AN ASSESSMENT REPORT

ON

MAGNETIC & INDUCED POLARIZATION SURVEYING

Coles Creek Property
Tahtsa Lake Area,
Omineca M.D. , B.C.
53° 31'N, 127° 13'W
N.T.S. 93E/11

For

CALLINAN MINES LTD.

Vancouver, B.C.

BY

PETER E. WALCOTT & ASSOCIATES LIMITED

Vancouver, B.C.

AUGUST 2007

TABLE OF CONTENTS

APPENDIX

ACCOMPANYING MAPS — MAP POCKET

INTRODUCTION.

Between July 2nd and August 19th, 2006 Peter E. Walcott & Associates Limited undertook magnetic and induced polarization (I.P.) surveying over parts of the Coles Creek property, located some 105 kilometres southwest of the town of Houston, British Columbia, for Callinan Mines Ltd.

The survey was carried out over nineteen N40° W oriented lines, spaced 150 metres apart, established by linecutters contracted by Callinan.

Readings of the earth's total magnetic field were recorded using a GSM 19 proton magnetometer on the magnetic survey, while measurements – first to sixth separation – of apparent chargeability – the I.P. response parameter – and resistivity were made on each of the line traverses using the pole – dipole technique with a 50 metre dipole.

In addition the elevations and horizontal locations of the line stations were measured using a Brunton altimeter and a Garmin 76 GPS unit respectively.

The magnetic data is presented as a colour grid on the topography at a scale of 1:5,000, while the I.P. data is presented as individual pseudo sections plotted on topography at 1:5,000, and as stacked sections at 1:10,000.

The progress of the survey was hampered by the steep terrain, and snow and ice cover in places resulting in the need to dig through the cover to obtain electrical contact with the ground beneath. In places 2 to 3 metres excavations were necessary.

PURPOSE.

The purpose of the survey was to explore for copper-zinc-lead-molybdenum mineralization on the property, the presence of which was noted in limited outcroppings on previous work.

GEOLOGY.

The property is underlain by Jurassic volcanic and sedimentary rocks of the Hazelton Group, intruded by feldspar-quartz porphyry, feldspar porphyry dykes and fine grain diorite.

Mineralization consisting mainly of pyrite with chalcopyrite, sphalerite and galena occurs in localized fractures and shear zones.

For further information the reader is referred to reports held by Callinan or authored by the staff of same.

PREVIOUS WORK.

Previous work on the property consisted of geological mapping, geochemical surveying, geophysical surveying and diamond drilling.

Magnetic surveying was conducted in the seventies using a fluxgate magnetometer, while limited induced polarization surveying wad done using a portable low wattage transmitter and obtaining first separation readings with a 200 foot (61 metre) dipole.

For further information the reader is referred to the aforementioned reports.

SURVEY SPECIFICATIONS.

Magnetic Survey.

The magnetic survey was carried out using a GSM 19 proton precession magnetometer manufactured by GEM Instruments of Richmond Hill, Ontario. This instrument measures variations in the total intensity of the earth's magnetic field to an accuracy of plus or minus one nanotesla. Corrections for daily variations in the earth's field – the diurnal – were made by comparison with a similar instrument set up at a fixed location – the base – where recordings were made at 10 second intervals.

The Induced Polarization Survey.

The induced polarization (I.P.) survey was conducted using a pulse type system, the principal components of which were manufactured by Huntec Limited of Metropolitan Toronto, Canada and Iris Instruments of Orleans, France.

The system consists basically of three units, a receiver (Iris), transmitter (Huntec) and a motor generator (Huntec). The transmitter, which provides a maximum of 7.5 kw d.c. to the ground, obtains its power from a 7.5 kw 400 c.p.s. three phase alternator driven by a Honda 20 h.p. gasoline engine. The cycling rate of the transmitter is 2 seconds "current-on" and 2 seconds "current-off" with the pulses reversing continuously in polarity. The data recorded in the field consists of careful measurements of the current (I) in amperes flowing through the current electrodes C_1 and C_2, the primary voltages (V) appearing between any two potential electrodes, P_1 through P_7, during the "current-on" part of the cycle, and the apparent chargeability, (M_a) presented as a direct readout in millivolts per volt using a 200 millisecond delay and a 1000 millisecond sample window by the receiver, a digital receiver controlled by a micro-processor – the sample window is actually the total of ten individual windows of 100 millisecond widths.

The apparent resistivity (ρ_a) in ohm metres is proportional to the ratio of the primary voltage and the measured current, the proportionality factor depending on the geometry

SURVEY SPECIFICATIONS cont'd

of the array used. The chargeability and resistivity are called apparent as they are values which that portion of the earth sampled would have if it were homogeneous. As the earth sampled is usually inhomogenenous the calculated apparent chargeability and resistivity are functions of the actual chargeability and resistivity of the rocks.

The survey was carried out using the "pole-dipole" method of surveying. In this method the current electrode, C_1, and the potential electrodes, P_1 through P_7, are moved in unison along the survey lines at a spacing of "a" (the dipole) apart, while the second current electrode, C_2, is kept constant at "infinity". The distance, "na" between C_1 and the nearest potential electrode generally controls the depth to be explored by the particular separation, "n", traverse.

On this survey a 50 metre dipole was employed and first to sixth separation readings were obtained. In all some 22 kilometres of I.P. and magnetic traversing were completed.

Vertical control.

The elevations of the stations were recorded using an ADC Summit altimeter manufactured by Brunton of Wyoming, USA. This instrument measures elevations using barometric pressures to an accuracy of plus or minus 3 metres. Corrections for errors due to variations in atmospheric pressure were made by comparison to readings obtained on a similar instrument, held stationary at one location – the base -, at 1o minute intervals.

Horizontal control.

The horizontal position of the stations were recorded using Garmin 76 GPS unit and a CDGPS receiver.

The latter output corrections were obtained from Canadian reference stations via Pacific Crest radio modems to the Garmin for more accurate horizontal locations.

SURVEY SPECIFICATIONS cont'd

Data Presentation.

The total field magnetic intensity is shown in contour form overlaid on the topographic base map at a scale of 1:5,000.

The I.P. data are presented as individual pseudo section plots of apparent chargeability and resistivity at a scale of 1:5,000 on topographic profiles.

Stacked sections of the apparent resistivity and chargeability are also shown at 1:10,000.

Contour plans of the third separation apparent chargeability and resistivity, on an idealized grid, are also added at a scale of 1:5,000.

The 21 point moving filter chargeability values are contoured on the topographic overlay for comparison with the magnetics at a scale of 1:5,000.

Two dimensional smooth model inversion of the resistivity and chargeability was carried out using the Geotomo RES2DINV Algorithm, an algorithm developed by Loke et-al. This algorithm uses a 2-D finite element method and incorporates topography in modeling resistivity and I.P. data. Nearly uniform starting models are generated by running broad moving-average filters over the respective lines of data. Model resistivity and chargeability properties are then adjusted iteratively until the calculated data values match the observed as closely as possible, given constraints which keep the model section smooth. The smooth chargeability and resistivity models were then imported into Geosoft format for presentation at the same scale of 1:5,000 on the topographic profile. A slight discrepancy can be observed between the measured and modeled plots as the former are processed in Geosoft which assumes horizontal distances for the station separation.

DISCUSSION OF RESULTS.

These should be studied in conjunction with the rest of the results of the 2006 exploration programme contained in the report authored by the staff of Callinan Mines of which this report is a part.

The magnetometer survey showed the property to exhibit high magnetic relief – some 7000 nanoteslas.

A large elongated low striking northeast is observed north of the main Coles Creek tributary presumably reflecting intrusive rocks. Another undefined low seen open to the west is also thought to reflect underlying intrusives.

The higher magnetics are thought to reflect Hazelton andesite rocks with the more intense on the western edge probably due to magnetite stockworks in the same.

The chargeability data showed the core of the grid to exhibit low chargeabilities, as seen by the pronounced northeasterly trending low on the plots of the 21 point moving filter and the third separation contour plot.

Higher chargeabilities are observed undefined for the most part at the extremities of the lines, with the strongest values obtained coincident with the magnetic low in the southeastern part of the grid.

The contoured resistivity plot – third separation – showed a large resistivity low on the southeastern part of the grid coincident with the aforementioned chargeability high and magnetic low.

Two other linear resistivity features are observed striking northeasterly across portion of the grid.

The more southerly is associated with moderate relief chargeabilities while the other is only coincidental with higher chargeabilities on its westerly extent. Both presumably could be indicative of fault/shear zones.

DISCUSSION OF RESULTS cont'd

These features are more clearly seen on the inverted sections which also want to cover the area with a layer of low resistivity.

SUMMARY, CONCLUSIONS & RECOMMENDATIONS

Between July 2nd and 19th, Peter E. Walcott & Associates Limited undertook magnetic and induced polarization traversing over parts of the Coles Creek property for Callinan Mines Ltd.

The property is located straddling a tributary of Coles Creek some 105 kilometres southwest of Houston, British Columbia.

The surveys were carried out over nineteen northwesterly trending lines spaced one hundred and fifty metres apart.

The I.P. survey showed a large chargeability low to exist on the centre portion of the area surveyed surrounded by several distinct areas of higher chargeability.

The resistivity survey showed some of the above chargeability zones to be associated with lower resistivities and outlines two apparent northeasterly trending linear structures thought to be representative of fault/shear zones.

As a result the writer recommends that the data be further studied in conjunction with the known geology, geochemistry, previous geophysical and diamond drilling results in order to plan the next phase of exploration.

Respectfully submitted,

PETER E. WALCOTT & ASSOCIATES LIMITED

Peter E. Walcott, P.Eng.
Geophysicist

Vancouver, B.C.
August 2007

APPENDIX

COST OF SURVEY.

Peter E. Walcott & Associates Limited undertook the survey on a daily basis. Mobilization and reporting were extra so that the total cost of services provided was $51,462.03.

PERSONNEL EMPLOYED ON SURVEY.

Name	Occupation	Address	Dates
Peter E. Walcott	Geophysicist	Peter E. Walcott & . Associates Limited 506-1529 W, 6th Ave. Vancouver, B.C.	Aug. 28th ,06 Aug. 30th, 31st, 2007
Alexander Walcott	Geophysicist	"	Sept 10th -15th, 2006
Andrea Cochrane	"	"	Jul 2nd –19st 2006
S. Phillips	Geophysical Operator	"	"
Matt Russell	Geophysical Assistant	"	"
B. Lajeunesse	"	"	
S. Cruikshank	"	"	"
T. Scott	"	"	"
J. Walcott	Report Prep.	"	Sept. 6th, 2007

CERTIFICATION.

I, Peter E. Walcott of 605 Rutland Court, Coquitlam, British Columbia, hereby certify that:

1. I am a graduate of the University of Toronto in 1962 with a B.A.Sc. in Engineering Physics, Geophysics Option.

2. I have been practicing my profession for the last forty five years.

3. I am a member of the Association of Professional Engineers of British Columbia and Ontario.

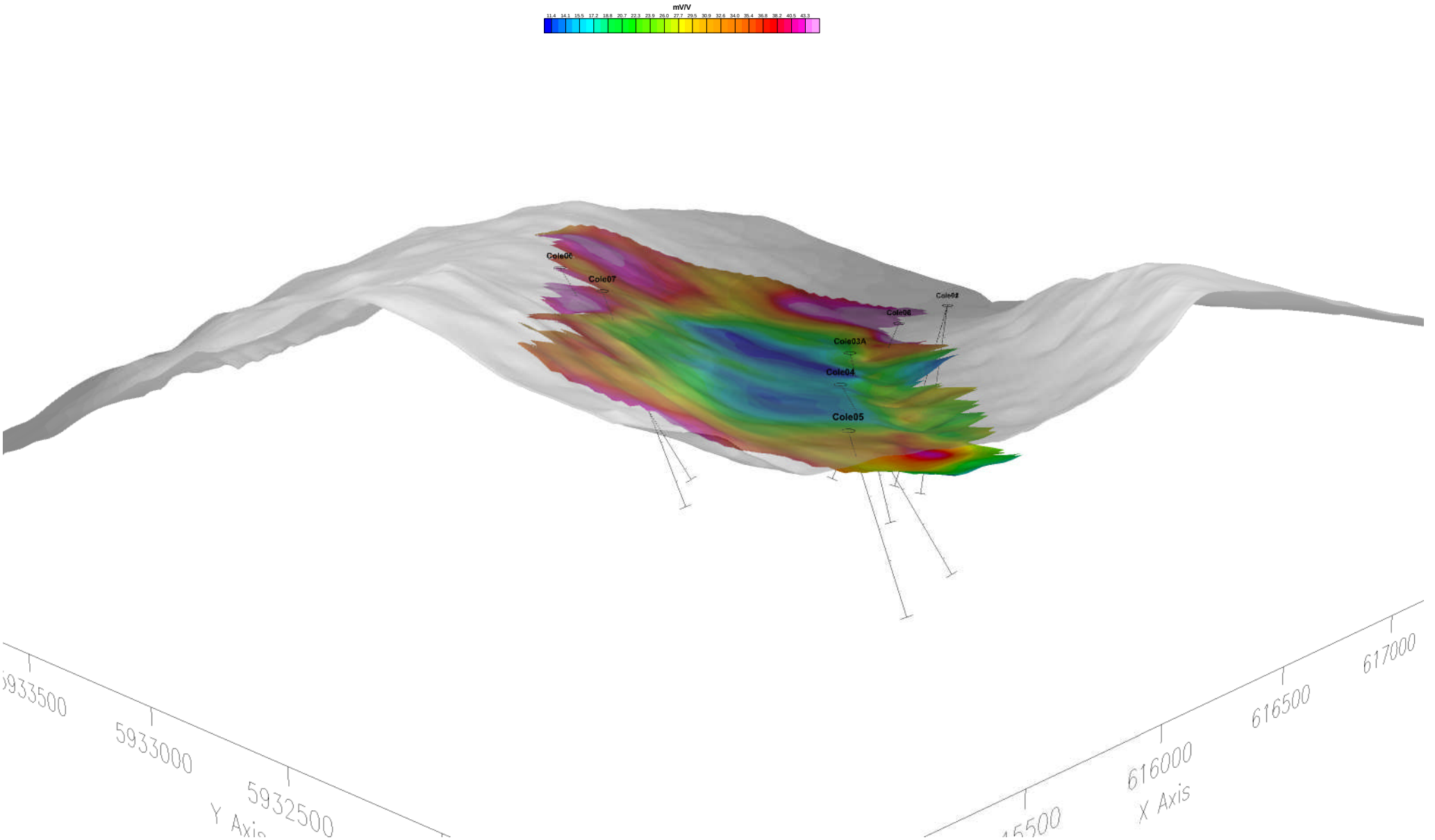
4. I hold no interest, direct or indirect in Callinan Mines Ltd., nor do I expect to receive any.

Peter E. Walcott, P.Eng.

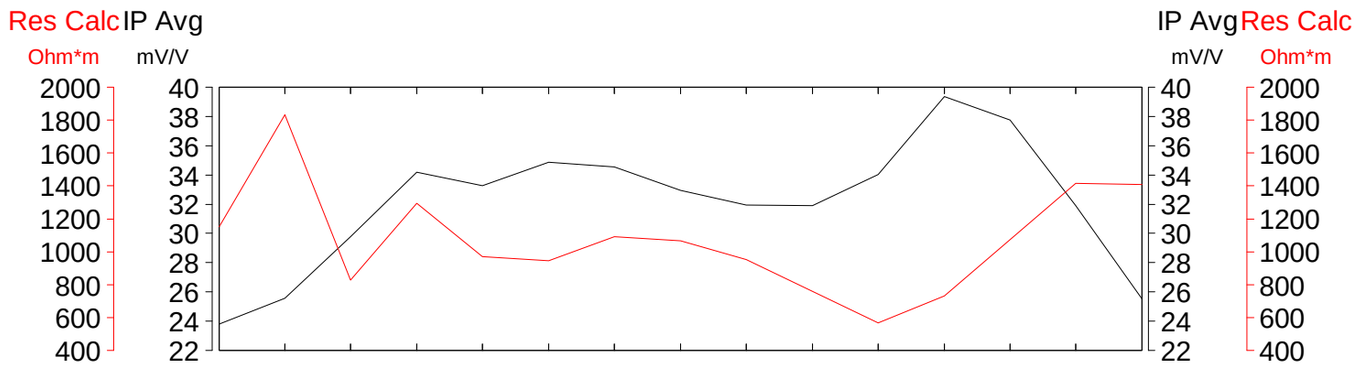
Vancouver, B.C.
August 2007

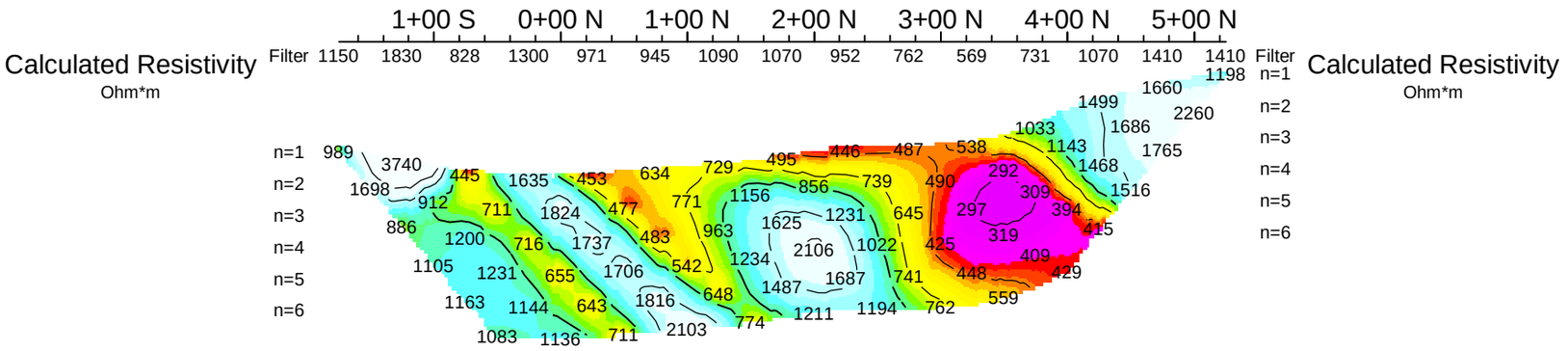
CALLINAN MINES LIMITED - COLES CREEK PROJECT

3D View of Topography with drillholes and Apparent Chargeability (mV/V)

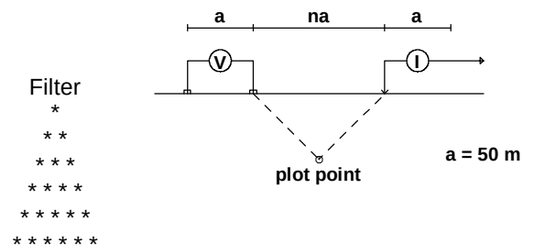


1+50 E





Dipole-Pole Array



Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

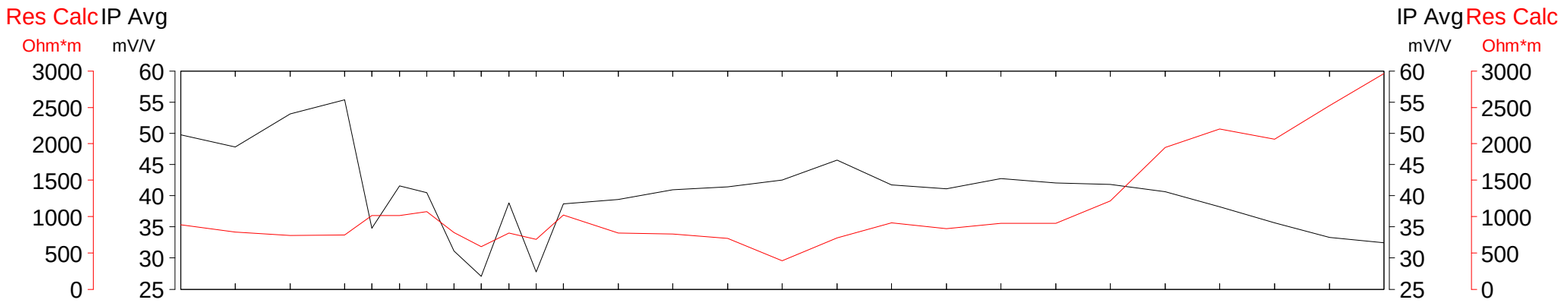
50 0 50 100 150 200 250 300
metres

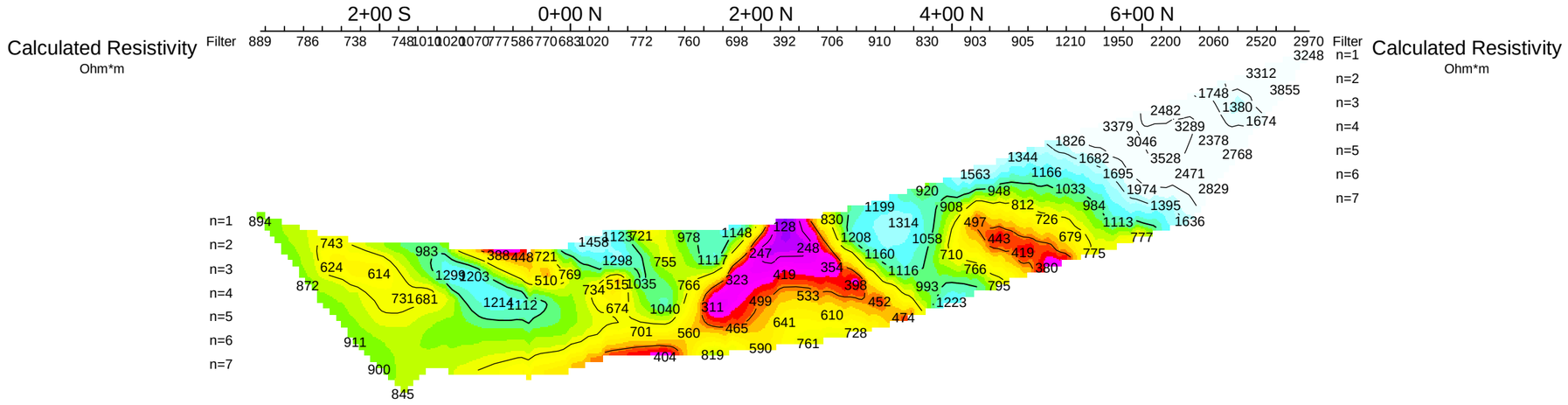
CALLINAN MINES LIMITED

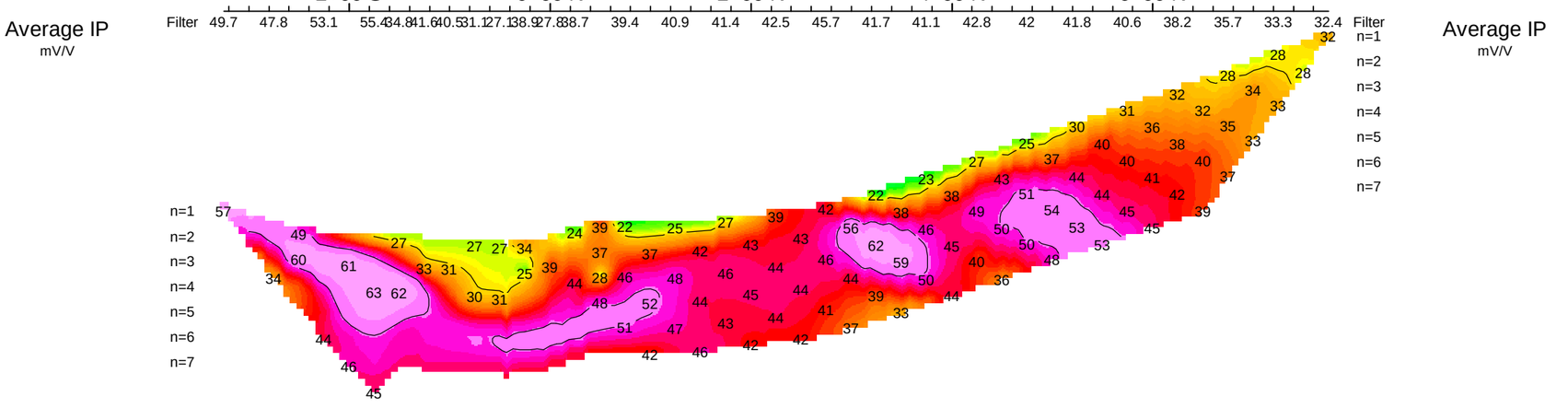
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

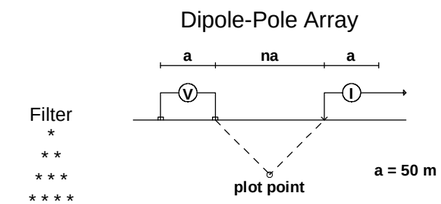






3+00 E

Dipole-Pole Array



Filter

*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

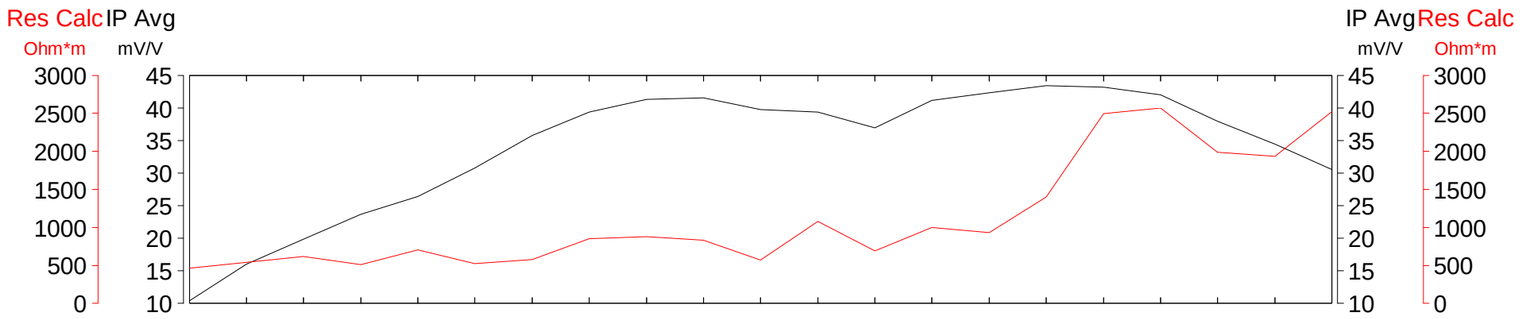
50 0 50 100 150 200 250 300
metres

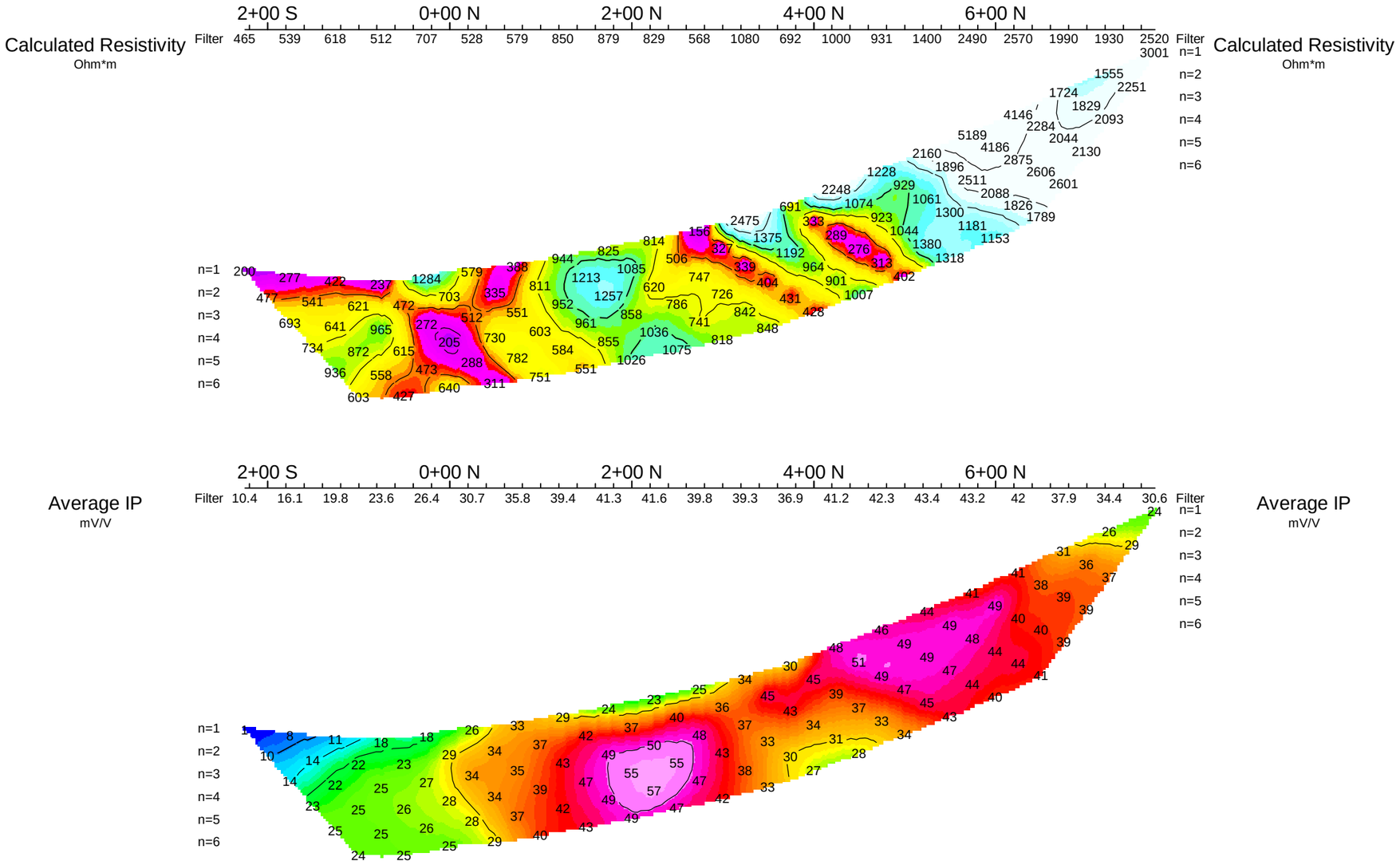
CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

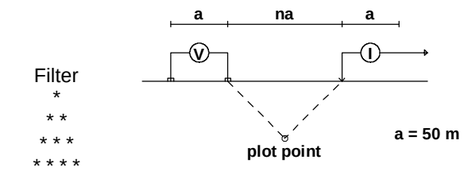
PETER E. WALCOTT & ASSOCIATES LIMITED





4+50 E

Dipole-Pole Array



Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300
metres

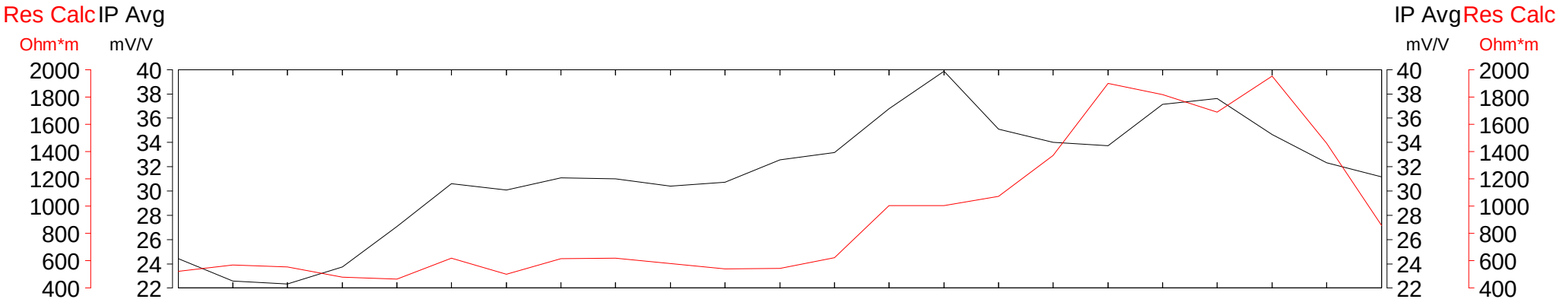
CALLINAN MINES LIMITED

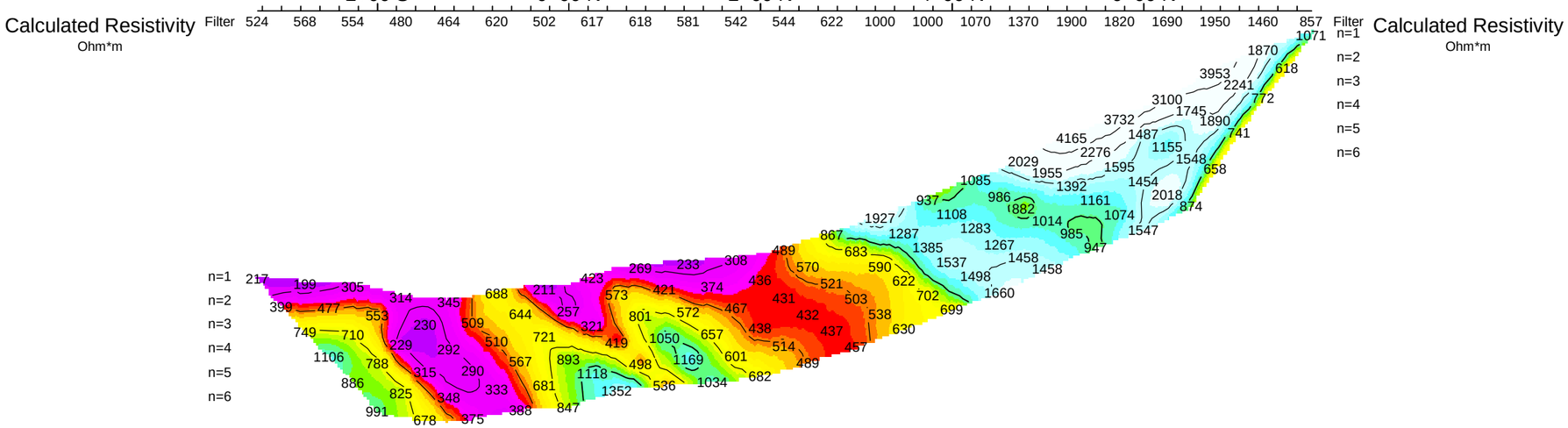
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

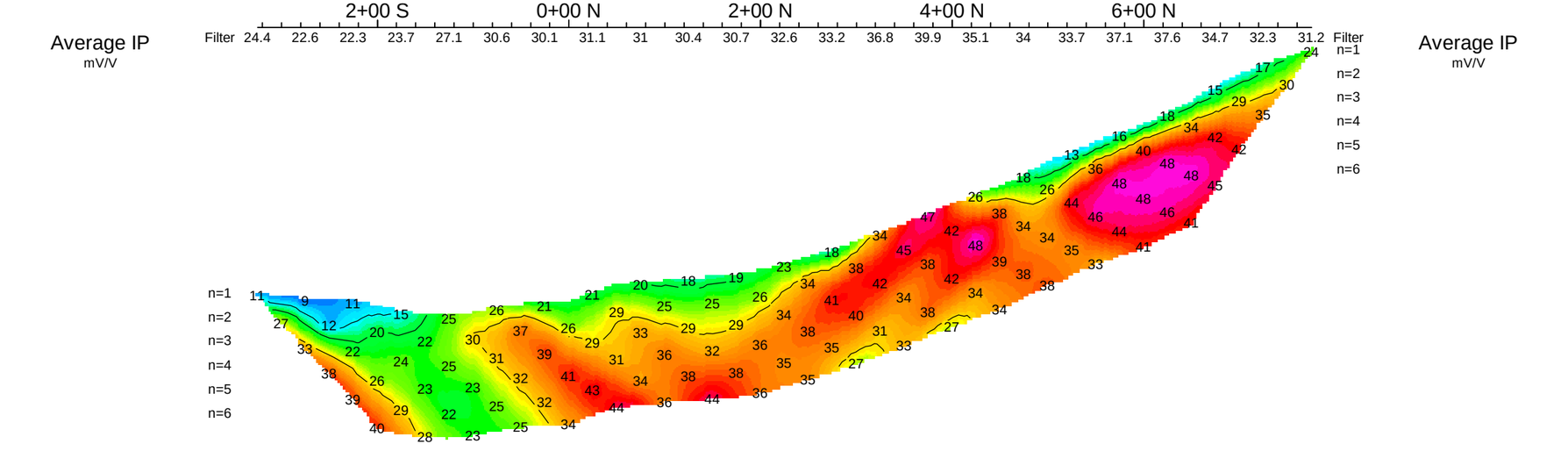
Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

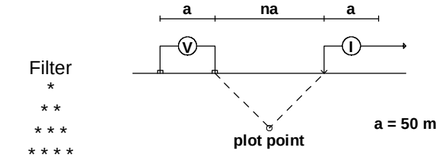
6+00 E







Dipole-Pole Array



Filter

*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

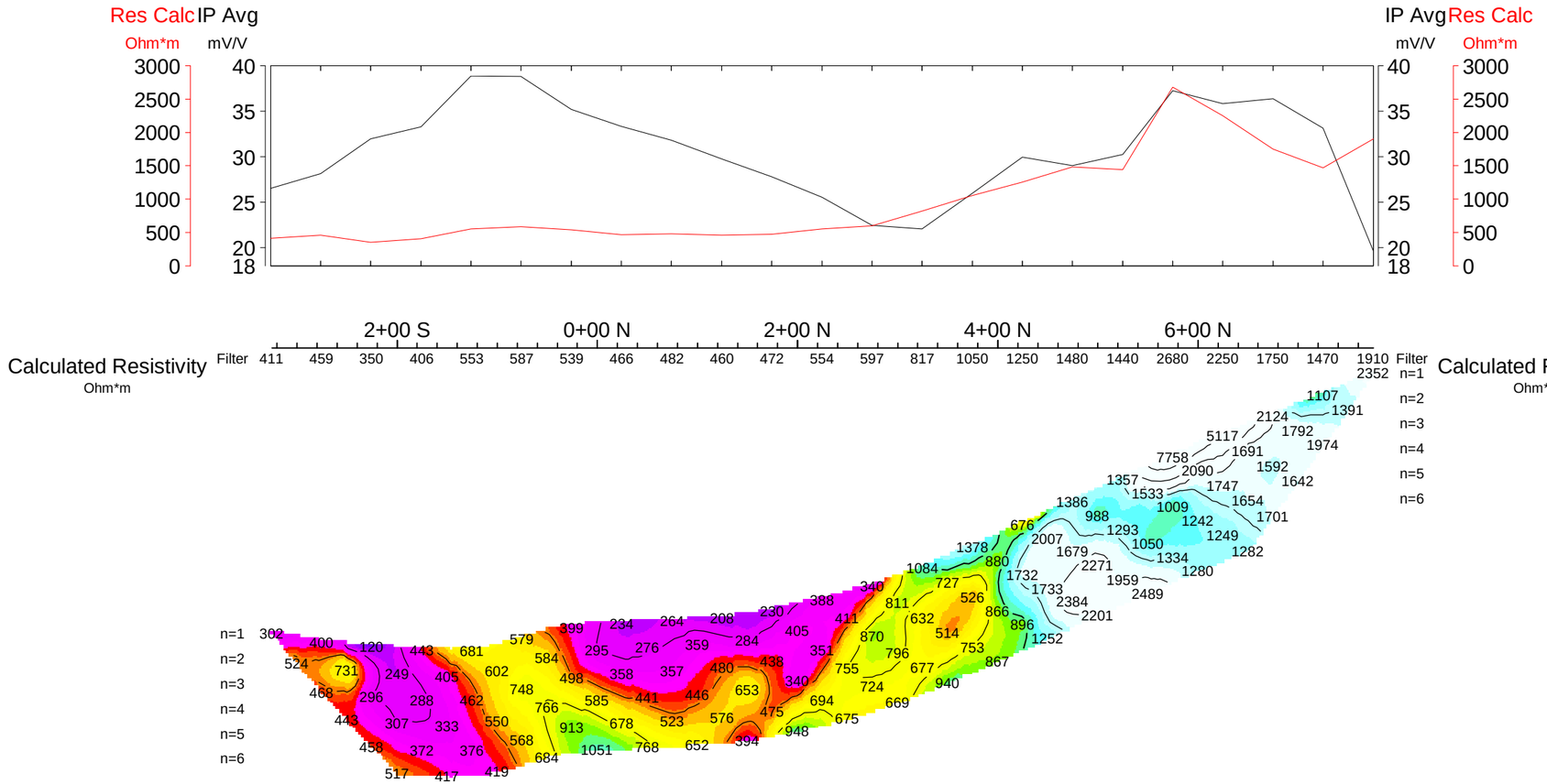
50 0 50 100 150 200 250 300
metres

CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

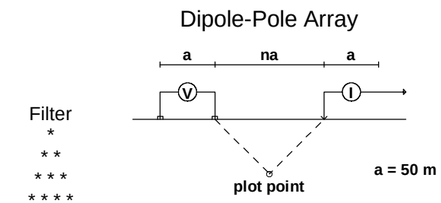
Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED



7+50 E

Dipole-Pole Array



Filter

*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300
metres

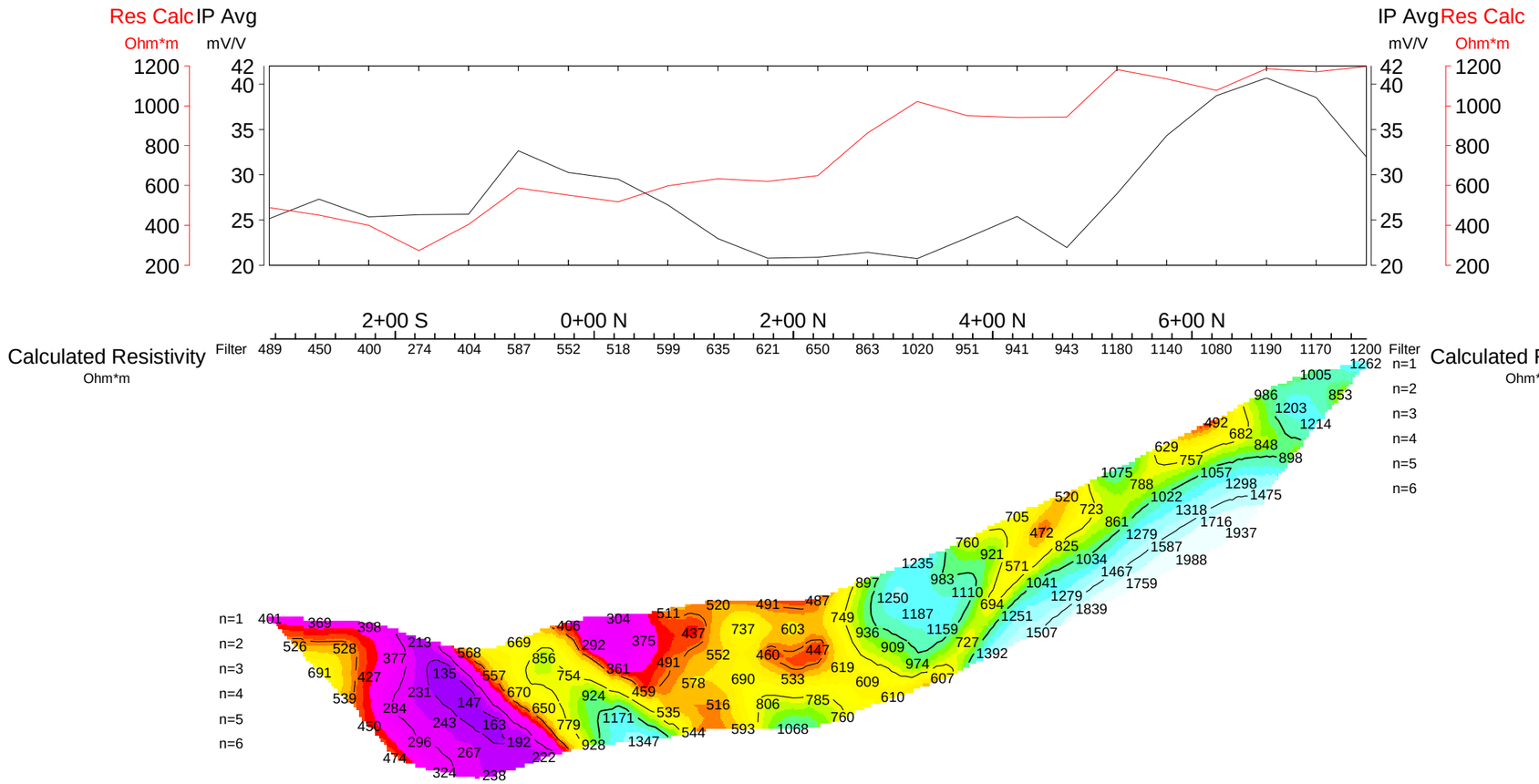
CALLINAN MINES LIMITED

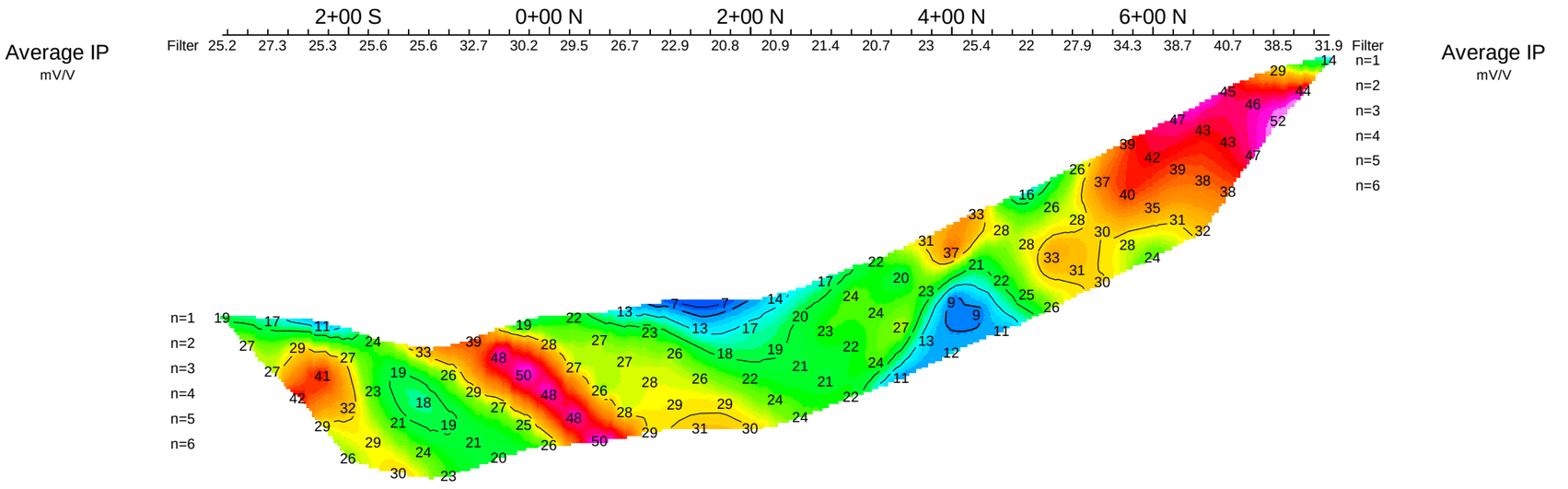
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

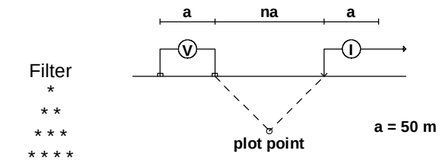
PETER E. WALCOTT & ASSOCIATES LIMITED

9+00 E





Dipole-Pole Array



Filter

*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300
metres

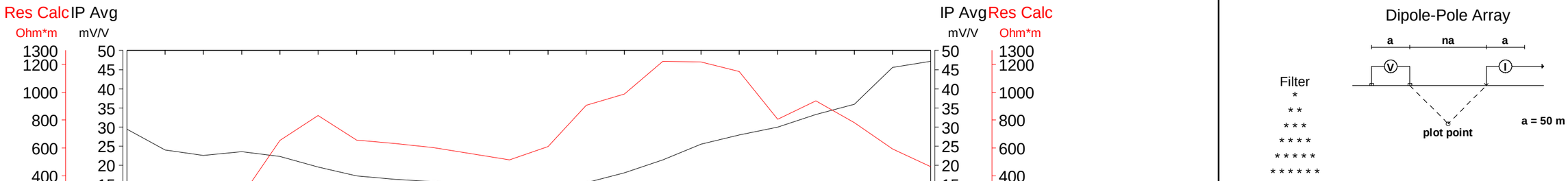
CALLINAN MINES LIMITED

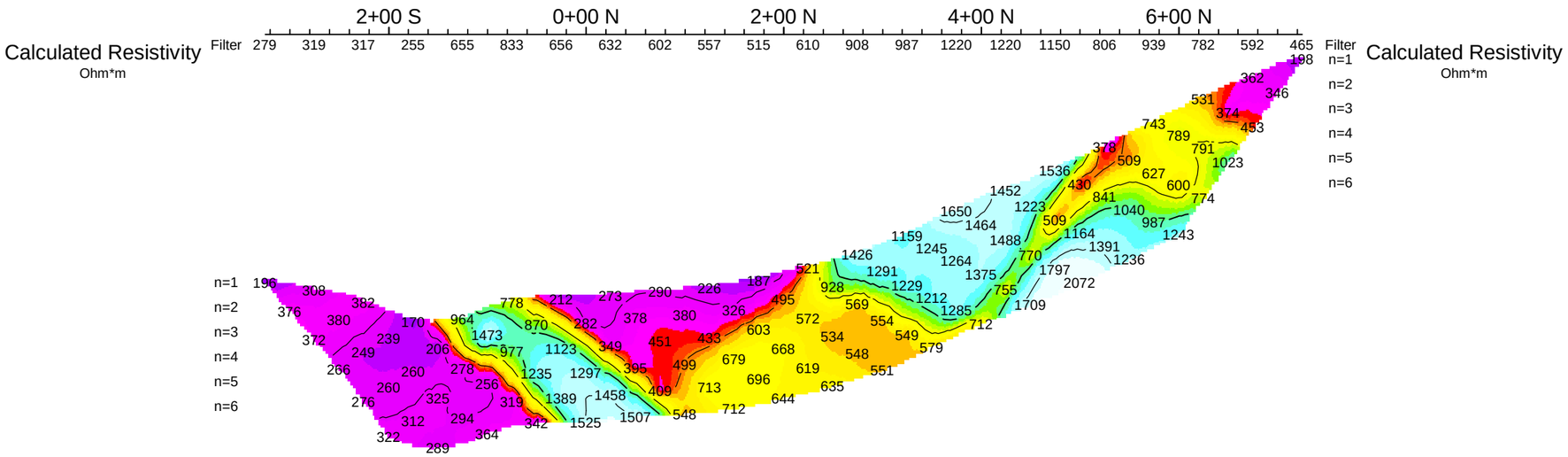
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

10+50 E





Dipole-Pole Array

Filter

*
**
***
****
*****
******

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

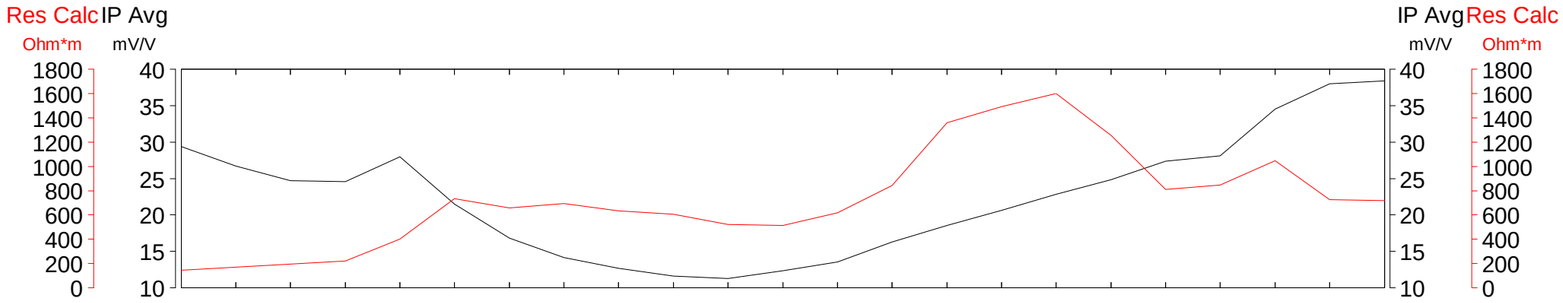
50 0 50 100 150 200 250 300
metres

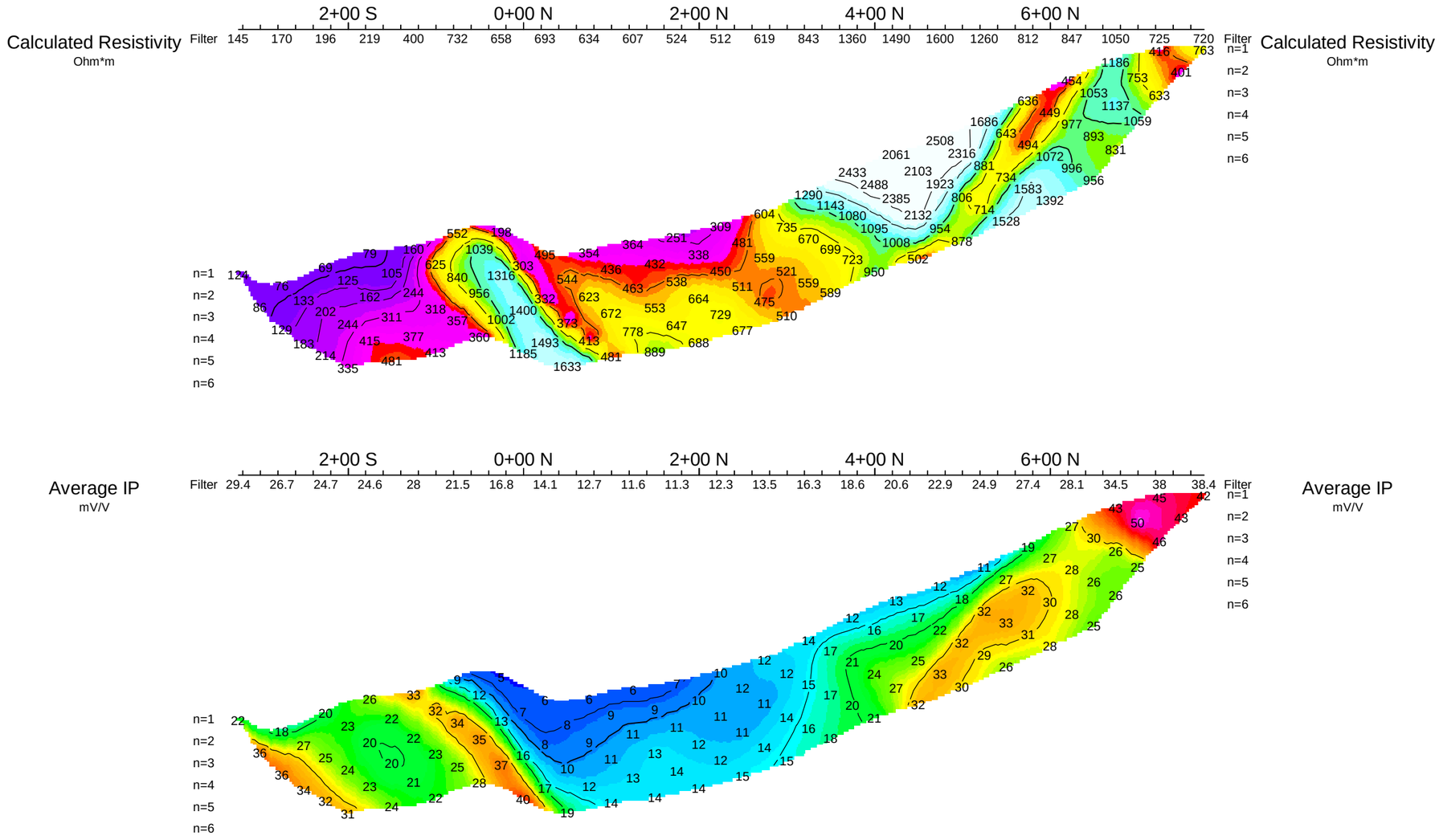
CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

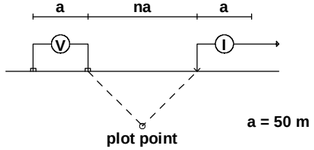
PETER E. WALCOTT & ASSOCIATES LIMITED





12+00 E

Dipole-Pole Array



Filter

*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300
metres

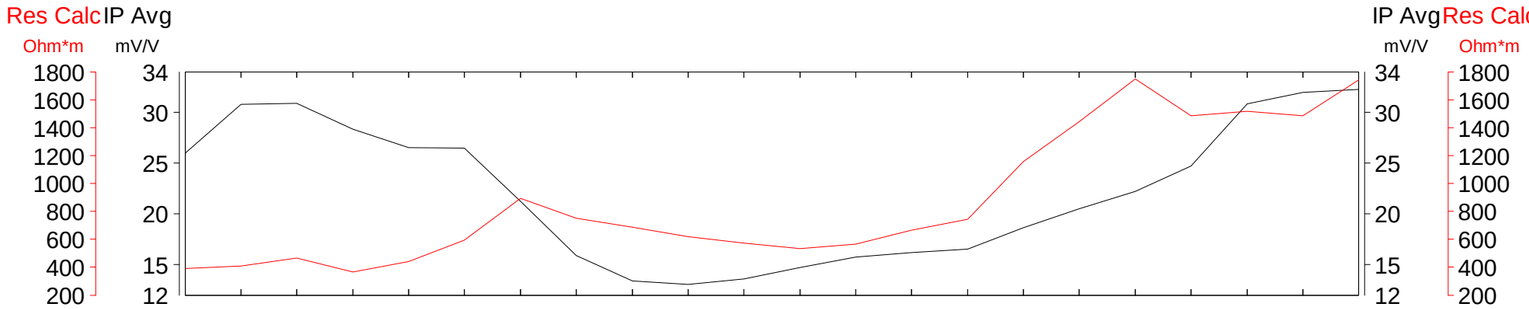
CALLINAN MINES LIMITED

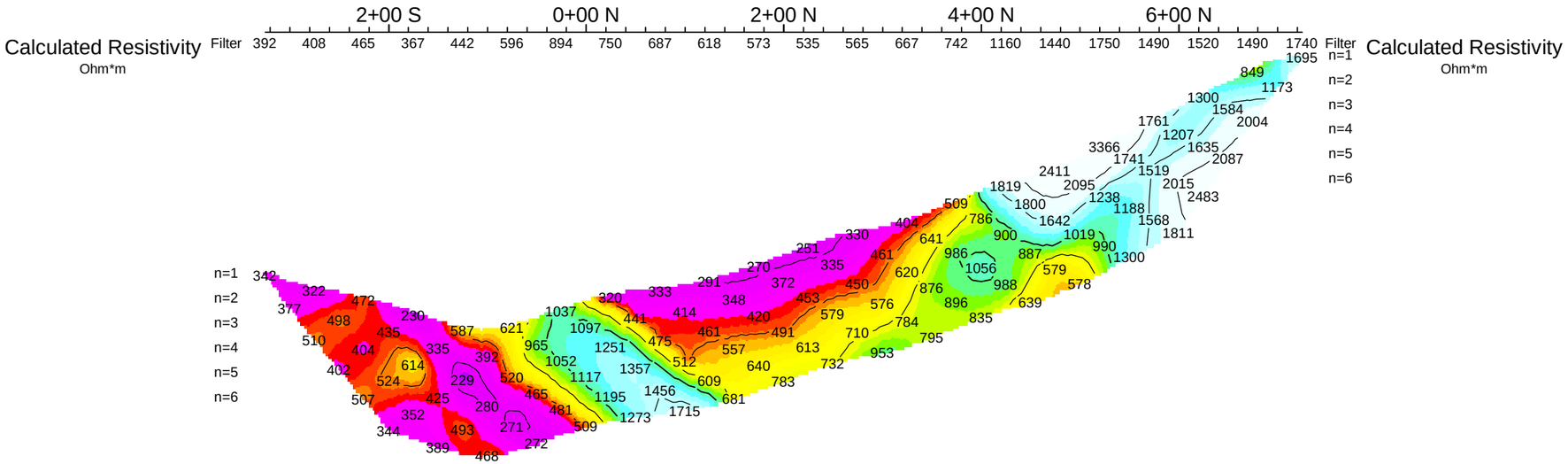
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

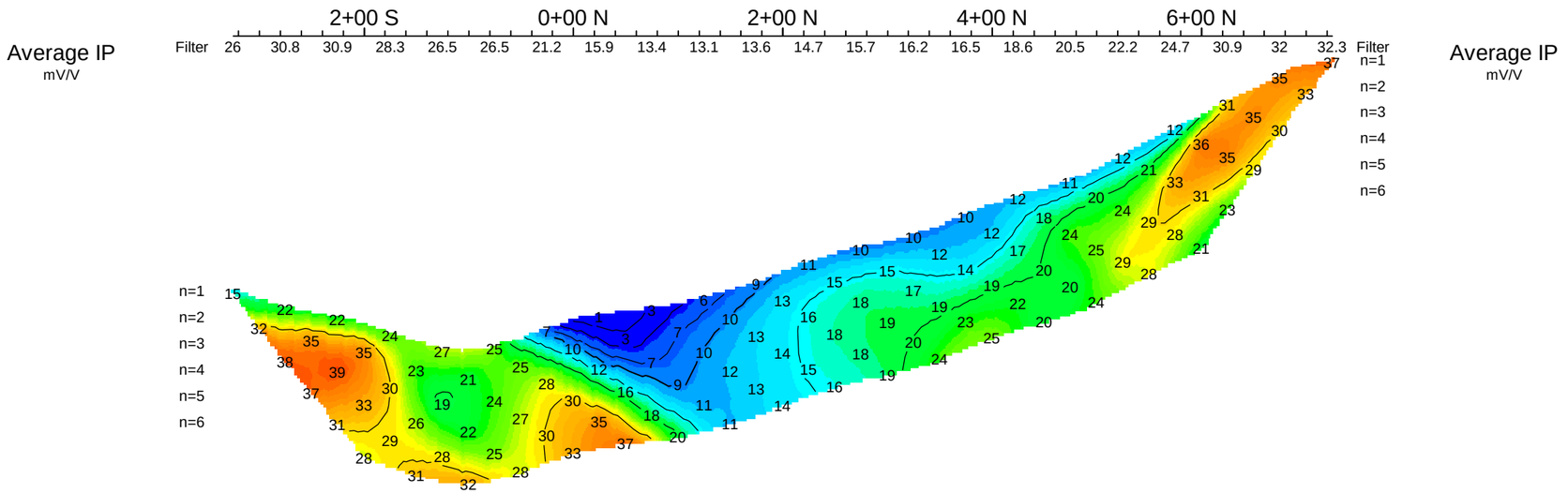
Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

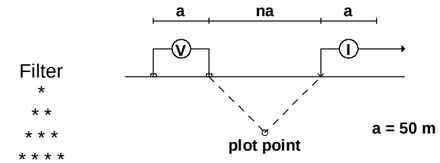
13+50 E







Dipole-Pole Array



Filter

*
**
***
****
*****
******

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300

metres

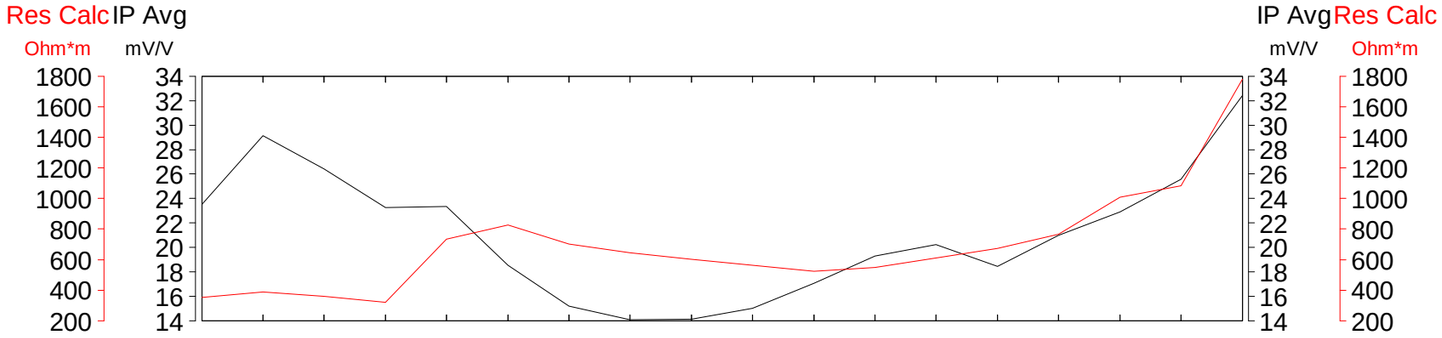
CALLINAN MINES LIMITED

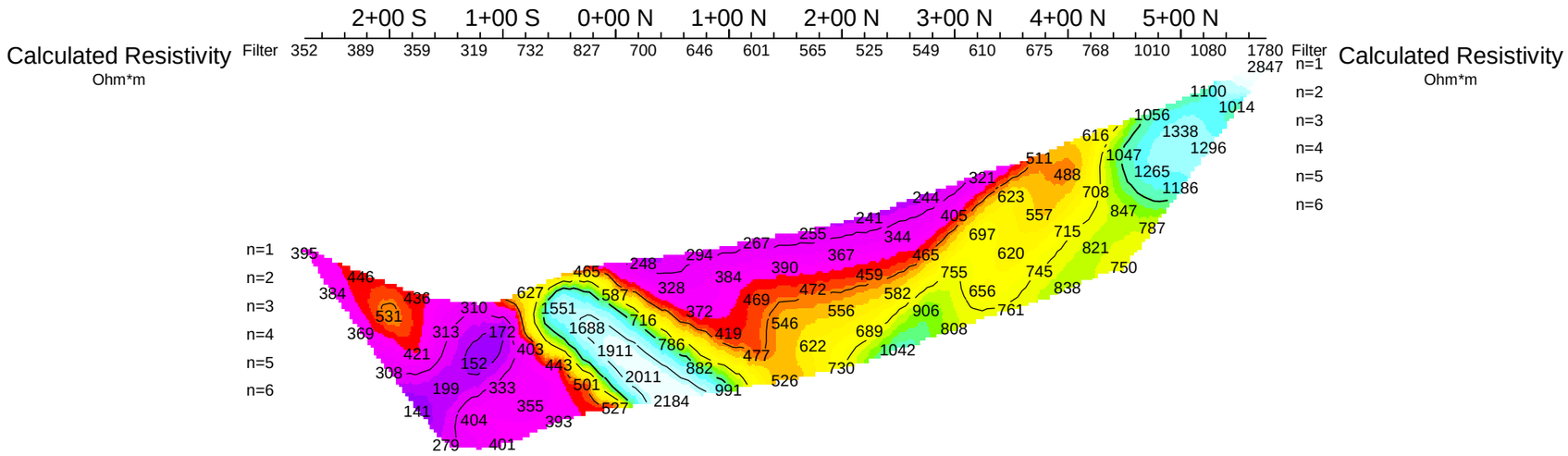
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

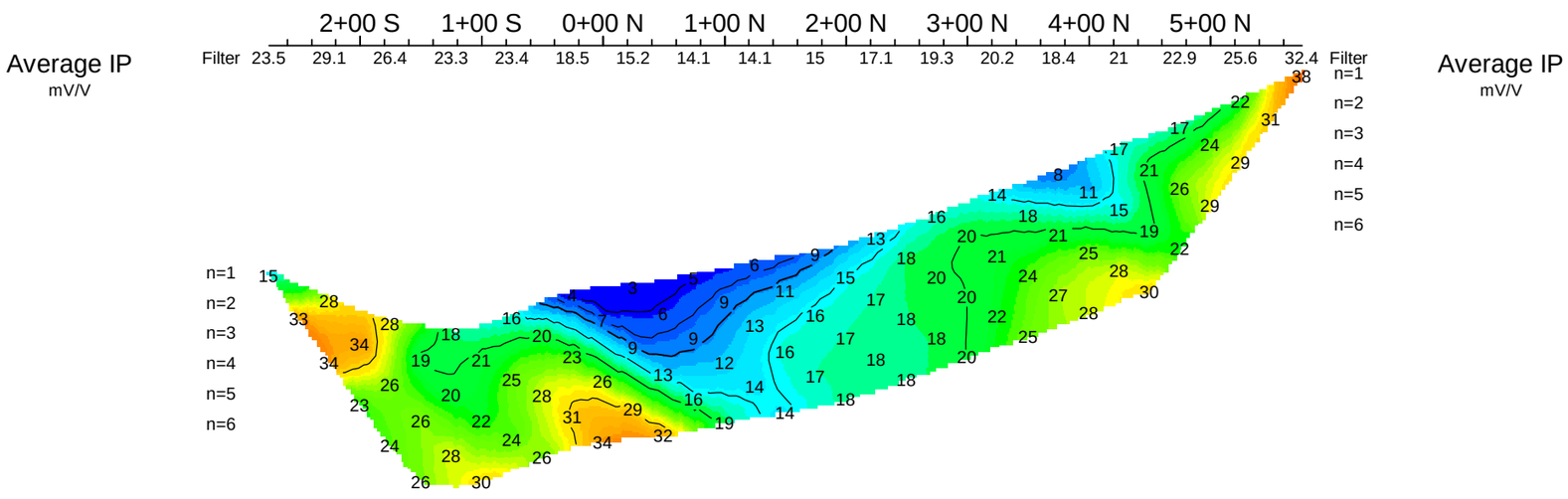
Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

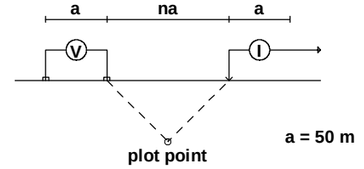
15+00 E







Dipole-Pole Array



Filter
*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300
metres

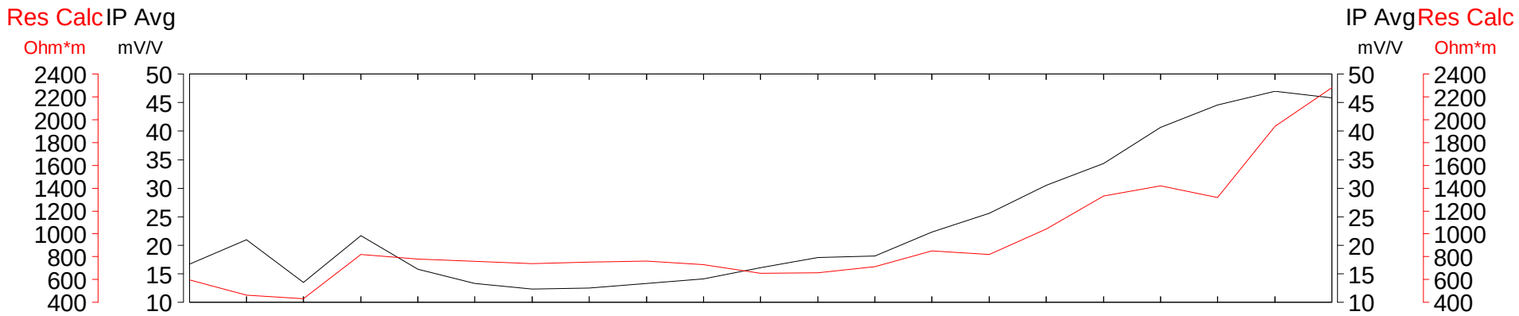
CALLINAN MINES LIMITED

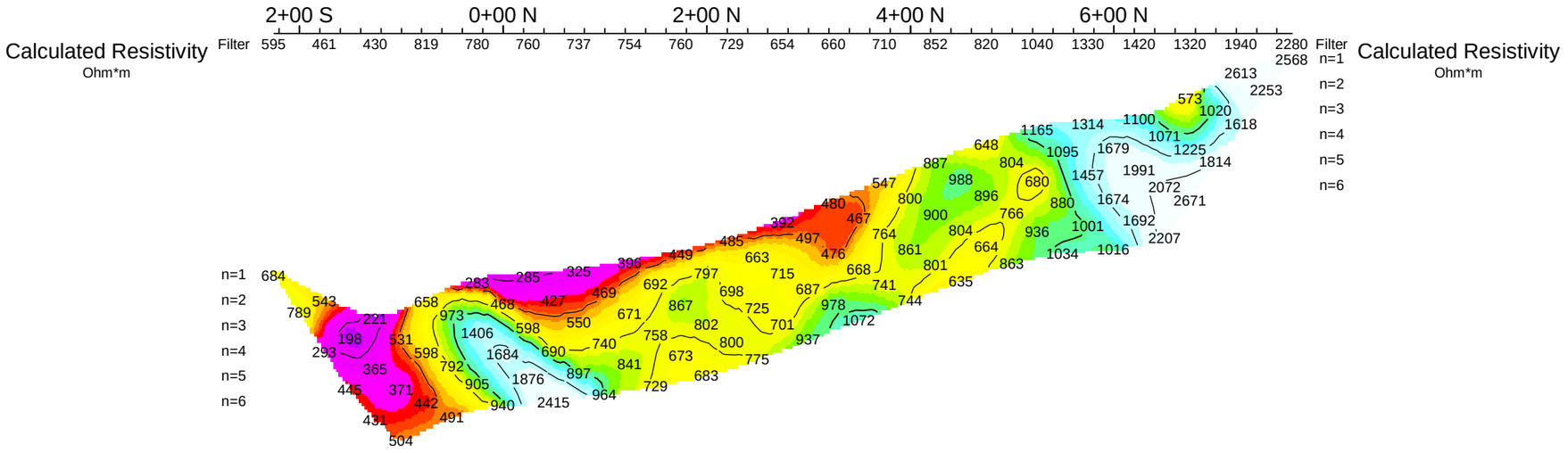
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

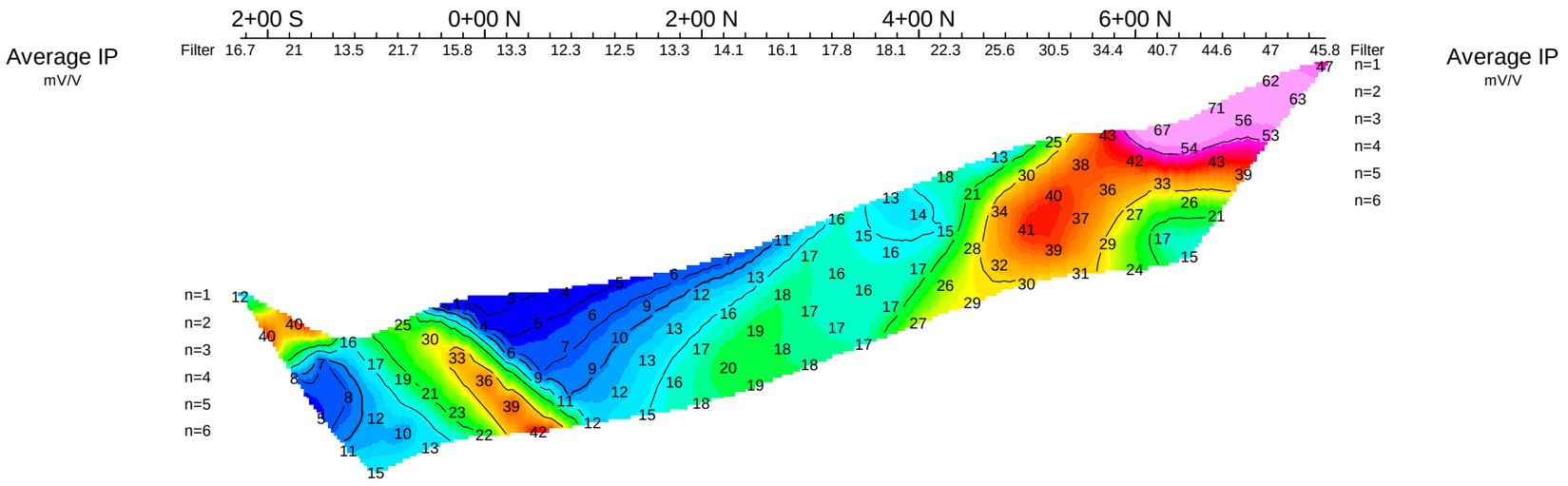
Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

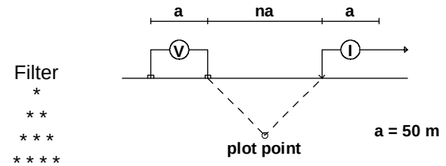
16+50 E







Dipole-Pole Array



Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

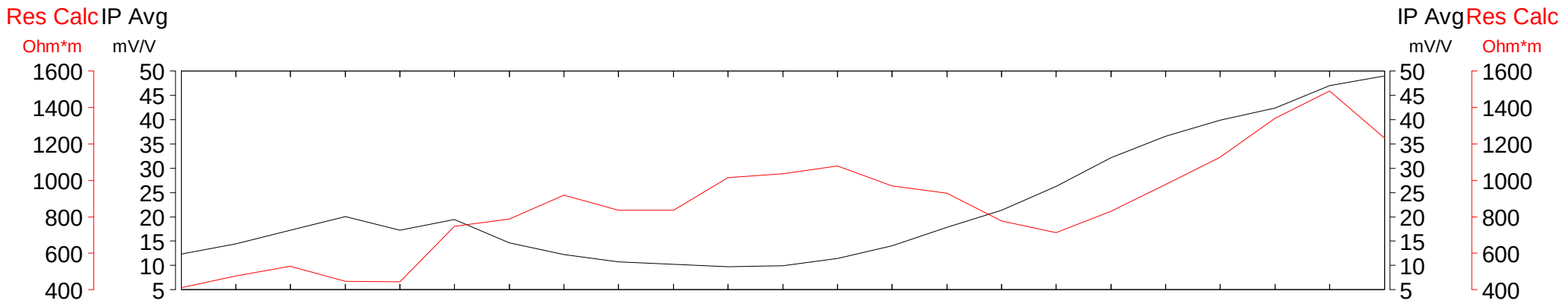
50 0 50 100 150 200 250 300
metres

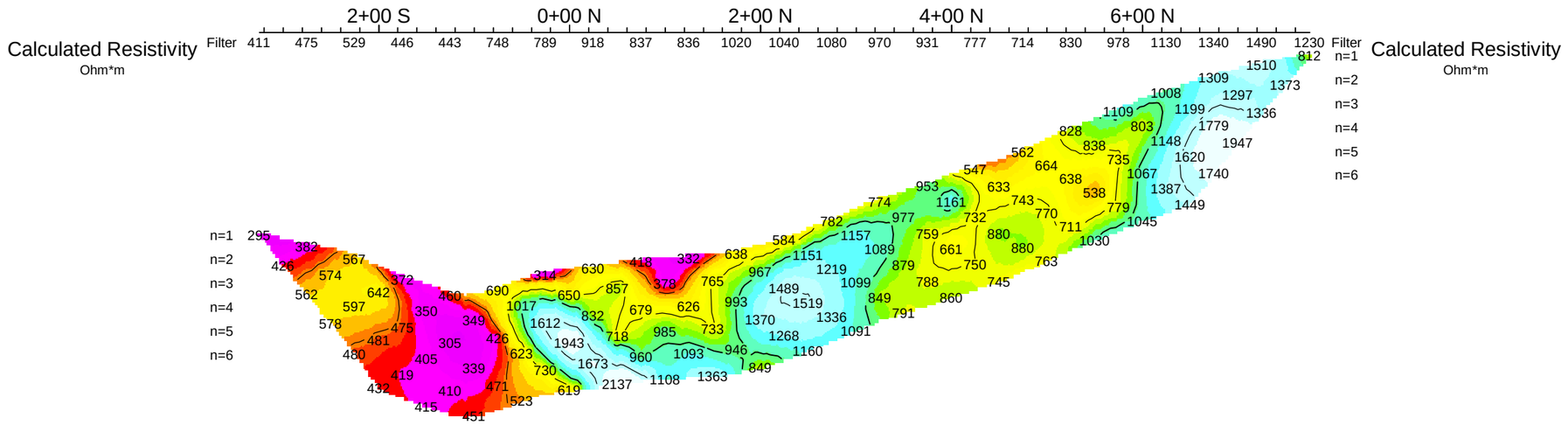
CALLINAN MINES LIMITED

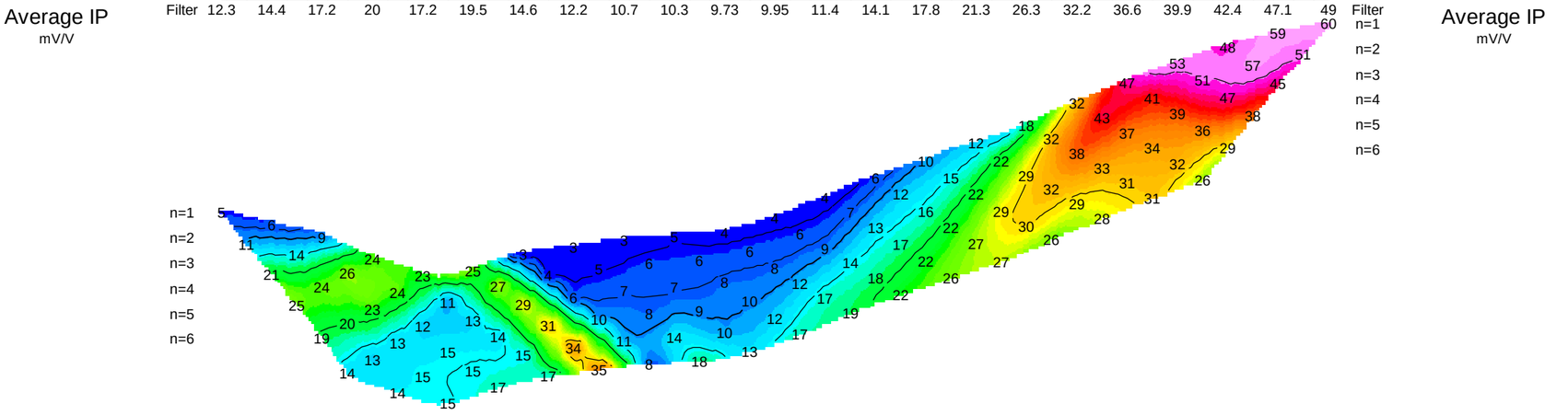
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

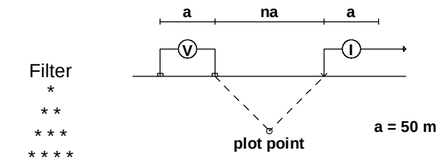






18+00 E

Dipole-Pole Array



Filter

*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

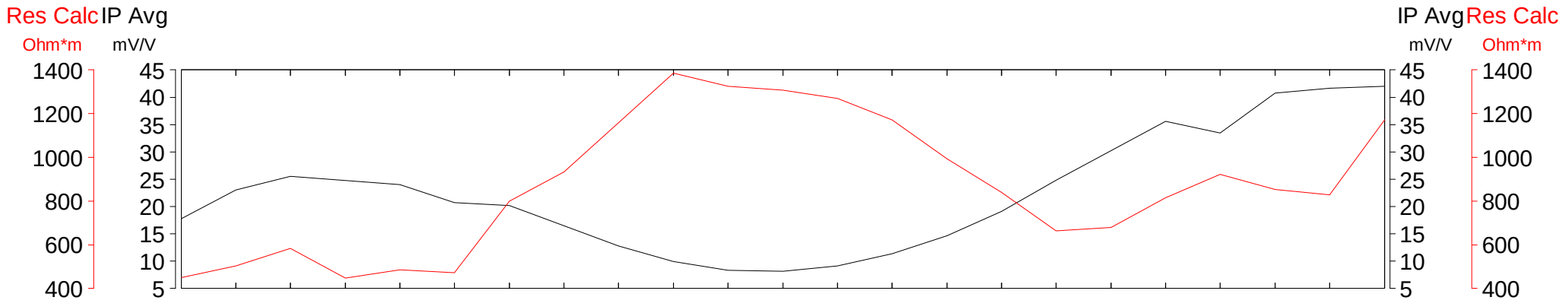
50 0 50 100 150 200 250 300
metres

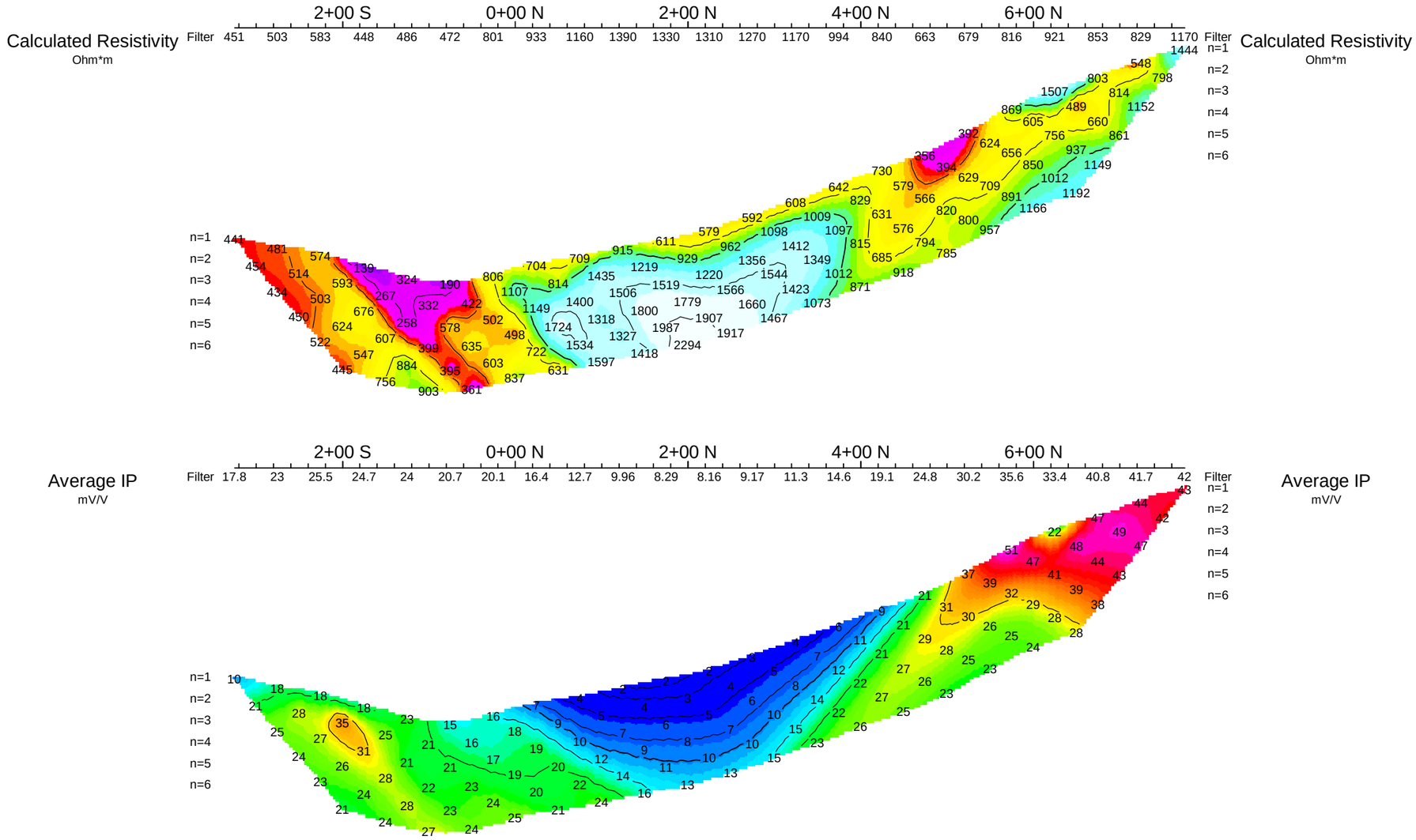
CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

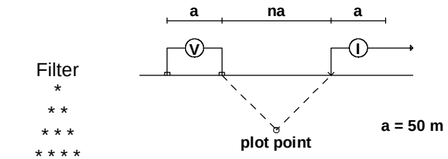
PETER E. WALCOTT & ASSOCIATES LIMITED





19+50 E

Dipole-Pole Array



Filter

*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300
metres

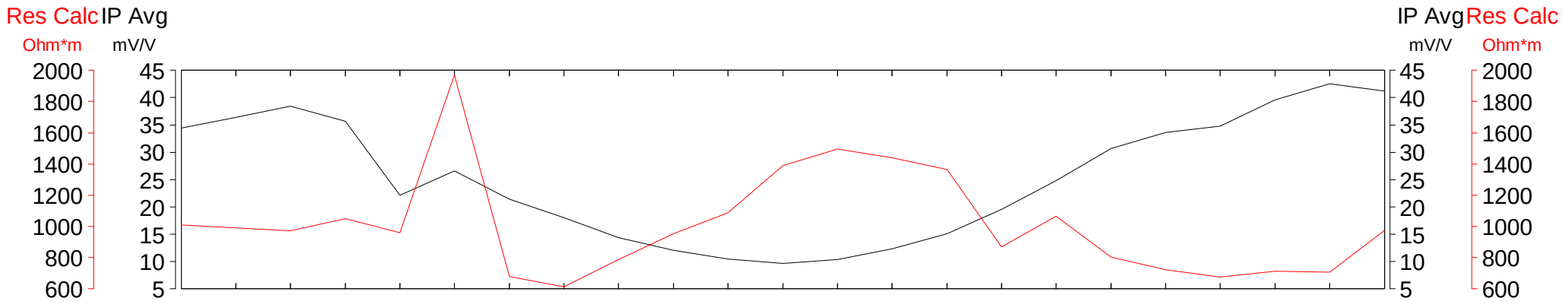
CALLINAN MINES LIMITED

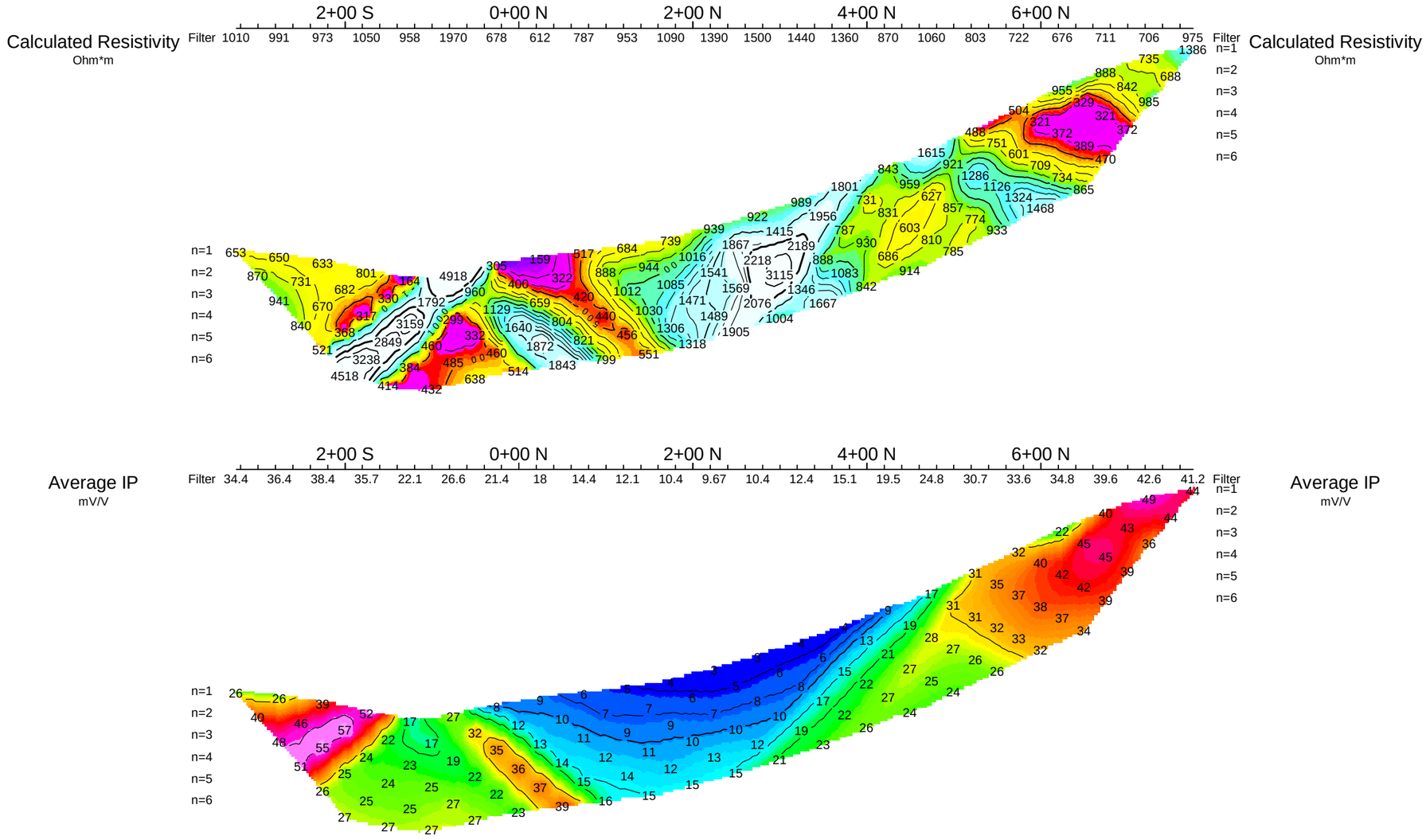
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

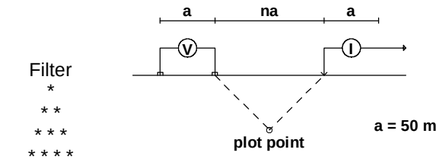
PETER E. WALCOTT & ASSOCIATES LIMITED

21+00 E





Dipole-Pole Array



Filter
*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

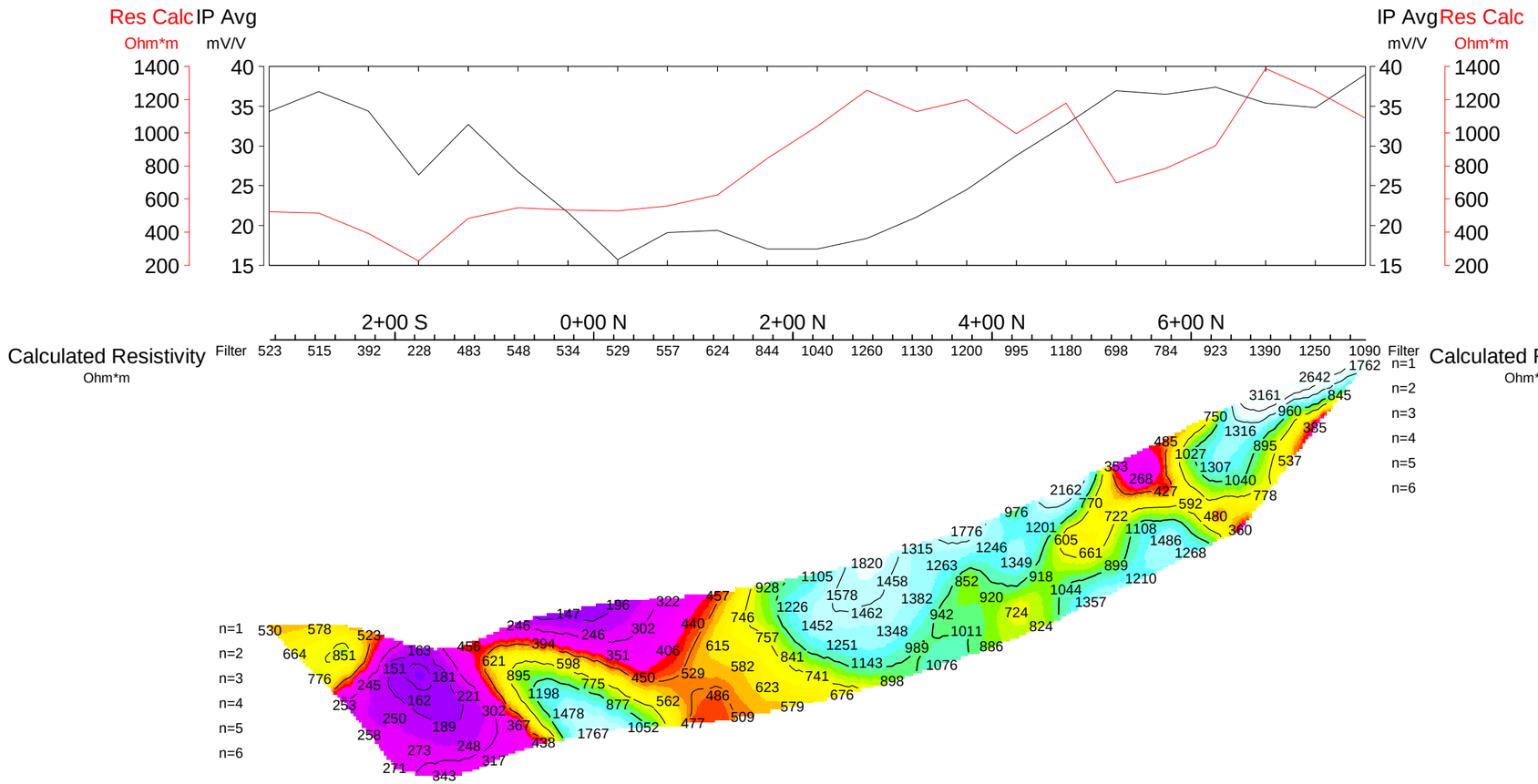
50 0 50 100 150 200 250 300
metres

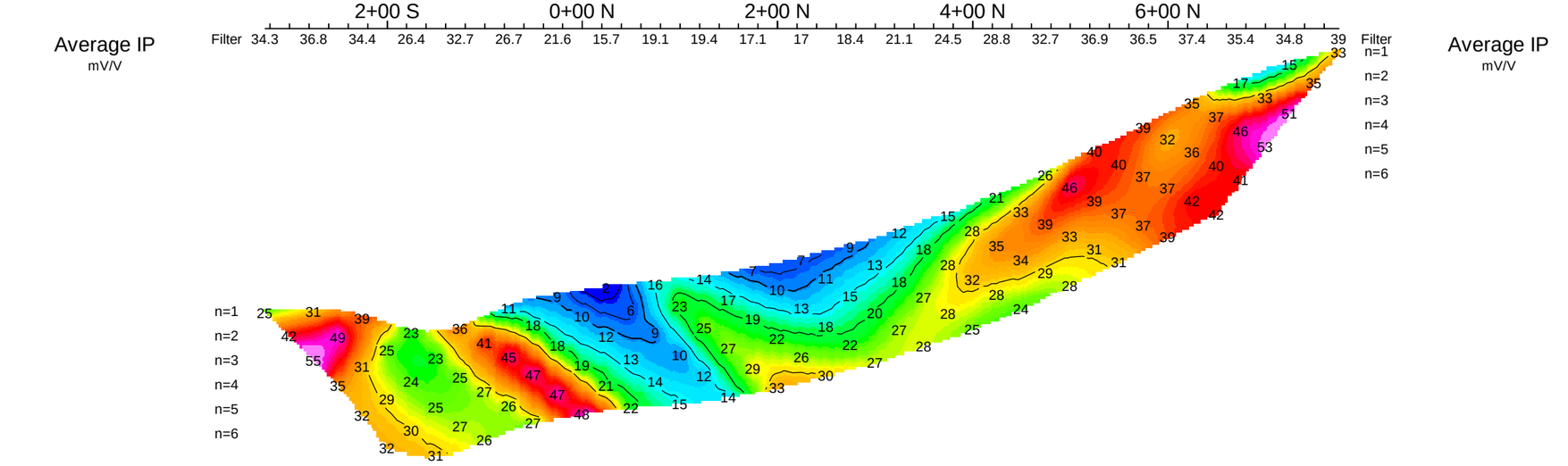
CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

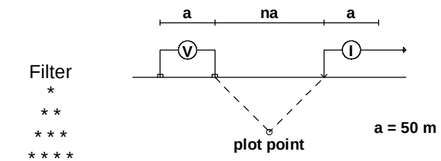
PETER E. WALCOTT & ASSOCIATES LIMITED





22+50 E

Dipole-Pole Array



Filter

*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

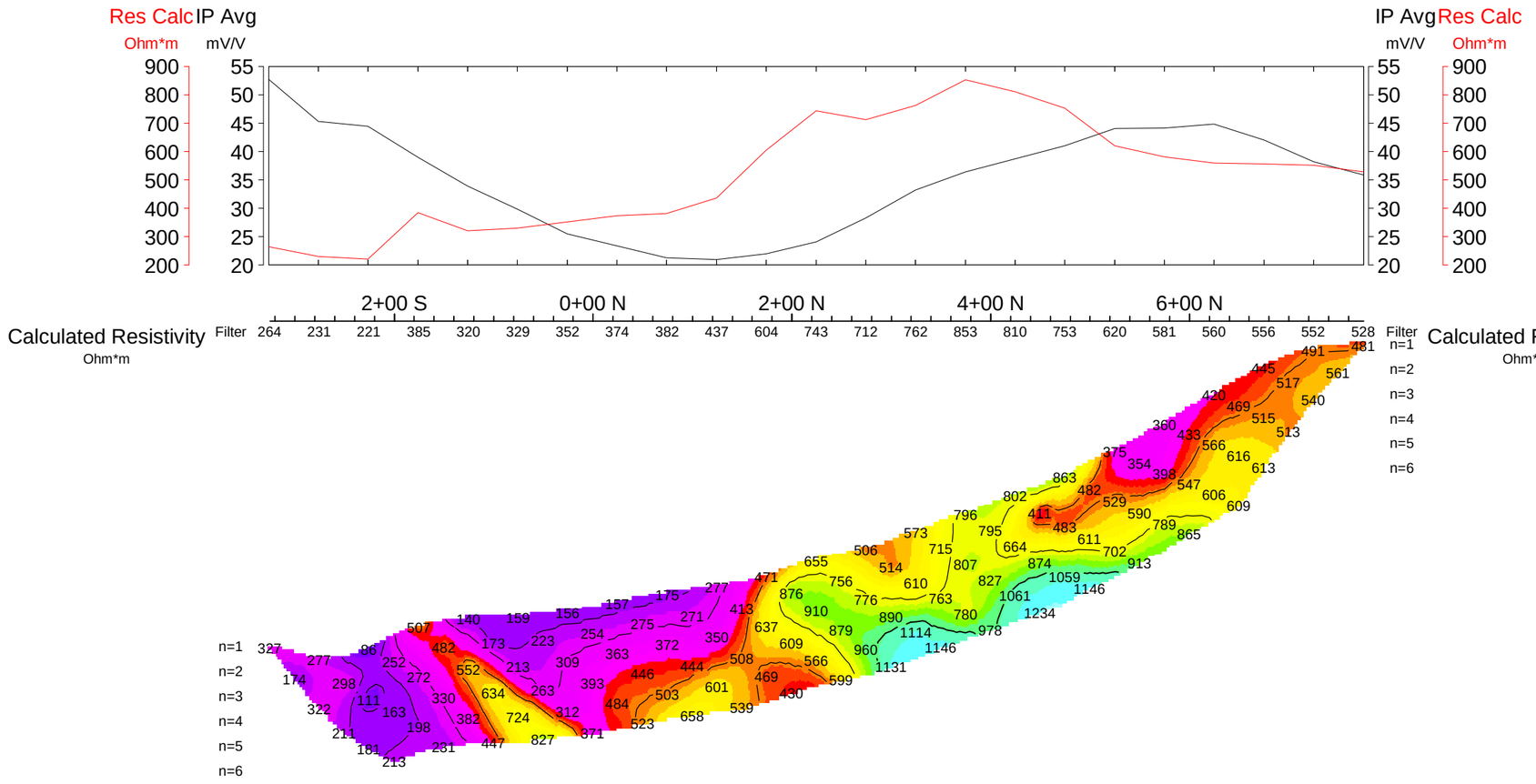
50 0 50 100 150 200 250 300
metres

CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

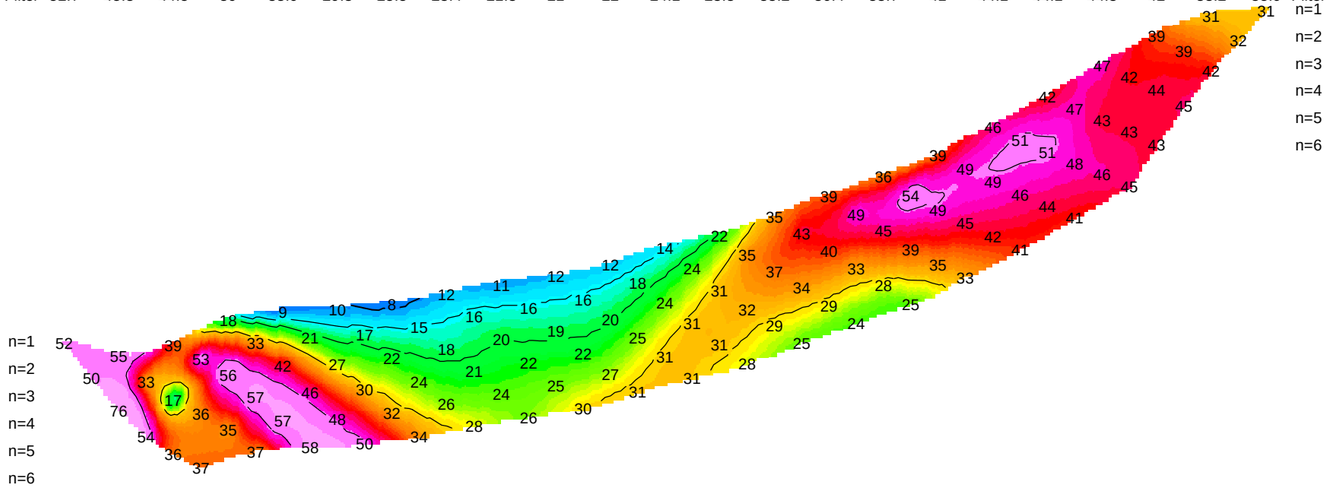
PETER E. WALCOTT & ASSOCIATES LIMITED



Calculated Resistivity
Ohm*m

Calculated Resistivity
Ohm*m

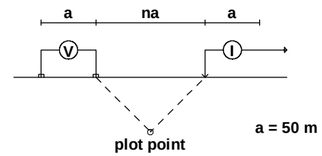
Average IP
mV/V



Average IP
mV/V

24+00 E

Dipole-Pole Array



Filter
*
* *
* * *
* * * *
* * * * *
* * * * * *

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

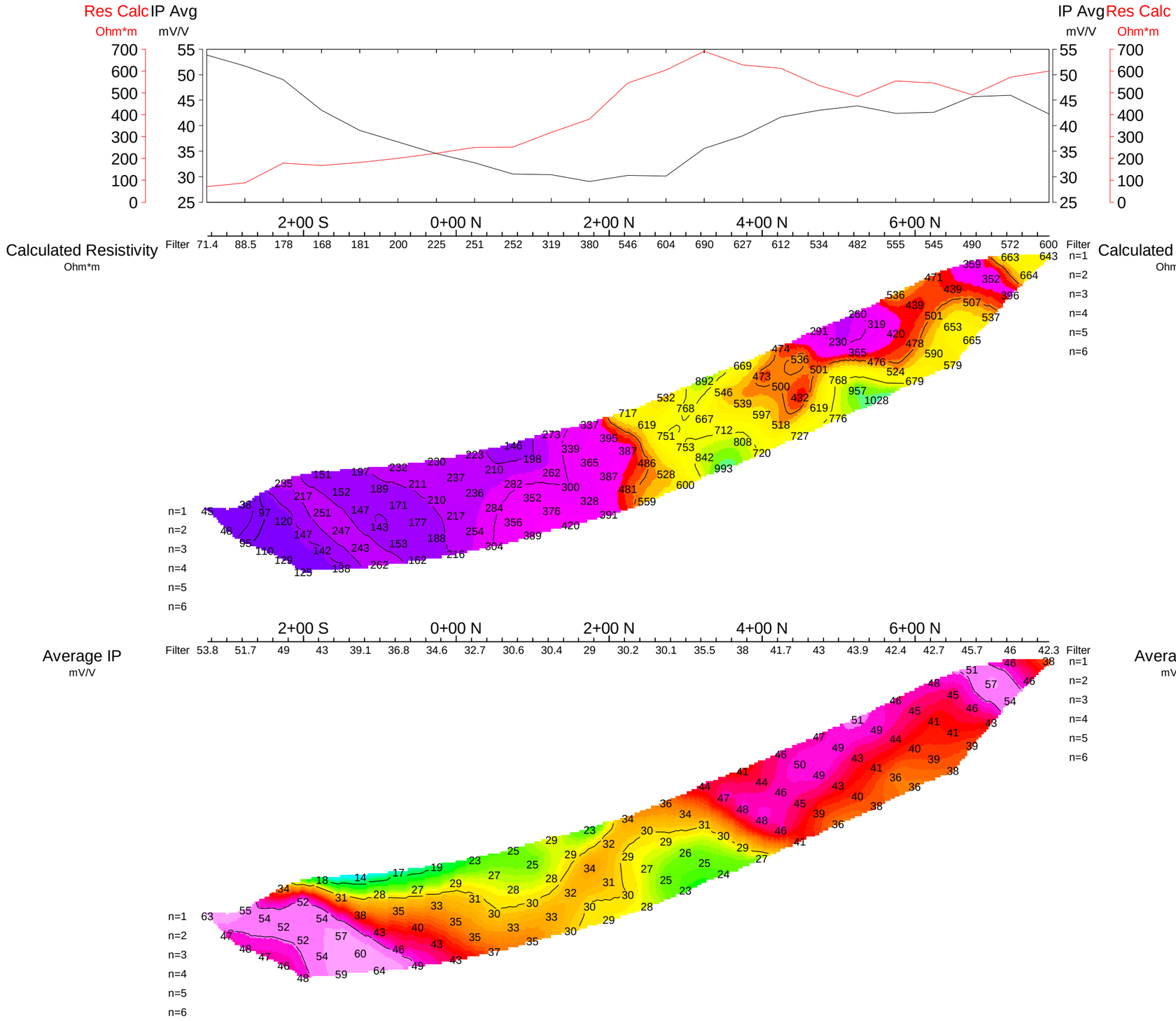
50 0 50 100 150 200 250 300
metres

CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

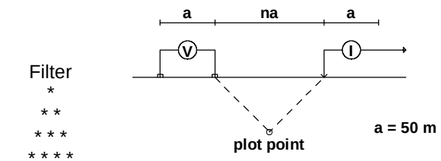
Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED



25+50 E

Dipole-Pole Array



Filter

*
**
***
****
*****
******

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300

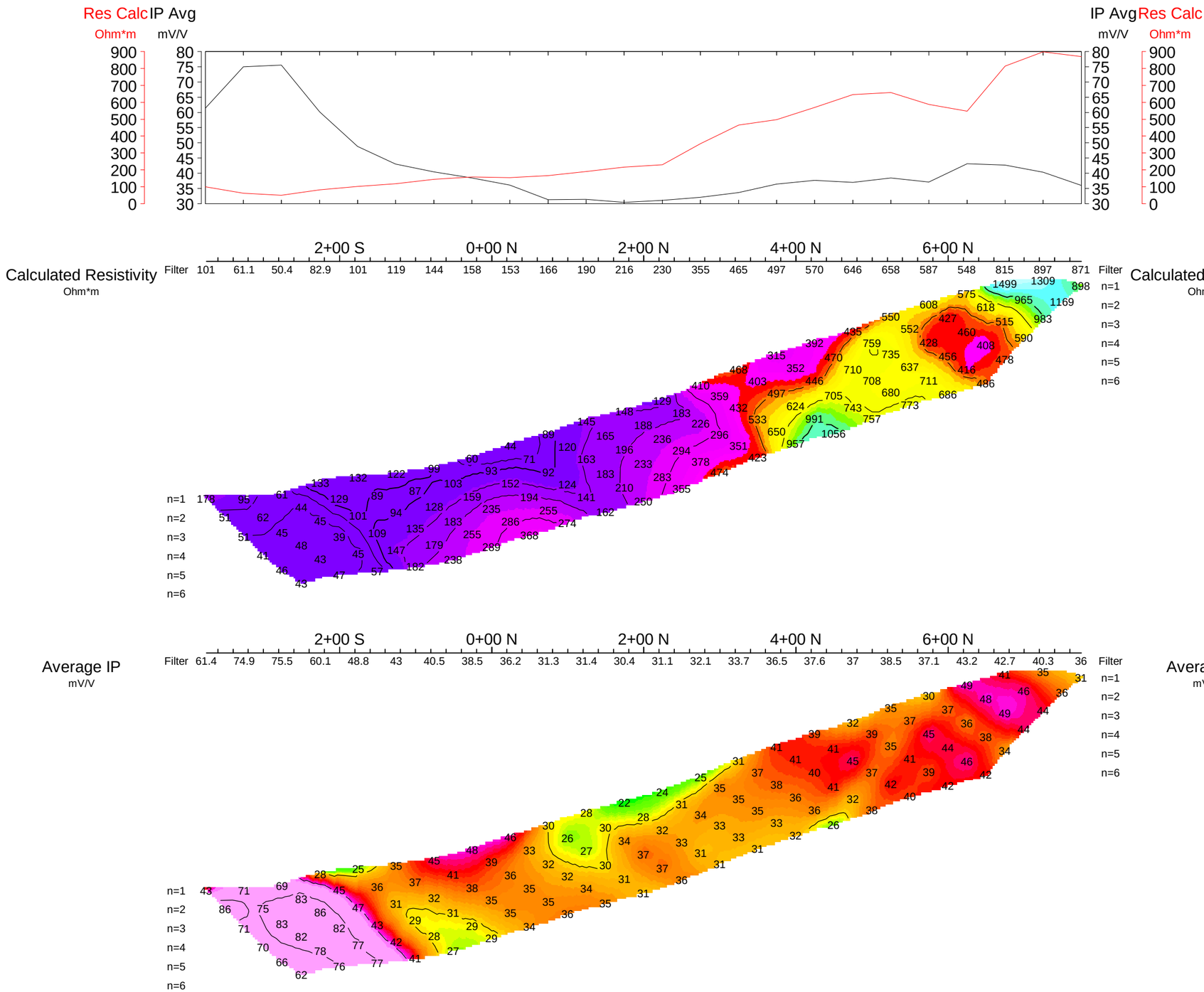
metres

CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

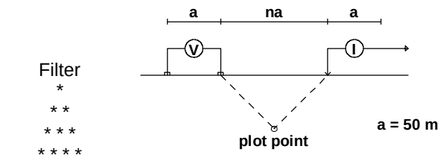
Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED



27+00 E

Dipole-Pole Array



Filter

*
**
***
****
*****
******

Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

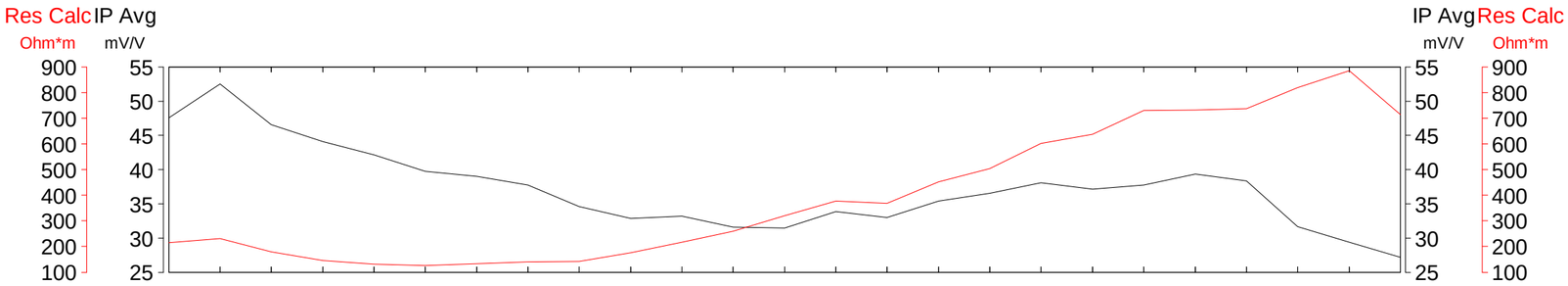
50 0 50 100 150 200 250 300
metres

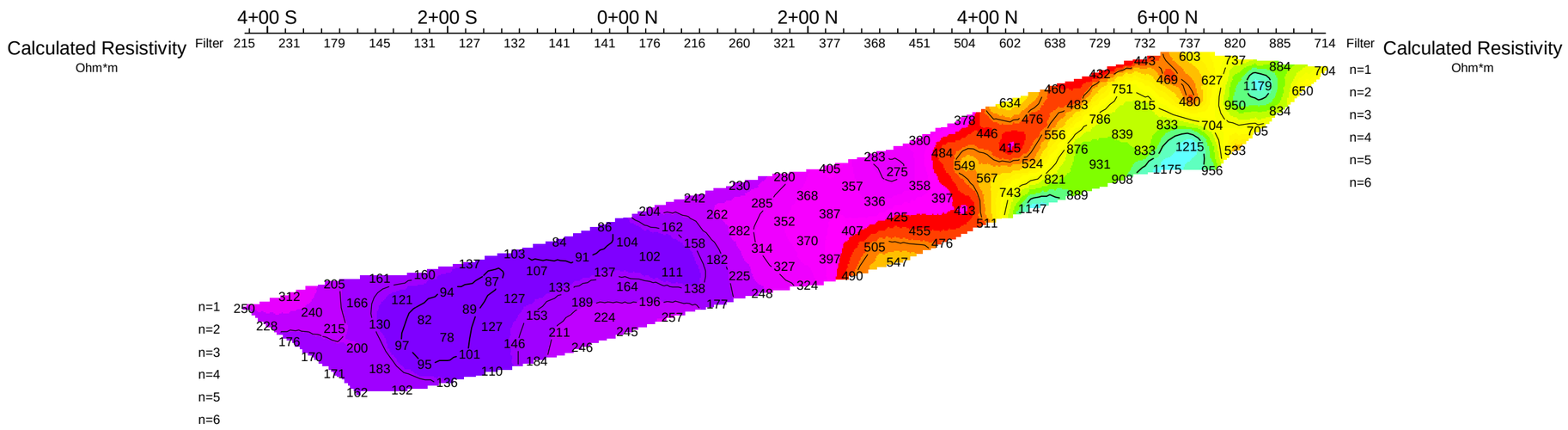
CALLINAN MINES LIMITED

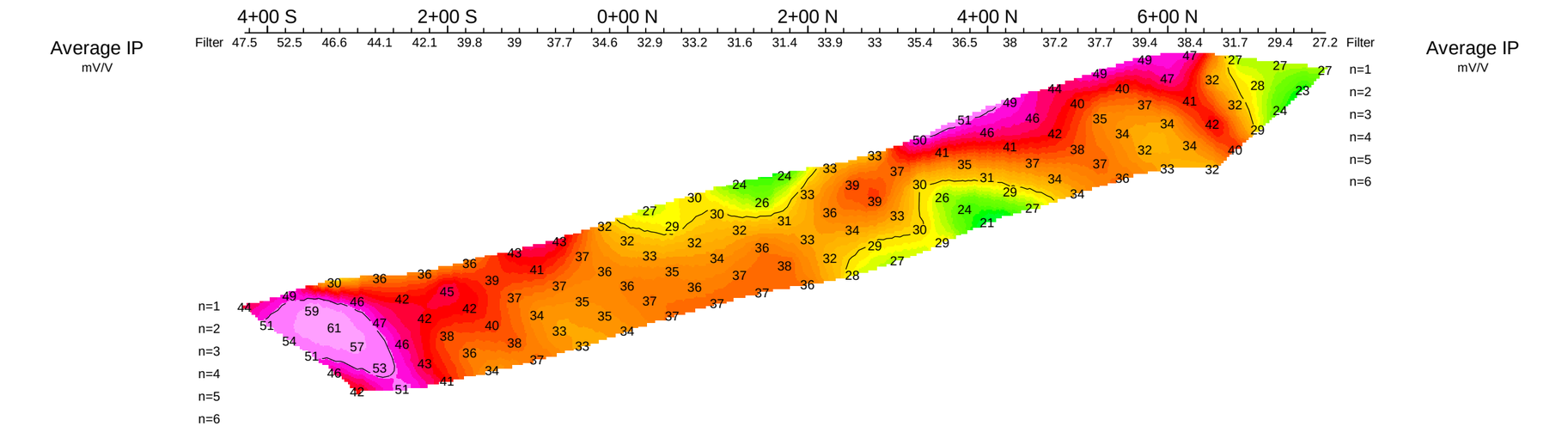
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

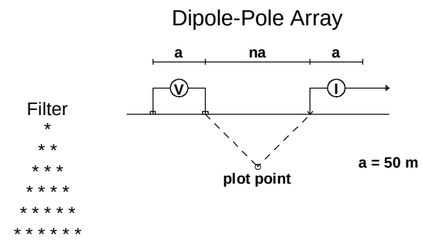






28+50 E

Dipole-Pole Array



Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.

Operators: A.C., S.P.

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,...

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Fairly well defined weak increase in polarization.

Resistivity feature.

Scale 1:5000

50 0 50 100 150 200 250 300
metres

CALLINAN MINES LIMITED

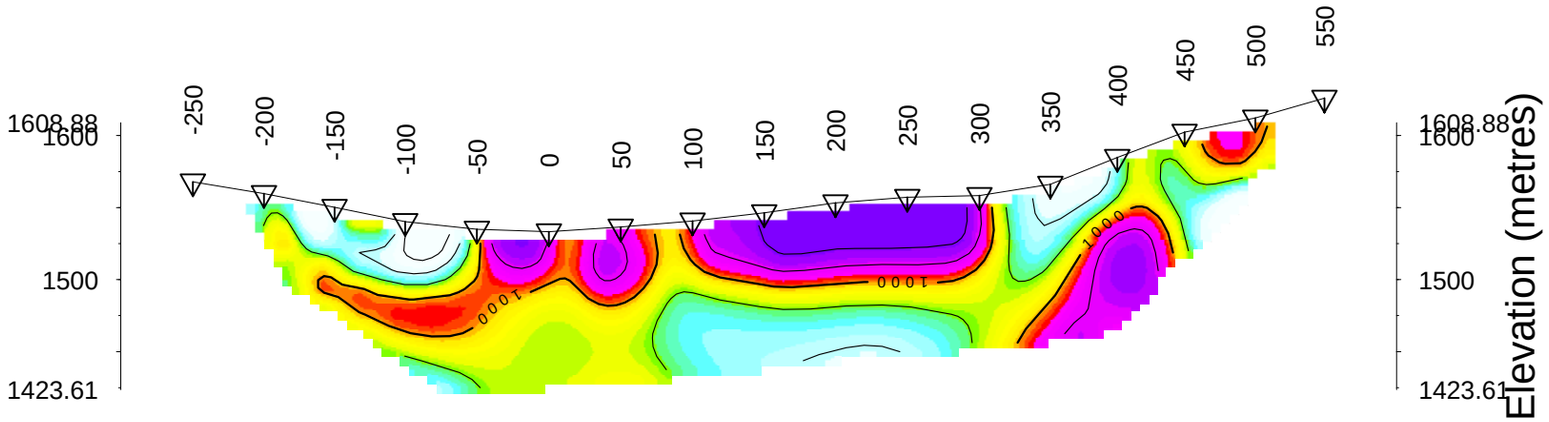
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

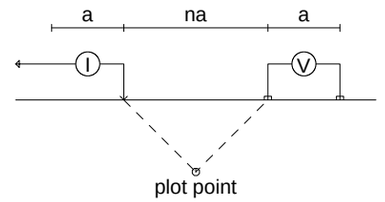
PETER E. WALCOTT & ASSOCIATES LIMITED

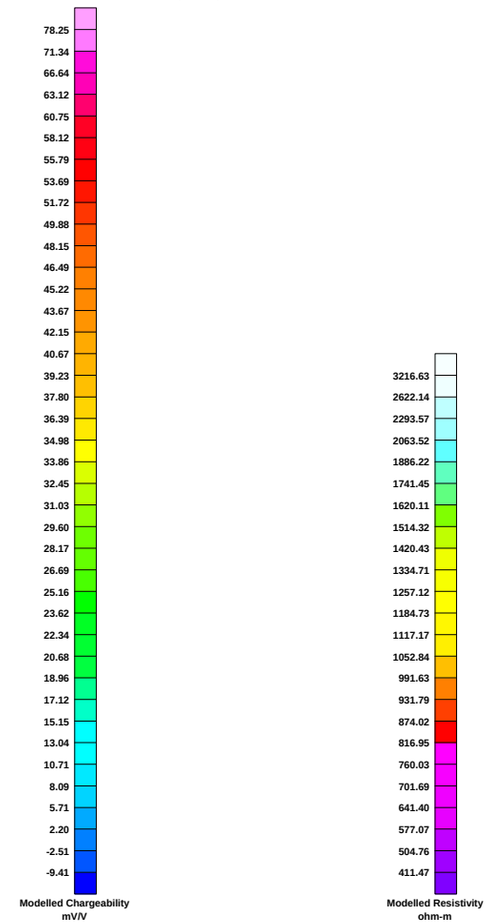
Line 150

Modelled Resistivity (Ohm-m)

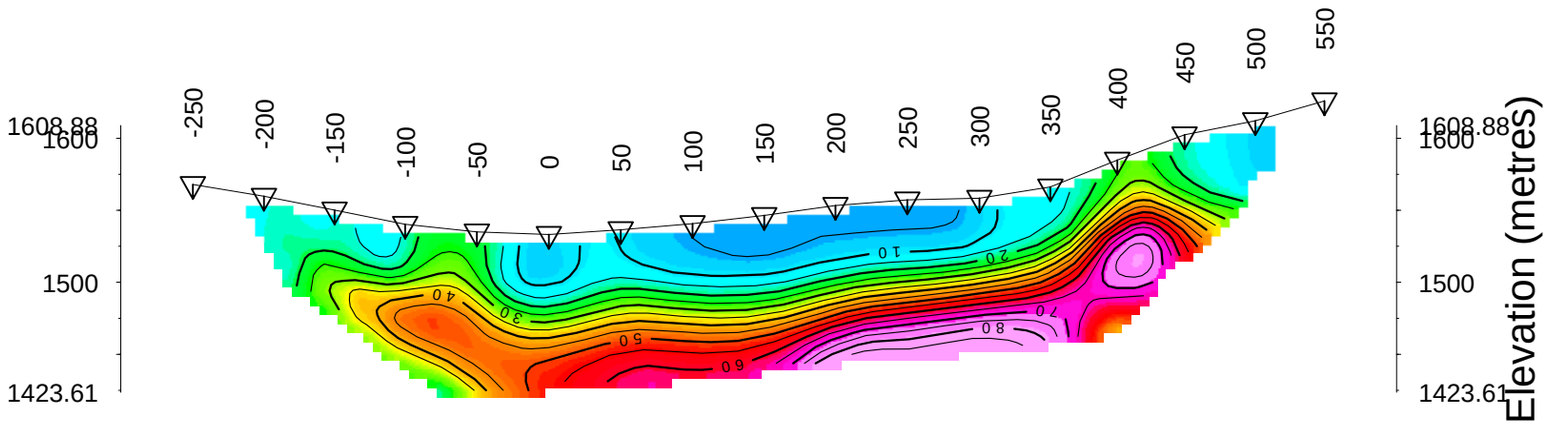


Pole-Dipole Array





Modelled Chargeability (mV/V)



Scale 1:5000

50 0 50 100 150 200 250 300

(meters)

CALLINAN MINES LIMITED

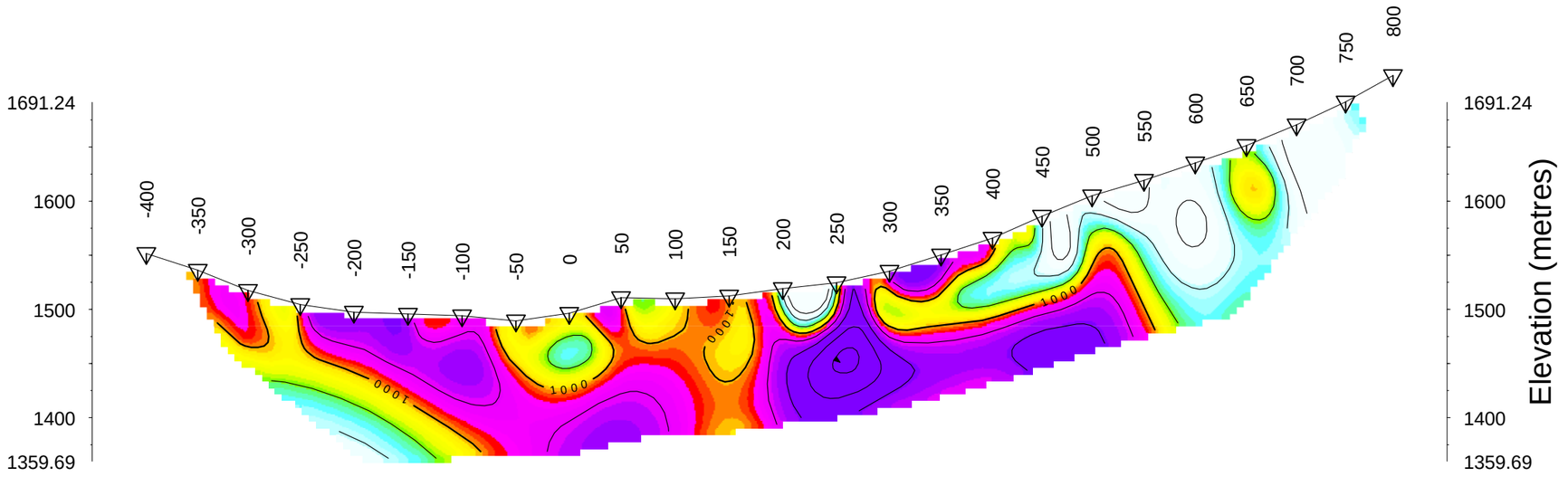
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

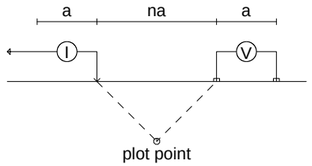
PETER E. WALCOTT & ASSOCIATES LIMITED

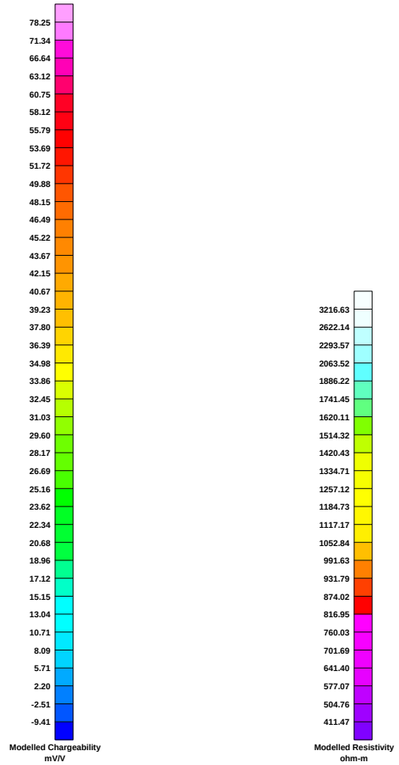
Line 300

Modelled Resistivity (Ohm-m)

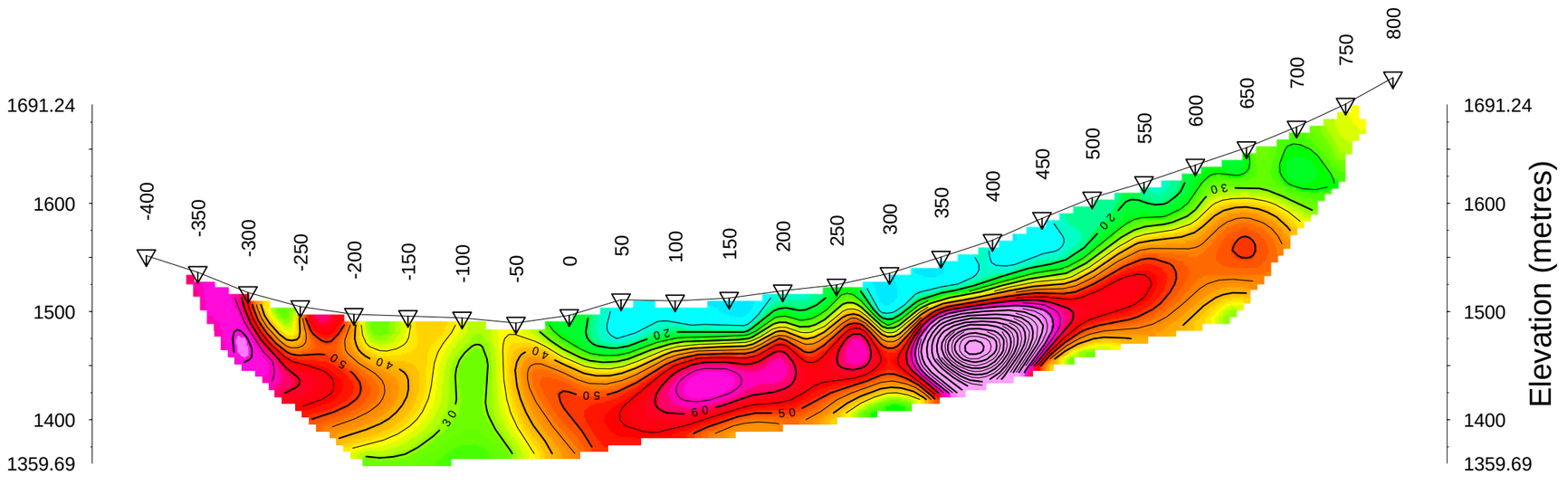


Pole-Dipole Array

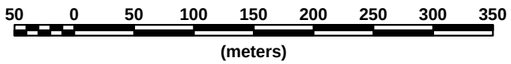




Modelled Chargeability (mV/V)



Scale 1:5000



CALLINAN MINES LIMITED

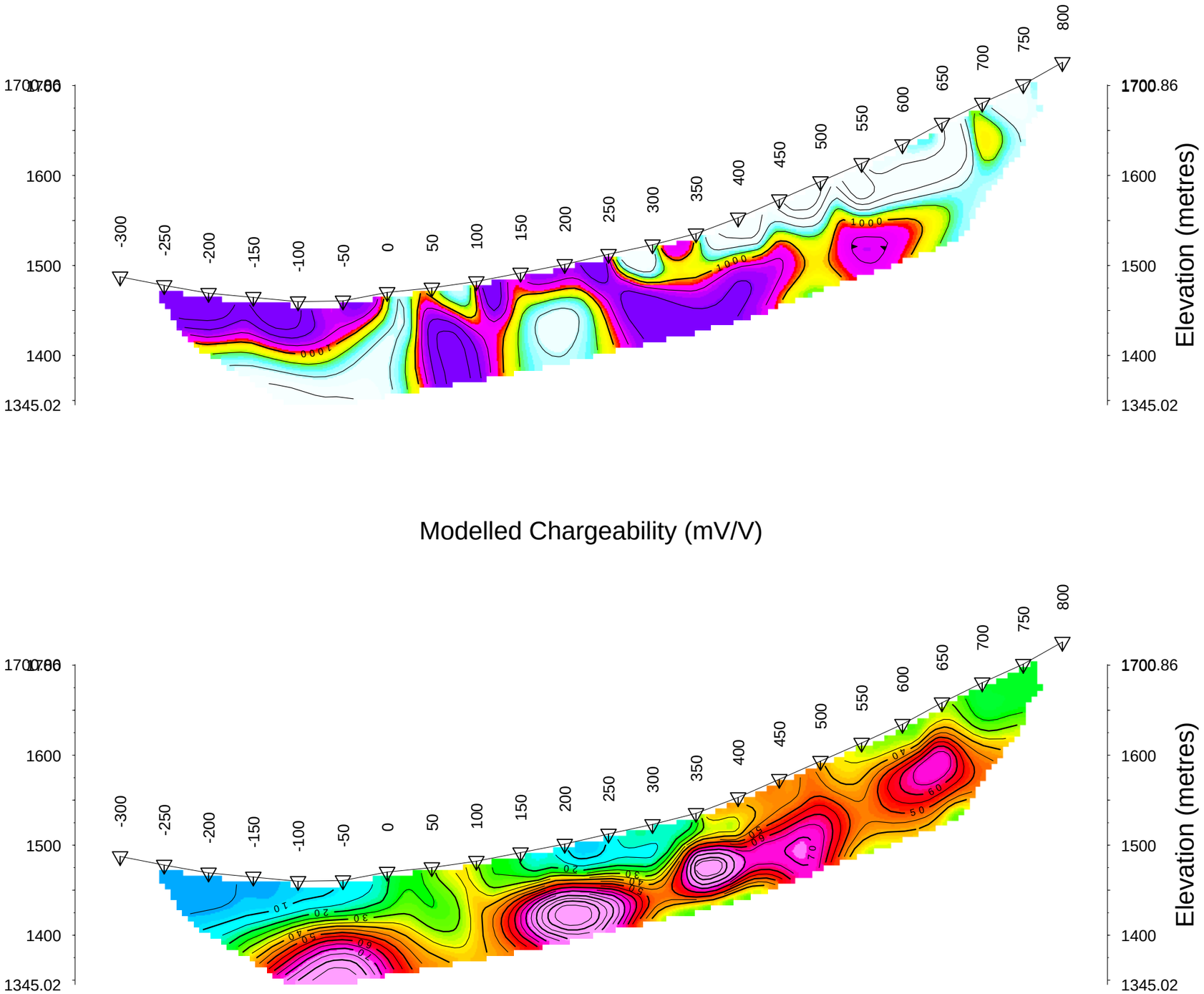
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

PETER E. WALCOTT & ASSOCIATES LIMITED

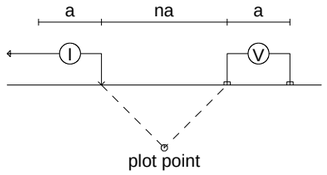
Line 450

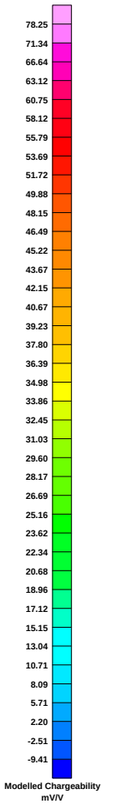
Modelled Resistivity (Ohm-m)

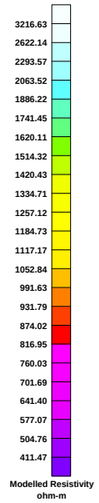


Modelled Chargeability (mV/V)

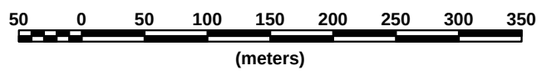
Pole-Dipole Array







Scale 1:5000



CALLINAN MINES LIMITED

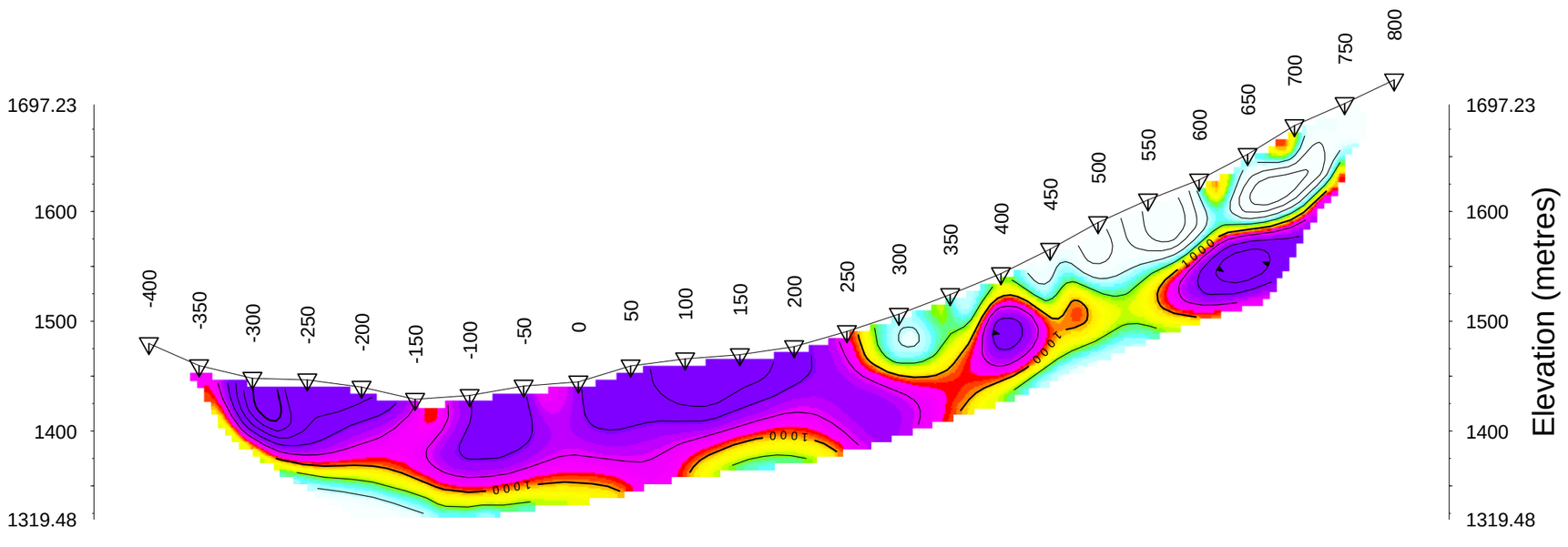
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

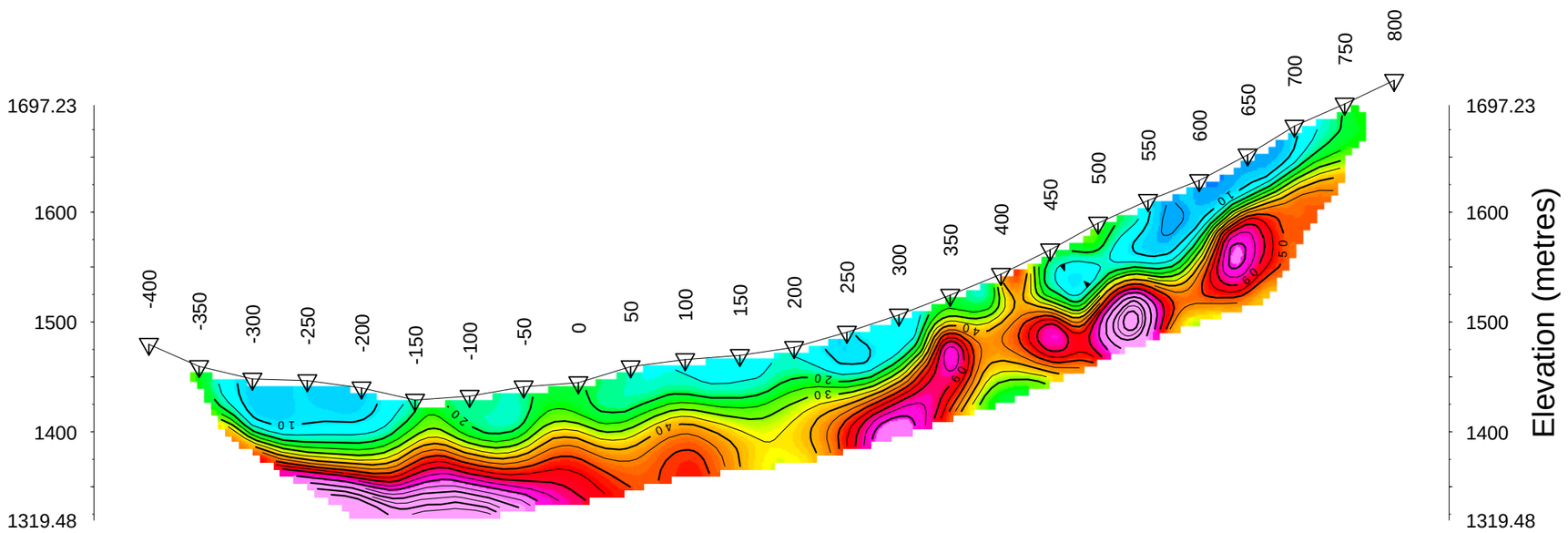
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 600

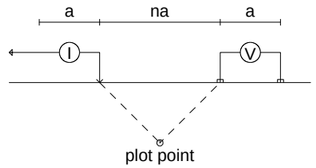
Modelled Resistivity (Ohm-m)

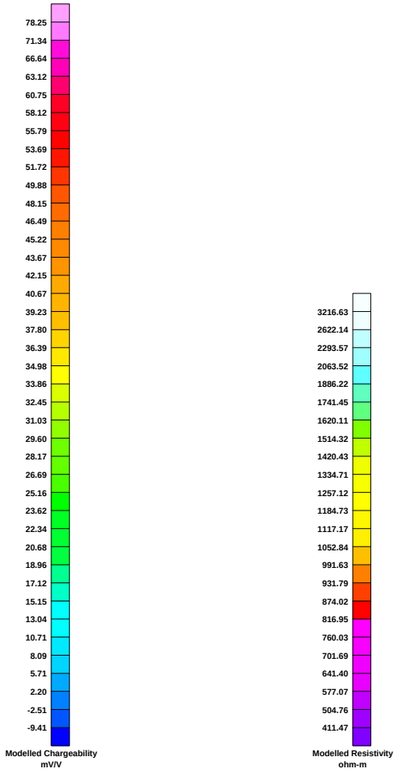


Modelled Chargeability (mV/V)

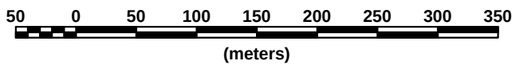


Pole-Dipole Array





Scale 1:5000



CALLINAN MINES LIMITED

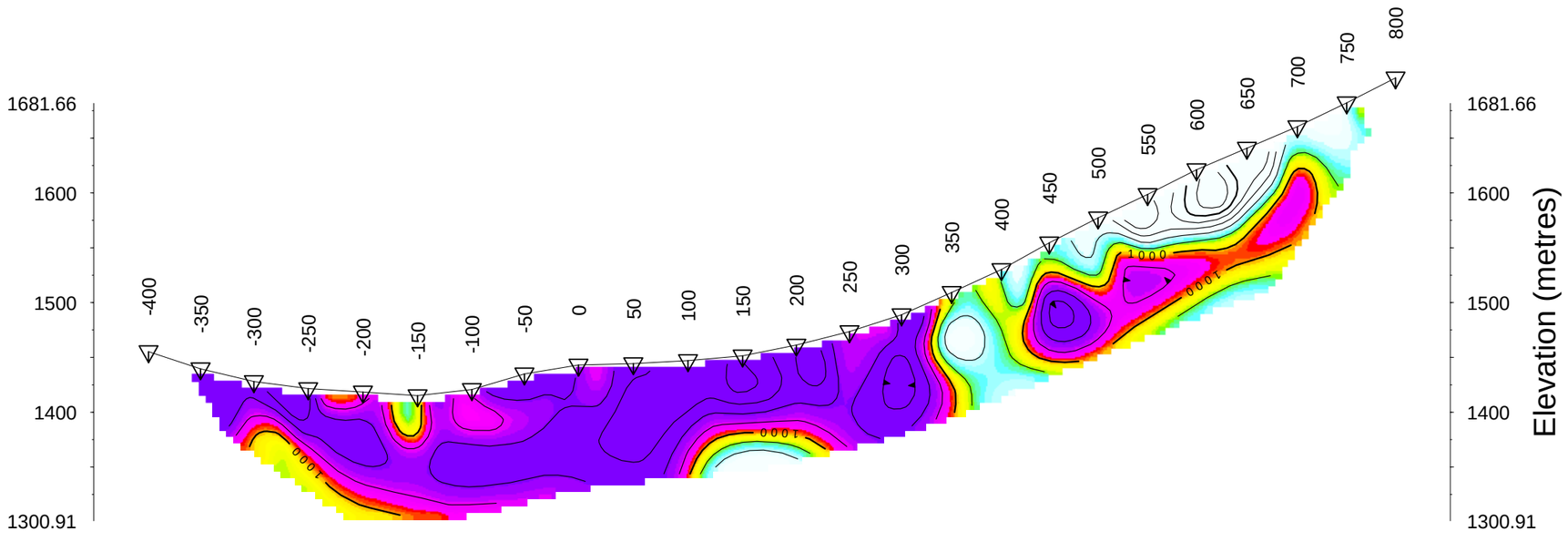
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

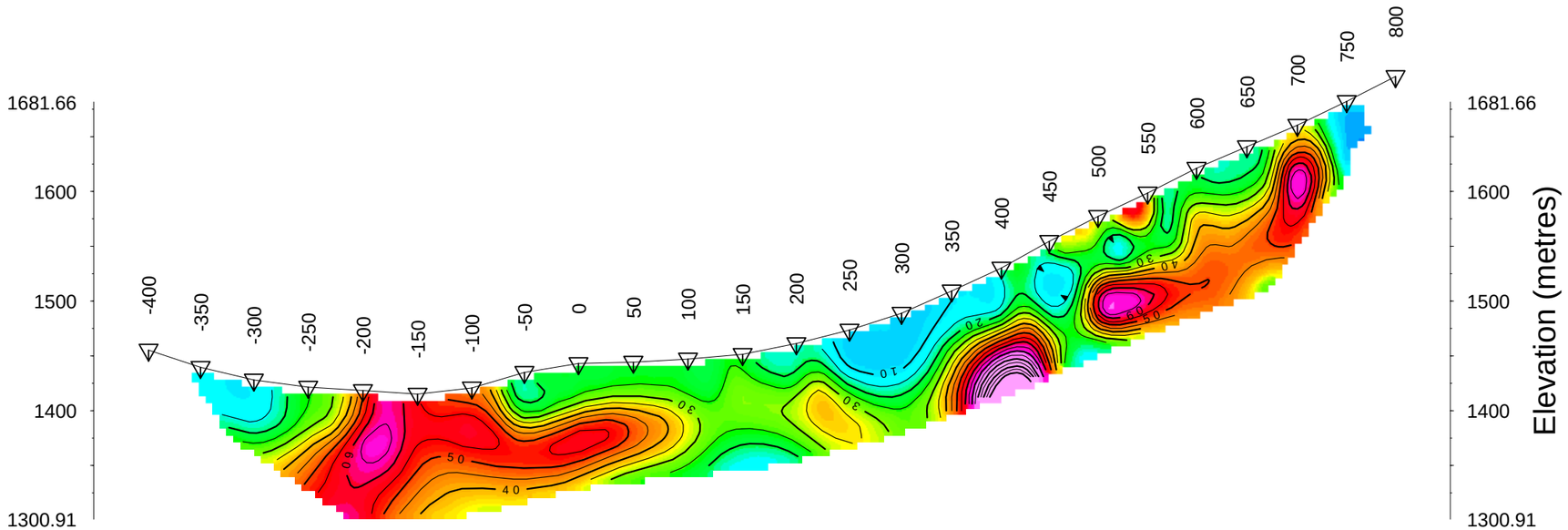
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 750

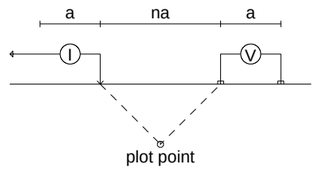
Modelled Resistivity (Ohm-m)

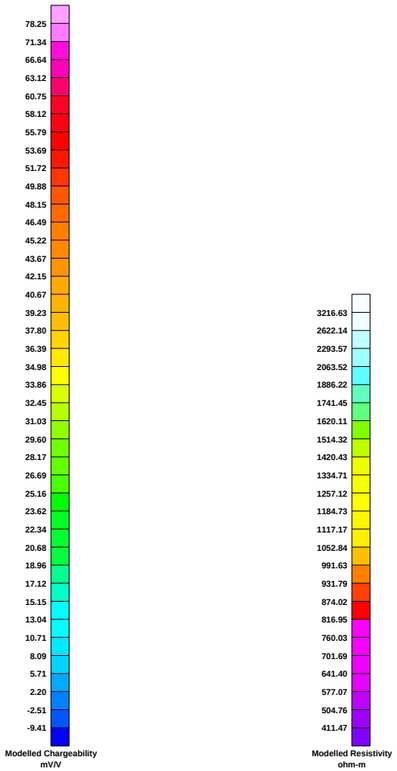


Modelled Chargeability (mV/V)

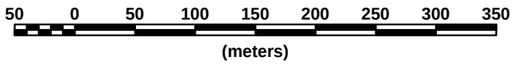


Pole-Dipole Array





Scale 1:5000



CALLINAN MINES LIMITED

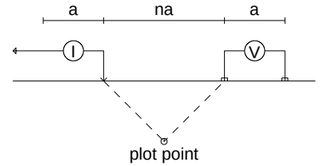
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

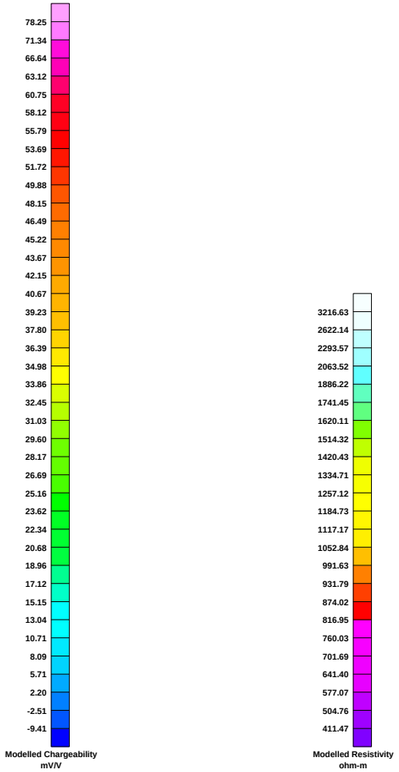
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 900

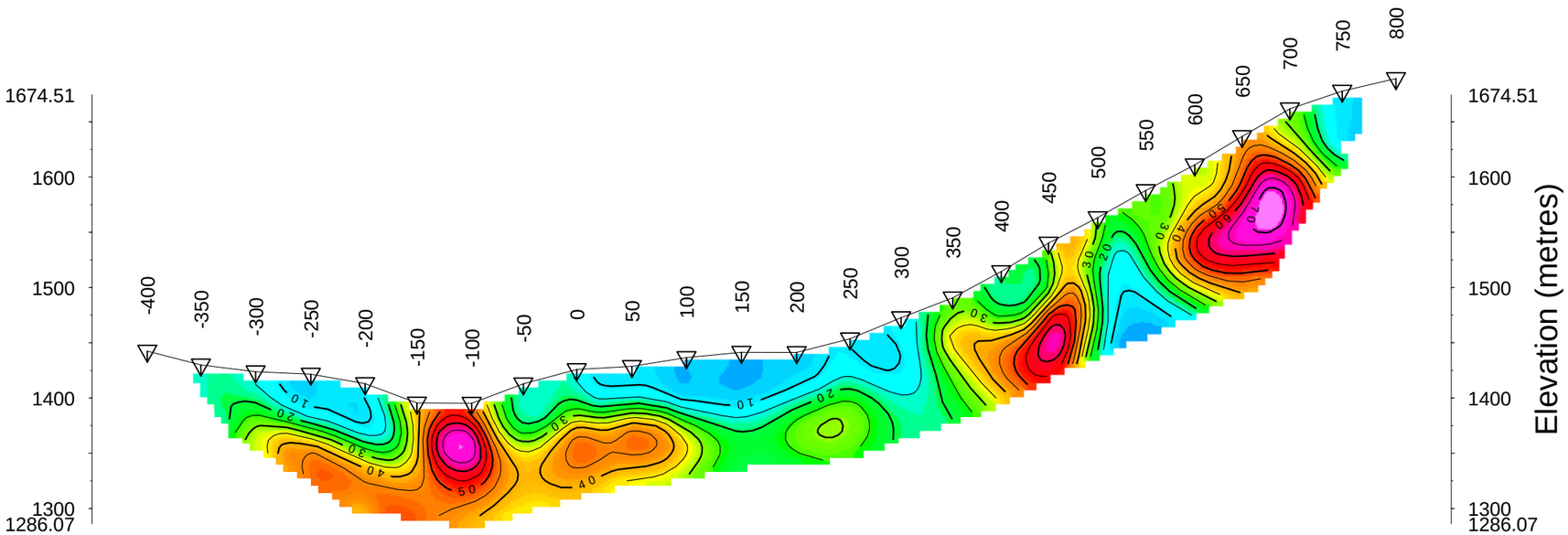
Pole-Dipole Array



Modelled Resistivity (Ohm-m)



Modelled Chargeability (mV/V)



Scale 1:5000

50 0 50 100 150 200 250 300 350

(meters)

CALLINAN MINES LIMITED

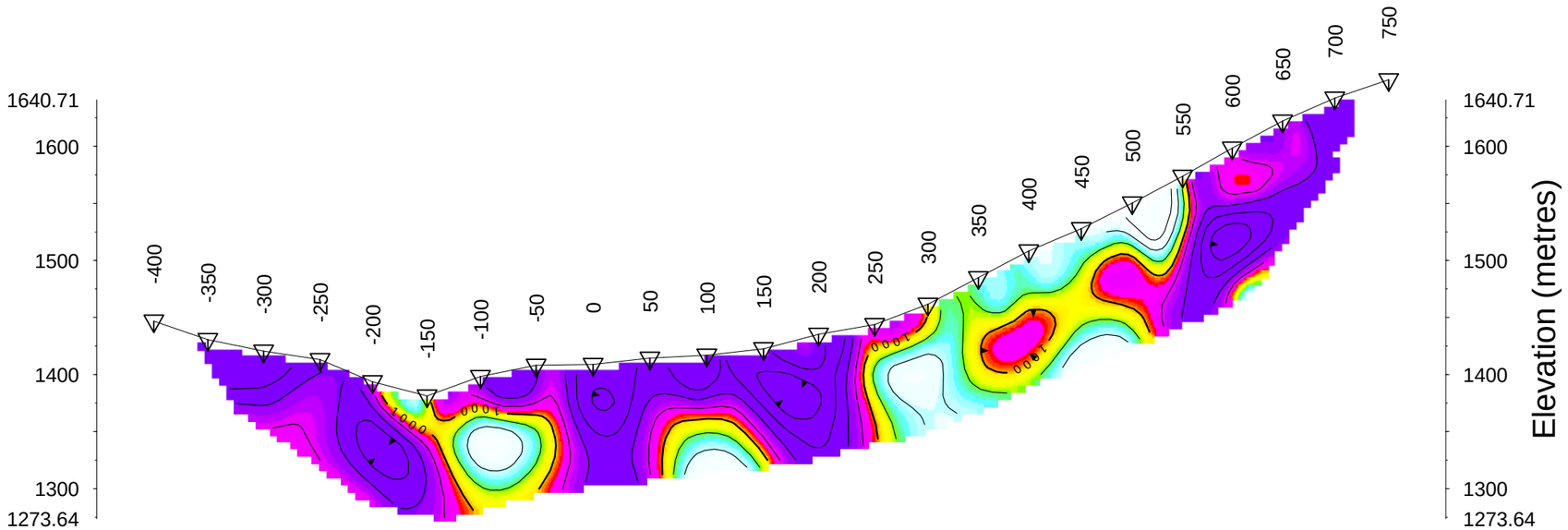
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

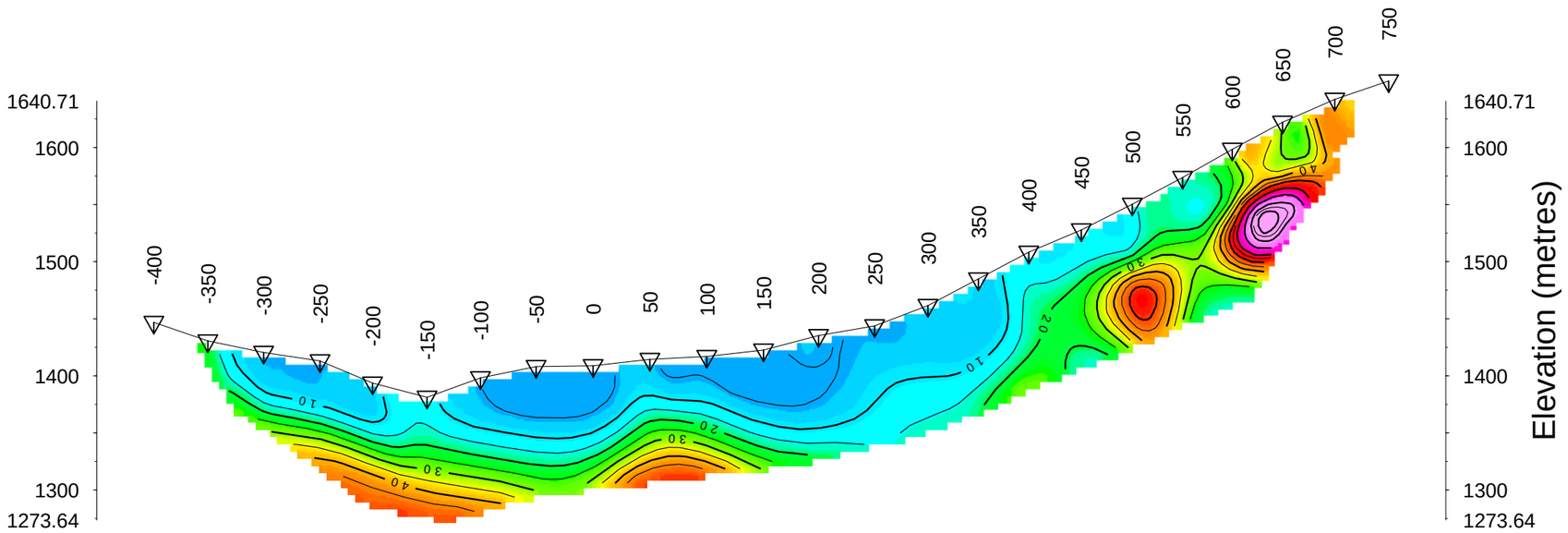
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 1050

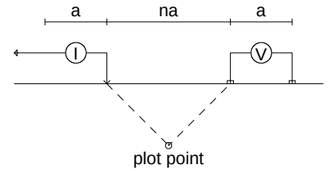
Modelled Resistivity (Ohm-m)

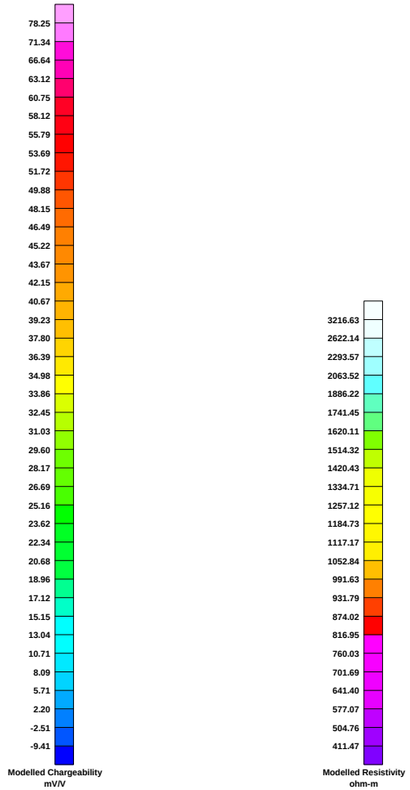


Modelled Chargeability (mV/V)

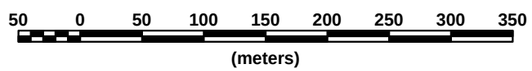


Pole-Dipole Array





Scale 1:5000



CALLINAN MINES LIMITED

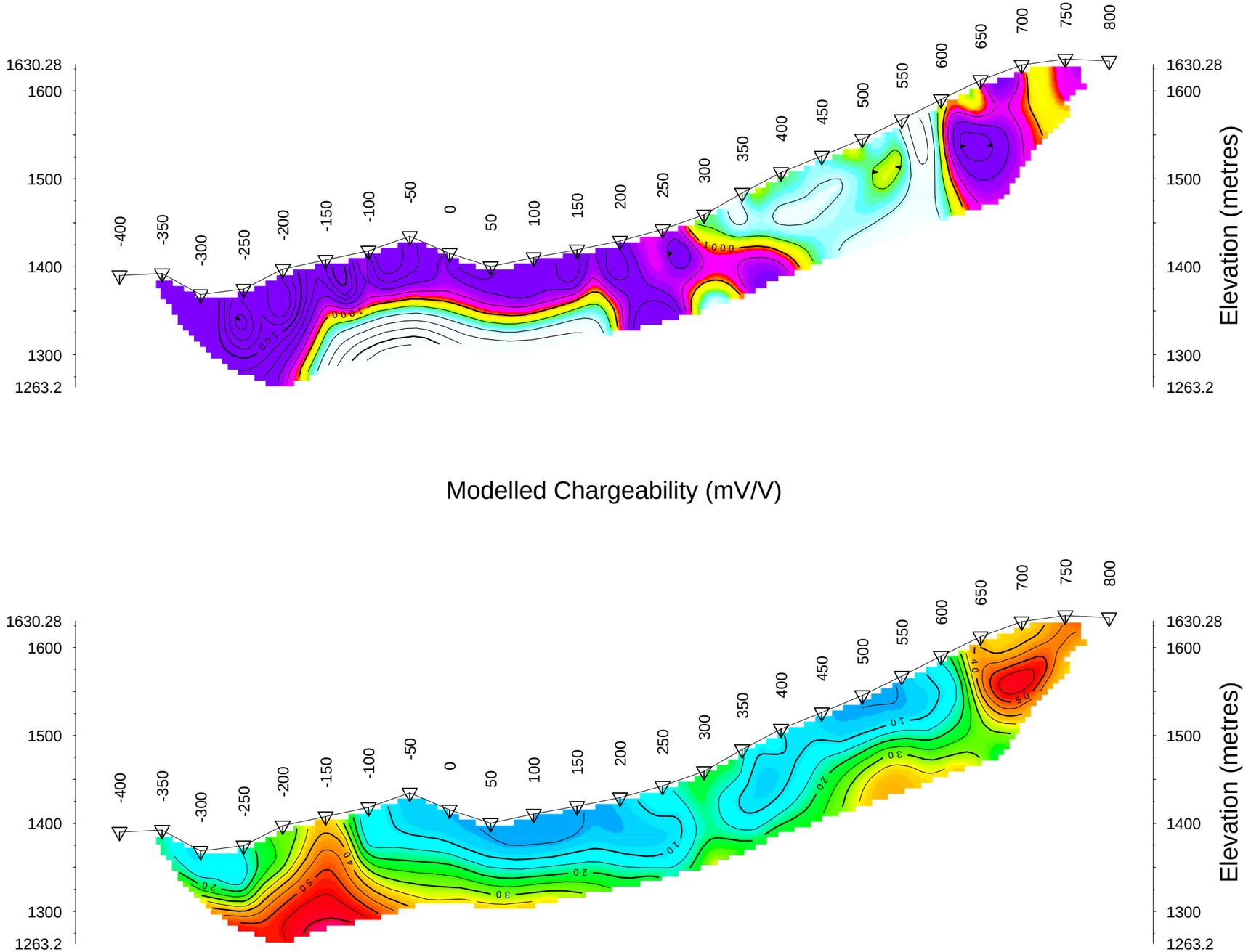
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

PETER E. WALCOTT & ASSOCIATES LIMITED

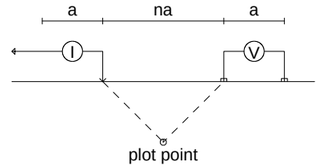
Line 1200

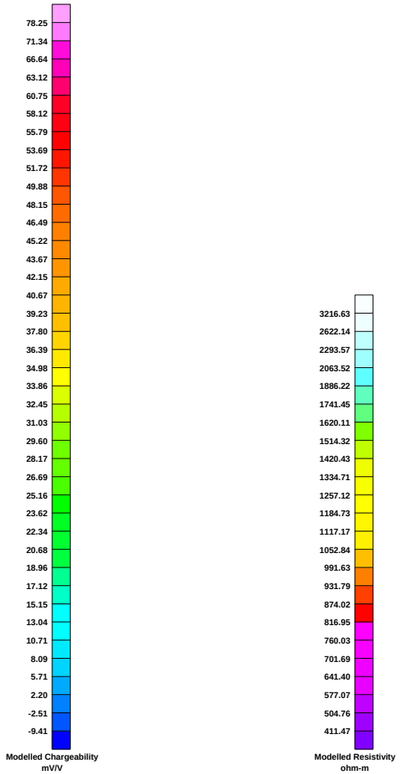
Modelled Resistivity (Ohm-m)



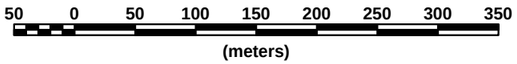
Modelled Chargeability (mV/V)

Pole-Dipole Array





Scale 1:5000



CALLINAN MINES LIMITED

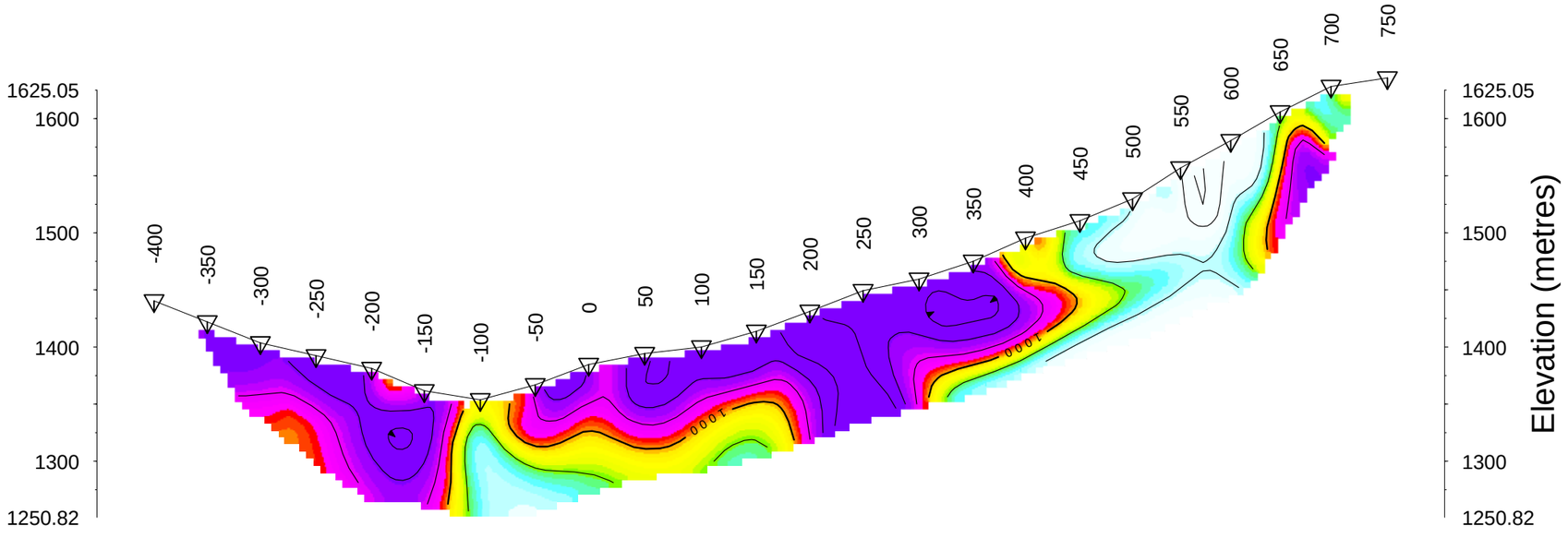
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

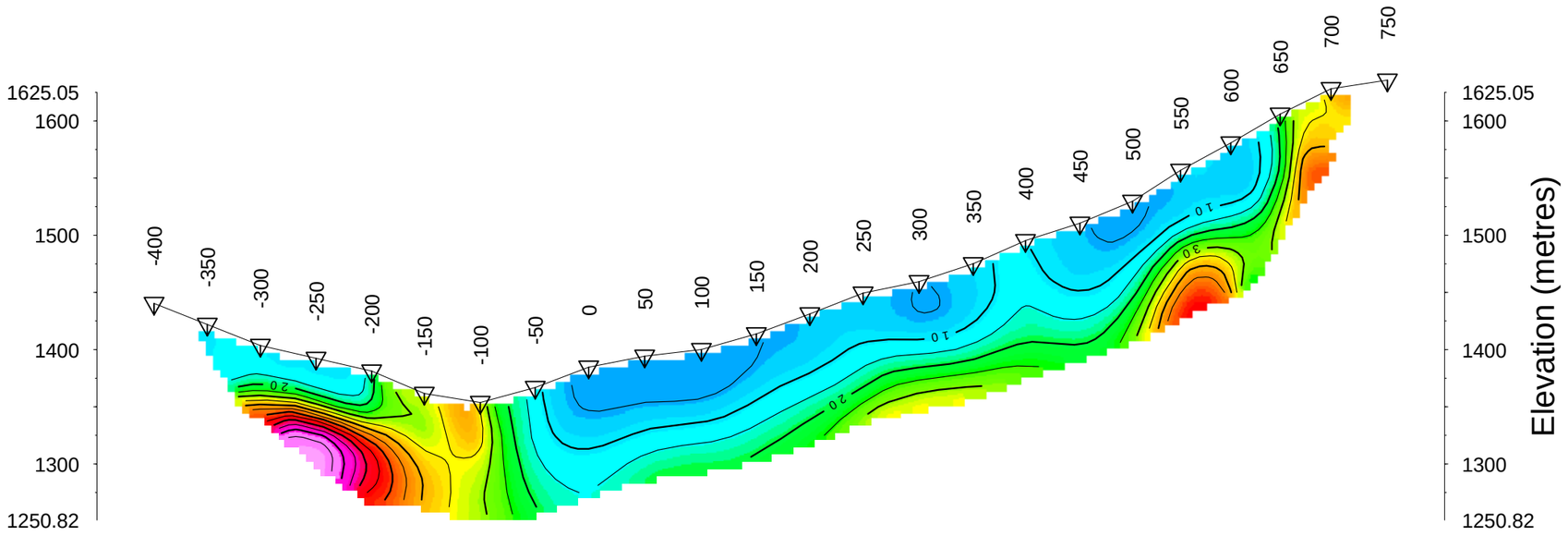
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 1350

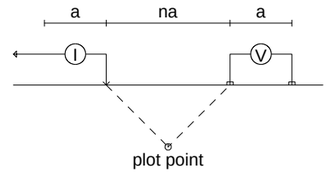
Modelled Resistivity (Ohm-m)

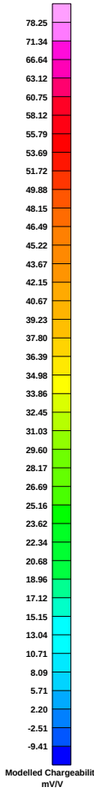


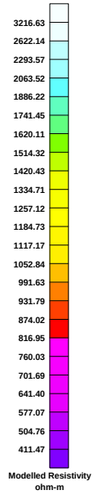
Modelled Chargeability (mV/V)



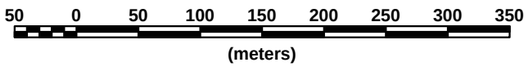
Pole-Dipole Array







Scale 1:5000



CALLINAN MINES LIMITED

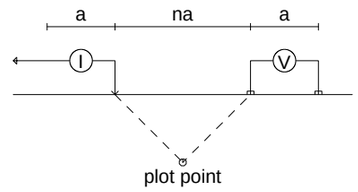
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

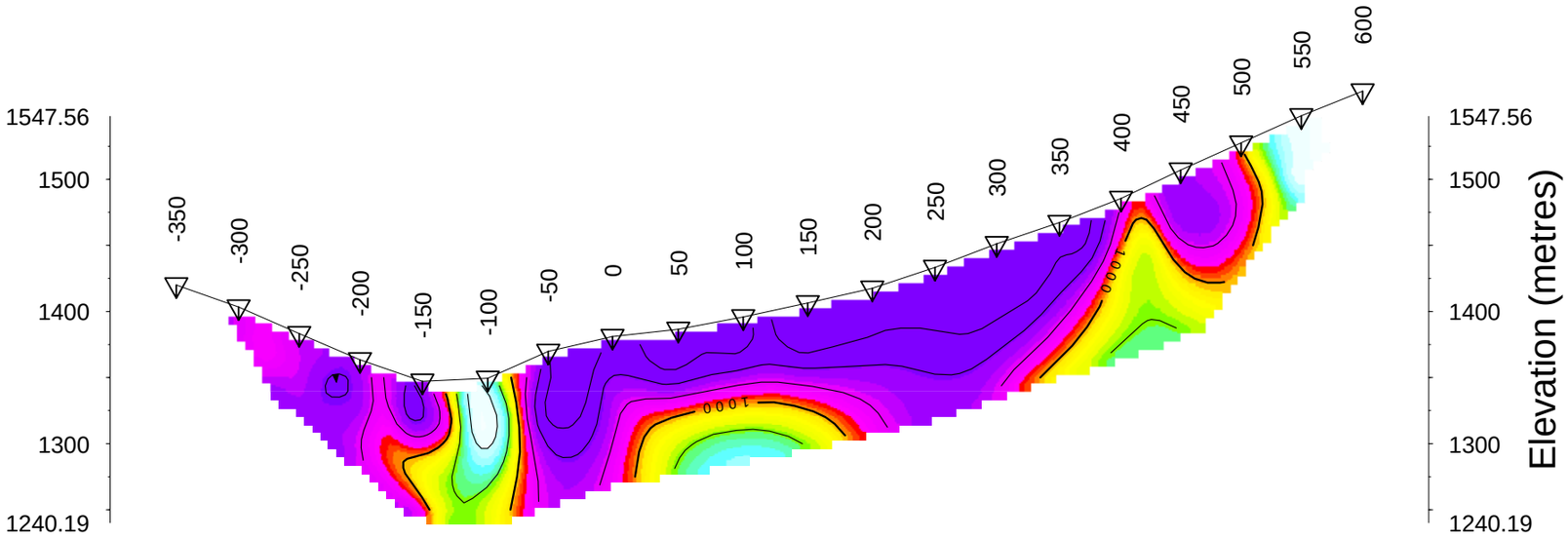
PETER E. WALCOTT & ASSOCIATES LIMITED

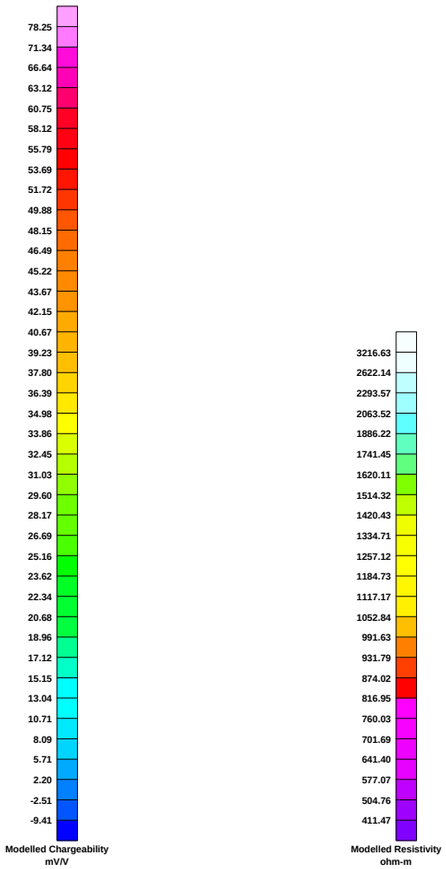
Line 1500

Pole-Dipole Array

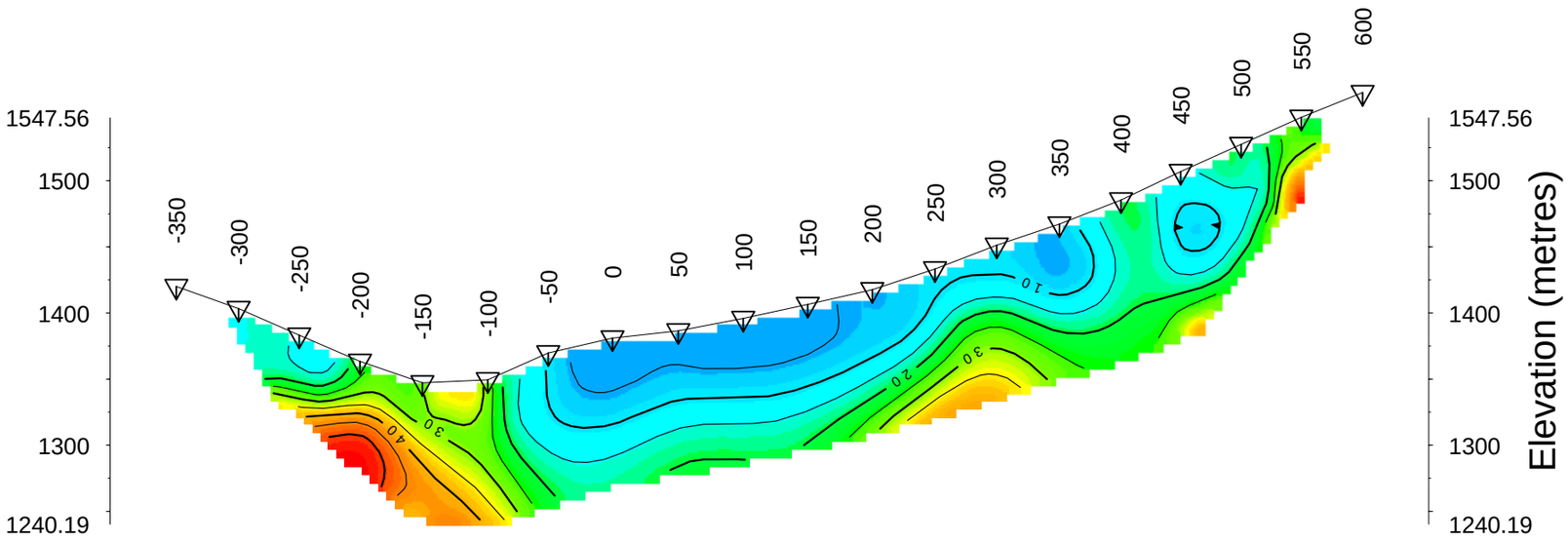


Modelled Resistivity (Ohm-m)

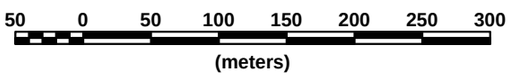




Modelled Chargeability (mV/V)



Scale 1:5000



CALLINAN MINES LIMITED

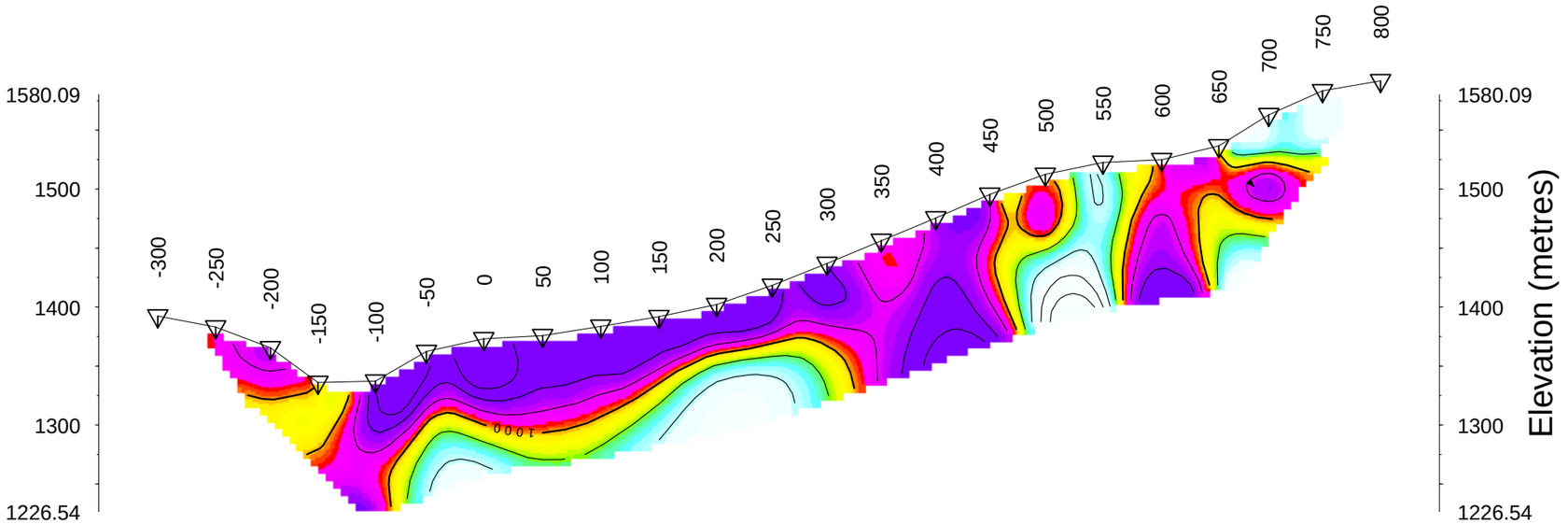
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

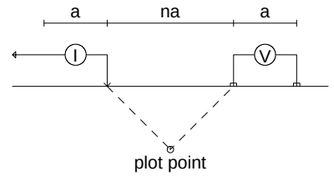
PETER E. WALCOTT & ASSOCIATES LIMITED

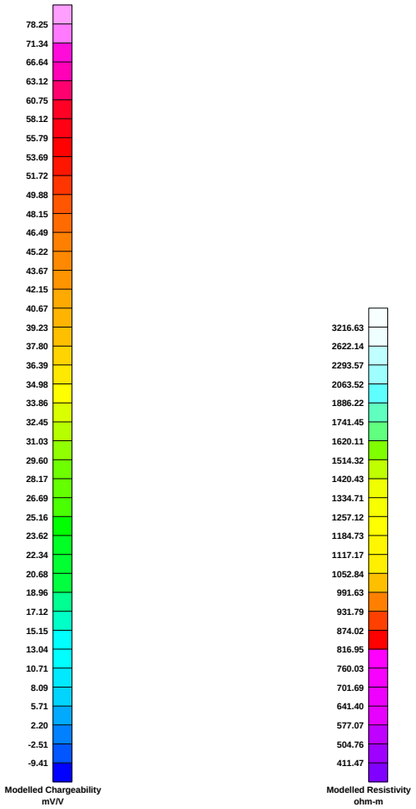
Line 1650

Modelled Resistivity (Ohm-m)

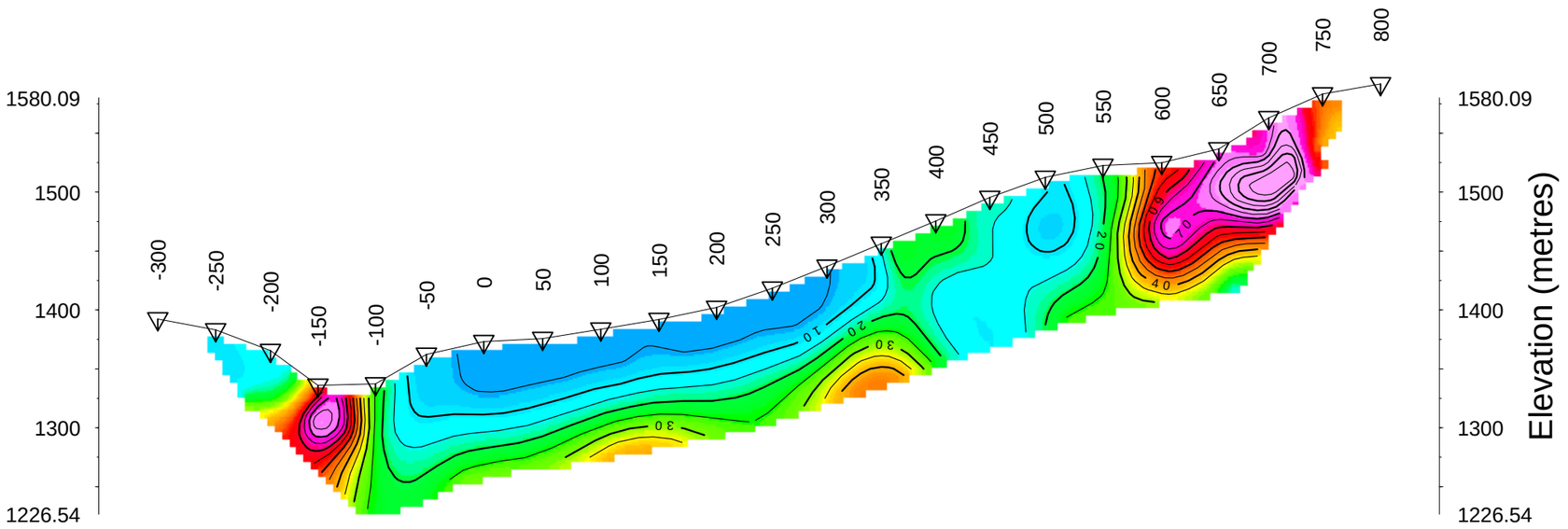


Pole-Dipole Array

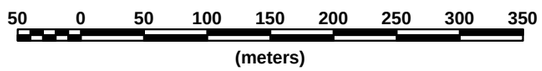




Modelled Chargeability (mV/V)



Scale 1:5000



CALLINAN MINES LIMITED

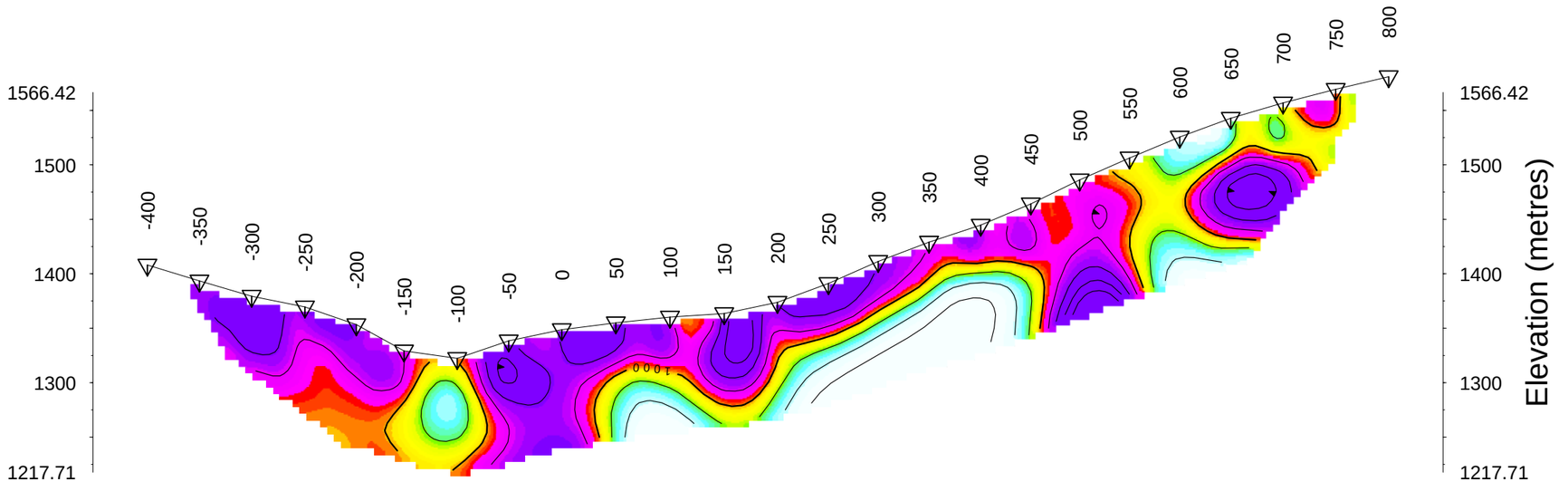
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

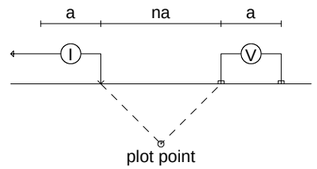
PETER E. WALCOTT & ASSOCIATES LIMITED

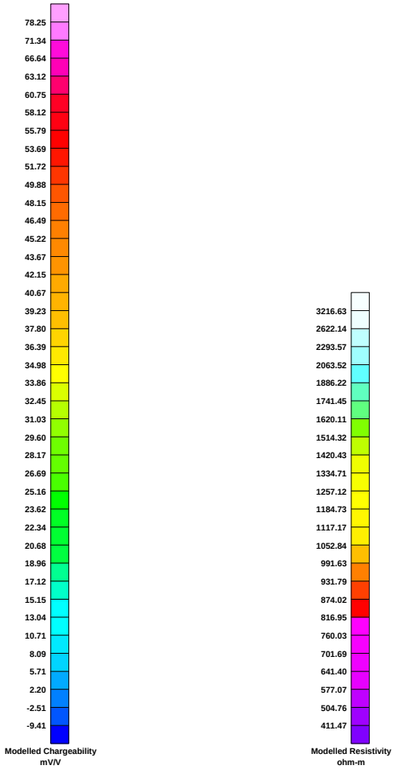
Line 1800

Modelled Resistivity (Ohm-m)

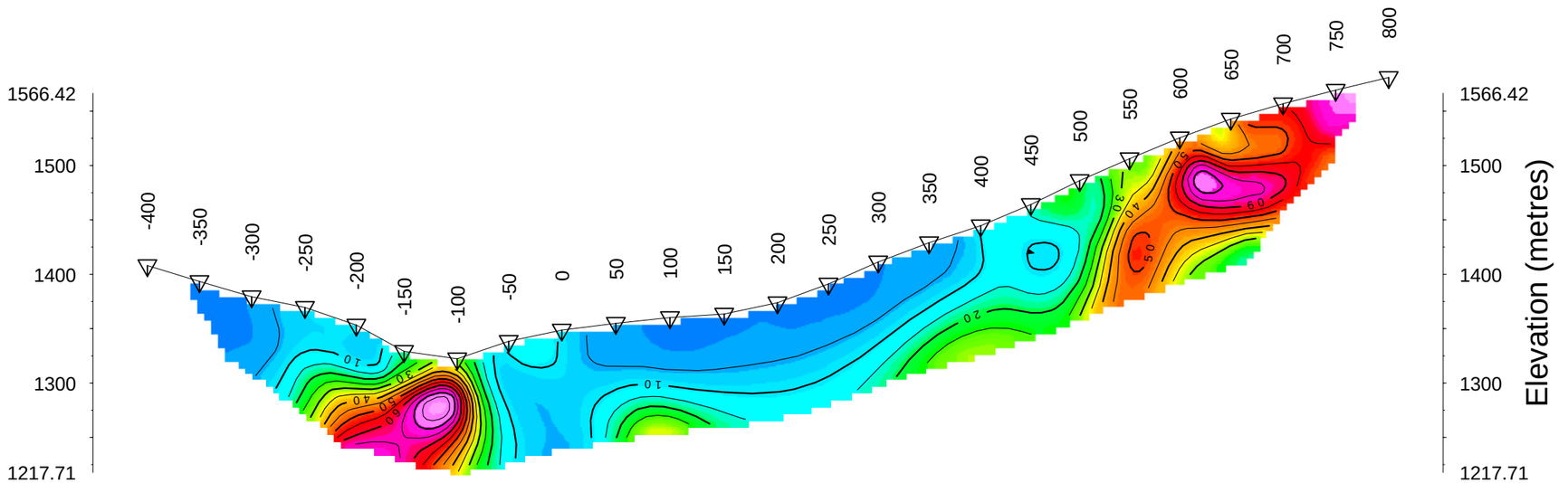


Pole-Dipole Array

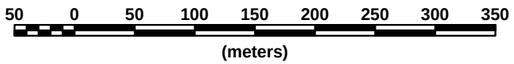




Modelled Chargeability (mV/V)



Scale 1:5000



CALLINAN MINES LIMITED

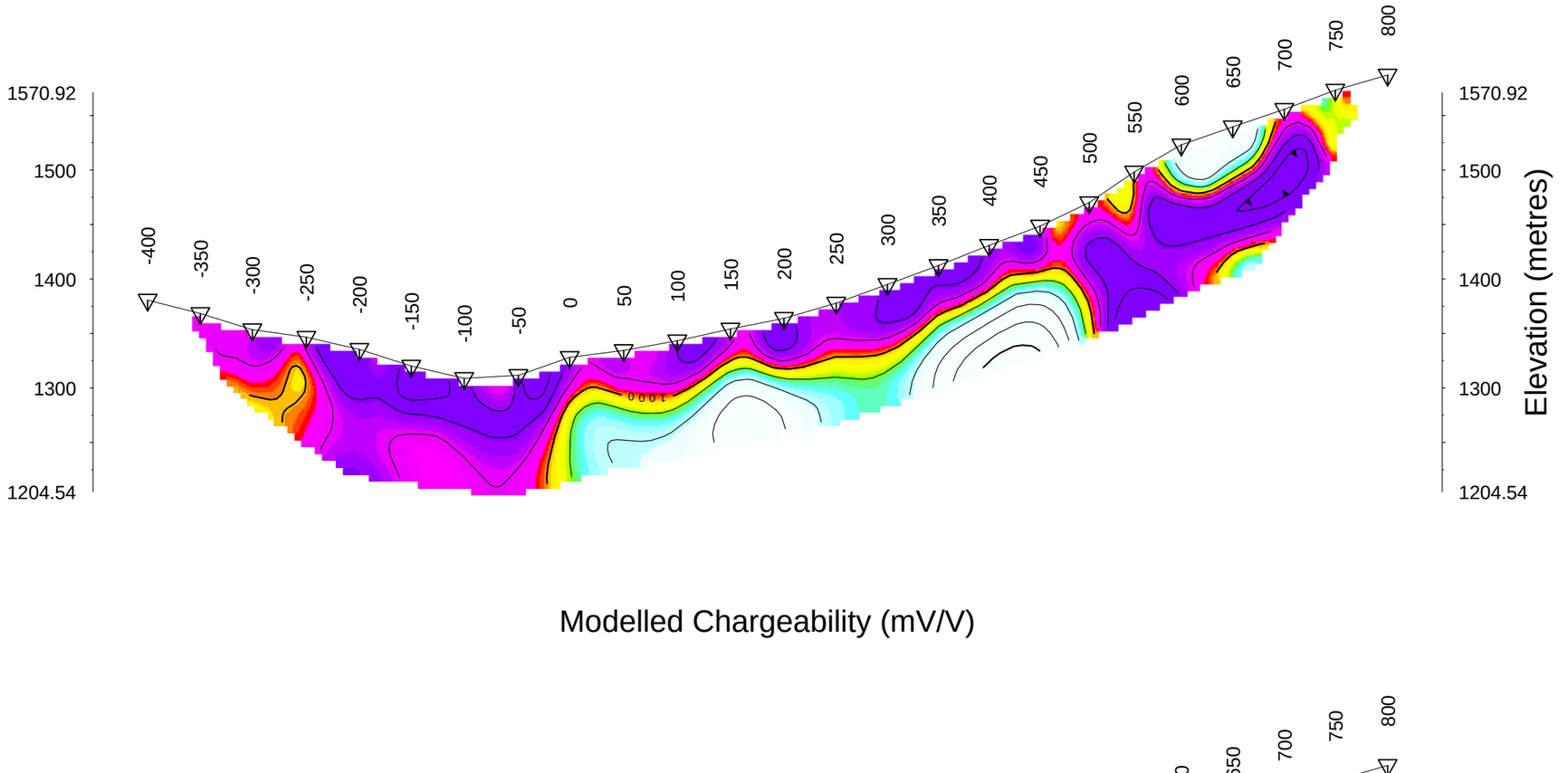
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

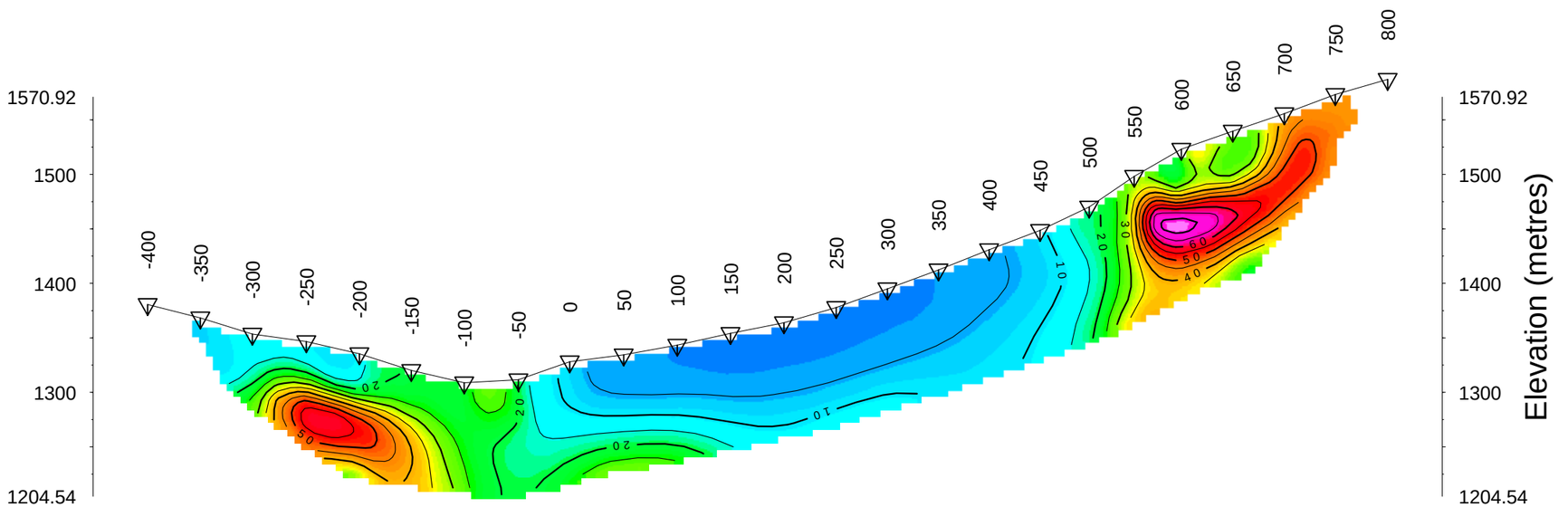
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 1950

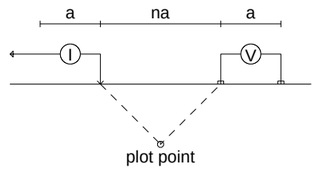
Modelled Resistivity (Ohm-m)

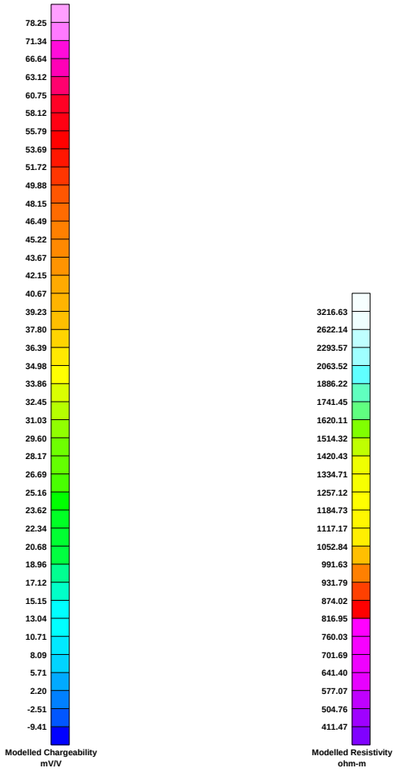


Modelled Chargeability (mV/V)

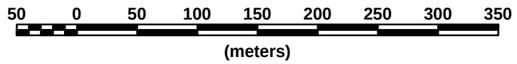


Pole-Dipole Array





Scale 1:5000



CALLINAN MINES LIMITED

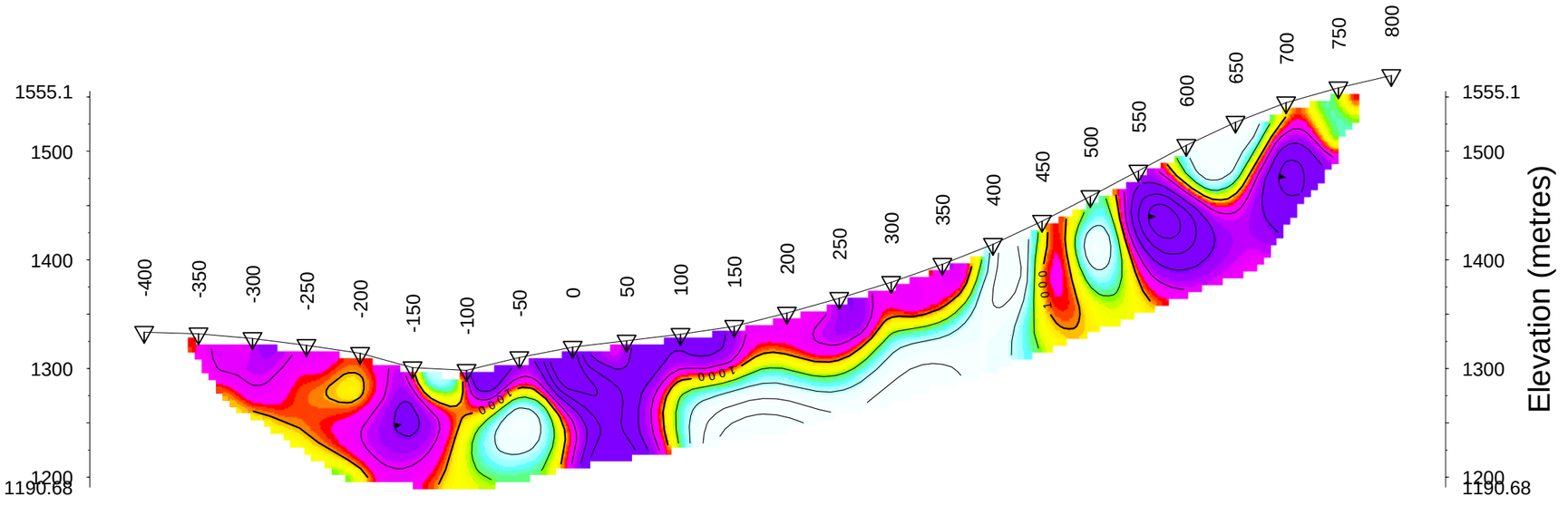
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

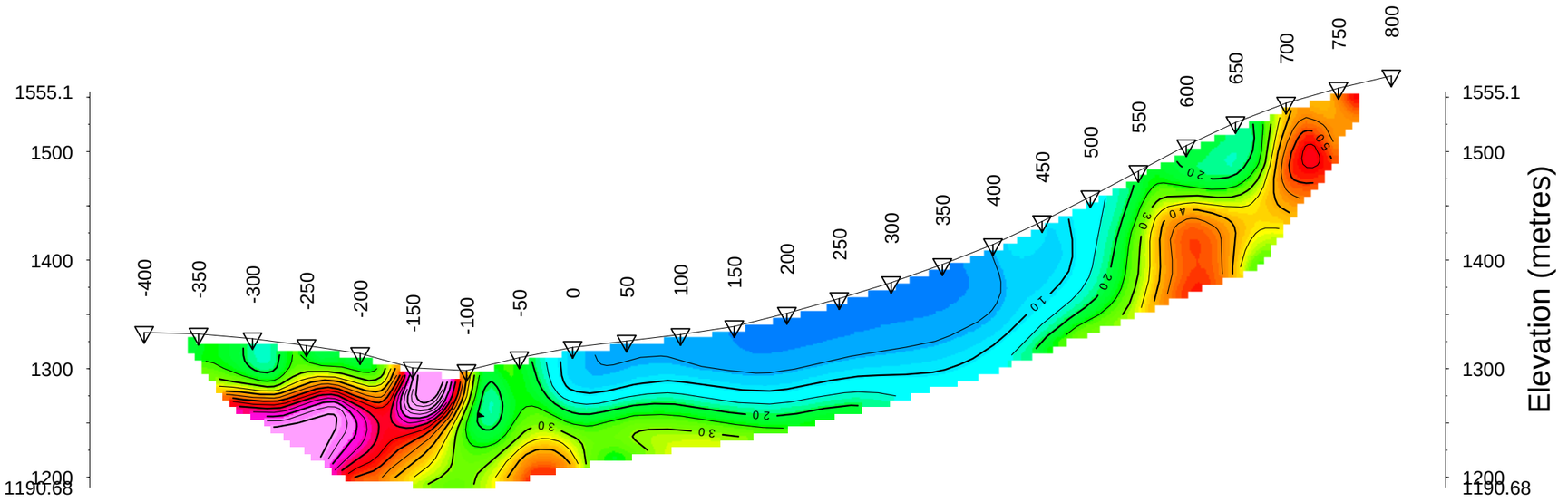
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 2100

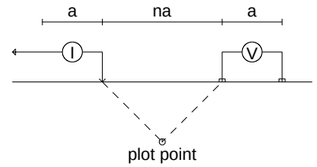
Modelled Resistivity (Ohm-m)

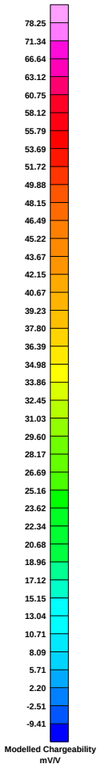


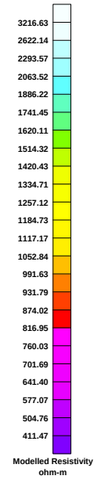
Modelled Chargeability (mV/V)



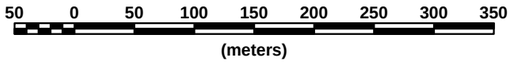
Pole-Dipole Array







Scale 1:5000



CALLINAN MINES LIMITED

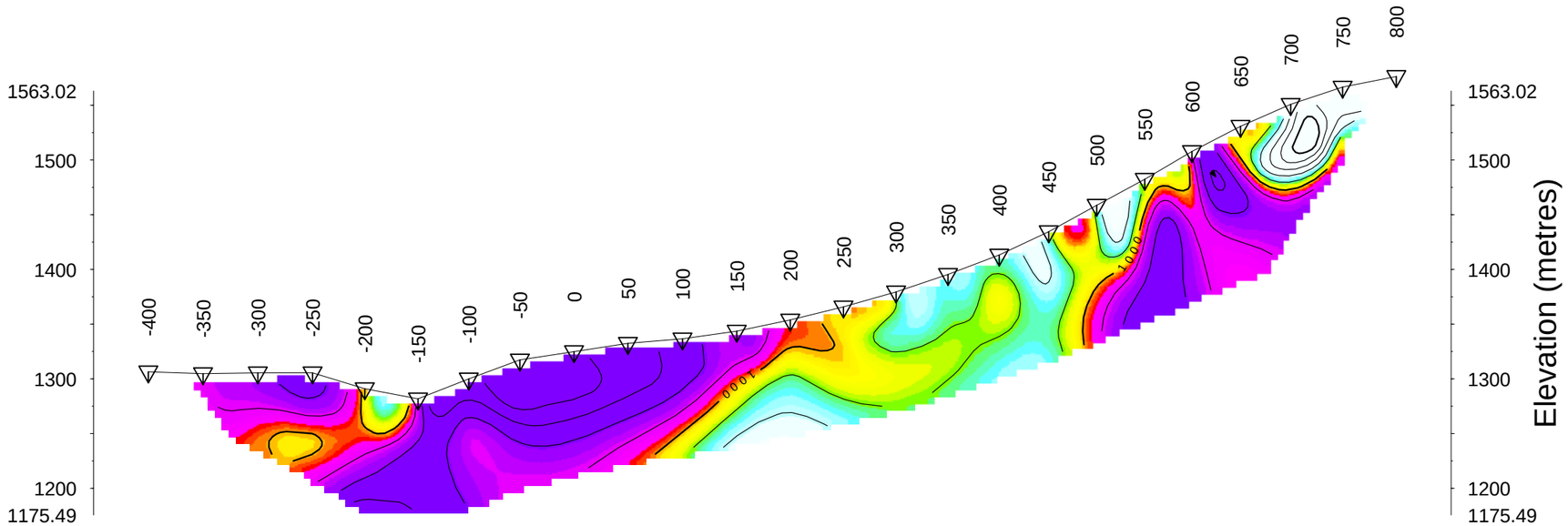
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

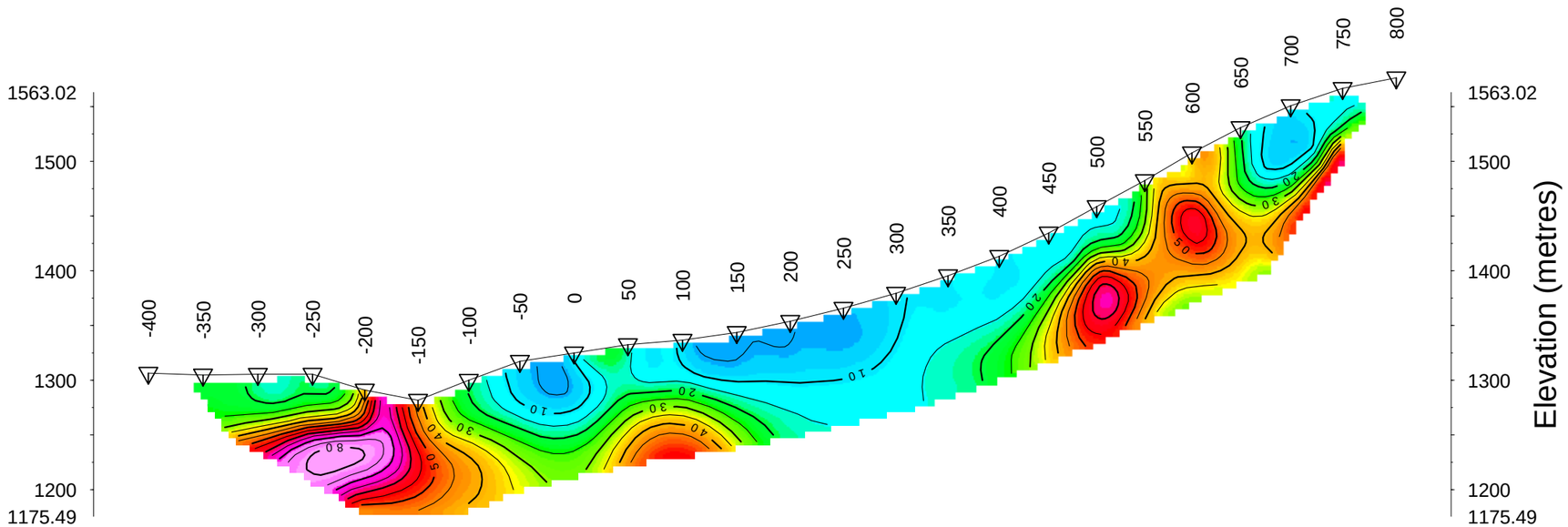
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 2250

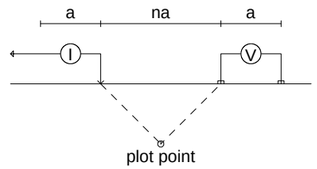
Modelled Resistivity (Ohm-m)

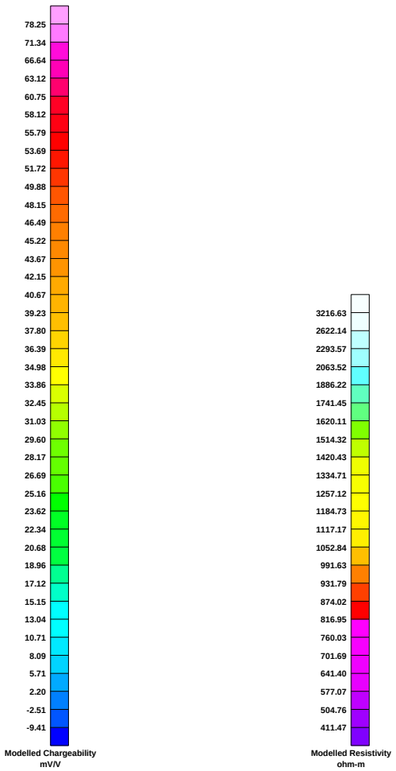


Modelled Chargeability (mV/V)

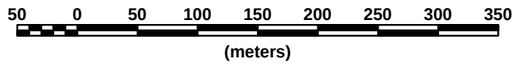


Pole-Dipole Array





Scale 1:5000



CALLINAN MINES LIMITED

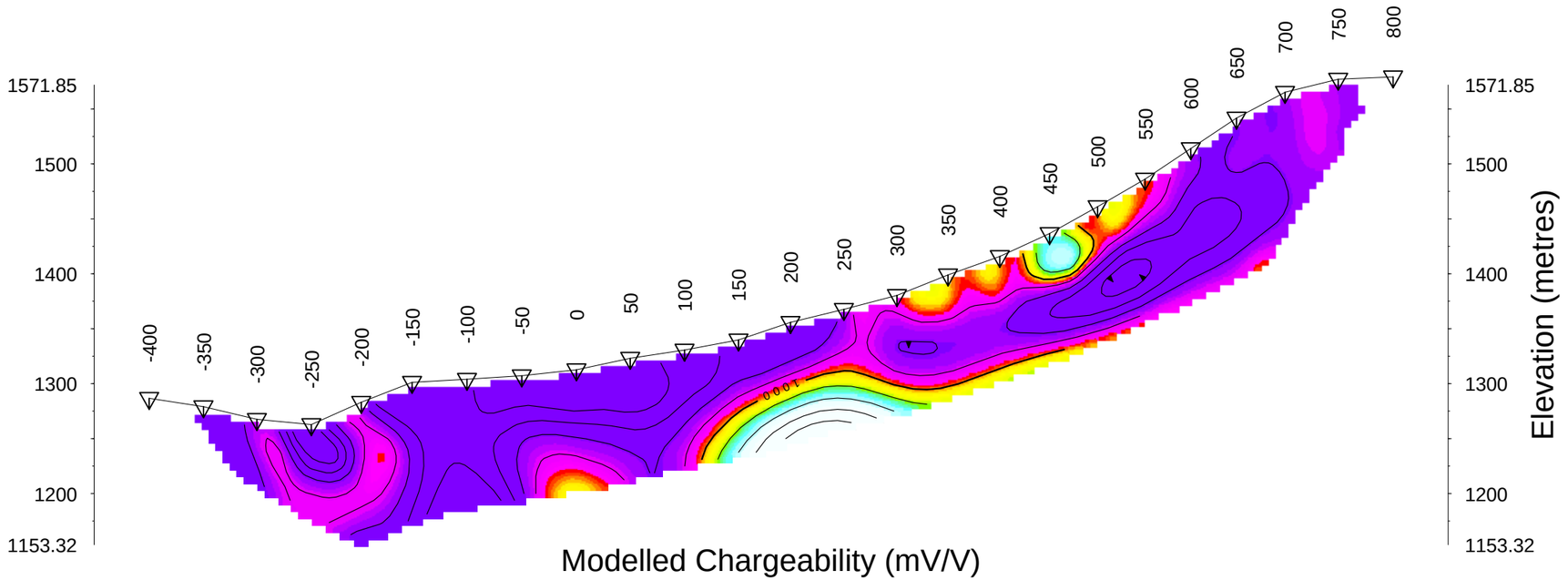
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

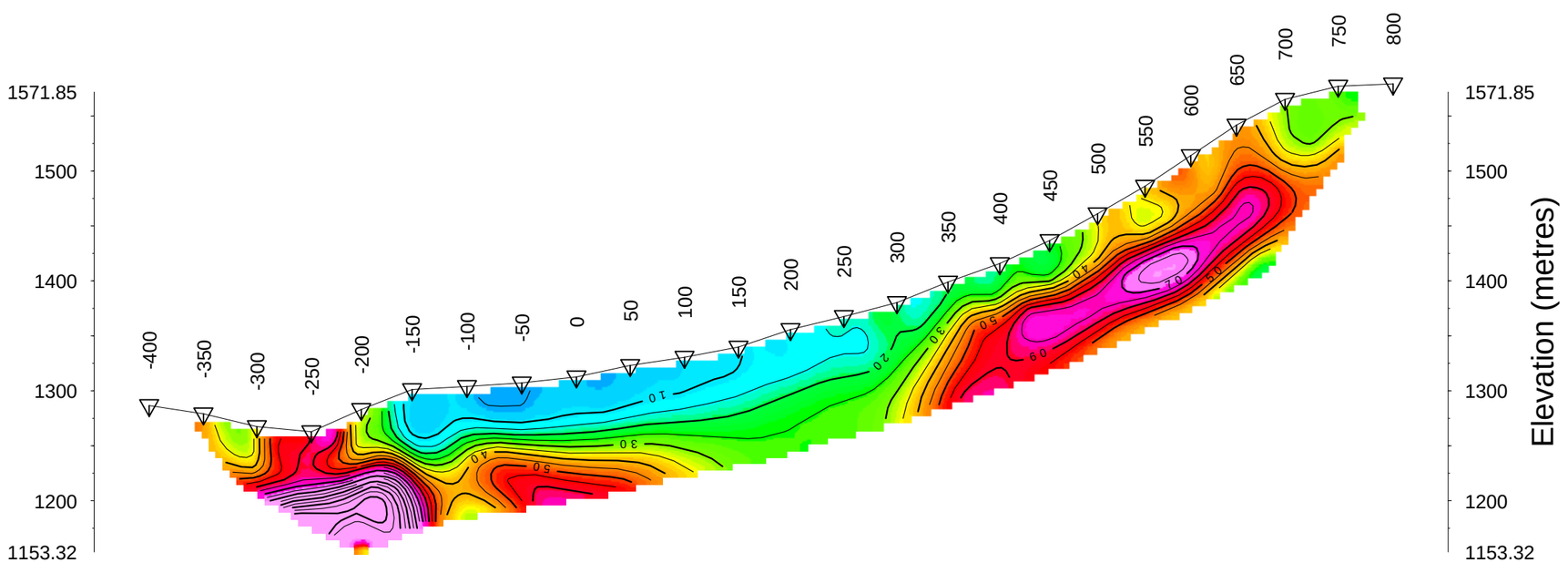
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 2400

Modelled Resistivity (Ohm-m)

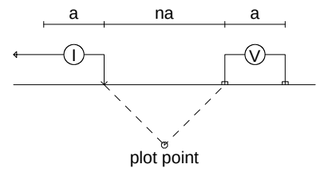


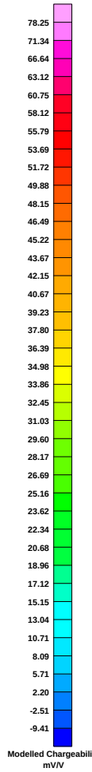
Modelled Chargeability (mV/V)

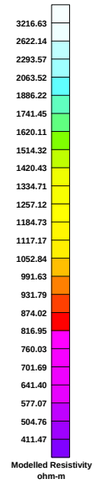


Elevation (metres)

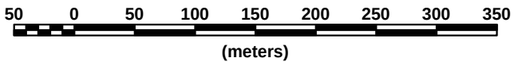
Pole-Dipole Array







Scale 1:5000



CALLINAN MINES LIMITED

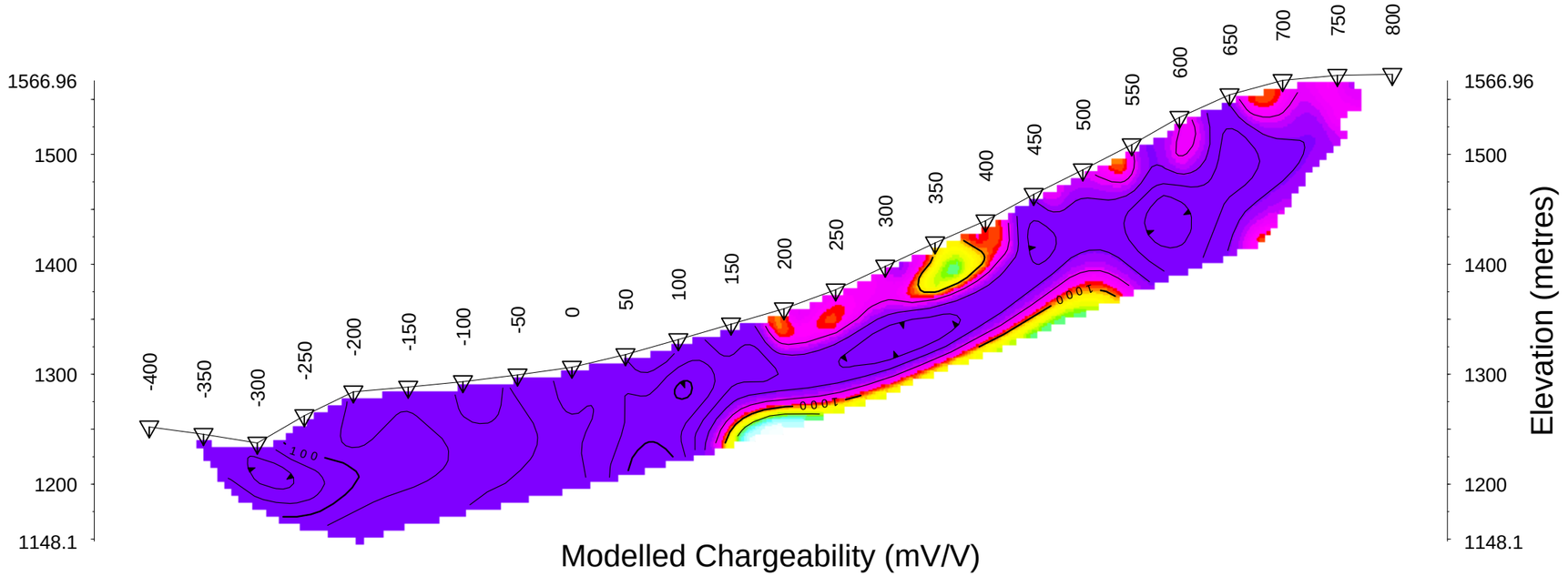
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

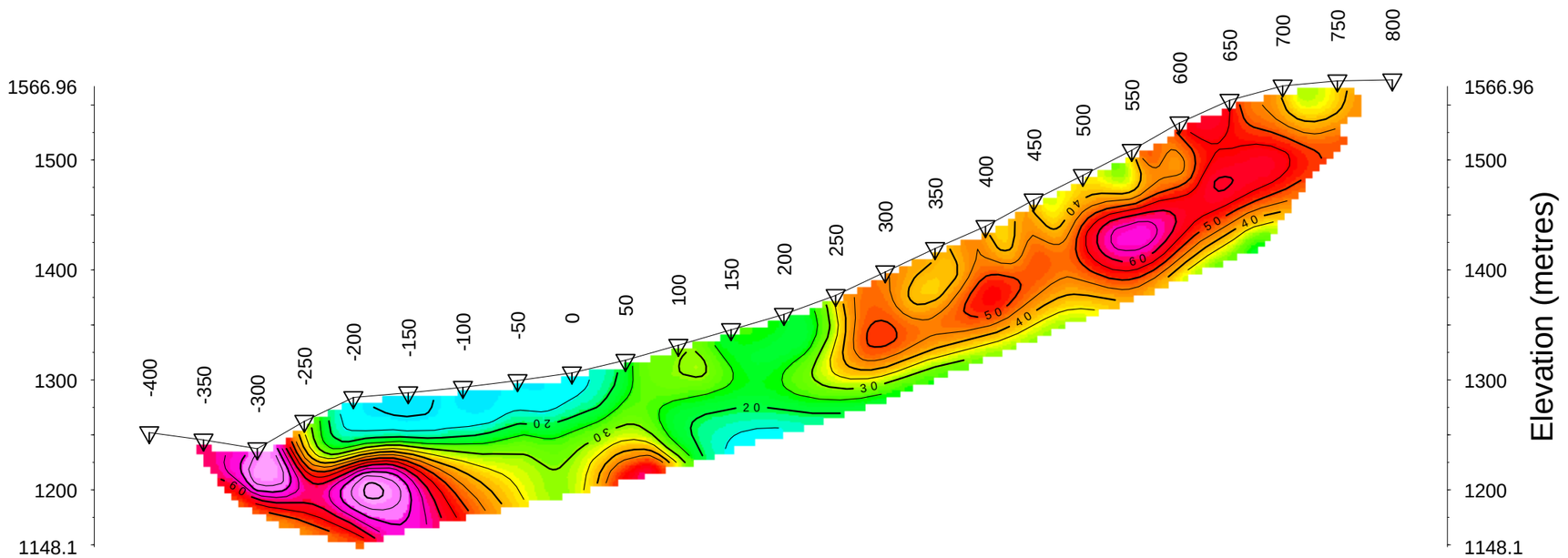
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 2550

Modelled Resistivity (Ohm-m)

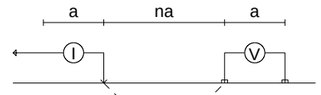


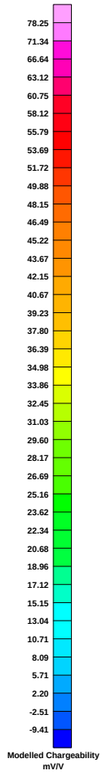
Modelled Chargeability (mV/V)

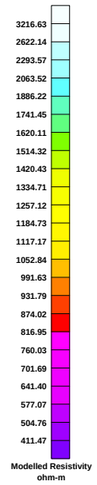


Elevation (metres)

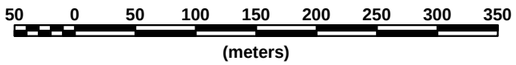
Pole-Dipole Array







Scale 1:5000



CALLINAN MINES LIMITED

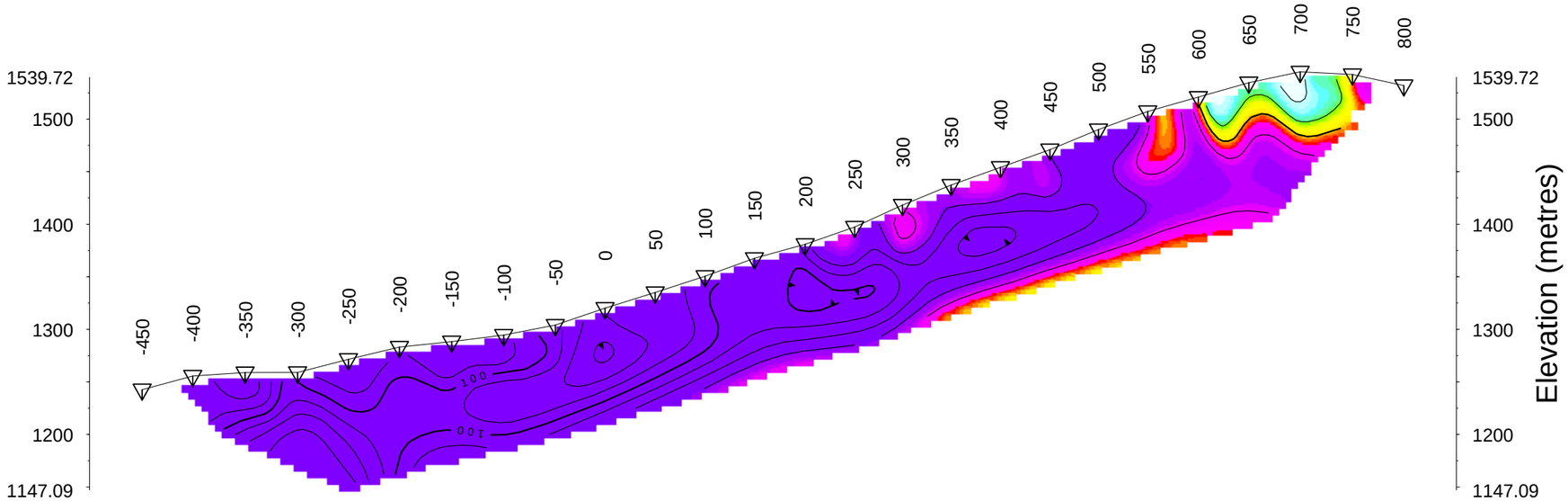
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

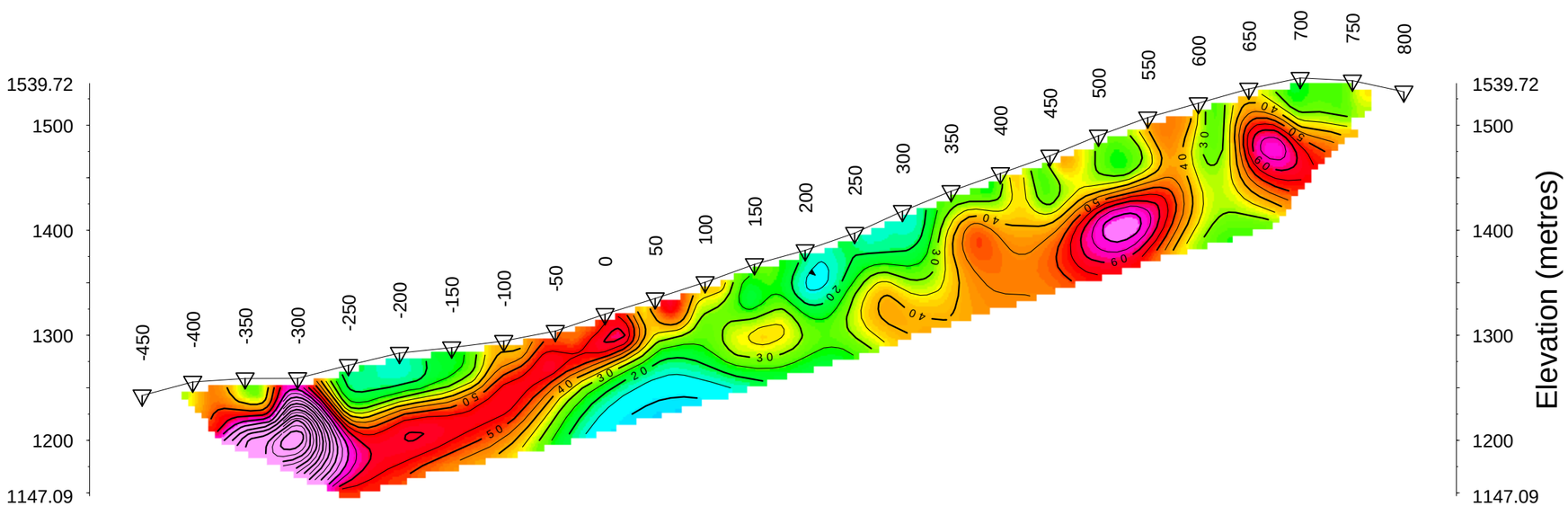
PETER E. WALCOTT & ASSOCIATES LIMITED

Line 2700

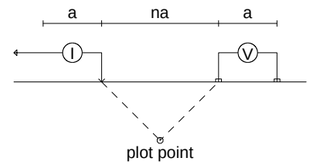
Modelled Resistivity (Ohm-m)

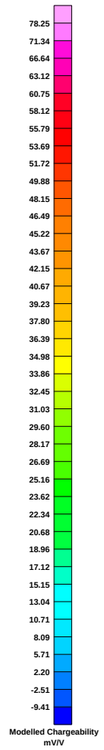


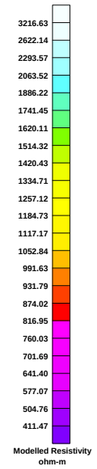
Modelled Chargeability (mV/V)



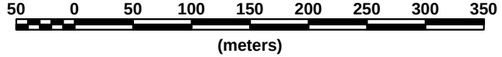
Pole-Dipole Array







Scale 1:5000



CALLINAN MINES LIMITED

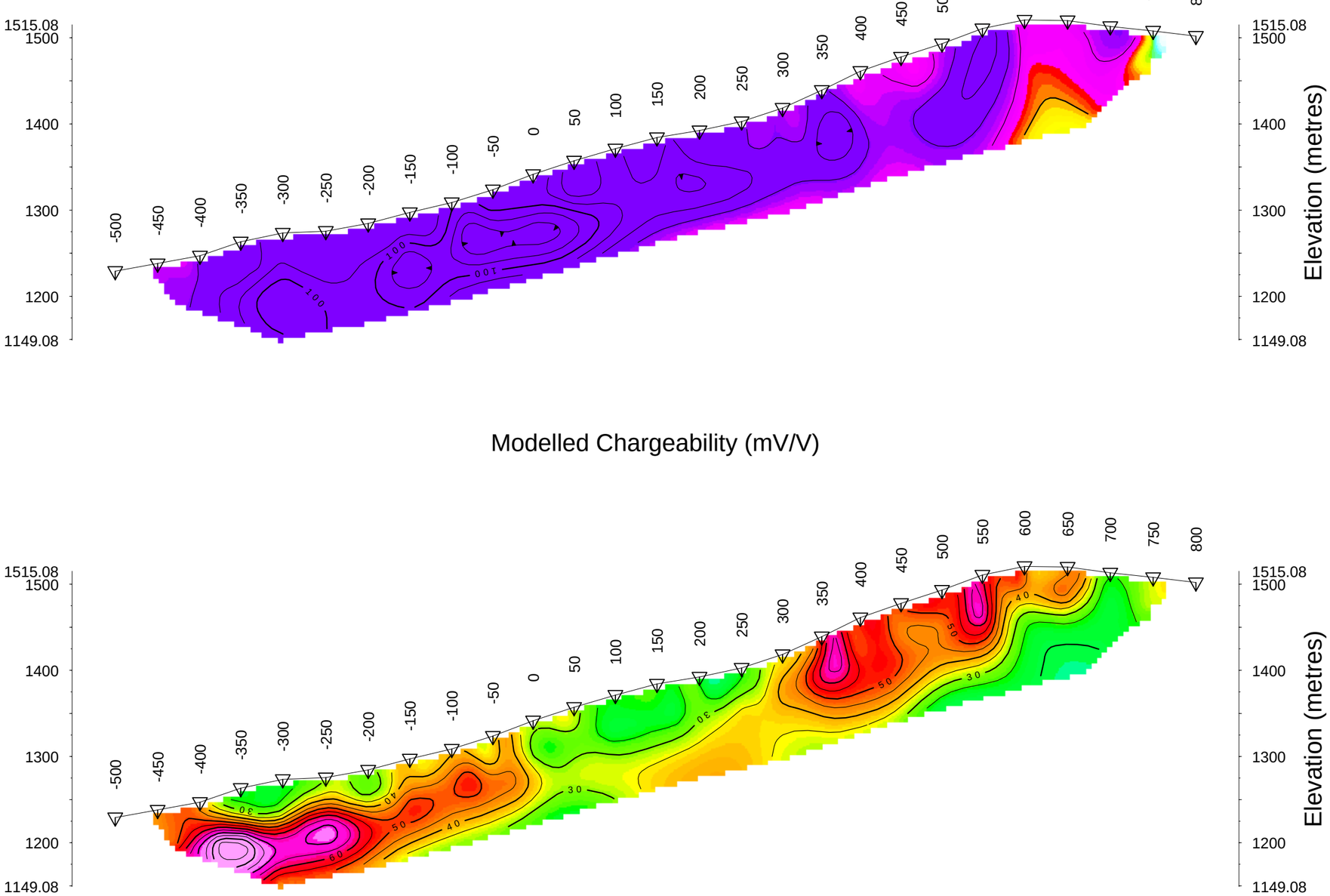
INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT
BRITISH COLUMBIA

INVERSION DATE: AUGUST 2006, RES2DINV

PETER E. WALCOTT & ASSOCIATES LIMITED

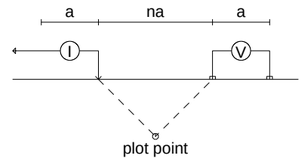
Line 2850

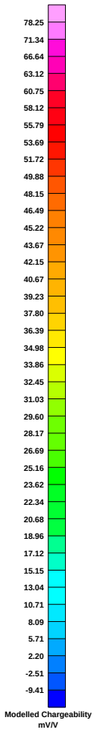
Modelled Resistivity (Ohm-m)

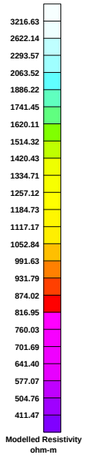


Modelled Chargeability (mV/V)

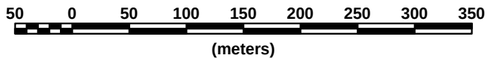
Pole-Dipole Array







Scale 1:5000



CALLINAN MINES LIMITED
INDUCED POLARIZATION SURVEY COLES CREEK PROJECT BRITISH COLUMBIA
INVERSION DATE: AUGUST 2006, RES2DINV
PETER E. WALCOTT & ASSOCIATES LIMITED

615000E 615200E 615400E 615600E 615800E 616000E 616200E 616400E 616600E 616800E 617000E 617200E

5934000N 5933800N 5933600N 5933400N 5933200N 5933000N 5932800N 5932600N 5932400N 5932200N 5932000N 5931800N 5931600N

200

L2850 N L2700 N L2550 N L2400 N L2250 N L2100 N L1950 N L1800 N L1650 N L1500 N L1350 N L1200 E L1050 N L900 E L750 E L600 N L450 N

Scale 1:5000

100 0 100 200 300

metres

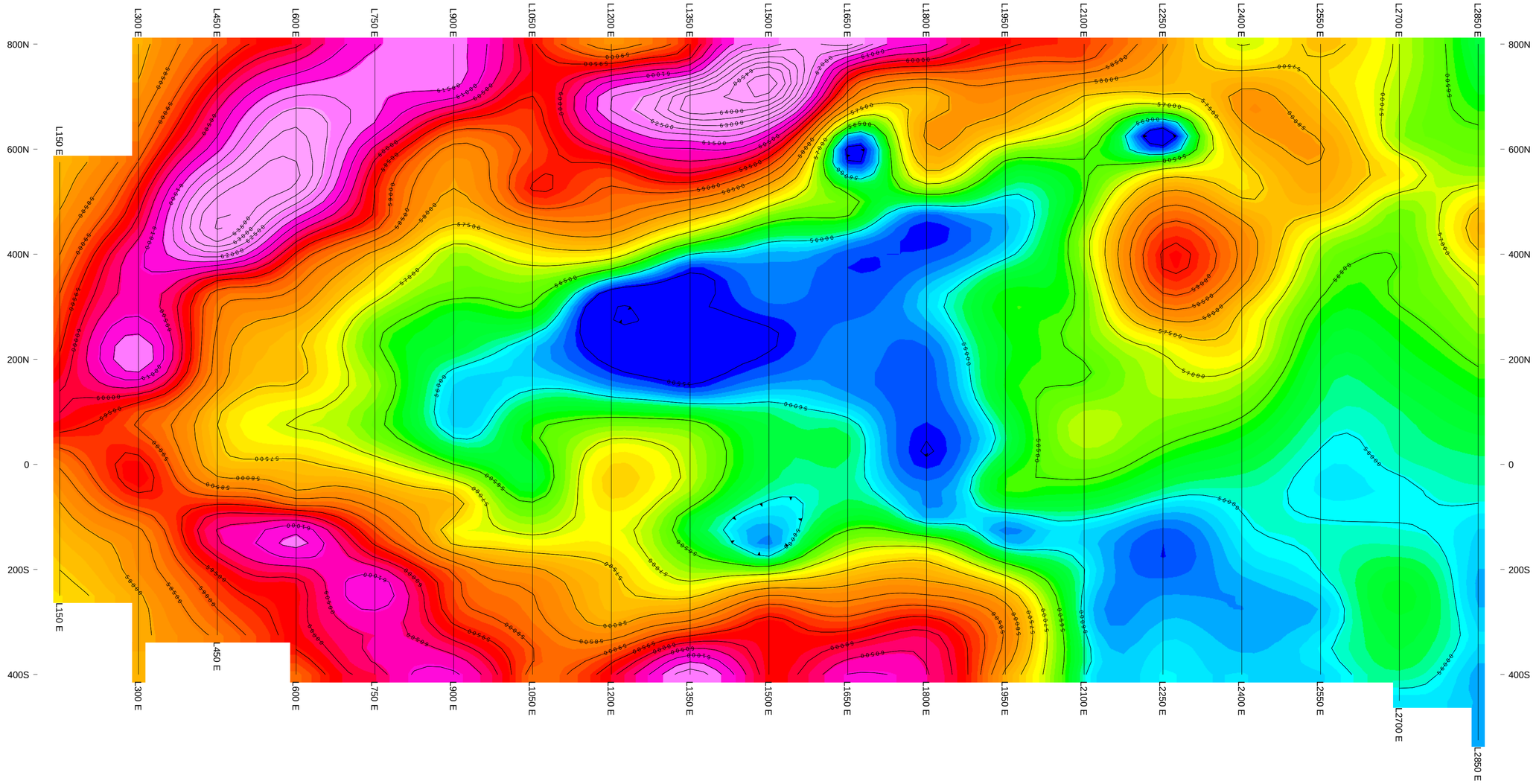
WGS 84 / UTM zone 9N

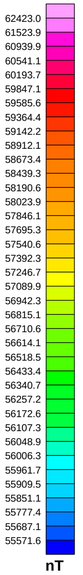
CALLINAN MINES LIMITED

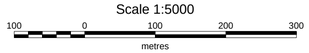
GRID LOCATION MAP

COLES CREEK GRID
HOUSTON AREA

PETER E. WALCOTT & ASSOCIATES LIMITED





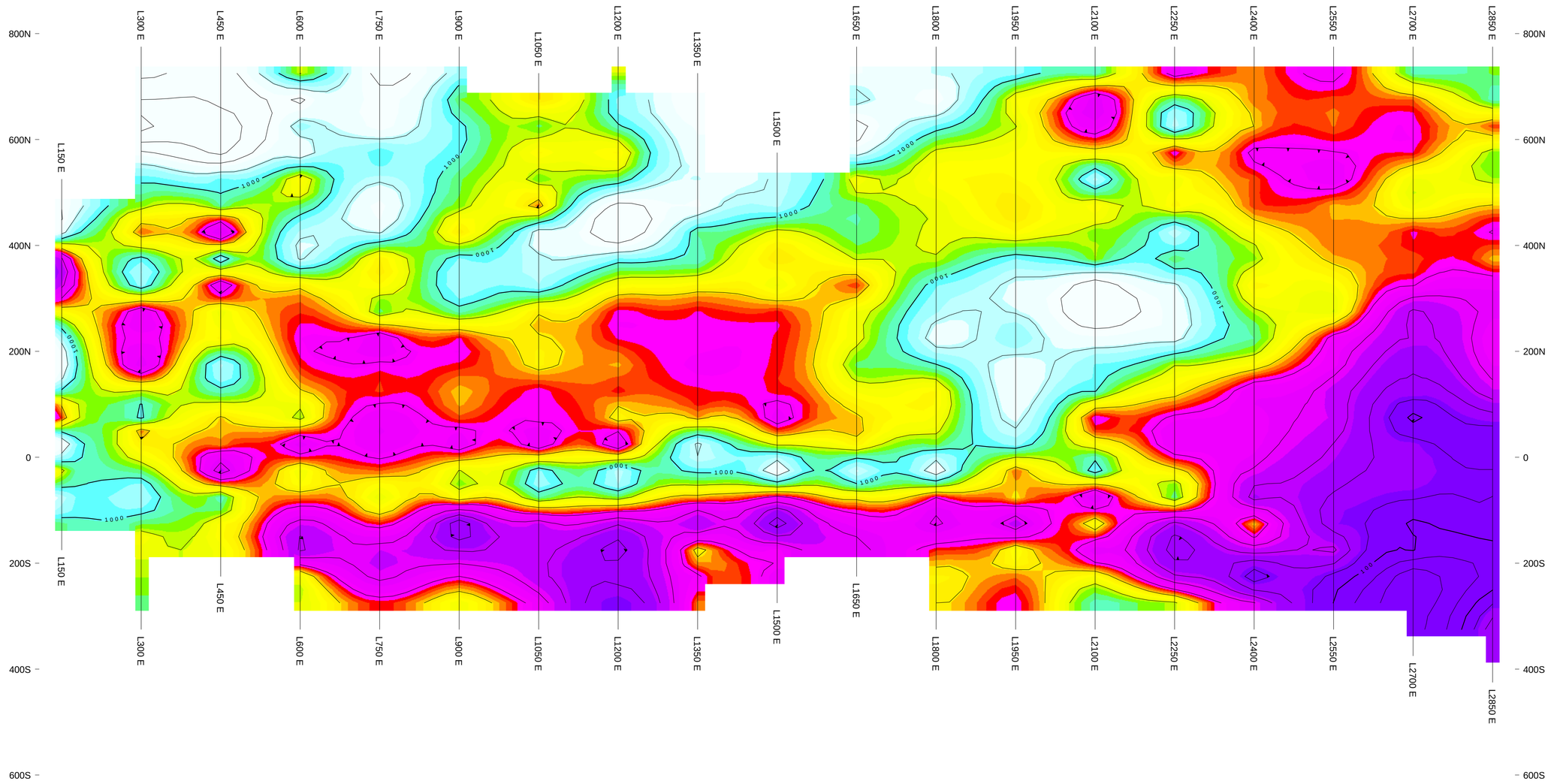


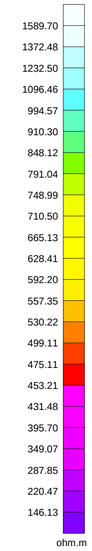
CALLINAN MINES LIMITED

MAGNETIC SURVEY
CONTOURS OF TOTAL FIELD INTENSITY

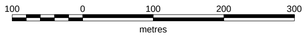
COLES CREEK GRID
HOUSTON AREA

PETER E. WALCOTT & ASSOCIATES LIMITED





Scale 1:5000

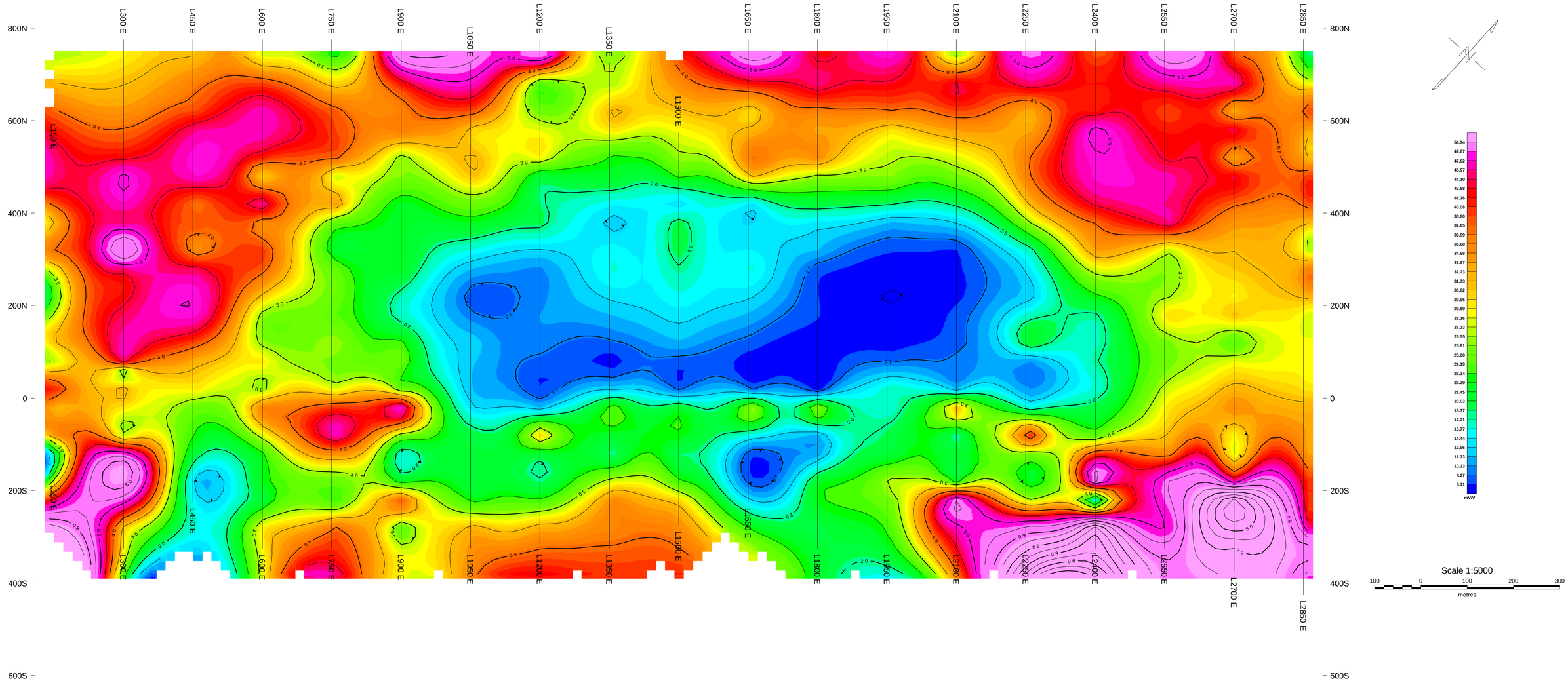


CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
CONTOURS OF APPARENT RESISTIVITY
n = 3

COLES CREEK GRID
HOUSTON AREA

PETER E. WALCOTT & ASSOCIATES LIMITED



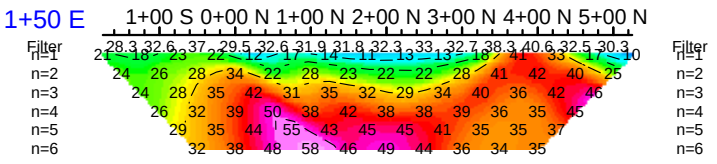
CALLINAN MINES LIMITED

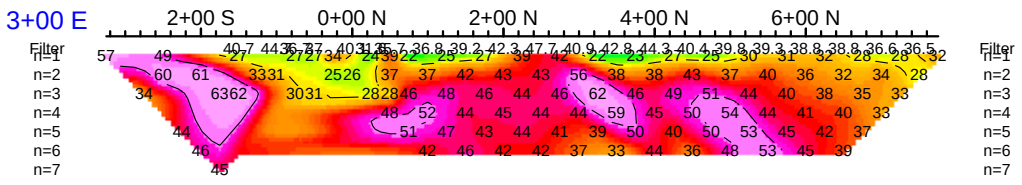
INDUCED POLARIZATION SURVEY
CONTOURS OF APPARENT CHARGEABILITY
n = 3

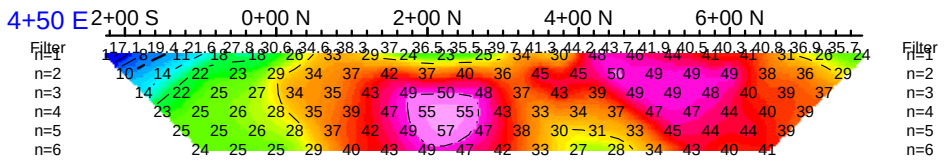
COLES CREEK GRID
HOUSTON AREA

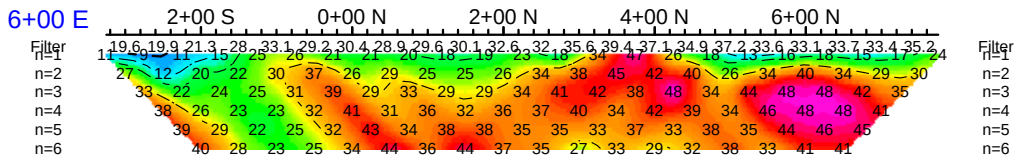
PETER E. WALCOTT & ASSOCIATES LIMITED

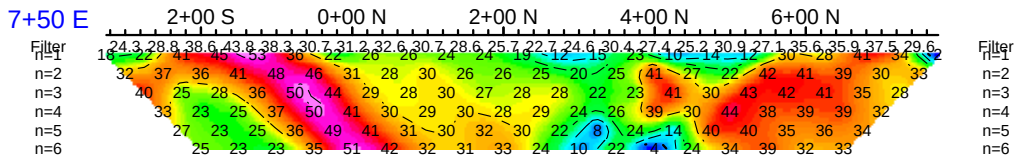
Apparent Chargeability (mV/V)

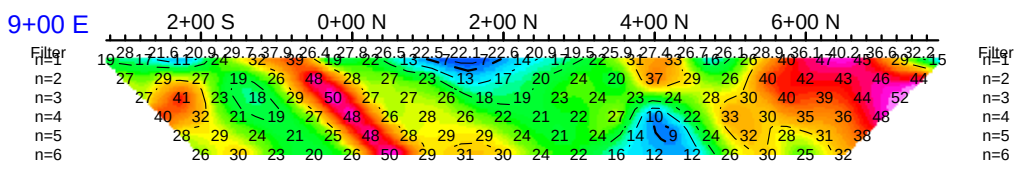


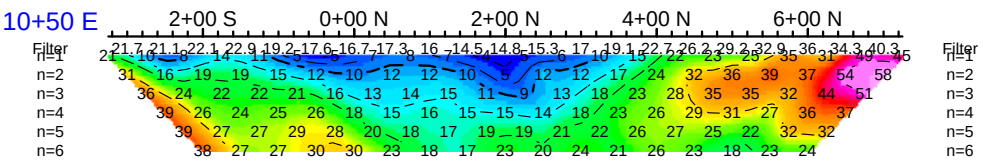


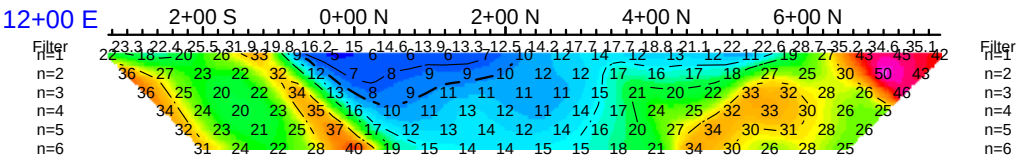


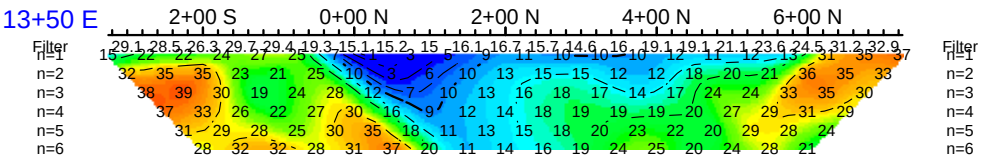


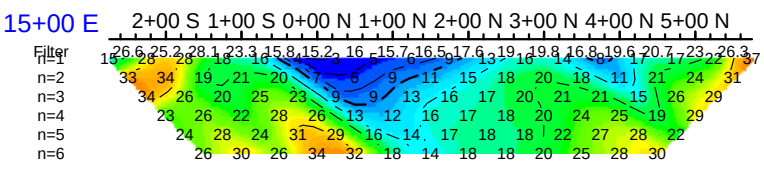


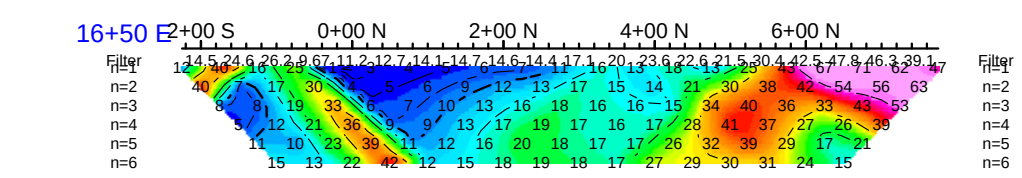


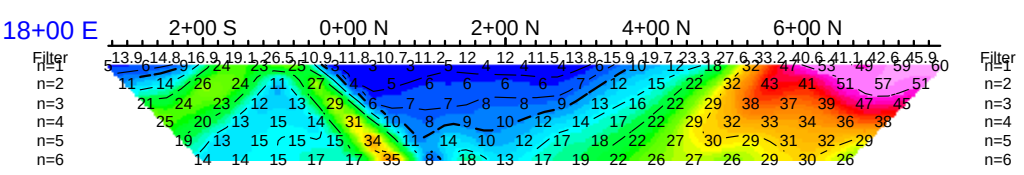


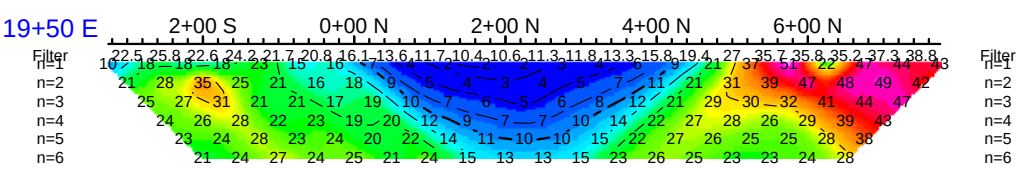


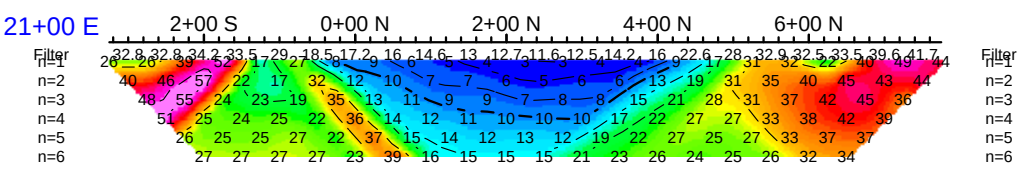


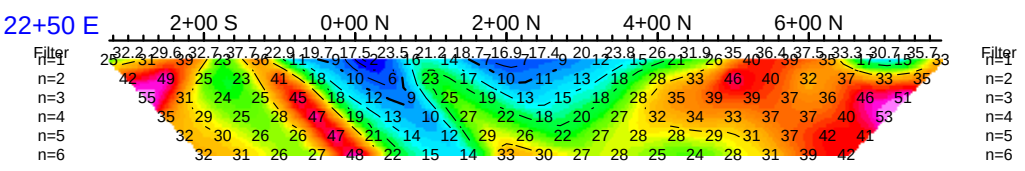


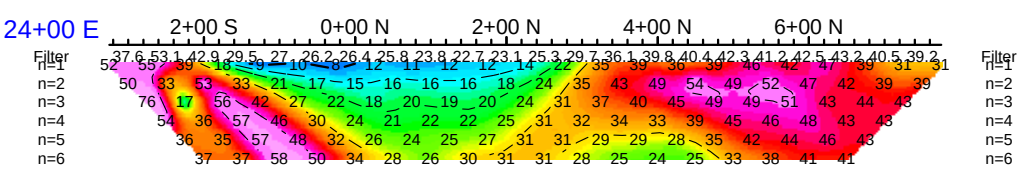


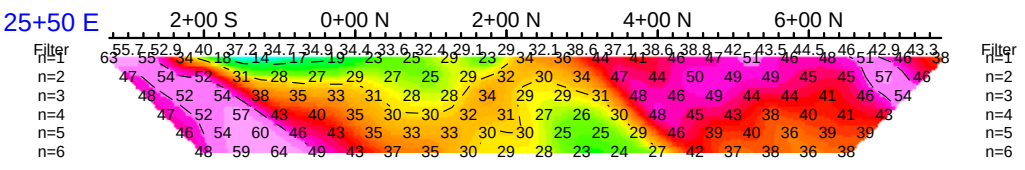


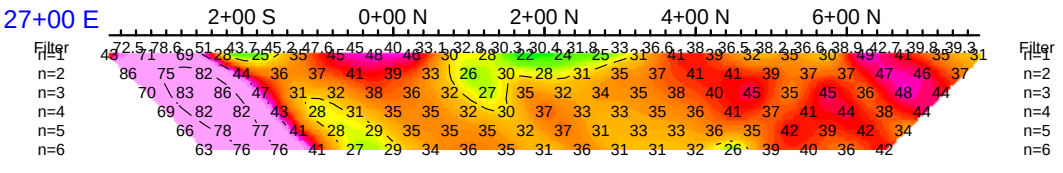


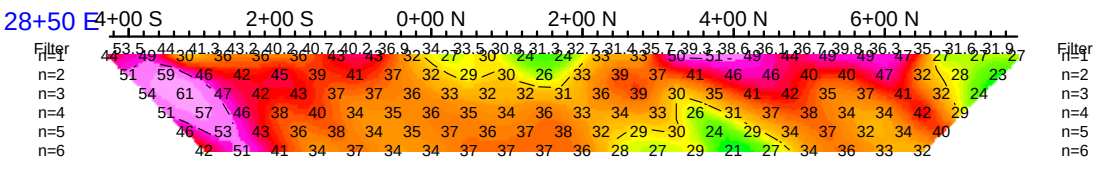


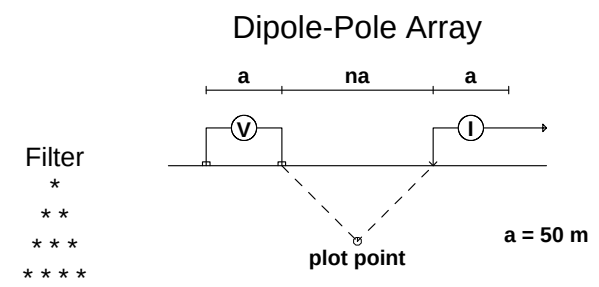








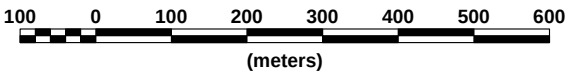




Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.
Operators: A.C., S.P., R.H.

Scale 1:10000



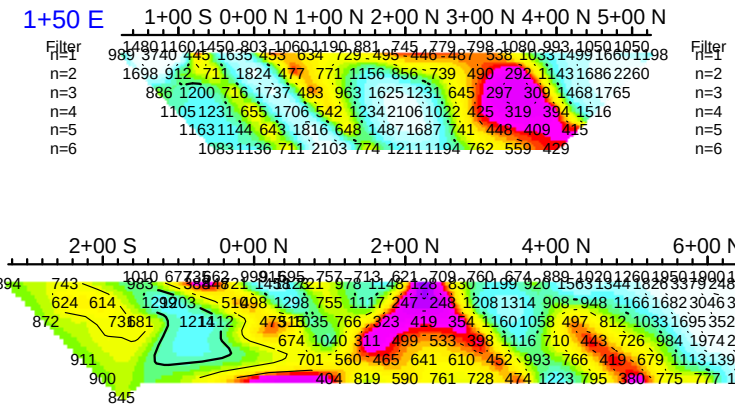
CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

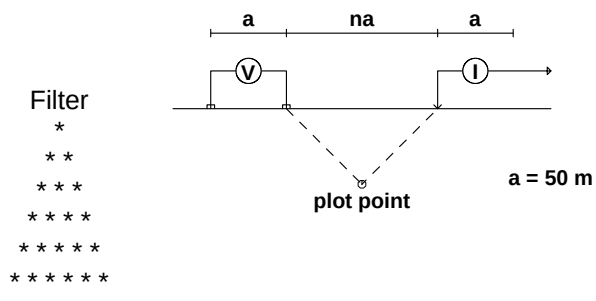
Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

Apparent Resistivity (ohm-m)



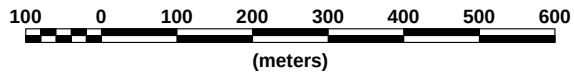
Dipole-Pole Array



Instruments: HUNTEC 7.5 kw Tx, ELREC PRO Rx

Frequency: 0.125 Hz.
Operators: A.C., S.P., R.H.

Scale 1:10000



CALLINAN MINES LIMITED

INDUCED POLARIZATION SURVEY
COLES CREEK PROJECT

Date: JULY 2006
Interpretation:

PETER E. WALCOTT & ASSOCIATES LIMITED

614600E 614800E 615000E 615200E 615400E 615600E 615800E 616000E 616200E 616400E 616600E 616800E 617000E 617200E

5934200N 5934000N 5933800N 5933600N 5933400N 5933200N 5933000N 5932800N 5932600N 5932400N 5932200N 5932000N 5931800N 5931600N

L2850 N
L2700 N
L2550 N
L2400 N
L2250 N
L2100 N
L1950 N
L1800 N
L1650 N
L1500 N
L1350 N
L1200 E
L1050 N
L900 E
L750 E
L600 N
L450 E

Cole01
Cole02
Cole03A
Cole04
Cole05
Cole06
Cole07
Cole08

574 m
587 m
462 m
630 m
566 m
560 m
545 m
583 m

62181.9
61345.4
60614.5
60185.1
59798.1
59495.8
59243.6
58959.9
58684.7
58395.0
58136.4
57945.4
57769.9
57618.4
57470.8
57339.0
57186.5
57051.9
56928.2
56810.6
56700.6
56612.7
56524.6
56454.9
56359.3
56279.9
56199.9
56144.0
56085.5
56034.5
55999.1
55956.8
55913.2
55862.9
55809.2
55742.2
55657.8
55509.5
nT

Scale 1:5000

100 0 100 200 300
(meters)
NAD83 / UTM zone 9N

CALLINAN MINES LIMITED
Contours Of Total Field Intensity (nT)
COLES CREEK GRID HOUSTON AREA
PETER E. WALCOTT & ASSOCIATES LIMITED

614600E 614800E 615000E 615200E 615400E 615600E 615800E 616000E 616200E 616400E 616600E 616800E 617000E 617200E

5934200N 5934000N 5933800N 5933600N 5933400N 5933200N 5933000N 5932800N 5932600N 5932400N 5932200N 5932000N 5931800N 5931600N

L2850 N L2700 N L2550 N L2400 N L2250 N L2100 N L1950 N L1800 N L1650 N L1500 N L1350 N L1200 E L1050 N L900 E L750 E L600 N L450 E

Cole01 Cole02 Cole03A Cole04 Cole05 Cole06 Cole07 Cole08

574 m 587 m 462 m 630 m 566 m 560 m 545 m 583 m

49.6 42.3 41.0 40.6 39.8 39.2 38.4 38.0 38.9 36.4 36.8 34.0 33.9 33.6 32.8 30.0 30.3 29.8 28.9 28.0 26.9 26.6 24.9 23.9 23.6 22.8 20.6 20.6 18.5 18.6 16.0 15.2 16.9 13.6 14.8 13.1 13.0 17.4

mV/V

Scale 1:5000

100 0 100 200 300

(meters)

NAD83 / UTM zone 9N

CALLINAN MINES LIMITED

Contours Of Apparent Chargeability 21 Point Filter (mV/V)

COLES CREEK GRID
HOUSTON AREA

PETER E. WALCOTT & ASSOCIATES LIMITED