanic lenses in the magnetite.

Sampling in 1983 (Atherton, 1983, page 14) from the Iron Ross and Iron Bethea occurrences gave the following results:

	Sample #	% Mg. Fe Satmagan	% Sol. Fe	Description
Iron Bethea	1735	58.1	63.1	Massive magnetite
Iron Ross	1761	58.1	59.0	Massive magnetite
Iron Ross	1762	66.6	69.3	Magnetite and skarn

Tuff is present above the limestone. It consists of silicified tuff bands separated by limestone or other carbonate rich bands. The tuff is exposed on line 62W 1S and L O 1+25S. Abundant pyrite was seen in these two outcrops.

The upper basalts are fine grained and massive. They are mainly non-magnetic but some outcrops were faintly magnetic. This disseminated magnetite and the disseminated magnetite in the porphyritic basalt below the limestone is likely the cause of the airborne magnetic high in the southeast part of the grid.

The magnetite outcrop of the Iron Herb II deposit is much different than in the other occurrences. The Iron Herb II occurrence is located between lines 0 and 1E. The occurrence has one outcrop of lower grade magnetite and skarn that gave the following assay (Atherton, 1983):

	Sol. Fe	Mag Fe (Sat)
1758	26%	20.9%

The outcrop is not in the area of the highest magnetic anomaly and might not be representative of the whole occurrence. The magnetite occurs as lumpy concentration up to 1" in diameter in a greenish brown skarn. This showing is on a bench that extends north from the steep hill to the south of the grid. The position of the occurrence in relation to the Iron Herb I occurrence indicates faulting has occurred since the two occurrences have about 50 feet difference in elevation.

The Iron Herb I occurrence is not exposed in outcrop. Several large boulders occur north of the baseline that show the same lumpy appearance as the Iron Herb II showings.

DIAMOND DRILLING (Prior to 1965) and PERCUSSION DRILLING 2002

Coincident with the development and mining of the Iron Mike deposit prior to 1965-1966, there were a number of X-ray (in 1961) and small diameter core holes completed in the Iron Ross and Iron Bethea Zones, as outlined in Table II).

TABLE II							
DIAMOND DRILLHOLES							
IRON BETHEA ZONE							
	Hole No.	Northing	Easting	Dip	Length	Azimuth	Remarks
1	X-1			-90		000	Prior to 1961
2	X-2			-90		000	Prior to 1961
3	XX-3			-90		000	Prior to 1961
4	501			-90	10' mag	000	Prior to 1965
5	502			-45	8' mag	050	Prior to 1965
6	503			-90	7' mag		1965
7	504			-45		050	1965
8	505			-45		230	1965
IRON ROSS ZONE							
					Estimate Magnetite		
1	X-4			-90	661'	000	Prior to 1961
2	X-5			-90	27'	000	Prior to 1961
3	X-6			-90	35'	000	Prior to 1961
4	401			-90	42'	000	Prior to 1965
5	402			-90	35'	000	1965
6	403			-90	55'	000	1965
7	404			-90	35'	000	1965
8	405			-45	63'	230	1965
9	406			-45	27'	050	1965
10	407			-90		000	1965
11	408			-90		000	1965
12	409			-45		050	1965
13	410			-45		050	1965

The drill logs and assays for this previous diamond drilling have not yet been located.

2002-2004 DRILLING

Percussion drilling in October 2002 totalled 970 feet (295.66m) in 17 holes mainly around the Iron Ross surface showing and in 2002 trenching as documented in Shearer (2002).

As the holes were drilled, the cuttings blown out of the holes were logged by J. Shearer, M.Sc., P.Geo. and a representative sample was collected in numbered plastic sample bags. These cutting samples are presently stored at the Homegold Office in Port Coquitlam.

Some limitations in using the percussion drill method were apparent. In hole #2002-1, limestone chips were easily recovered down to a depth of 45 feet but the lower contact was wet and the only return to surface was a small amount of yellow mud (gouge) along the contact. The lithology below 45 feet is unknown. A series of holes along Trench 2002-1 is shown in Appendix IV including Holes 2002-1, 13, 14, 15 and 60. Two lenses of massive magnetite were found completely contained within the limestone unit. The upper lens varied from 2m to 5m thick over a strike length of about 45 metres. From 3m to 5m below the upper lens, the lower lens varied from about 4m to 5m thicker over the same strike length of 45 metres. Geological potential from these intersections suggest a range of about 60,000 tonnes of material rich in magnetite with a rough 1.5 to 2.0 stripping ration. The stripped material would be mainly limestone.

The remaining drill holes (2002-2 to 12) were positioned along the magnetite outcrop on the southside of the access road situated at the contact of the limestone and underlying volcanics. Hole #2002-2 ended at 30 feet still within mostly massive magnetite. The upper trench-drill access is mainly within limestone and an unknown thickness of skarn starting at 50 ft. depth. Hole 2002-11 halfway up the eastern trench intersected a magnetite lens between 34' and 45'.

Percussion Drilling in 2003 was mainly in the Iron Steve Zone which was the location of the 4,700 tonne Bulk Sample completed in mid-2005.

Drilling in the Iron Mike Zone in the 1960's between the Main Pit and the West Pt (refer to Appendix V) outlined a section of massive magnetite which can be produced by open cut.

Diamond drilling in 3 holes was completed by Eagle in late 2005 at the Iron Steve and Iron Ross deposits to provide more geological details upon which to base the Mine Plans.

PROJECT DESCRIPTION

Introduction

The project will consist of a several small quarry sites, a crushing and processing plant at one or more of the quarry sites, hauling finished product by truck to a stockpile site at Kelsey Bay, and loading barges from shore at Kelsey Bay.

Quarry Development and Mining

Given the high quality but low volume character of the magnetite on the claim, the project will include development of several small quarry sites in two phases. The first phase will include mining at the Iron Steve, Iron Ross, and possibly the Iron Bethea sites. The second phase will include mining at the Iron Mike site.

The first phase will consist of mining the Iron Steve, Iron Ross and possibly Iron Bethea sites which are in a line with about 150 meters separating each site. The Iron Steve site has already been developed, was previously stripped and was the source of the 2005 bulk sample. Magnetite at this site is very close to the surface, so there will be little overburden to remove. The magnetite occurs in two lenses separated by a layer of limestone and garnet skarn, so there will also be some waste rock to remove. See the attached mining plan (Appendix II) by John Nilssen, P.Eng. for details of this mine site.

The second site to be mined will be the Iron Ross site (Appendix III). This site has also been previously stripped under previous exploration and bulk sample permits, so minimal additional stripping will be required. The magnetite at this site also occurs in two lenses, but the lenses are under about 15 meters of overburden, so there will be more waste rock at Iron Ross than at Iron Steve.

The third site which may be developed in the first phase of the project will be the Iron Bethea site. This site requires additional exploration to determine the volume and spatial characteristics of the deposit and allow development of a mining plan.

During the first phase of the project, shot rock from the quarry site will be hauled by truck either to that site's waste pile or to the centrally located crushing and processing plant site just south of the Iron Ross quarry site. The mobile crushing and processing plant will be set up on a rock pad built from Iron Ross overburden. Rock from this pad will be reclaimed to the waste rock pile upon completion of the first phase.

Phase two of the project will include mining at the Iron Mike site, as shown in the attached section drawings (Appendix V). This site is a past producer and the area has already been stripped. The location, volume and grade of the deposit is reasonable well known, see attached plans and sections. Overburden from the site will be piled to the north of the mine site as shown on the attached map. The crushing and processing plant will be located as shown on the attached map.

At all sites, the magnetite will be mined using conventional, open-pit mining techniques in which the rock is drilled and blasted using the same techniques as other hard-rock quarries. There are several certified and experienced drilling and blasting contractors who work on Vancouver Island and Eagle will employ one or more of these contactors to perform the mining operations. These contractors bring all the required equipment to the mine, perform the required work and vacate the mine site when the work is completed. We expect to have the mining contractor working on site for approximately 2-3 months beginning in June, 2007.

Overburden and ore will be picked up by hydraulic excavator and loaded onto trucks for removal from the quarry. Overburden and other waste rock will be hauled to the relevant waste pile. Ore will be hauled to the crushing plant and placed in a raw ore stockpile.

If it is decided that access to the claim should be via A Branch logging roads, a short section of connector road will be constructed to connect A38 and EC780 to reduce the trucking distance to Kelsey Bay. This road will be approximately 250-300 meters in length and will approximately follow an existing old road. This connector road will be fully engineered, built to Forest Service standards, and approved by Western Forest Products.

Crushing Plant

The rock produced by blasting at the mine will generally be approximately 12"-18" in size, so a crushing plant will be used to reduce these large lumps. A jaw crusher will be used to reduce the lump size to about 4"-6", then a cone crusher and screening equipment will reduce the material to -3/4" size. In phase two mining at Iron Mike, a third crusher will be employed to further reduce the particle size to approximately –8 mesh. There are a number of experienced rock crushing contractors who work on Vancouver Island and Eagle will employ one of these contractors to perform the crushing operations. These contractors bring all the required equipment to the crushing site, perform the required work and vacate the mine site when the work is completed. For phase one, we expect to have the mining contractor working on site for approximately three months beginning in June, 2007. For phase two, we expect the mining contractor will be on site for approximately six months beginning in spring 2008.

Once the raw ore is mined and crushed, it will be passed over a dry magnetic separator to reject non-magnetic (non-magnetite) particles. This magnetic separation concentrates the iron content of the product, increasing the grade to the 65% required by the customer. The non-magnetic particles (approximately 12-14% of feed) will be placed on the waste rock pile. The magnetic particles will be placed on a temporary product stockpile awaiting loading into trucks for hauling to Kelsey Bay. The crushing and separating plant is expected to produce approximately 1,800 metric tons per day.

Hauling to Kelsey Bay

Material from the temporary product stockpile will be picked up by a front-end loader and placed in trucks for hauling to Kelsey Bay, a distance of about 22 kilometers. The haul trucks will use private logging and industrial roads and will not traverse public roads. It is expected that approximately eight trucks will be used to transport material, making the trip to Kelsey Bay and back in approximately 1.2 hours, and 7-8 trips per day, for a total of approximately 60 truck trips per day if each truck hauls 30 metric tons.

Stockpile

A finished product stockpile will be built at Kelsey Bay as trucks haul from the quarry. Front-end loaders will be used to stack the material to about 3-4 meters in height and the stockpile will occupy approximately 7,600 square meters.

Barge Facilities

Once the finished product stockpile is full (70,000 metric tons) and the ship arrives, material from the Kelsey Bay finished product stockpile will be picked up by a front-end loader and placed in trucks for hauling the short distance to the barge loading location. Drive-over ramps will be placed between the shore and the barge, and the trucks will drive onto the barge, dump their loads and return to the stockpile for the next load. Due to draft restrictions at the barge loading location, barge loading times will be governed by the tides, so it is expected that only one barge per day will be loaded. Given that a total of 70,000 metric tons will be loaded onto the ship and the barges carry 7,000-10,000 metric tons each, it is expected that barge loading will occur over approximately 8-9 days.

A ship capable of carrying approximately 70,000 metric tons of ore will be anchored near Kelsey Bay in waters sufficiently deep for the laden draft of the vessel and out of swift tidal streams. A large transload barge with cranes and a conveyor system will be moored to the ship. The transfer barges loaded at Kelsey Bay will be moved from Kelsey Bay to the ship and moored to the transload barge. Cranes with clam-shell buckets on the transload barge will pick up material from the transfer barges and place it into a hopper on the transload barge. Material in the hopper will be fed onto a conveyor which will move the material into the ship.

Loading barges is a relatively simple operation, although there are not many locations where protected deep water close to shore with room for loading equipment and adjacent stockpiles is available. Kelsey Bay has all these characteristics, with room for stockpiles and protected water of sufficient depth close to shore. In preparation for our May 2005 barge shipment, we made certain infrastructure improvements at Kelsey Bay, including moving and adding pilings to secure the barge and levelling the top of some of the rock perm to the north of the existing bulkhead. We will again use the same area to load barges for this project.

Reclamation

The quarry sites will be progressively reclaimed as the mining area advances and sufficient ground is made available for reseeding to forest values.

SAMPLING in 1983 at IRON MIKE MAIN ZONE

The Main Pit area supplied most of the magnetite ore when the mine and mill were operating. The bulk of the magnetite ore that was amenable to open pit mining was removed during this operation. The 1983 survey by H. E. Neal & Associates Ltd. including chip sampling of the open pit (Atherton, 1983). All samples were sent to Lakefield Research Ltd., Lakefield Ontario. The sampling was done on vertical sections with the following results:

TABLE III

Sampling in 1983 at Iron Mike Main Zone (from Atherton, 1983)

Section	Sample Number	*Interval Relative Height In Metres	Thickness in Metres	Mag. Fe Satmagan%	Grade Sol Fe %
2	1701	437.1-437.5	0.6	53.6	58.5
East Wall	1702	437.5-438.3	0.8	15.8	17.3
	1703	438.3-439.2	0.9	41.6	45.8
	1704	439.2-441.1	1.9	16.3	26.5
	1705	441.1-442.0	0.9	25.9	29.8
3 East Wall	1706	437.1-441.7	4.6	49.0	52.0
4	1707	437.3-439.0	1.7	37.7	42.7
East Wall	1708	444.6-447.5	2.9	55.6	58.7
5	1709	437.0-439.0	2.0	48.6	53.5
South Wall	1710	440.1-442.2	2.1	44.6	49.2
6	1711	436.6-439.2	2.6	53.3	57.7
South Wall	1712	439.2-441.8	2.6	57.2	60.0
7	1713	437.7-440.2	2.5	53.4	57.3
South Wall	1714	440.2-442.7	2.5	53.4	56.7
8	1715	439.0-442.0	3.0	45.5	49.1
South Wall	1716	442.0-445.0	3.0	48.4	52.7
	1717	446.9-448.5	1.6	56.6	60.3
9	1718	439.7-443.2	2.5	57.6	61.9
South Wall	1719	443.2-446.8	3.6	31.2	36.4
10	1720	437.1-441.1	4.0	39.9	43.3
South Wall	1721	441.1-445.5	4.4	50.9	56.4
12 West Wall	1722	438.5-439.5	1.0	62.0	65.6
13 West wall	1723	438.5-440.8	2.3	34.9	38.1
14	1724	437.9-439.9	2.0	45.1	49.1
West Wall	1725	439.9-441.9	2.0	53.2	56.1

*refers to elevation shown on Map #5 only (in Atherton, 1983).

Section	Sample Number	*Interval Relative Height In Metres	Thickness in Metres	Mag. Fe Satmagan%	Grade Sol Fe %
15	1726	438.6-440.6	2.0	45.2	49.5
West Wall	1727	440.6-442.9	2.3	59.3	62.5
16					
West Wall	1728	439.2-442.8	3.6	53.8	57.4
17					
West Wall	1729	438.8-441.9	2.1	50.0	53.1
18					
West Wall	1730	439.2-441.5	2.3	51.9	55.6
19	1731	437.9-439.9	2.0	48.5	52.1
West Wall	1732	439.9-441.9	2.0	44.8	58.6
20					
West Wall	1733	438.2-441.3	3.1	48.7	54.1
21					
West Wall	1734	439.9-441.9	2.0	28.1	37.0

*refers to elevation shown on Map #5 only (in Atherton, 1983).

The Sample Sections were located at 5m intervals. The geological description of each section is shown by Atherton, 1983 (on Sheet #6).

Sections were chip sampled at 10m intervals in the West Pit. The sections and sample locations are shown on Sheet #7 (in Atherton, 1983). The results are as follows:

Section	Sample Number	*Interval Relative Height In Metres	Thickness in Metres	Mag. Fe Satmagan%	Grade Sol Fe %
22	1736	475.7-478.0	2.3	56.6	59.0
South Wall	1737	478.0-479.7	1.7	33.9	36.1
	1738	479.7-480.9	1.2	54.6	57.0
23	1739	474.7-475.8	1.1	43.5	46.7
South Wall	1740	475.8-479.9	1.6	21.1	23.7
	1741	477.4-479.8	2.4	51.4	54.5
24	1742	474.8-477.3	2.5	54.6	57.4
South Wall	1743	477.3-479.3	2.0	26.6	29.1
25	1744	475.4-477.4	2.0	21.4	23.9
South Wall	1745	477.4-479.4	2.0	37.3	39.3
26	1746	475.1-478.1	3.0	24.8	27.7
South Wall	1747	478.1-481.1	3.0	31.6	34.5
	1748	481.1-483.1	2.0	30.8	33.3
27	1749	476.4-478.9	2.5	31.5	33.4
South Wall	1750	478.9-481.4	2.5	47.5	50.2

*refers to elevation shown on Map #5 only (in Atherton, 1983).

Section	Sample Number	*Interval Relative Height In Metres	Thickness in Metres	Mag. Fe Satmagan%	Grade Sol Fe %
28	1751	477.5-480.0	2.5	18.0	20.1
South Wall	1752	480.0-482.5	2.5	14.7	16.7
29	1753	478.2-480.5	2.3	20.5	22.5
West Wall	1754	480.5-482.5	2.0	33.3	35.4
30	1755	478.2-480.5	2.3	14.5	18.0
West Wall	1756	480.5-482.8	2.3	24.5	26.9

*refers to elevation shown on Map #5 only (in Atherton, 1983).

METALLURGY 2006-2007

Samples were collected from the Iron Steve magnetite deposit and sent to Eriez Ltd. in Erie, Pennsylvania and to Westcoast Mineral Testing (G. Hawthorn, P.Eng.) in North Vancouver.

A prior (2006) bulk sample from Iron Steve had been crushed and screened into +/- ¼" fractions for sale. It was estimated that approximately 25% of the material reported to the minus fraction. To assess the sized based Fe grade of magnetic concentrates, the two products were recombined in the ratio of 3:1 to simulate the as-crushed material.

Screen analyses were performed on samples from the Ross Deposit. Typically, a 200 gm sample was wet screened at 325 mesh using an 8" Tyler testing screen. After drying the two products at about 100 deg C, the plus fraction was dry screened into as many fractions (typically 3) that individually represented a significant weight percent of the original fraction. In one case that was all that was done.

On coarser samples, a typical 1 kg sample was wet screened at 20 mesh, dried at 100 deg C, then dry screened into meaningful weight fractions. Typically, the fractions were then magnetically separated using a permanent magnet within a plastic bag, and suspended over the sample that had been spread into a single layer. The process was continued until essentially no additional magnetic particles adhered to the magnet. The magnetic and non-magnetic fractions were weighed, and in most cases the magnetic fractions were subjected to iron analyses.

On finer samples, the finest screening was at 325 mesh. In this case, the several minus 20 mesh screen fractions were agitated with water in a laboratory flotation machine and the same bagged magnet was repeatedly dipped into the agitated slurry, until essentially no additional magnetic concentrate was recovered. The plus 20 mesh screen fractions were too coarse to be suspended in the flotation machine, so were dry separated as described above.

Initially iron assaying was by wet chemical digestion. However, during the testing program, comparative assaying at two laboratories determined that the "fusion followed by digestion and titration" of the typical >55 % Fe samples provided more accurate grades.

Because of inconsistent Fe grades reported by IPL Lab in Vancouver and as a check on the Fe grade, the magnetic concentrates were sent to SGS in Lakefield, Ontario for Fe analysis. SGS was selected since it was the lab of choice of the potential purchaser of "iron ore".

The diamond drilling completed in 2005 (but not filed for assessment credit) was also quartered in February 2007 from the Iron Ross Magnetite Deposit and sent to Eriez for crushing (particle size distribution) and magnetic separation.

The samples were run by Eriez on a DFA-25 dry magnetic separator to produce magnetic and non-magnetic fractions. The results are shown in Appendix IV.

A number of samples were also assayed by fusion/titration methods to compare to the XRF methoc. Interestingly, this XRF result (Fe_2O_3=89%, converts to Fe=62.2%) is almost exactly the same as the ALS CRF result (Fe_2O_3=8998%, converts to Fe=62.9%), but the fusion/titration result is much higher (Fe=68.5%).

GEOPHYSICS 1983 AIRBORNE and GROUND MAGNETOMETER

The purpose of the ground magnetic survey in 1983 was to follow up broad magnetic anomalies located by an airborne magnetic survey conducted during April 1983. Two grids, grid #1 and #3, were located along the axis of broad magnetic highs (Atherton, 1983).

The instrument used was a Scintrex MF-1 Fluxgate magnetometer, which has the following accuracy scale ± .5% 100 to 10,000 gammas and ± 1% 100,000 gammas.

The method used for diurnal correction was a progressive adjustment for each survey loop and using a BL 7+00W on grid #1 and BL 3+00E on grid #3 as the base station. The time interval for base station checks was 1 to 2 hours.

The results are presented on map #8 with the unit measured in gammas. The contour interval is 1000 gammas, which is considered adequate for locating magnetite concentrations. The readings were measured at 25m intervals and less over anomalous areas.

The values represent vertical intensity and are relative only to the individual base stations for each grid. The primary base station for both grids was BL 2+00E on grid #3 and all values are relative to that station.

The survey outlined four areas of interest on the two grids. They are designated Iron Bethea (formerly Iron Mac), Iron Ross (formerly Iron Dick), Iron Herb I and Iron Herb II. They are shown on Figure #8, scale 1:5,000.

The Iron Bethea (formerly Iron Mac) anomaly is located between lines 7W and 8+25W south of the baseline on grid #1. Readings up to 15,550 gammas were obtained. The anomaly represents an area 60m by 40m. The shape of the anomaly indicates a shallow SW dip to the magnetite concentration. The anomaly is confirmed by the presence of magnetite occurrence between 7+50W and 7+25W along the logging trail.

The smaller magnetic loop located at line 7W 0+50 MS is likely an extension of the Iron Bethea (formerly Iron Mac) anomaly.

The Iron Ross (formerly the Iron Dick) anomaly is located between 10+75W and 11+50W on grid #1. The anomaly is 100m south of the baseline. Readings up to 11,000 gammas were obtained. The anomaly covers an area 120m by 60m as defined by the 5,000 gamma contour. Outcrop evidence confirms that this anomaly is caused by magnetite.

The Iron Herb I anomaly consists of two magnetic highs with readings up to 18,100 gammas. The magnetic highs are separated by a magnetic low. The south anomaly is from 1+75E to 2+00E on the baseline to 75m north on lines 2E and 2+50W. This anomaly represents an area 85m by 50m. The northern anomaly centred at 100N on line 2+50E and 0+75N on line 3E.

The anomaly covers an area 35m by 95m. No outcrop evidence was found to confirm this anomaly. The presence of large boulders located in the same area as the magnetic low dividing the two anomalies indicates magnetite is the source.

The Iron Herb II anomaly is located from 0+12.5W as the baseline to 0+50E as the baseline to 0+45N on line 0+50E. The anomaly covers an area 120m by 50m by the 5,000 gamma contour.

A smaller anomaly was located at 1+50N on line 3+00W. This was located over an area of slightly magnetic basalt.

CONCLUSIONS and RECOMMENDATIONS

The known massive magnetite zones covered by the Ross Mineral Claim have been known for some time. Assays by previous workers indicate over 62% Fe_2O_3 as relatively coarse crystalline magnetite.

A program of sampling and metallurgical testing was completed in 2006-2007. This report documents the results of this work. Magnetic concentration feasible under normal conditions.

Extensive airborne and ground magnetometer surveys were completed in 1983 by Dickenson Mines Limited, which outline 4 additional large massive to skarn and magnetite zones to the west of the Iron Mike main pit.

Much of the magnetite produced in British Columbia at the present time is from a sophisticated reprocessing of tailings (Craigmont) or hit and miss reprocessing coarse waste dumps (Texada Island). Possible markets for magnetite are: heavy aggregate for high-density concrete, heavy media for coal washing, sandblasting abrasives, high-density filter media and radiation shielding aggregates. Two major construction projects that may start in early 2002 are the expansion of the sub-atomic research TRIUMF facility at the University of British Columbia and the Sumas-Duncan Natural Gas Pipeline (for pipe anchors) by BC Hydro and Williams Pipeline Company. There may also be increasing application to special designed heavy concrete foundations in areas of high hydrostatic ground pressure in areas like Richmond, B.C.

An alternative market may be as a raw material for cement plant use. The current supply from Anyox slag assays 36.4% SiO_2, 5.1% Al_2O_3 but only 45% Fe_2O_3. Anyox slag also assays typically about 3% SO_3 and has a relatively high Bond work index of >23. Bond work index of 10.7 and 15.0 have been obtained for magnetite from other properties on Vancouver Island.

Respectfully submitted,

J. T. Shearer, M.Sc., P.Geo.
Consulting Geologist
March 31, 2007

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APPENDIX I

STATEMENT of QUALIFICATIONS

March 31, 2007

Appendix I

STATEMENT of QUALIFICATIONS

I, JOHAN T. SHEARER, of 1817 Greenmount Avenue, in the City of Port Coquitlam, in the Province of British Columbia, do hereby certify:

1. I am a graduate of the University of British Columbia (B.Sc., 1973) in Honours Geology, and the University of London, Imperial College (M.Sc., 1977).

2. I have over 35 years experience in exploration for base and precious metals and industrial mineral commodities in the Cordillera of Western North America with such companies as McIntyre Mines Ltd., J. C. Stephen Explorations Ltd., Carolin Mines Ltd. and TRM Engineering Ltd.

3. I am a fellow in good standing of the Geological Association of Canada (Fellow No. F439) and I am a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia (Member No. 19,279) and a member of the CIMM and SEG (Society of Economic Geologists).

4. I am an independent consulting geologist employed since December 1986 by Homegold Resources Ltd. at #5-2330 Tyner St., Port Coquitlam, B.C.

5. I am the author of the present report entitled "Geological and Metallurgy Report on the Iron Ross Project, Nanaimo Mining Division" dated March 31, 2007.

6. I have visited the property on November 26 and 27, 2006 (and on September 13 & 14, 2001, Nov. 29 & 30, 2001, Feb. 6-12, 2002 and March 14-17, 2002). I have carried out mapping and sample collection and am familiar with the regional geology and geology of nearby properties. I have become familiar with the previous work conducted on the Iron Ross Project by examining in detail the available reports and maps and have discussed previous work with persons knowledgeable of the area.

7. I own an interest in the Ross, Iron Ross and Iron Bethea Claims and own Homegold Resources Ltd.

Dated at Port Coquitlam, British Columbia, this 31st day of March, 2007.

J. T. Shearer, M.Sc., F.G.A.C., P.Geo.
Quarry Supervisor #98-3550
March 31, 2007

APPENDIX II

Statement of Costs

March 31, 2007

Appendix II

STATEMENT of COSTS
IRON ROSS PROJECT, MX-8-216
Geological and Metallurgy

Wages and Benefits		
C. Eaton, 2 days @ $400/day, Nov. 26 & 27, 2006		$ 800.00
J.T. Shearer, M.Sc., 2 days @ $600/day, Nov. 26 & 27, 2006		1,200.00
		$ 2,000.00
	GST	120.00
	Subtotal Wages	$ 2,120.00
Expenses		
Transportation, Motel, Meals,		
C. Eaton travel		2,000.00
Metallurgy, West Coast Mineral Testing, March 30, 2006		2,228.40
Metallurgy, West Coast Mineral Testing, June 8, 2006		1,815.24
Metallurgy, West Coast Mineral Testing, November 26, 2006		1,081.46
Analytical (Chemex Labs)		249.00
Analytical (SGS)		714.00
Report Preparation		1,800.00
Word Processing and Reproduction		200.00
	Subtotal Expenses	$ 10,088.10
	Total	**$ 12,208.10**

APPENDIX III

Assay Certificates and Metallurgical Results

March 31, 2007

International Plasma Labs Ltd.
ISO 9001:2000 Certified Company

#200 - 11620 Horseshoe Way
Richmond, B.C.
Canada V7A 4V5

Phone: 604/879-7878 604/272-7818
Fax: 604/879-7898 604/272-0851
Website: www.ipl.ca
Email: info@ipl.ca

ISO 9001:2000 CERTIFICATION Intertek

Certificate#: 06I2767
Client: Westcoast Mineral Testing Inc.
Project: Eaton
Shipment#:
PO#:
No. of Samples: 6
Analysis #1: ICP(AqR)30 in ppm Fe by titraion
Analysis #2: Whole Rock Analysis
Analysis #3:
Comment #1:
Comment #2:
Date In: Sep 27, 2006
Date Out: Sep 29, 2006

Sayward - Iron St

Hawthorn

Sample Name	SampleType	Description	Fe(Tot) %	Fe2O3 %
06-91	CoursePulp	-1/4" sample	65.08	85.36
06-91A	CoursePulp	3 x 20 mesh	66.08	88.94
06-91B	CoursePulp	20 x 40 mesh	67.74	90.07
06-91C	CoursePulp	40 x 100 mesh	69.25	91.32
06-91D	CoursePulp	100 x 325 mesh	64.11	91.98
06-91E	CoursePulp	- 325 mesh	67.52	91.60
RE 06-91	Repeat		64.83	86.31
Minimum detection			0.01	0.01
Maximum detection			100	100
Method			AsyWet	WRock

* *Values highlighted (in yellow) are over the high detection limit for the corresponding methods. Other testing me*

eve - Magnetic Concentrate Assays by Screen Fractions

Hawthorn

Calc % Fe Equivalent	Al ppm	Sb ppm	As ppm	Ba ppm	Bi ppm	Cd ppm	Ca ppm
59.75	2171	<5	1690	18	<2	<0.2	10850
62.26	1661	<5	814	18	<2	<0.2	8189
63.05	2057	<5	587	22	<2	<0.2	8447
63.92	2090	<5	663	23	<2	<0.2	7503
64.39	1039	<5	758	19	<2	<0.2	2175
64.12	1765	<5	1078	39	<2	<0.2	2799
60.42	2412	<5	1602	18	<2	<0.2	12035
	100	5	5	2	2	0.2	100
100	50000	2000	10000	10000	2000	2000	100000
	ICP	ICP	ICP	ICP	ICP	ICP	ICP

based upon Fe_2O_3 containing 70.0 % Fe

ethods would be suggested. Please call for details.

Cr	Co	Cu	Fe	La	Pb	Mg	Mn
ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
26	255	49	245243	<2	21	513	1366
36	108	29	255342	<2	58	301	1243
69	102	33	304316	<2	78	375	1577
76	118	47	308537	<2	55	454	1578
2	138	95	242472	<2	10	293	1060
4	240	553	292131	<2	68	659	1689
26	243	47	256209	<2	19	498	1470
1	1	1	100	2	2	100	1
10000	10000	10000	50000	10000	10000	100000	10000
ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP

Hg	Mo	Ni	P	K	Sc	Ag	Na
ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
<3	12	<1	198	130	<1	0.4	<100
<3	13	<1	242	149	<1	0.4	<100
<3	12	<1	180	134	<1	0.5	<100
<3	15	<1	187	130	<1	0.5	<100
<3	11	<1	132	130	<1	0.5	<100
<3	16	8	258	<100	<1	1.4	<100
<3	10	<1	226	<100	<1	0.4	<100
3	1	1	100	100	1	0.1	100
10000	1000	10000	50000	100000	10000	100	100000
ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP

Sr	Tl	Ti	W	V	Zn	Zr	Al2O3
ppm	ppm	ppm	ppm	ppm	ppm	ppm	%
3	<10	114	7	39	83	9	1.77
2	<10	<100	10	39	173	10	1.36
2	<10	127	<5	55	127	14	1.40
3	<10	143	<5	59	200	15	1.22
2	<10	<100	7	34	80	8	1.18
5	<10	119	8	55	505	13	1.23
3	<10	141	8	43	76	10	1.51
1	10	100	5	1	1	1	0.01
10000	1000	100000	1000	10000	10000	10000	100
ICP	ICP	ICP	ICP	ICP	ICP	ICP	WRock

Hawthorn

BaO %	CaO %	Fe2O3 %	Calc % Fe Equivalent	K2O %	MgO %	MnO %	Na2O %
0.03	3.25	85.36	59.75	0.82	0.41	0.37	0.32
0.01	2.69	88.94	62.26	<0.01	0.25	0.36	0.20
<0.01	2.08	90.07	63.05	1.14	0.21	0.38	0.19
<0.01	1.59	91.32	63.92	0.40	0.17	0.33	0.17
0.01	1.20	91.98	64.39	0.71	0.19	0.31	0.17
<0.01	0.92	91.60	64.12	0.77	0.26	0.33	0.20
0.03	3.63	86.31	60.42	0.73	0.33	0.34	0.24
0.01	0.01	0.01		0.01	0.01	0.01	0.01
100	100	100	100	100	100	100	100
WRock	WRock	WRock		WRock	WRock	WRock	WRock

based upon Fe2O3 containing 70.0 % Fe

P2O5	SiO2	TiO2	LOI	Total
%	%	%	%	%
0.03	5.88	0.12	<0.01	98.36
0.02	4.78	0.09	<0.01	98.70
0.04	3.84	0.14	<0.01	99.48
0.04	3.38	0.17	<0.01	98.78
<0.01	3.09	0.09	<0.01	98.92
<0.01	3.41	0.10	0.38	99.20
0.02	5.68	0.11	<0.01	98.94
0.01	0.01	0.01	0.01	0.01
100	100	100	100	105
WRock	WRock	WRock	2000 F	WRock

International Plasma Labs Ltd.
ISO 9001:2000 Certified Company

#200 - 11620 Horseshoe Way
Richmond, B.C.
Canada V7A 4V5

Phone: 604/879-7878 604/272-7818
Fax: 604/879-7898 604/272-0851
Website: www.ipl.ca
Email: info@ipl.ca

ISO 9001:2000 CERTIFICATION Intertek

Certificate#: 06A0175
Client: Westcoast Mineral Testing Inc.
Project: Eaton
Shipment#:
PO#:
No. of Samples: 7
Analysis #1: ICP(AqR)30 in ppm Fe(T)
Analysis #2:
Analysis #3:
Comment #1:
Comment #2:
Date In: March 27, 2006
Date Out: March 16, 2006

Not consistent with As data on assay report No. 06A0050

Sample Name	SampleType	Fe %	Al ppm	Sb ppm	As ppm	Ba ppm	Bi ppm	Cd ppm	Ca ppm	Cr ppm	Co ppm	Cu ppm	Fe ppm	La ppm	Pb ppm	Mg ppm
06-12	Mike Conc 1	62.9	4070	<5	116	41	<2	<0.2	7768	34	66	70	487376	<2	<2	1890
06-13	Mike Conc 2	62.6	3487	<5	110	40	<2	<0.2	9468	32	50	46	487310	<2	<2	1482
06-14	Mike tailing	12.8	17728	<5	70	21	<2	<0.2	40626	51	44	39	50074	<2	<2	6621
06-15	Argonaut Conc Middle	57.8	3676	<5	89	29	<2	<0.2	33059	29	56	70	382866	<2	<2	1445
06-16	Argonaut Conc edge	38.7	7125	<5	74	25	<2	<0.2	65866	36	39	68	265901	<2	<2	2144
06-17	Argonaut upper coarse tailing -1	30.7	9148	<5	68	18	<2	<0.2	85702	36	24	53	227365	<2	<2	2234
06-18	Argonaut upper coarse tailing -2	26.0	9558	<5	62	19	<2	<0.2	91498	36	23	65	183460	<2	<2	3006
RE 06-12	Repeat	62.9	4233	<5	125	42	<2	<0.2	7815	36	70	73	496932	<2	<2	1914
Minimum detection		0.001	100	5	5	2	2	0.2	100	1	1	1	100	2	2	100
Maximum detection		100	50000	2000	10000	10000	2000	2000	100000	10000	10000	10000	50000	10000	10000	100000
Method		AsyMuA	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP

SampleType	Mn ppm	Hg ppm	Mo ppm	Ni ppm	P ppm	K ppm	Sc ppm	Ag ppm	Na ppm	Sr ppm	Tl ppm	Ti ppm	W ppm	V ppm	Zn ppm	Zr ppm
Mike Conc 1	678	<3	7	23	287	227	<1	<0.1	232	6	<10	266	<5	72	100	13
Mike Conc 2	727	<3	7	22	272	285	<1	<0.1	263	8	<10	196	43	70	68	13
Mike tailing	1292	<3	3	48	406	783	4	<0.1	1257	43	<10	792	<5	40	38	5
Argonaut Conc Middle	1894	<3	10	5	283	<100	<1	<0.1	132	14	<10	234	5	54	98	11
Argonaut Conc edge	2263	<3	6	<1	293	<100	<1	<0.1	229	28	<10	279	<5	43	89	9
Argonaut upper coarse tailing -1	2644	<3	6	<1	345	<100	2	<0.1	130	15	<10	278	6	32	73	13
Argonaut upper coarse tailing -2	2690	<3	7	<1	331	<100	2	<0.1	145	27	<10	392	<5	49	77	9
Repeat	671	<3	7	21	276	198	<1	<0.1	240	6	<10	283	<5	82	106	14
	1	3	1	1	100	100	1	0.1	100	1	10	100	5	1	1	1
	10000	10000	1000	10000	50000	100000	10000	100	100000	10000	1000	100000	1000	10000	10000	10000
	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP

REP No.	CA03239-OCT06
Customer	Eagle Industrial Minerals Corp.
Attention	Charles E.Eaton
Reference	
Project	
ChargeId	OTHER
Batch	
Samples	7
Chemist	debbie

Title	Final Report
Date	25-Oct-06 07:46

Type	Sample ID	Total Fe as Fe2O3 %
SMP	06-96A	92.8
SMP	06-96B	91.9
SMP	06-96C	92.3
SMP	06-96D	96.2
SMP	06-96E	98.2
SMP	06-96F	98.4
SMP	06-96G	96.4

IRON ROSS Project

Westcoast Mineral Testing

Project: **Eaton Capital - Iron Mike** Date March 3-06

Approximately 300 gm of Iron Mike Concentrate 2 (from an unshippped pile of conc at the site) was wet screened into several fractions to approximate products to assess the role of sizing on Fe grade.

After drying, the + 20 mesh fraction was dry separated. The minus 20 mesh fractions were wet separated in the laboratory flotation machine.

Sample No.	Description	Screen Fraction	gm	Wt %	Wt % of Total	Fe %	Calc Magnetite %	
06-111A	mag conc		67.7	91.0	23.1%	59.2	81.8	
	mag tailing		6.7	9.0	2.3%			
	Sub-total	6 x 20 mesh	74.4	100.0	25.4%			
06-111B	mag conc		106.9	94.4	36.5%	64.0	88.4	
	mag tailing		6.4	5.6	2.2%			
	Sub-total	20 x 65 mesh	113.3	100.0	38.7%			
06-111C	mag conc		77.3	96.0	26.4%	70.0	96.7	
	mag tailing		3.2	4.0	1.1%			
	Sub-total	65 x 325 mesh	80.5	100.0	27.5%			
06-111D	mag conc		23.2	94.7	7.9%	68.3	94.3	
	mag tailing		1.3	5.3	0.4%			
	Sub-total	minus 325 mesh	24.5	100.0	8.4%			
	Initial sample		292.7	100.0	100.0%			

total conc		275.1	94.0	94.0%	64.9
total tailing		17.6	6.0	6.0%	
Initial sample		292.7	100.0	100.0%	

Comments

Fe assaying by IPL by fusion and titration.

VA05054219 - Finalized
CLIENT : "MWE - Homegold Resources Ltd."
# of SAMPLES : 2
DATE RECEIVED : 2005-07-05 DATE FINALIZED : 2005-07-13
PROJECT : "IRON ROSS"
CERTIFICATE COMMENTS : ""
PO NUMBER : " "

These results are from 2005 included for Completness

	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06	ME-XRF06
SAMPLE	SiO2	Al2O3	Fe2O3	CaO	MgO	Na2O	K2O	Cr2O3	TiO2	MnO	P2O5	SrO
DESCRIPT	%	%	%	%	%	%	%	%	%	%	%	%
MAG 1	5.39	0.95	89.98	3.3	0.39	0.05	0.03	<0.01	0.06	0.31	0.04	<0.01
MAG 2	36.5	8.7	24.32	24.45	2.04	0.4	0.13	0.01	0.4	1.03	0.13	0.01

90 × 0.7 = 63%

ME-XRF06	ME-XRF06	ME-XRF06	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
BaO	LOI	Total	Ag	Al	As	B	Ba	Be	Bi	Ca	Cd	Co
%	%	%	ppm	%	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm
<0.01	-2.23	98.27	0.4	0.35	810	<10	<10	<0.5	5	1.47	2.4	154
0.01	1.57	99.7	0.2	2.66	1555	<10	10	<0.5	<2	9.78	0.8	234

ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
Cr	Cu	Fe	Ga	Hg	K	La	Mg	Mn	Mo	Na	Ni	P
ppm	ppm	%	ppm	ppm	%	ppm	%	ppm	ppm	%	ppm	ppm
<1	20	>50	20	<1	0.01	<10	0.04	1945	2	0.01	31	110
6	56	13.5	<10	<1	0.01	<10	0.24	4150	2	0.05	77	570

ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
Pb	S	Sb	Sc	Sr	Ti	Tl	U	V	W	Zn
ppm	%	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm
11	0.04	6	1	4	0.02	20	<10	9	<10	56
4	0.15	3	4	56	0.1	10	<10	47	<10	51

Westcoast Mineral Testing

Project: **Eaton Capital - Iron Mike** Date Dec 3-06

Approximately 300 gm of Iron Mike Concentrate 2 (from an unshippped pile of conc at the site) was wet screened into several fractions to approximate products to assess the role of sizing on Fe grade.

After drying, the + 20 mesh fraction was dry separated. The minus 20 mesh fractions were wet separated in the laboratory flotation machine.

Sample No.	Description	Screen Fraction	gm	Wt %	Wt % of Total	Fe %	Calc Magnetite %	
06-111A	mag conc		67.7	91.0	23.1%	59.2	81.8	
	mag tailing		6.7	9.0	2.3%			
	Sub-total	6 x 20 mesh	74.4	100.0	25.4%			
06-111B	mag conc		106.9	94.4	36.5%	64.0	88.4	
	mag tailing		6.4	5.6	2.2%			
	Sub-total	20 x 65 mesh	113.3	100.0	38.7%			
06-111C	mag conc		77.3	96.0	26.4%	70.0	96.7	
	mag tailing		3.2	4.0	1.1%			
	Sub-total	65 x 325 mesh	80.5	100.0	27.5%			
06-111D	mag conc		23.2	94.7	7.9%	68.3	94.3	
	mag tailing		1.3	5.3	0.4%			
	Sub-total	minus 325 mesh	24.5	100.0	8.4%			
	Initial sample		292.7	100.0	100.0%			

total conc		275.1	94.0	94.0%	64.9
total tailing		17.6	6.0	6.0%	
Initial sample		292.7	100.0	100.0%	

Comments

Fe assaying by IPL by fusion and titration.

International Plasma Labs Ltd.
ISO 9001:2000 Certified Company
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Phone: 604/879-7878 604/272-7818
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Website: www.ipl.ca
Email: info@ipl.ca

ISO 9001:2000 CERTIFICATION Intertek

Certificate#: 06K3463
Client: Westcoast Mineral Testing Inc.
Project: Eaton
No. of Samples: 1
Analysis #1: Fe(Total) by Fusion/Titration
Analysis #2: ICP(AqR)30 in ppm Whole Rock
Analysis #3:
Date In: Nov 20, 2006
Date Out: Nov 28, 2006

* *Values highlighted (in yellow) are over the high detection limit for the corresponding methods. Other testing methods would be suggested. Please call for details.*

Sample Name	SampleType	Fe %	Al ppm	Sb ppm	As ppm	Ba ppm	Bi ppm	Cd ppm	Ca ppm	Cr ppm	Co ppm	Cu ppm	Fe ppm
06-103	Pulp	60.15	3415	<5	18	16	68	<0.2	7625	<1	31	<1	120071
RE 06-103	Repeat	59.80	3416	<5	18	16	67	<0.2	7630	<1	30	<1	120331
Minimum detection		0.01	100	5	5	2	2	0.2	100	1	1	1	100
Maximum detection		100	50000	2000	10000	10000	2000	2000	100000	10000	10000	10000	50000
Method		FusWet	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP

Sample Name	La ppm	Pb ppm	Mg ppm	Mn ppm	Hg ppm	Mo ppm	Ni ppm	P ppm	K ppm	Sc ppm	Ag ppm	Na ppm
06-103	<2	<2	1231	570	<3	<1	25	165	<100	<1	0.3	281
RE 06-103	<2	<2	1219	573	<3	<1	26	162	<100	<1	0.3	283
Minimum detection	2	2	100	1	3	1	1	100	100	1	0.1	100
Maximum detection	10000	10000	100000	10000	10000	1000	10000	50000	100000	10000	100	100000
Method	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP

Sample Name	Sr ppm	Tl ppm	Ti ppm	W ppm	V ppm	Zn ppm	Zr ppm	Al2O3 %	BaO %	CaO %	Fe2O3 %	K2O %
06-103	11	<10	159	48	<1	55	395	1.67	<0.01	3.52	82.62	<0.01
RE 06-103	10	<10	160	47	<1	53	400	1.71	<0.01	3.50	82.59	<0.01
Minimum detection	1	10	100	5	1	1	1	0.01	0.01	0.01	0.01	0.01
Maximum detection	10000	1000	100000	1000	10000	10000	10000	100	100	100	100	100
Method	ICP	ICP	ICP	ICP	ICP	ICP	ICP	WRock	WRock	WRock	WRock	WRock

Sample Name	MgO %	MnO %	Na2O %	P2O5 %	SiO2 %	TiO2 %	LOI %	Total %
06-103	1.14	0.19	0.24	0.04	9.61	0.07	<0.01	99.10
RE 06-103	1.07	0.19	0.25	0.05	9.56	0.07	<0.01	98.98
Minimum detection	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Maximum detection	100	100	100	100	100	100	100	105
Method	WRock	WRock	WRock	WRock	WRock	WRock	2000 F	WRock

International Plasma Labs Ltd.
ISO 9001:2000 Certified Company

#200 - 11620 Horseshoe Way
Richmond, B.C.
Canada V7A 4V5

Phone: 604/879-7878 604/272-7818
Fax: 604/879-7898 604/272-0851
Website: www.ipl.ca
Email: info@ipl.ca

ISO 9001:2000 Certification Intertek

Certificate#: 06J3211
Client: Westcoast Mineral Testing Inc.
Project: None Given
Shipment#:
PO#:
No. of Samples: 2
Analysis #1: Fe(Total) by Fusion/Titration
Analysis #2: Whole Rock Analysis
Analysis #3:
Comment #1:
Comment #2:
Date In: Nov 01, 2006
Date Out: Nov 03, 2006

Sample Name	SampleType	Fe %	Al2O3 %	BaO %	CaO %	Fe2O3 %	K2O %	MgO %
Mag1 1/1	Residue	68.77	1.06	<0.01	3.06	88.70	<0.01	0.23
Mag1 2/2	Residue	68.44	1.04	<0.01	3.02	89.00	<0.01	0.25
RE Mag1 1/1	Repeat	68.48	1.03	<0.01	2.91	89.90	<0.01	0.23
Minimum detection		0.01	0.01	0.01	0.01	0.01	0.01	0.01
Maximum detection		100	100	100	100	100	100	100
Method		FusWet	WRock	WRock	WRock	WRock	WRock	WRock

Sample Name	MnO %	Na2O %	P2O5 %	SiO2 %	TiO2 %	LOI %	Total %
Mag1 1/1	0.35	0.06	0.05	5.33	0.05	<0.01	98.89
Mag1 2/2	0.34	0.06	<0.01	5.17	0.07	<0.01	98.95
RE Mag1 1/1	0.33	0.07	<0.01	5.12	0.09	<0.01	99.68
Minimum detection	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Maximum detection	100	100	100	100	100	100	105
Method	WRock	WRock	WRock	WRock	WRock	2000 F	WRock

** Values highlighted (in yellow) are over the high detection limit for the corresponding methods. Other testing methods would be suggested. Please call for details.*

REP No.	CA03160-OCT06
Customer	Eagle Industrial Minerals Corp.
Attention	Charles E.Eaton
Reference	
Project	
ChargeId	OTHER
Batch	LR2603205
Samples	7
Chemist	debbie
Title	Final Report
Date	16-Oct-06 22:34

Type	Sample ID	Fe
		%
SMP	06-96A	65.38
SMP	06-96B	64.23
SMP	06-96C	65.58
SMP	06-96D	67.7
SMP	06-96E	68.67
SMP	06-96F	68.83
SMP	06-96G	67.7

REP No.	CA03239-OCT06
Customer	Eagle Industrial Minerals Corp.
Attention	Charles E.Eaton
Reference	
Project	
ChargeId	OTHER
Batch	
Samples	7
Chemist	debbie
Title	Final Report
Date	25-Oct-06 07:46

Type	Sample ID	Total Fe as Fe_2O_3 %
SMP	06-96A	92.8
SMP	06-96B	91.9
SMP	06-96C	92.3
SMP	06-96D	96.2
SMP	06-96E	98.2
SMP	06-96F	98.4
SMP	06-96G	96.4

Westcoast Mineral Testing

Project: **Eaton Capital - Iron Ross** **Date** ##############

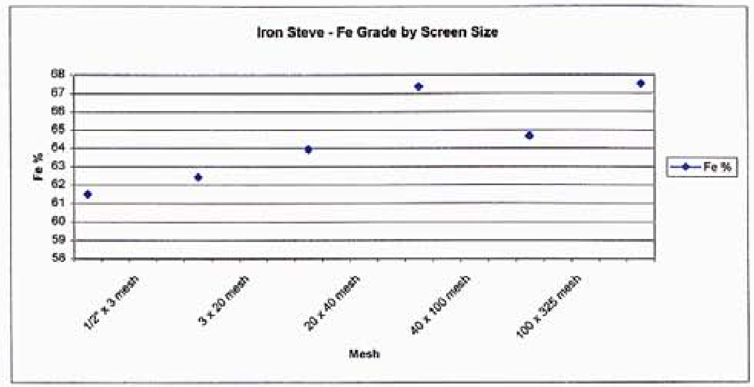
Received 1/4 drill core from Iron Ross hole IS-05-03 ("incorrectly" identified as Iron Steve), from Jo Shearer Jan 2007

The sample was jaw crushed in entirety to minus 1/2". Approximately 1,000 gm of this sample was wet screened at 20 mesh. The minus 20 mesh portion was wet screened into several fractions and those fractions were magnetically separated in a flotation machine with a permanant magnet. The coarse fraction was dried, dry screened, and dry separated with a

Sample No.	Description	Screen Fraction	gm	Wt %	Fe %	Calc Magnetite %		Units
07-06A	mag conc		286.0	98.5	61.5	85.0		17,598
	mag tailing		4.4	1.5				
	Sub-total	1/2" x 3 mesh	290.4	100.0				
07-06B	mag conc		355.1	94.8	62.5	86.3		22,176
	mag tailing		19.5	5.2				
	Sub-total	3 x 20 mesh	374.6	100.0				
07-06C	mag conc		102.1	87.6	64.0	88.3		6,530
	mag tailing		14.5	12.4				
	Sub-total	20 x 40 mesh	116.6	100.0				
07-06D	mag conc		91.1	91.9	67.4	93.1		6,137
	mag tailing		8.0	8.1				
	Sub-total	40 x 100 mesh	99.1	100.0				
07-06E	mag conc		68.3	90.0	64.7	89.3		4,417
	mag tailing		7.6	10.0				
	Sub-total	100 x 325 mesh	75.9	100.0				
07-06F	mag conc		31.6	88.8	67.5	93.3		2,134
	mag tailing		4.0	11.2				
	Sub-total	- 325 mesh	35.6	100.0				
	Initial weight		992.2	100.0				
07-06G								
	O/A Mag conc		934.2	94.2	63.1	87.2		58,992
	O/A Mag tlg		58.0	5.8				
	Feed		992.2	100.0				

Comments **62.5** **repeat**

Assayed by IPL using fusion + titration procedure



SGS

SGS Lakefield Research Limited
P.O. Box 4300 - 185 Concession St.
Lakefield - Ontario - KOL 2HO
Phone: 705-652-2038 FAX: 705-652-6441

Eagle Industrial Minerals Corp.
Attn : Charles E.Eaton

7 Fielding Circle
Mill Valley, California
94941, USA

Phone: 415 381 4300
Fax:415 381 6570

Wednesday, January 24, 2007

Date Rec. : 28 December 2006
LR Report : **CA03055-JAN07**
Client Ref : Iron Ore Samples

CERTIFICATE OF ANALYSIS

Final Report

Sample ID	Fe %	SiO2 %	Al2O3 %	Fe2O3 %	MgO %	CaO %	Na2O %	K2O %	TiO2 %	P2O5 %	MnO %	Cr2O3 %	V2O5 %
1: Iron Mike Conc 2	59.70	10.1	1.21	84.7	1.18	4.15	0.14	0.04	0.06	0.03	0.21	< 0.01	< 0.01
2: Eriez -3/4" Mags	66.16	4.32	0.60	94.0	0.29	2.51	< 0.05	< 0.01	0.02	0.02	0.34	< 0.01	< 0.01

Sample ID	LOI %	Sum %	S %	Ag g/t	As g/t	Ba g/t	Be g/t	Bi g/t	Cd g/t	Co g/t	Cr g/t	Cu g/t	K g/t
1: Iron Mike Conc 2	-1.87	100.0	< 0.01	< 2	< 80	37	< 0.5	< 20	< 2	68	21	9	440
2: Eriez -3/4" Mags	-2.59	99.5	< 0.01	< 2	130	20	< 0.5	< 20	< 2	84	7	6	< 150

Sample ID	Li g/t	Mo g/t	Na g/t	Ni g/t	Pb g/t	Sb g/t	Se g/t	Sn g/t	Sr g/t	Ti g/t	Tl g/t	U g/t	V g/t	Y g/t	Zn g/t
1: Iron Mike Conc 2	< 20	< 5	570	76	< 80	< 10	< 30	< 20	14	370	< 30	< 150	30	1.9	110
2: Eriez -3/4" Mags	< 20	< 5	150	38	< 80	< 10	< 30	< 20	3.6	130	< 30	< 150	9	0.9	280

Debbie Waldon

Debbie Waldon
Project Coordinator,
Minerals Services, Analytical

Email: chuckeaton@sbcglobal.net

APPENDIX IV

Eriez Magnetics Research and Development Test Summary

March 31, 2007

ERIEZ MAGNETICS RESEARCH & DEVELOPMENT TEST SUMMARY

12/22/2006

CONCENTRATION OF IRON ORE

Sample No: 14537
MTR Number: 06-399
Technician: JAW

Contact Info: Chuck Eaton

Department: MMP
Eriez Contact: D.A. Norrgran 814 835 6295
Eriez Rep:

Company Information: Eagle Industrial Mining
(SBC Global)
7 Fielding Circle
Mill Valley, CA
94941
USA

Objective: Compare separation of –¾ inch ore to separation of minus ¼ inch ore.

Equipment: DFA Drum, Model 25

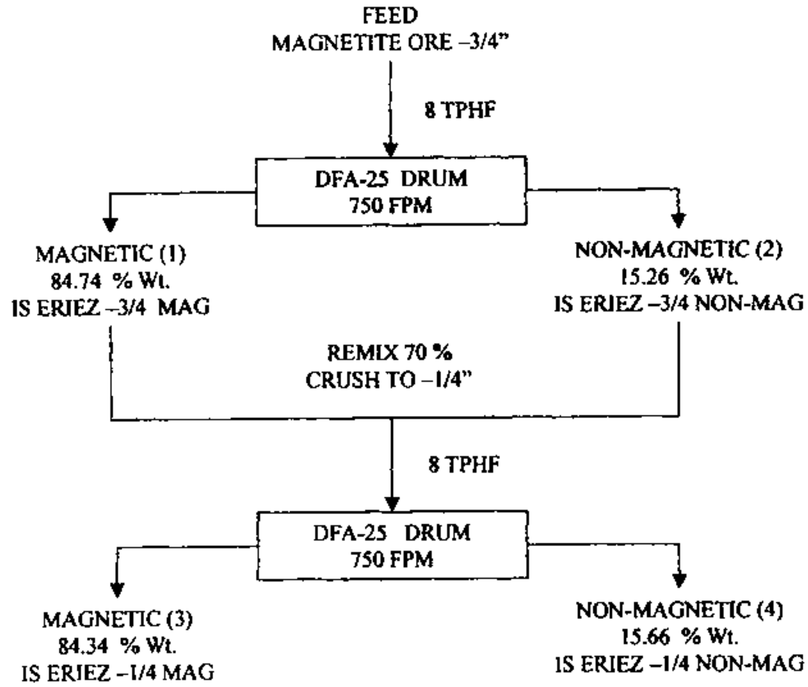
Material Characteristics:

Characteristic	Applicable Information
Material Type:	Iron ore
Material Composition:	Magnetite, silicates, etc.
Mean Size:	-3/4"; -1/4"
Bulk Density:	140 pcf
Process Temperature:	Assumed ambient
Shape:	Granular
Wet/Dry:	Dry
Comments:	Insure that the coarse sample is 70% plus ¼ inch before testing. Preserve proportional weights of each coarse product and recombine remainder for crushing and retest.

Procedure:

The sample had been screened into two fractions. These were combined into one test sample sized to minus ¾ inch. This sample was fed to the DFA-25 drum separator at 8 tons per hour per foot of drum width. Thirty percent of each product was preserved for assay. The remainder was crushed to minus ¼ inch. The finer product was also fed to the DFA-25 drum separator. The complete flowsheet is shown in Figure 1.

FIGURE 1



Results:

All separated products were returned to Eagle for their assay and evaluation.

Conclusion:

The results of Eagle's evaluation will determine if we have met their specification.

iPL International Plasma Labs Ltd.

Certificate#: 06L3701 Interim/Partial Report
Client: Westcoast Mineral Testing Inc.
Project: Eaton

Analysis #1: Whole Rock Analysis, Fe (Fus/Wet)
Analysis #2: ICP(AqR)30 S(t) by Leco
Date In: Dec 06, 2006

Sample Name	Fe	S(tot)	Al2O3	BaO	CaO	Fe2O3	K2O	MgO	MnO	Na2O	P2O5	SiO2	TiO2	LOI	Total
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Eriez mag conc minus 3/4"	67.38	0.03	0.96	<0.01	2.38	90.04	<0.01	0.21	0.31	<0.01	0.04	4.85	0.07	<0.01	98.85
Eriez mag conc minus 1/4"	68.25	0.02	0.80	<0.01	2.02	91.58	<0.01	0.20	0.30	<0.01	<0.01	4.29	0.07	<0.01	99.26
06-111A	59.21	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111B	63.98	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111C	70.05	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111D	68.26	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Minimum detection	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Maximum detection	100	100	100	100	100	100	100	100	100	100	100	100	100	100	105
Method	FusWet	Leco	WRock	WRock	WRock	WRock	WRock	WRock	WRock	WRock	WRock	WRock	WRock	2000 F	WRock

Sample Name	Ag	Cu	Pb	Zn	As	Sb	Hg	Mo	Tl	Bi	Cd	Co	Ni	Ba	W
	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
Eriez mag conc minus 3/4"	0.3	47	3	56	232	<5	<3	22	<10	<2	<0.2	90	<1	30	14
Eriez mag conc minus 1/4"	0.2	45	<2	53	257	<5	<3	22	<10	<2	<0.2	88	<1	30	10
06-111A	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111B	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111C	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111D	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Minimum detection	0.1	1	2	1	5	5	3	1	10	2	0.2	1	1	2	5
Maximum detection	100	10000	10000	10000	10000	2000	10000	1000	1000	2000	2000	10000	10000	10000	1000
Method	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP

Sample Name	Cr	V	Mn	La	Sr	Zr	Sc	Ti	Al	Ca	Fe	Mg	K	Na	P
	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	%	%	%	%	%	%
Eriez mag conc minus 3/4"	10	27	1331	<2	4	6	<1	0.01	0.20	0.69	38.65	0.05	<0.01	0.01	<0.01
Eriez mag conc minus 1/4"	13	34	1300	<2	4	7	<1	0.01	0.19	0.66	37.91	0.04	0.01	0.01	<0.01
06-111A	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111B	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111C	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
06-111D	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Minimum detection	1	1	1	2	1	1	1	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Maximum detection	10000	10000	10000	10000	10000	10000	10000	10	10	10	10	10	10	10	5
Method	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP	ICP

Westcoast Mineral Testing - Eaton Capital, Iron Steve Project

2/4/2007 8:57 PM

Sample was -3/4" Iron Steve

Sample No.	Description	Screen Fraction	gm	Wt % of Total	Wt % of Sample	Titration Assay Fe%	Calc Magnetite %	Xrf Assay Fe2O3%	Xrf Assay Calc Fe%
06-96A	mag conc		250.2	25.0	98.8	65.4	90.3	92.8	64.9
	mag tailing		3.0	0.3	1.2				
	Sub-total	+ 1/2"	253.2	25.3	100.0				
06-96B	mag conc		384.4	38.5	97.9	64.2	88.7	91.9	64.3
	mag tailing		8.3	0.8	2.1				
	Sub-total	1/2" x 3 mesh	392.7	39.3	100.0				
06-96C	mag conc		212.6	21.3	96.2	65.6	90.6	92.3	64.6
	mag tailing		8.5	0.9	3.8				
	Sub-total	3 x 20 mesh	221.1	22.1	100.0				
06-96D	mag conc		42.5	4.3	81.0	67.7	93.5	96.2	67.3
	mag tailing		10.0	1.0	19.0				
	Sub-total	20 x 40 mesh	52.5	5.3	100.0				
06-96E	mag conc		30.7	3.1	91.1	68.7	94.8	98.2	68.7
	mag tailing		3.0	0.3	8.9				
	Sub-total	40 x 100 mesh	33.7	3.4	100.0				
06-96F	mag conc		26.2	2.6	92.3	68.8	95.1	98.4	68.8
	mag tailing		2.2	0.2	7.7				
	Sub-total	100 x 325 mesh	28.4	2.8	100.0				
06-96G	mag conc		16.8	1.7	93.9	67.7	93.5	96.4	67.4
	mag tailing		1.1	0.1	6.1				
	Sub-total	- 325 mesh	17.9	1.8	100.0				
Total	mag conc		963.4	96.4	96.4	65.3	90.2	92.9	65.0
	mag tailing		36.1	3.6	3.6				
	Sub-total		999.5	100.0	100.0				
	mag conc	A+B+C	847.2	84.8		64.91		92.34	64.58
		C+D+E+F+G	328.8	32.9		66.51		94.05	65.78

APPENDIX V

Sample Descriptions – Deposit and Type

March 31, 2007

Appendix V

SAMPLE DESCRIPTIONS (Deposit & Type)
IRON ROSS PROJECT, MX-8-216
Geological and Metallurgy

(1) Sample 1 to Westcoast Testing for Flotation, Screening, and Magnetite Concentrations. The (2006) bulk sample from Iron Steve, crushed and screened into +/- ¼" fractions for sale. It was estimated that approximately 25% of the material reported to the minus ¼ fraction. To assess the sized based Fe grade of magnetic concentrates, the two products were recombined in the ratio of 3:1 to simulate the as-crushed material.

(2) Sample 2 to Westcoast Testing for Screen Analyses, ¼ drill core Ross Hole IS-05-03 Jan. 2007.

(3) Samples sent to IPL from Westcoast Testing.

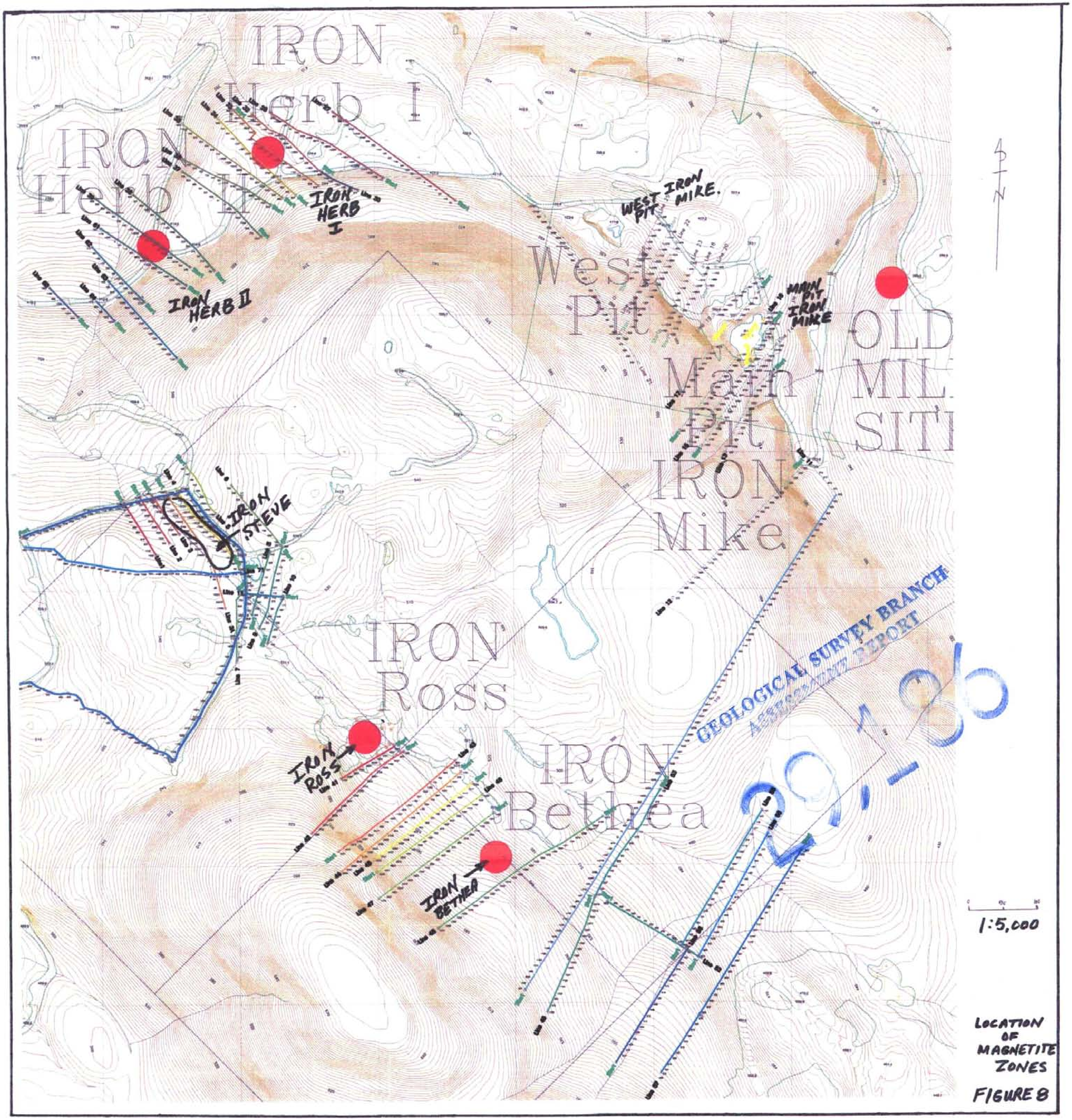
06-91	Coarse Pulp	-¼" sample	Magnetite	Iron Steve Deposit
06-91A	Coarse Pulp	3x20 mesh	Magnetite	Iron Steve Deposit
06-91B	Coarse Pulp	20x40 mesh	Magnetite	Iron Steve Deposit
06-91C	Coarse Pulp	40x100 mesh	Magnetite	Iron Steve Deposit
06-91D	Coarse Pulp	10x325 mesh	Magnetite	Iron Steve Deposit
06-91E	Coarse Pulp	-325 mesh	Magnetite	Iron Steve Deposit

(4) Samples sent to IPL from Westcoast Testing.

Mike Con 1	Concentrate	From 1968 concentrate	Iron Mike Deposit
Mike Con 2	Concentrate	From 1968 concentrate at millsite	Iron Mike Deposit
Mike Tailing	Tailings	From 1968 concentrate	Iron Mike Deposit

(5) Eriez Magnetic Concentrate -¼" All from Iron Steve Deposit
-¾" All from Iron Steve Deposit Bulk Sample

(6) Samples sent to SGS.
(1) Iron Mike Con 2 from Iron Mike Deposit
(2) Eriez -¾ magnetite concentrate from Iron Steve Deposit


IRON Herb I
IRON Herb II
IRON HERB I
IRON HERB II
WEST IRON PIT MIKE.
West Pit
MAIN PIT IRON MIKE
Main Pit IRON Mike
OLD MIL SITI
IRON STEVE
IRON Ross
IRON ROSS
IRON Bethea
IRON BETHEA
GEOLOGICAL SURVEY BRANCH ASSESSMENT REPORT
29,426
N
1:5,000
LOCATION OF MAGNETITE ZONES
FIGURE 8