BC Geological Survey
Assessment Report
29734

Exploration Report

On The

Kleanza Mountain Project
Terrace, BC
Canada

For

Nass Valley Gateway, Ltd.
Suite 575 – 1111 West Hastings St.
Vancouver, BC
Canada V6E 2J3

By

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January 31, 2008

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1.0 SUMMARY

The Kleanza Mountain property is located approximately 23 kilometers northeast of Terrace, British Columbia in the Bornite Range and within the watershed of Kleanza Creek (Figure 1). The primary mineral showing on the property is the Lucky Jim (Alvija) prospect.

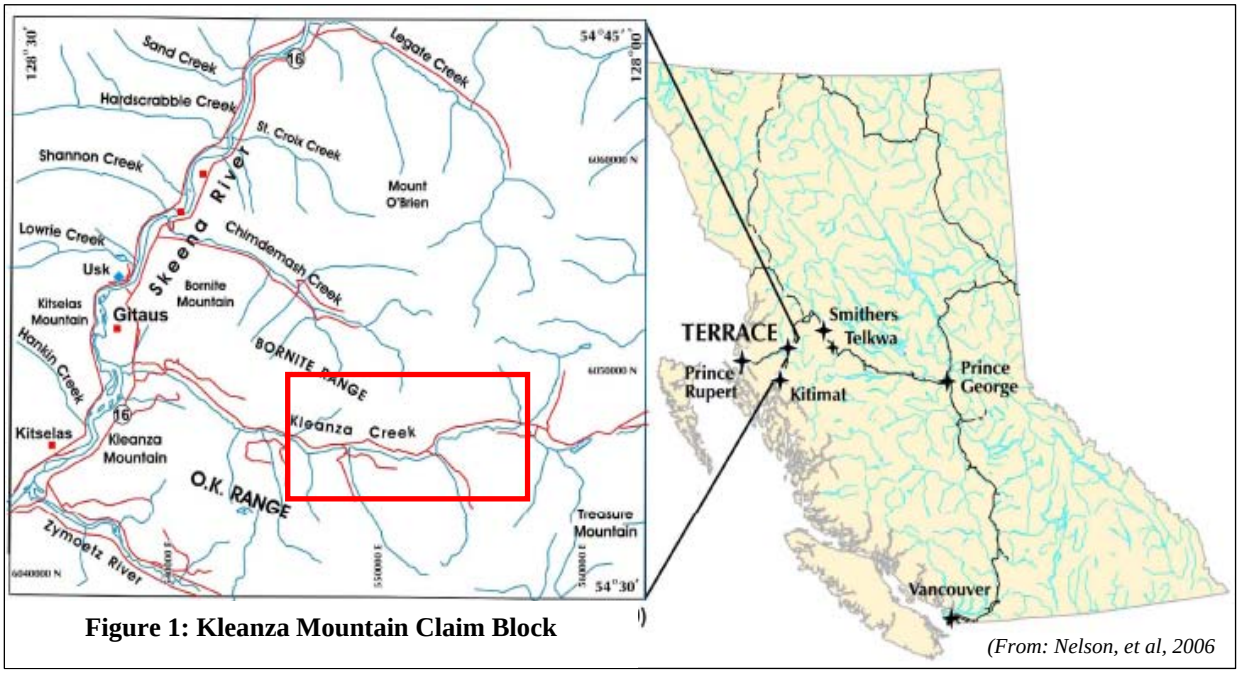


Figure 1: Kleanza Mountain Claim Block *(From: Nelson, et al, 2006*

On May 8, 2007 Nass Valley Gateway Ltd. (NVGL) announced that it had entered into an option agreement in which the Company had the right to earn up to 70% interest in the Kleanza mineral claims in the Terrace area of British Columbia. The option stipulated NVGL may acquire a 70% interest by issuing the vendor 275,000 common shares in its capital and cash payment of the sum of $75,000 over three years and by incurring cumulative mineral expenditures of $1,000,000 over the same period.

The Lucky Jim prospect is comprised of shear-hosted copper-silver mineralization within dacitic and volcanic flow rocks of the Telkwa Formation, part of the Lower Jurassic Hazleton Group. The host shear zone, which strikes N20W (340^{o}) and is nearly vertical, is comprised of a series of smaller anastamosing shears, the total of which extends approximately 50 meters east-west at the Lucky Jim prospect. The zone can be traced along surface for approximately 100 meters northwest before it disappears under the forest cover, and approximately 150 meters southeast where it disappears beneath local talus slopes.

The mineralization at the Lucky Jim and other smaller showings on the property is restricted within sub-vertical shears, and does not extent into the surrounding wall rocks. Variable, trace degrees of silicification accompany the mineralization. These characteristics are indicative of an epithermal deposit, although the source of metals and heat to drive the hydrothermal fluids is still open to question.

Phase I of the Nass Valley Gateway, Ltd exploration program for the Kleanza Mountain project was designed to examine at a reconnaissance level the extent and tenor of the mineralization, and to use this to data ascertain the advisability of proceeding with a Phase II diamond drill program on the property. The program consisted of prospect mapping and rock chip sampling and an 3 line-kilometer long IP/Resistivity grid over the shear zone at the Lucky Jim prospect.

The results of the rock chip geochemical sampling indicated that a single hydrothermal event was responsible for the copper-silver mineralization seen on the property, and that the mineralization is restricted to narrow cross-cutting shear zones.

The IP/Resistivity survey results indicate that the underlying mineralization exhibits strong structural control, and is of relatively low metal content. Further, the IP response suggests the mineralization does not extend significantly northward or southward from the Lucky Jim prospect.

Given the limited tonnage potential, it is recommended that no more expenditures be made on the Kleanza Mountain project and that it be returned to the property owner.

2.0 INTRODUCTION

2.1 Terms of Reference

Erika J. Shepard, L.Geo., was retained by NVGL on June 20, 2007 with terms of the assignment comprised of participating in the direction of the Phase 1 exploration program on the Kleanza Property, to conduct field work, to interpret results of the program, and author this report. The Phase 1 exploration program was designed to investigate the extent and probable tenor of known copper-silver mineralization and estimate the advisability of implementing a drilling program as Phase 2.

Field work conducted by the author consisted of reconnaissance-level geologic mapping and sampling and assisted in the establishment of a grid over the property. This work was conducted periodically from June through August of 2007. The grid was subsequently used as access for the ground geophysical program.

Erika J. Shepard holds her L.Geo. designation from North Carolina, and her P.Geo designation from British Columbia is expected within 2 months of the date of this report. She provides geological consulting services to the international mining industry. She holds a B.Sc. degree from the University of Missouri in Geology and an M.Sc. degree from Oregon State University in Economic Geology with emphasis in minerals exploration. Ms. Shepard has over 20 years professional experience spanning four continents and numerous deposit types. During her career she has held positions as Exploration Manager, Senior Geologist, Chief Mine Geologist, and Acquisitions Geologist for several North American mining companies.

Ms. Shepard is neither an insider nor an employee of NVGL, but works with NVGL on a contractual basis. Ms. Shepard is also a Licensed Geologist in the state of North Carolina, and a member of the Society of Economic Geologists since 1977.

2.2 Sources of Information, Reliance on Other Experts, and Disclaimer

NVGL Vice President of Exploration Mr. Ed Skoda provided an initial portfolio of information on the Kleanza Property, including claim data, published technical reports, maps, historical data, and invaluable field logistical support during exploration work on the property.

The author has relied upon the accuracy of information provided by NVGL. In addition, the author accepts the veracity of geochemical assays provided by ALS-Chemex, and has quoted assays from published historical sampling reports without modification. The author has also reviewed pseudo-sections, report, and maps from the IP/Resistivity program conducted by

Aurora Geosciences Ltd. of Whitehorse, B.C., but is not a geophysicist and cannot comment on the quality of the data nor offer interpretations.

While the author believes that the information, conclusions, and recommendations of other professionals who contributed to this project are reliable, Ms. Shepard cannot guarantee their accuracy. Ms. Shepard does not assume responsibility for NVGL's actions in distributing this report, but hereby grants permission for distribution as the company deems necessary.

2.3 Units and Currency

All units of measure used in this report are metric, and all currency is in Canadian Dollars unless specifically stated otherwise. The exchange rate between US$ and Canadian$ as of December 31, 2007 was US$1.00 = C$0.993 (www.xe.com/ucc/).

3.0 PROPERTY DESCRIPTION

3.1 Location

The property is located approximately 23 kilometers northeast of Terrace, British Columbia in the Bornite Range and within the watershed of Kleanza Creek (Figure 1). The primary deposit on the property, the Lucky Jim (Alvija) prospect, is located at the following UTM grid coordinates: *UTM Zone 09 (North American Datum 83) 6046540N 552878E*.

3.2 Mineral Tenures

The Kleanza Property is comprised of seven contiguous mineral claims (tenures) which total approximately 1,968 hectares in area (Table 1 and Figure 2).

Kleanza Project

Table 1: Detailed Claim Titles and Status

Tenure Number	Tenure Type	Claim Name	Listed Owner	Percent Owned	Map No.	Good To Date	1/1/08 Status	Area in Hectares
505326	Mineral	Alvija	109421	100%	103-I	31-Jan-08	good	56.3
523855	Mineral	Dullss	109421	100%	103-I	13-Dec-08	good	149.9
536371	Mineral	Georgilas1A	109421	100%	103-I	29-Jun-08	good	374.9
536372	Mineral	Georgilas2A	109421	100%	103-I	29-Jun-08	good	468.7
547077	Mineral	Georgilas80	109421	100%	103-I	9-Dec-08	good	149.9
547078	Mineral	Georgilas81	109421	100%	103-I	9-Dec-08	good	449.8
547080	Mineral	Georgilas82	109421	100%	103-I	9-Dec-08	good	318.8
							Total:	***1968.3***

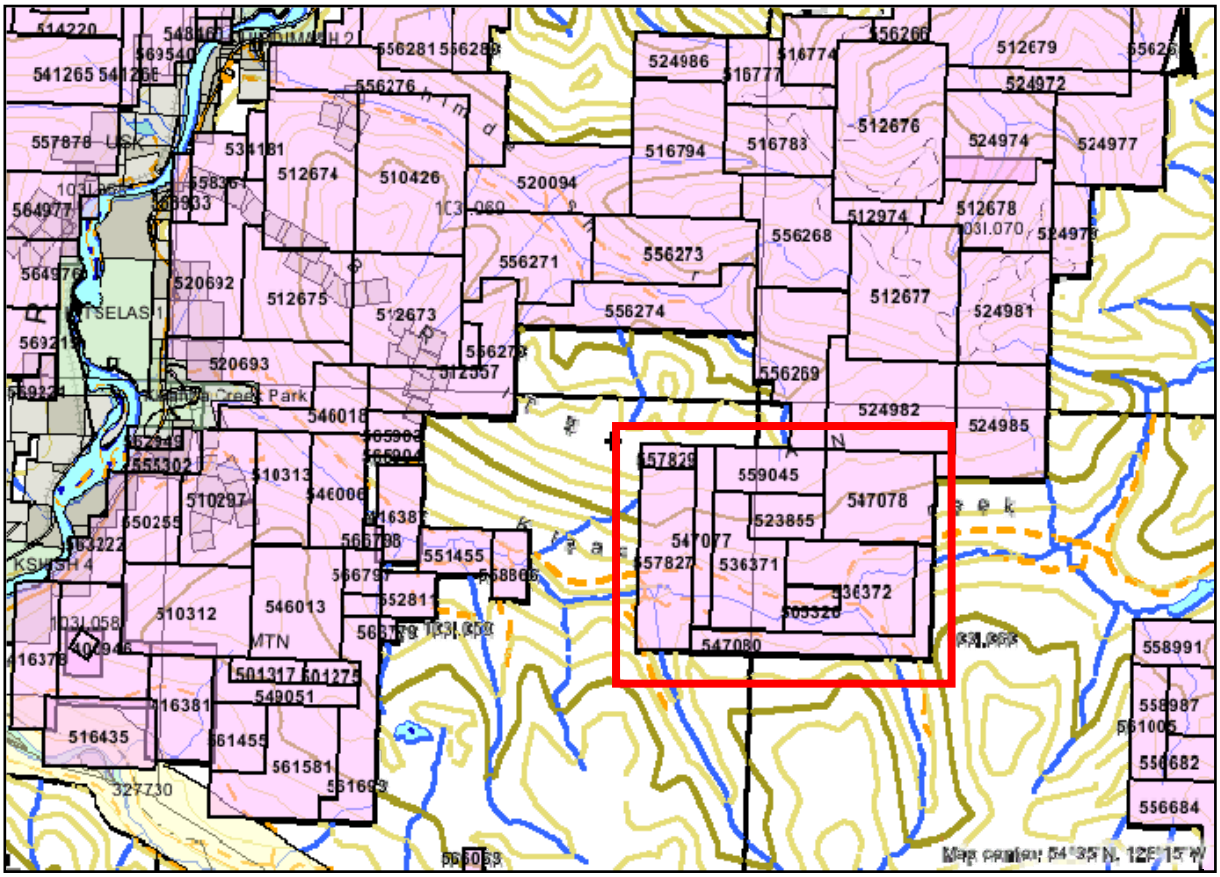


Figure 2: Tenure Blocks on Kleanza Mountain

3.3 Tenure Status

Claim status for the property was checked on-line using the Government of British Columbia's Mineral Title web site at www.mtonline.gov.bc.ca/. All claims included in the Kleanza Project appear to be in good standing as of this writing. Note that a detailed investigation of claim status is outside the scope of this report and the information provided does not constitute a legal opinion.

3.4 Property Interest

On May 8, 2007 NVGL announced that it had entered into an option agreement in which the Company had the right to earn up to 70% interest in the Kleanza mineral claims in the Terrace area of British Columbia. Under the Agreement NVGL may acquire a 70% interest by issuing the vendor 275,000 common shares in its capital and cash payment of the sum of $75,000 over three years and by incurring cumulative mineral expenditures of $1,000,000 over the three years period (the Kleanza Mountain Project). Under the terms of the Agreement, NVGL will establish

a wholly owned subsidiary for the purpose of performing the exploration program and further development of the project.

3.5 Known Mineralization

The primary showing on the Kleanza Mountain Property is the Lucky Jim Group (aka Alvija), which lies at an elevation of approximately 500 msl (*Minfile Number 103I-085*). Copper-silver mineralization consists of shear-hosted fracture fillings in dacitic and andesitic host rocks. Originally staked in 1908, in 1924 a 35-foot adit was driven on mineralization, and in 1929 a shaft approximately 155 feet in depth was sunk. Both shaft and adit are collapsed as of this investigation.

Two other small copper-silver prospects are reported on the property: the North and the Chris, located 460 meters northwest and 760 meters east respectively of the main Luck Jim showing.

In addition, Kleanza Creek reportedly contains placer gold deposits (known as the Gold Creek and/or Cassiar Hydraulic showings) hosted in drift-filled pre-glacial channels along the creek (*Minfile Number 103I-208*).

4.0 ACCESSIBILITY, CLIMATE, RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

4.1 Accessibility

The Kleanza Mountain Property is located approximately 23 kilometers east-northeast of Terrace within the watershed of Kleanza Creek (Figure 3). The property is accessible by driving northeast from Terrace, BC on Yellowhead Highway 16 for approximately 16 kilometers to the entrance for Kleanza Creek Park. Turning onto the logging road adjacent to the park entrance, drive southeast parallel to Kleanza Creek 17.1 kilometers directly to the primary showing on the property, the Lucky Jim occurrence.

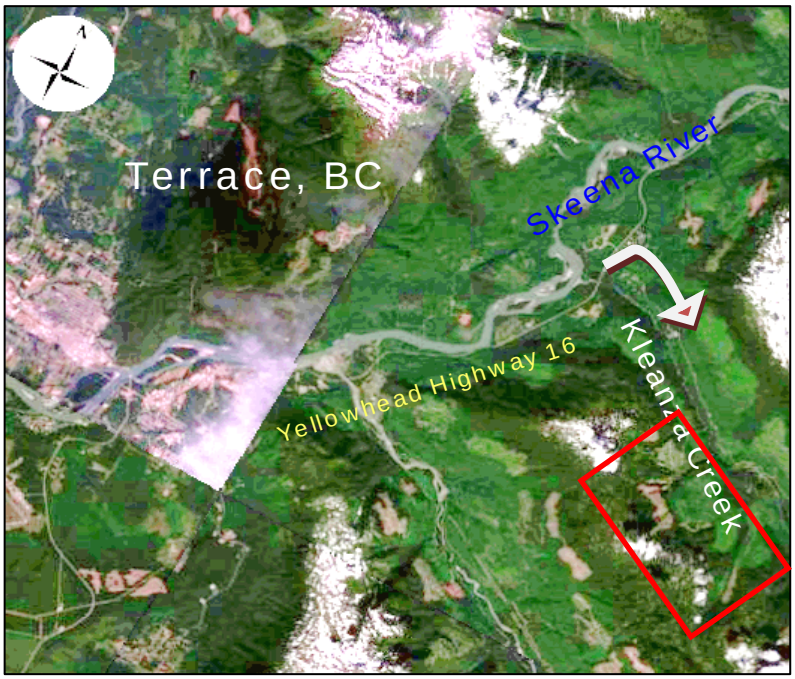


Figure 3: Access to Kleanza Mountain Property

The topography in the project area is rugged, and the steep mountain slopes are wooded with a combination of second growth timber and occasionally dense brush. At the time of this investigation, the south slopes of the Bornite Range were actively being logged, thus providing an excellent series of roads and new roadcut outcrops, facilitating access and examination of the property.

4.2 Climate

The climate in the Terrace, B.C. region reflects a mix of coastal and interior influences, and due to the shelter of the Coast Mountains, the city maintains moderate temperatures and less rainfall than many of its neighboring communities. On average, there are 198 days a year with measurable precipitation—157 days with rain and 68 days with snow. The average year also includes about 46 days of fog and 4 thunderstorms. Table 3 shows the quarterly averages for local weather conditions and length of daylight.

Terrace
British Columbia

54°28'-N 128°28'-W

elevation 58 m
712 ft

more information

© Stewart-Cassiar Tourism Council, 2007

quarterly averages	Spring Mar-May	Summer Jun-Aug	Fall Sep-Nov	Winter Dec-Feb	Annual Average
Temperature	5.9° C 42.6° F	15.4° C 59.7° F	6.4° C 43.5° F	-3.0° C 26.5° F	6.1° C 43.0° F
Rainfall	49.1 mm 1.93"	51.6 mm 2.03"	142.1 mm 5.60"	68.0 mm 2.68"	932.4 mm 36.74"
Snowfall	17.8 cm 7.00"	0.0 cm 0.00"	17.6 cm 6.92"	94.3 cm 37.15"	389.0 cm 153.27"
Total Precipitation	66.2 mm 2.61"	51.6 mm 2.03"	159.3 mm 6.28"	154.7 mm 6.09"	1295.3 mm 51.04"
Equinox	Mar 20	Jun 21	Sep 20	Dec 21	Solstice
Twilight	5:58 am	3:03 am	5:43 am	8:10 am	STD time
Sunrise	6:34 am	3:59 am	6:19 am	8:55 am	STD time
Sunset	6:51 pm	9:15 pm	6:35 pm	4:11 pm	STD time
Twilight	7:27 pm	10:11 pm	7:11 pm	4:56 pm	STD time
Daylight	13.5	19.1	13.5	8.8	Hours

Table 2: Annual Climatic Variations for the Terrace, BC Region

In general, field work may effectively be performed on the Kelanza Mountain Property from late May through October.

4.3 Local Resources and Infrastructure

The city of Terrace, B.C. is located approximately 1,300 kilometers (800 miles) northwest of Vancouver in the Skeena River Valley. It is the second-largest city in northern BC with a population of approximately 19,000 people. Terrace has daily air service from Vancouver, regular rail and bus routes, and is located on the Yellowhead Highway 16, 140 km (87 mi) east of Prince Rupert and 581 km (361 mi) west of Prince George.

Terrace's local government boasts of its support for mining, and local businesses carry a wide variety of equipment and services to support the exploration, mining, logging, and fishing industries (Figure 4).

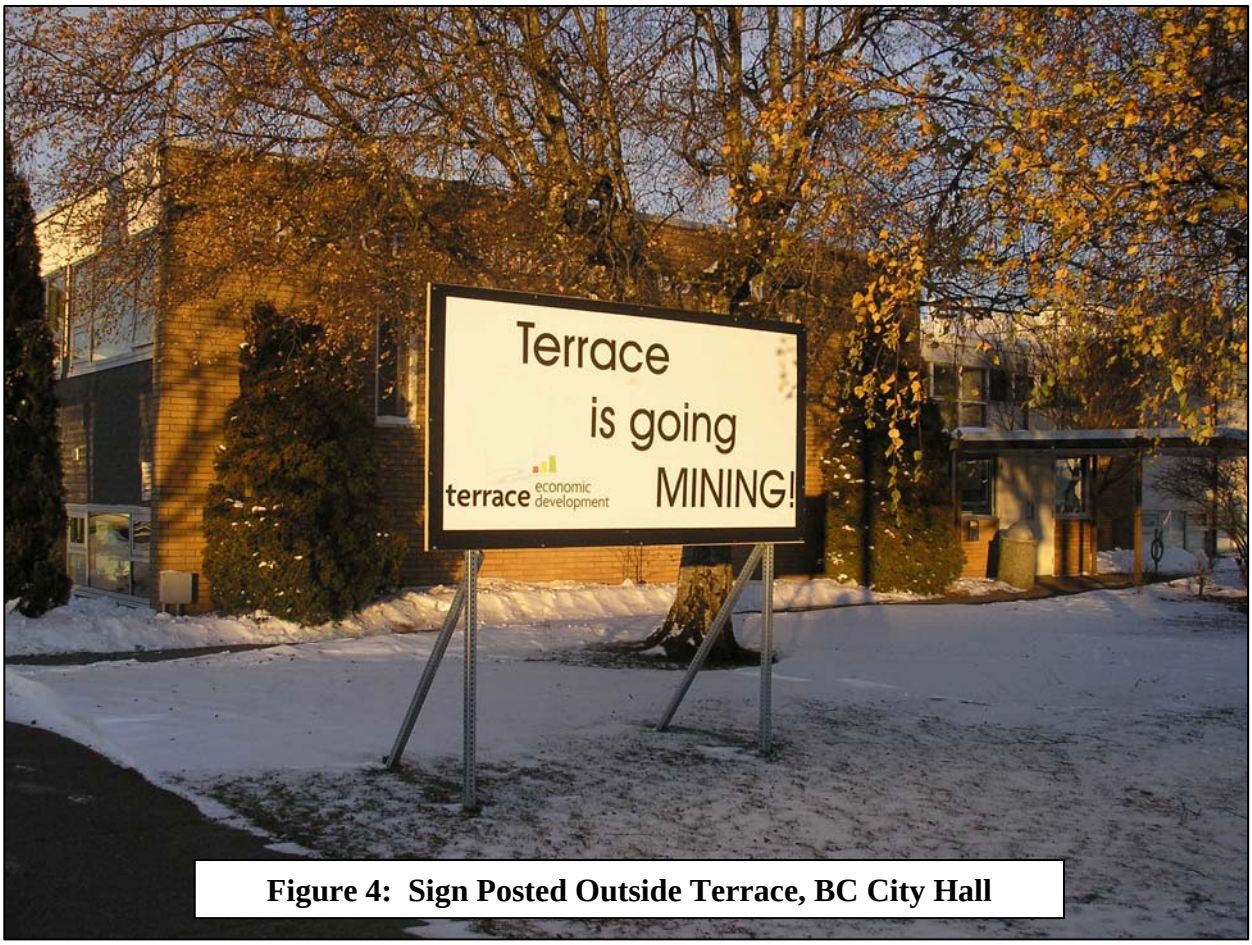


Figure 4: Sign Posted Outside Terrace, BC City Hall

Mineral exploration spending in 2005 in the Terrace region was reported at $99.5 million, representing an 80% increase over 2004. Exploration drilling rose to about 197,000 meters, comprised predominantly of work on advanced properties. There were 52 large projects, 51 of which included drilling. Robust prices for copper, molybdenum, gold and coal also caused many dormant prospects to be reactivated. Three major mines continue to operate in the region; two more projects hold Environmental Assessment certificates allowing development of new mines, and a further seven are in the Environmental Assessment Process (from *www.teda.ca/economic-opportunities/mining*).

The Terrace campus of Northwest Community College also offers a training program through its School of Exploration and Mining. The course consists of a series of industry-related programs in exploration, mining, and environmental issues (from *www.nwcc.bc.ca/SEM/index.cfm*).

5.0 HISTORY

5.1 History of the Lucky Jim (Alvija) Claim Group

The original Lucky Jim Claim was staked in 1908 on an outcropping of three narrow shear-hosted stringers containing iron, chalcocite, bornite, epidote, and chlorite (*EMPR AR 1914, pp.K126)*. By 1914, reports indicate that two exploration trenches had been dug and a short adit had been driven into the mineralized shear zone.

In 1920 Alvija Mines Ltd. owned the property, and had begun to develop the showing by means of a shaft and tunnel, and in 1925 developments consisted of adits and large open-cuts.

In 1924 a 35-foot adit was driven 35 feet by Federal Mining & Smelting Co., and in 1929 the COMINCO Co. sank a shaft from the 2,080 foot elevation to approximately 155 feet in depth.

The advent of the Depression and World War II put an end to most of the mining activity in the Terrace area. Forest products formed the basis for the next economic resurgence, and between 1950 and 1990 extensive networks of logging roads accessed more and more remote locations.

In 1968 Alvija Mines Ltd. continued exploration work by establishing two miles of mining road, mapping in detail a 3,000' by 5,000' area, and by blasting 15 trenches for a total length of 1,000 feet. The company also drilled four diamond drill holes for a total length of 1,020 feet. Based on the surface indications and the diamond drill holes, the company estimated 181,420 tonnes of unclassified ore at 4% copper and 68.5 gpt silver (*from Minfile Number 103I-085; historical estimate only, not NI43-101 compliant*).

In 1980 a report by Stephen Quin describing the Lucky Jim Claims was published for the Kelly Creek Joint Venture, and subsequently catalogued as *Mineral Resources Branch Assessment Report No. 9914.* The report discusses the results of a short reconnaissance program consisting of stream sediment, soil and rock chip sampling, and limited structural mapping.

As metal prices have increased, a minor resurgence in local prospecting and exploration activity has developed in the Terrace area, but this activity continues to be at a low level when compared to mining districts elsewhere in British Columbia.

6.0 GEOLOGICAL SETTING

6.1 Regional Geology

The Terrace area lies within the western extent of the intermontane Stikinia Terrane, a Paleozoic through mid-Jurassic island arc magmatic sequence, which is the subject of an on-going geologic mapping program (*Nelson, et al,* 2006-A/B, 2007; *Geology and Mineral Potential of the Usk Map Area, NTS 103I/09*). The area is part of a large crustal block dominated by typically variable sequences of volcanic and volcaniclastic rocks, related sedimentary units, and minor limestones (Figure 5). Terrace also lies on the eastern edge of the deeply-eroded mid-Jurassic to Eocene Coast Plutonic Complex, a linear belt of granitoid and metamorphic rocks accreted along the western edge of the Stikinia Terrane, and which dominate the coast of British Columbia.

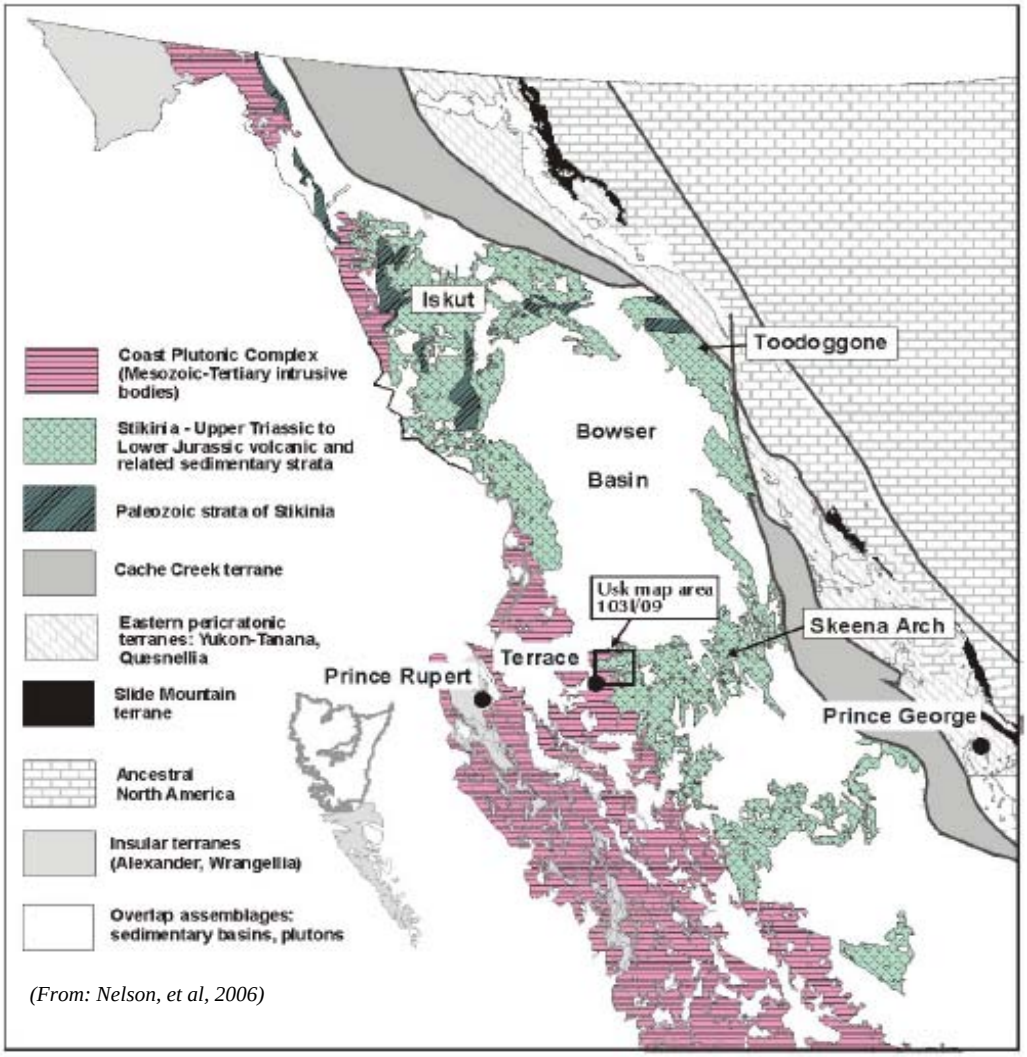


Figure 5: Tectonic Setting of the Terrace (Usk) Area

6.2 Local Geology

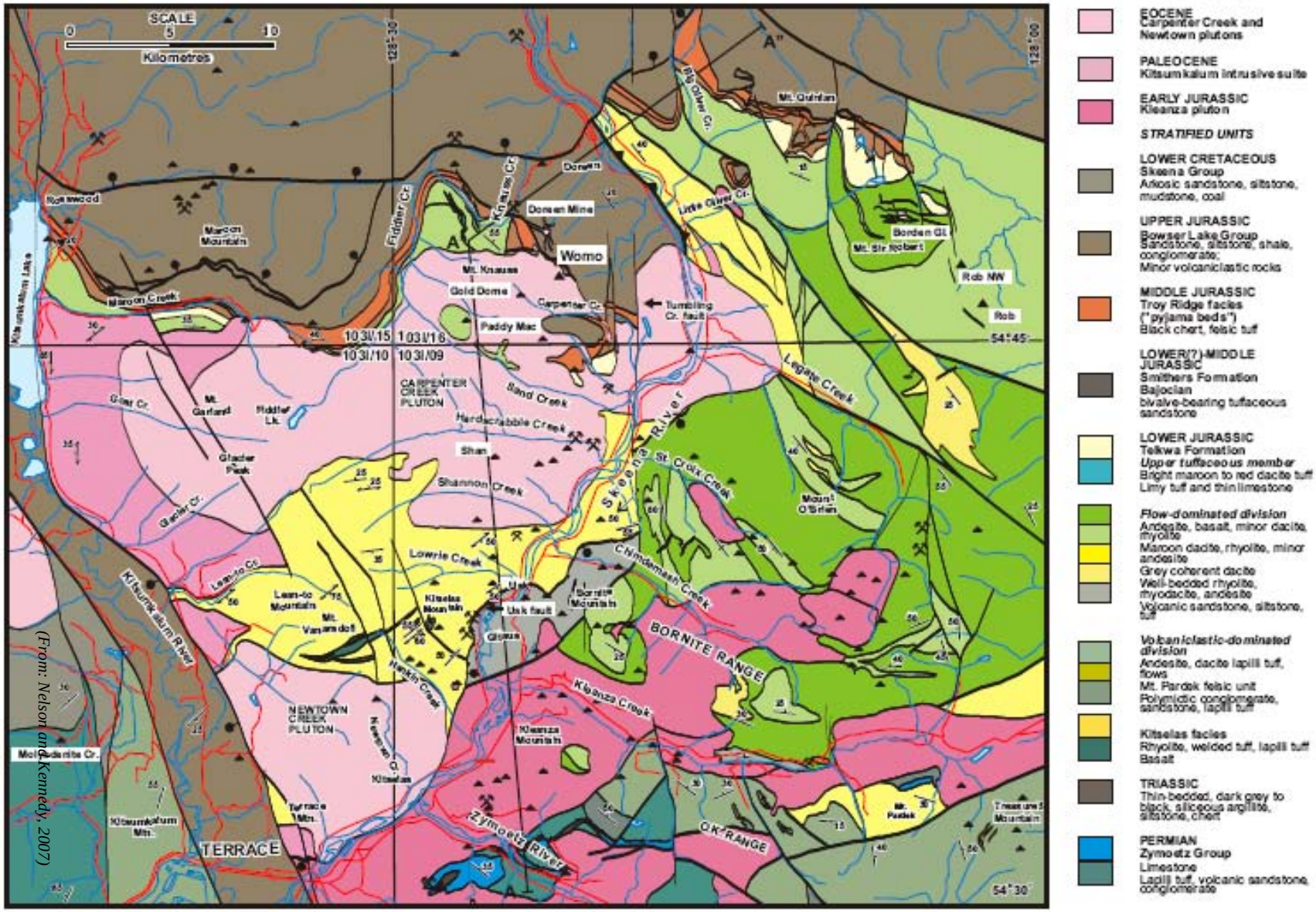
The local geology of the Terrace area is tectonically divided into two distinct sub-terranes by gently to steeply-east-dipping faults in the valley of the Skeena River, referred to as the Skeena River Fault Zone. In the hanging wall of the SRFZ on the east side of the river the rock sequences range in age from early Permian to Late Jurassic (Figure 6), and are the host rocks to the Kleanza Property. These rocks fall into sub-facies of the Telkwa Formation, part of the Lower Jurassic Hazleton Group (*Nelson and Kennedy, 2007*).

The Telkwa Formation on the east side of the SRFZ is comprised of the following informal lithologic divisions:

- The upper tuffaceous member
    - Bright maroon to red dacite tuff, limy tuff, and thin limestone
- The middle flow-dominated division
    - Andesites and basalts with minor dacites and rhyolites
    - Maroon-colored dacite, rhyolite, and minor andesite
    - Grey coherent dacite
    - Well-bedded rhyolite, rhyodacite, and andesite
    - Volcanic sandstone, siltstone, and tuff
- The lowermost volcaniclastic-dominated division
    - Andesites, dacite lapilli tuffs and lava flows
    - Mt. Pardek felsic unit
    - Polymictic conglomerates, sandstones, and lapilli tuffs

The stratigraphic units of the Telkwa Formation in the Kleanza Project area have been intruded by the Early Jurassic-age Kleanza Pluton, which occurs in the hanging wall (east side) of the SRFZ. It has been dated at *ca.* 200 Ma (*Gareau, et al, 1997a*). The pluton shows a high degree of textural and compositional variation, ranging from gabbro to granite and fine-grained micro-diorite to hornblende-plagioclase pegmatite. The pluton does not exhibit penetrative deformation, but is frequently cut by discrete shear zones.

Figure 6: Geology of the Terrace (Usk) Area



6.3 Property Geology

The bedrock in the immediate area of the Lucky Jim claims is comprised of gray andesite and porphyritic dacite of the flow-dominated division of the Telkwa Formation (Figure 7).

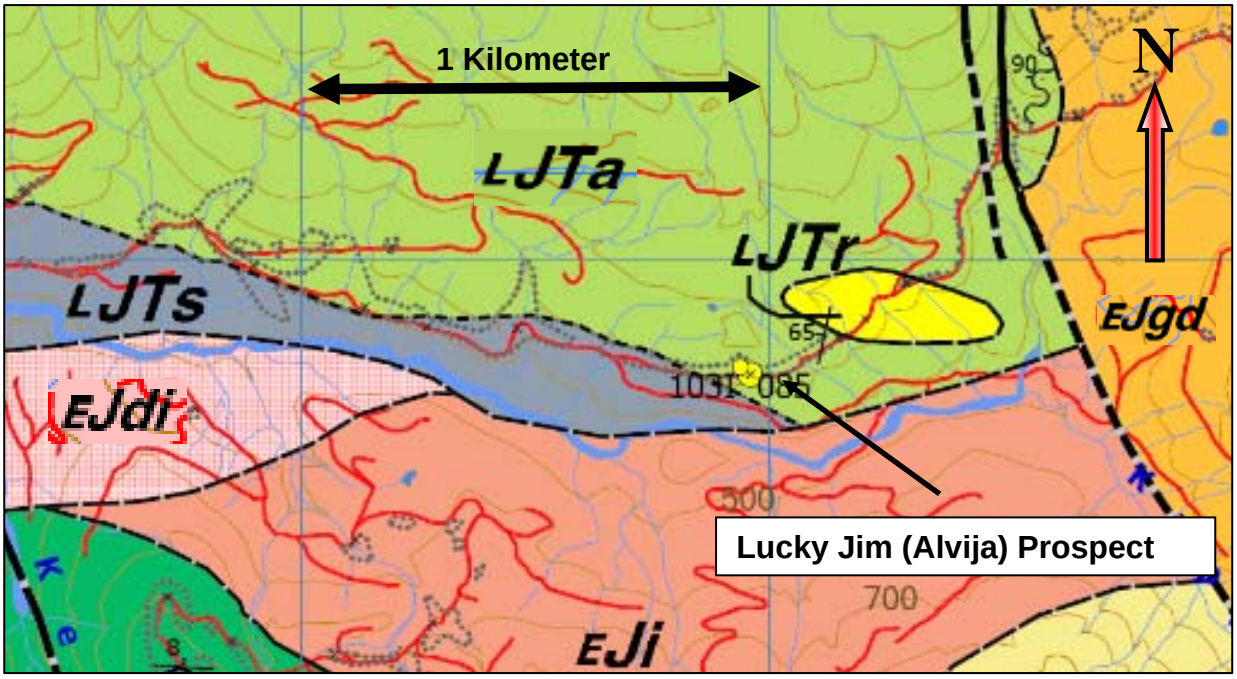


Figure 7: Geology of the Lucky Jim Prospect Area

Early Jurassic

Kleanza pluton ca. 200 Ma

EJi	Undivided mafic, intermediate and felsic intrusive rocks
EJdi	Diorite, microdiorite,gabbro: heterogeneous in texture and composition: also porphyritic andesite dikes and small intrusions
EJmz	Pink, plagioclase-phyric, fine-grained monzonite
EJgd	Granodiorite, granite:equigranular, coarse to medium grained, homogeneous

Lower Jurassic

Telkwa Formation

Flow-dominated division

LJTa	Coherent, variably amygdaloidal andesite and basalt. Green, locally maroon to brick-red. Amygdules large to small. Andesites are plagioclase-phyric. In places contains minor dacite and rhyolite in bodies too small to depict at map scale.
LJTd	Dacite and ?rhyolite. In part coherent, flow-banded; also volcaniclastic with variable clast sizes and degree of welding. Red, maroon, lavender, pink, cream. Small plagioclase phenocrysts common, quartz rare. Contains minor amounts of andesite too small to depict at map scale.
LJTd2	Grey, plagioclase-phyric, coherent dacite flow? intrusion?
LJTr	Rhyolite and lesser dacite. Coherent to volcaniclastic; grey, lavender, pink, cream.
LJTr2	Well-bedded sequence of rhyolite, rhyodacite, and andesite. Felsic units are welded tuffs, unwelded lapilli tuffs, coherent flows/domes.
LJTs	Volcanic sandstone, siltstone, minor conglomerate; thin-bedded, green to maroon. At base of flow-dominated division in Kleanza Creek valley.

(From: Nelson and Kennedy, 2007)

At the Lucky Jim prospect, porphyritic dacite lies at an approximate strike of N20E (020^{o}) and dip of 40 ^{o} to 65 ^{o} northwest. The dacite is medium to dark gray, is non-magnetic, and with subhedral to euhedral plagioclase and K-feldspar phenoocrysts (maximum 2x4 mm) occupying approximately 30% of the rock mass, and less than 5% of subhedral amphibole phenocrysts (maximum 1x2 mm). The unit forms massive irregular outcrops with near-vertical cliff faces up to 10 meters in height (Figure 8).

Figure 8: Outcrop in the Lucky Jim Area

6.4 Deposit Types

The Usk (Terrace) map area contains approximately 80 documented mineral occurrences (*Nelson et al, 2006*). Epigenetic copper mineralization is common and widespread and is expressed in several deposit types including quartz veins, quartz-poor sulphide veins, shear-hosted, and disseminations and replacements. Silver is commonly associated with the copper mineralization, particularly in veins and shears.

The origin and associations of the mineralization in the Usk area are unclear, although Nelson, et al (2006) suggests four possibilities:

1. Copper-rich shear zone-hosted and replacement occurrences in the Telkwa Formation could be related to early fluid migration associated with Hazelton-age volcanic activity.
2. Hydrothermal systems associated with the Kleanza Pluton could give rise to a broad spectrum of epigenetic occurrences, such as veins, shears, disseminations and replacements on the east side of the SRFZ.
3. The Early Tertiary Usk Shear Zone and Usk detachment fault could have had a role in local epigenetic mineralization on the west side of the SRFZ.
4. Veins could be related to the hydrothermal effects of the Eocene Carpenter Lake pluton on the west side of the SRFZ.

6.5 Known Mineralization

At the Lucky Jim prospect andesite and dacite are cut by a mineralized sub-vertical brittle shear zone trending N20W (340^{o}) (Figure 9). The shear zone is comprised of a series of smaller anastamosing shears, the total of which extends approximately 50 meters east-west at the widest point, and the zone can be traced along surface for approximately 100 meters northwest before it disappears under the forest cover. Note in Figure 8 the brittle fracture textures and shear traces on the rock face above the axe head, and the copper oxide stains on the rock to the right and left of the axe handle.

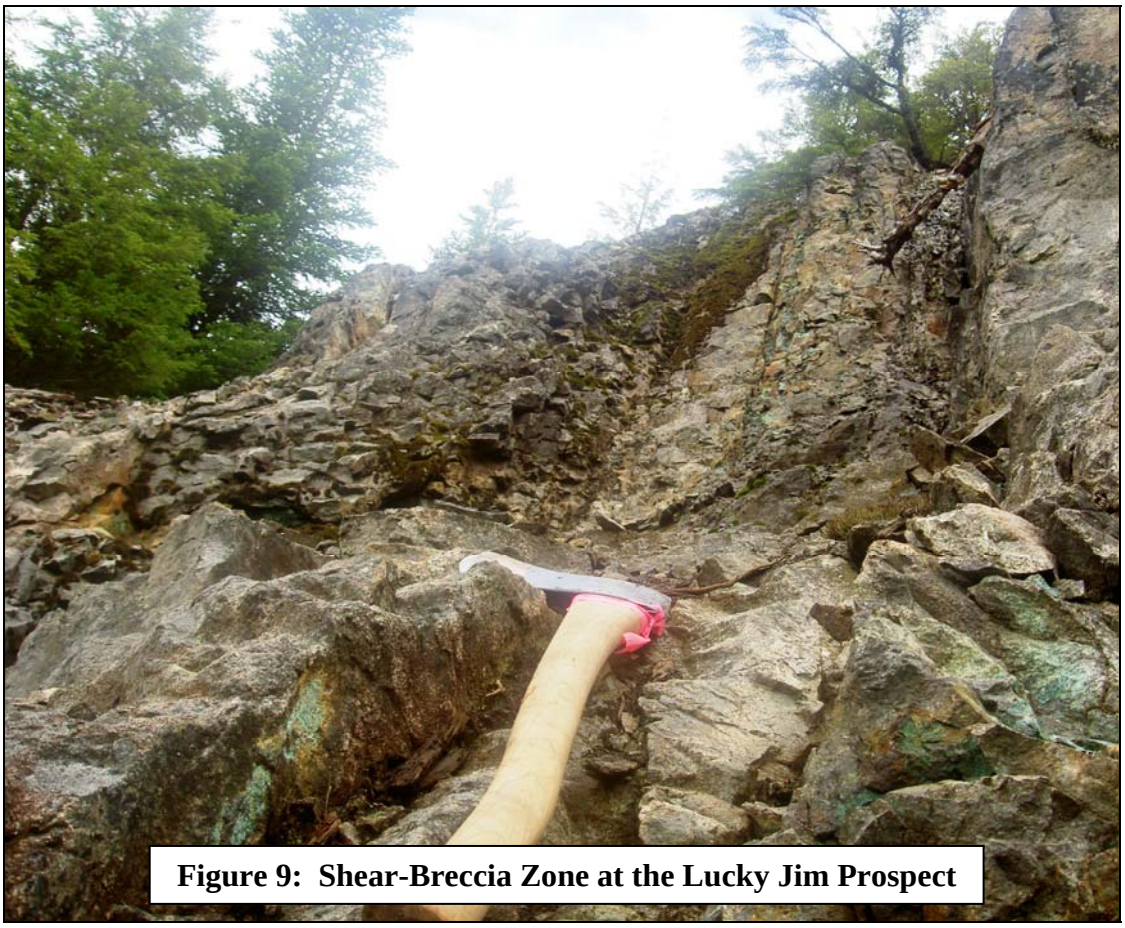


Figure 9: Shear-Breccia Zone at the Lucky Jim Prospect

Mineralization on fresh rock surfaces includes chalcocite and traces of bornite and chalcopyrite, coated in a patina of malachite and oxides of iron. Scattered irregular blebs of epidote may be occasionally seen, and the rocks within the shear zone exhibit weak, variable silicification as evidenced by destruction and replacement of feldspar phenocrysts and very rare semi-conchoidal fracture of some of the rocks on the Lucky Jim dump. The weak alteration and mineralization occupies discreet zones associated with the shears and does not permeate laterally into the surrounding wall rocks.

6.6 Soil Characteristics

The soil profile in the Kleanza Creek area is classified as a Luvisolic Sub-Boreal Forest profile under the Canadian System of Soil Classification (from *Soil Landscapes of Canada, Version 3.1.1, Agriculture and Agri-Food Canada, 2007*). At the Lucky Jim prospect site, the soil horizon is well exposed in the road cut just below the mine dump and many other places on the property. Within the soil horizon well-rounded pebbles and cobbles of "exotic" rock lithologies are often present. This suggests that the soils may have incorporated fluvio-glacial material into the profile and potentially rendered soil geochemical exploration methods unreliable due to the possibility of contamination.

Further, the steep terrain in the Kleanza Creek area lends itself to downslope creep, slump, and mass wasting. Consequently any soil geochemical anomaly that might be detected could have resulted from material transport and would not represent mineralization at depth immediately below any given sample site. Figure 10 is an expanded section of Figure 8: note the steepness of the slope below the tree in the center of the photograph and the strong malachite staining on the rocks faces to the left of it. Fragments from this outcrop can be found at the base of the cliff and is a typical example of down-slope movement of mineralized material in the Kleanza area due to mass wasting.

Figure 10: Downslope Mass Wasting at the Lucky Jim

7.0 EXPLORATION

Phase I of the Nass Valley Gateway, Ltd exploration program for the Kleanza Mountain project was designed to examine at a reconnaissance level the extent and tenor of the mineralization, and to use this to data ascertain the advisability of proceeding with a Phase II diamond drill program on the property.

Phase I consisted of establishing a grid on the property over mineralized surface exposures (the Lucky Jim occurrence), collecting a series rock chips to determine the average grade that might be present, and contracting an IP/Resistivity survey to test the possible tenor and depth extent of the mineralization.

7.1 Historical Rock Chip Geochemistry

Several previous investigators on the Lucky Jim prospect have published results of rock chip geochemical sampling, most notably *Quinn, 1980* and *Nelson, et al, 2006a*. In addition, sample results from a 1968 property file are quoted in the MINFILE report for the Lucky Jim prospect *(MINFILE No. 103I/085)*. The specific locations for these samples and complete descriptions of sampling and assaying procedures are lacking, however, as the reports pre-date the establishment of NI 43-101 requirements. Therefore the results presented here are offered for historical interest only.

The rock chip sampling by Quinn in 1980 consisted of 37 samples from various areas of the property. All were analysed for copper and silver, and four of the samples were assayed for gold, silver and high copper values. The maximum values detected were 6.98% copper, 3.28 ounces per ton silver, and trace gold, all from one sample taken from a small fault block less than on meter across. Of the total collection of rock chip samples, only six exceeded 100 ppm copper content.

As part of the broad mapping project for the Usk Map Area (NTS103I/09), *Nelson etal, 2006a* collected a single verification sample at the Lucky Jim prospect. The sample returned 5.59% copper, 99 ppm silver, 14.7 ppb gold.

A report filed with the British Columbia Energy, Mines, and Petroleum Resources ministry (*Geology, Exploration, and Mining in British Columbia, 1969, pp. 82*) reports that a 7.6 meter chip sample taken from the Lucky Jim prospect returned 3.6% copper and 65.1 gpt silver.

Finally, the B.C. Ministry of Energy, Mines, and Petroleum Resources MINFILE report (*MINFILE No. 103I 085*) reports the results of four diamond drill holes that were drilled at the Lucky Jim prospect, based on a property file report. Samples of three zones intersected by the

drilling averaged 1.10% copper and 23.7 gpt (grams per metric tonne) silver over an average width of 9.3 meters. Based on these four drill holes they report an unclassified ore resource of 181,420 tonnes of 4.0% copper and 68.5 gpt silver.

This historical resource estimate is based on data and reports prepared by previous operators in the late 1960's, and quoted in the aforementioned *MINFILE* report. NVGL does not have access to the original resource report nor any of the original assay reports, and therefore is not treating the estimate as a current NI 43-101 defined resource. As such, the estimate should not be relied upon. The estimate is included in this report simply to help conceptualize the general characteristics of the exploration target. Clearly, it is uncertain if further exploration on the property would result in a mineral resource.

7.2 Sampling Method and Approach

A total of 19 rock chip samples were collected from the Kleanza property, most of which came from the area of the Lucky Jim prospect. The intent of the sampling was to simply re-verify the range of copper and silver values reported by earlier workers. A few of the samples were intentionally collected from well-mineralized material so as to ascertain the maximum range of metal content that might be expected from the deposit. The full geochemical and assay report (*Number VA07072569*) is included in this report in Appendix 1.

Samples were collected by the author, and consisted of linear rock chip samples across outcrops as indicated on the sketch maps in Appendix 1. All material included in the samples was directly from outcrop, and no "float" was included. The average sample weight was 1.88 kilograms.

7.3 Sample Preparation, Analysis and Security

All samples were collected, tagged, and shipped directly by bus to the ALS Chemex Lab in North Vancouver, B.C. by the author. No sample preparation was conducted by the author, employees, nor staff of NVGL. ALS Chemex Lab is fully accredited by the Standards Council of Canada and holds a Certificate of Registration for ISO 9001:2000 quality control through QMI Inc., an international management systems registration company. The certificates for both of these registrations are also included with this report in Appendix 1.

In the ALS Chemex laboratory all rock samples were crushed to 70% or more passing through a 2 millimeter (10 mesh) screen. A split of this material was then pulverized to 85% or more passing through a 75 micron (200 mesh) screen. This material was then subjected to digestion in an aqua regia solution. The samples were then examined by three methods as appropriate for each element as shown in Table 4 below:

Table 3 - Geochemical Analysis Methods				
Element	Analysis Code	Analysis Method	Detection Range (ppm)	Finish Method
Au	ICP-21	Inductively Coupled Plasma Mass Spectroscopy	0.001 - 10.0	
Au opt	OG-46	Fire Assay Fusion	10.0 +	Gravimetric
Ag	ICP-41	Inductively Coupled Plasma Mass Spectroscopy	2.0 - 100	
Cu	ICP-41	Inductively Coupled Plasma Mass Spectroscopy	1.0 - 10,000	
Cu%	OG-46	Fire Assay Fusion	10,000 +	Gravimetric
Pb	ICP-41	Inductively Coupled Plasma Mass Spectroscopy	2.0 - 10,000	
Zn	ICP-41	Inductively Coupled Plasma Mass Spectroscopy	2.0 - 10,000	

More specific details of sample preparation and laboratory analytical methods are outside the focus of this report. However, excellent descriptions regarding sample preparation methods and equipment, internal quality control measures, and discussions of the various testing procedures are available on-line at:

http://www.alsglobal.com/Mineral/ALSContent.aspx?key=24

7.4 Data Verification

ALS Chemex standard operating procedures require the analysis of quality control samples (reference materials, duplicates and blanks) with all sample batches. As part of the assessment of every data set, results from the control samples are evaluated to ensure they meet set standards determined by the precision and accuracy requirements of the method.

NVGL and the author have relied upon the internal quality controls provided by ALS Chemex Labs for analytical quality. The author is of the opinion that sample security, chain of custody procedures, internal QA/QC procedures, and analytical methods are adequate given the reconnaissance nature of the Kleanza Mountain Project.

7.5 Rock Chip Geochemistry Data Interpretation

Of the 19 samples collected, four showed significantly elevated values of copper and silver, while other metals such as gold, lead, and zinc generally returned minimal or non-anomalous values (Table 4).

Specific sample locations were plotted on sketch maps drawn in the field, copies of which are included in Appendix 1. Note that these maps are derived from rough sketches, and are intended to assist readers and workers who may follow to occupy the same sample sites again if needed.

Looking specifically at the samples collected at the Lucky Jim prospect, we find that the arithmetic mean copper content (average) of samples B522206 to B522211 is 1.26%, and ranges from a low of 250 ppm to a high of 28,800 ppm. The average silver value is 12.15 ppm across this zone, but ranges from 0.2 ppm to 53.0 ppm. Figures 11 and 12 show the logarithmic probability plots of the assay values for copper and silver respectively.

TABLE 4 - Selected Rock Chip Sample Results
Kleanza Mountain Project

SAMPLE Number	Comments	UTM Northing	UTM Easting	Au ppm	Ag ppm	Pb ppm	Zn ppm	Cu ppm	Cu %
KZ-001	lower rd	553091	6046285	0.003	<0.2	10	208	4	
KZ-002	lower rd, sml SZ w/ CuOx	553091	6046285	0.007	3.4	16	256	1080	
KZ-003	lower rd	553091	6046285	0.004	1.6	10	189	670	
KZ-004	lower rd	553091	6046285	<0.001	<0.2	8	192	24	
KZ-005	lower rd	553320	6046350	<0.001	<0.2	8	84	23	
KZ-006	lower rd, sml SZ w/ CuOx	553320	6046350	0.014	3.3	13	77	895	
KZ-007	lower rd	553320	6046350	<0.001	0.2	12	69	43	
KZ-008	lower rd	553320	6046350	<0.001	0.4	29	208	111	
KZ-009	lower rd	553320	6046350	<0.001	<0.2	19	38	37	
B522206	Lucky Jim prspct, across strike SZ	552899	6046533	<0.001	7.1	22	77	7830	
B522207	Lucky Jim prspct, across strike SZ	552899	6046533	0.001	7.5	8	88	5870	
B522208	Lucky Jim prspct, across strike SZ	552899	6046533	0.008	41.7	19	199	28800	2.88
B522209	Lucky Jim prspct, across strike SZ	552899	6046533	0.006	11.9	11	188	13100	1.31
B522210	Lucky Jim prspct, across strike SZ	552899	6046533	<0.001	0.2	7	210	250	
B522211	Lucky Jim prspct, across strike SZ	552899	6046533	<0.001	4.5	12	194	2200	
B522212	Lucky Jim SZ, 75m north	552887	6046599	0.015	49.4	21	131	30200	3.02
B522213	Lucky Jim SZ, 75m north	552887	6046599	<0.001	0.5	12	191	486	
B522214	Lucky Jim, sml SZ 50m east	552871	6046546	0.008	53	78	202	21400	2.14
B522215	Lucky Jim, sml SZ 20m east	552930	6046563	<0.001	<0.2	8	160	23	

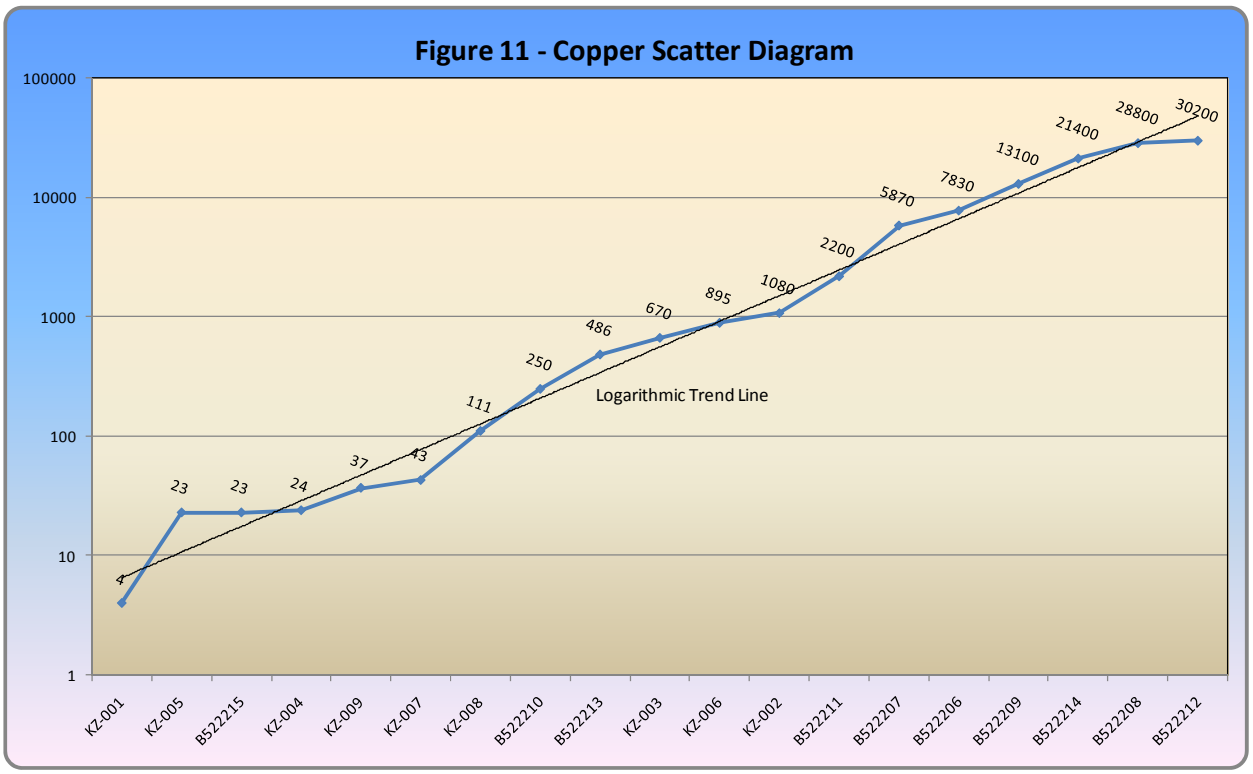


Figure 11 - Copper Scatter Diagram
100000
10000
1000
100
10
1
4
23
23
24
37
43
111
250
486
670
895
1080
2200
5870
7830
13100
21400
28800
30200
Logarithmic Trend Line
KZ-001
KZ-005
B522215
KZ-004
KZ-009
KZ-007
KZ-008
B522210
B522213
KZ-003
KZ-006
KZ-002
B522211
B522207
B522206
B522209
B522214
B522208
B522212

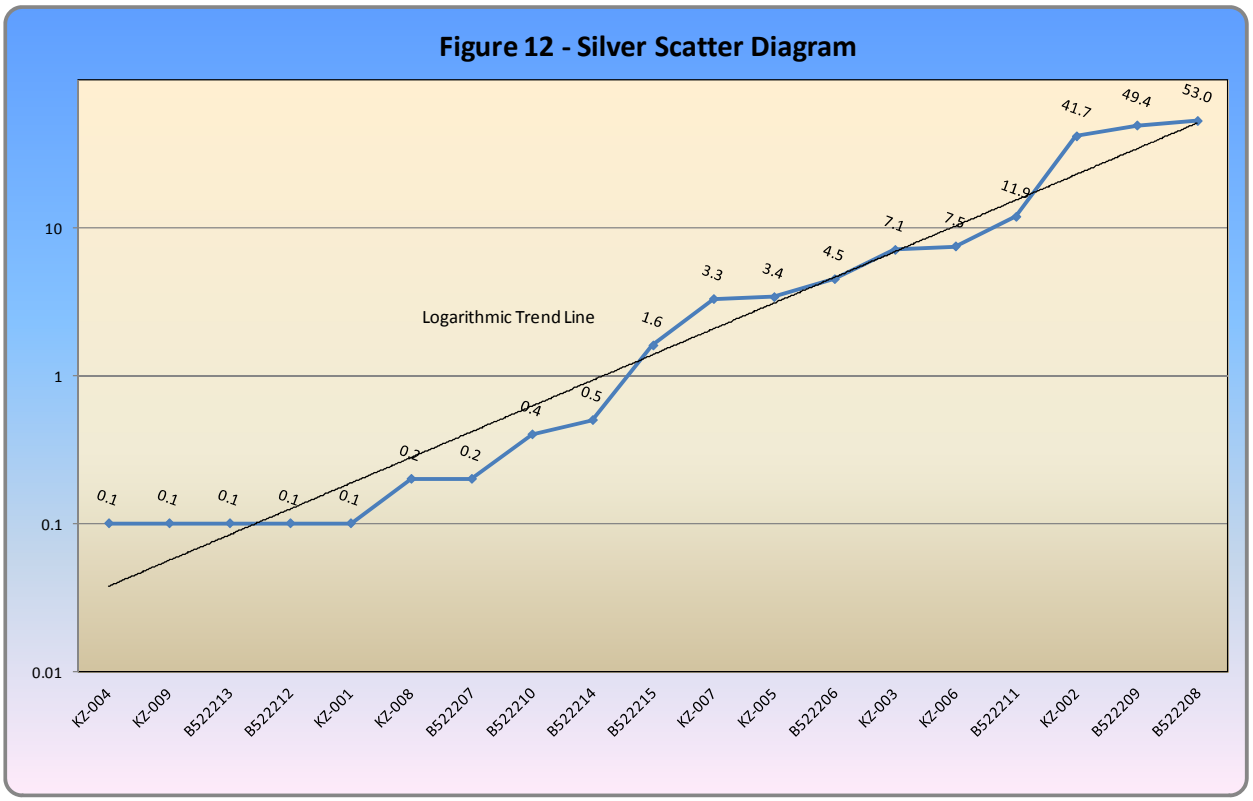


Figure 12 - Silver Scatter Diagram
10
1
0.1
0.01
0.1
0.1
0.1
0.1
0.1
0.2
0.2
0.4
0.5
1.6
3.3
3.4
4.5
7.1
7.5
11.9
41.7
49.4
53.0
Logarithmic Trend Line
KZ-004
KZ-009
B522213
B522212
KZ-001
KZ-008
B522207
B522210
B522214
B522215
KZ-007
KZ-005
B522206
KZ-003
KZ-006
B522211
KZ-002
B522209
B522208

The assay values are in ascending order, plotted on scatter diagrams using a logarithmic background scale. Despite the relatively small number of samples, the general adherence of the assay values to this line indicates that the sample population has a lognormal distribution, is a viable representative of the deposit, and is indicative of a single mineralizing episode (*Peters, W.C., 1978, pg. 421*).

Examining the sketch map in Appendix 1, the rock chip assays across strike of the Lucky Jim shear zone show that there is evident lack of continuity to the mineralization. Samples collected from the lower road on strike with the Lucky Jim Shear Zone (samples KZ001 to KZ004) are somewhat anomalous in copper, but do not approach the values seen in the Lucky Jim prospect.

Finally, reconnaissance mapping to the east, west, and north along strike of the Lucky Jim prospect encountered only two small mineralized shears (samples B522212 to B522215), one of which returned the maximum copper value for the entire set (3.02% Cu). All accessible outcrops between the sample sites showed no visible mineralization, and only faint traces of regional alteration mineralogies (diopside with minor silicification).

These results indicate the erratic character of the mineralization within the shear zone, and the limitation of its extent beyond the shears.

7.6 Induced Polarization and Resistivity Survey

A short IP/Resistivity survey was conducted on the Kleanza property, localized across the trace of the Lucky Jim Shear Zone. A total of 3 line kilometres in three separate lines were surveyed by Aurora Geosciences Ltd. of Whitehorse, YT, from November 11th through the 13th, 2007.

Two of the lines followed old logging roads that were oriented approximately perpendicular to the strike of the Lucky Jim Shear Zone. The third most northerly line was one of several that were cut the forest on the side slopes of the hills (Appendix 2).

7.7 IP/Resistivity Survey Interpretation

The IP/Resistivity survey results indicate that the underlying mineralization exhibits strong structural control, and is of relatively low metal content. Further, the IP response suggests the mineralization does not extend significantly northward or southward from the Lucky Jim prospect.

8.0 Adjacent Properties

There are no adjacent properties of significance.

9.0 Mineral Processing and Metallurgical Testing

No metallurgical or mineral processing tests were conducted.

10.0 Mineral Resource and Reserve Estimates

No estimate of reserves or resources were made for the property.

11.0 Conclusions and Recommendations

11.1 Conclusions

The results of reconnaissance geologic mapping, rock chip geochemical sampling, and IP/Resistivity geophysics indicate that the potential for a significant shear-hosted copper and silver bearing deposit of sufficient tenor and size to sustain a profitable mining operation is limited.

11.2 Recommendations

It is recommended that no further expenditures be made for exploration on the Kleanza Mountain project, and that the property be returned to the owner.

12.0 Expenditures

Table 54 on the next page provides a summary of the exploration expenditures for the Kleanza Mountain Project, up to and including this date.

Kleanza Mountain Project
Table 5: 2007 Exploration Expenditures

Exploration Work type	Comment	Days			Totals
Personnel (Name)* / Position	**Field Days (list actual days)**	**Days**	**Rate**	**Subtotal***	
Erika Shepard/Geologist			$0.00	$4,500.00	
Ed Skoda/ Logistic Manager			$0.00	$8,504.87	
Robin Fraser/ Geophysics			$0.00	$740.00	
Noel Grant/ geophysics			$0.00	$440.00	
Ian Smythe/ line cutter			$0.00	$750.00	
William Smythe/line cutter			$0.00	$750.00	
				$15,684.87	**$15,684.87**
Office Studies	**List Personnel (note - Office only, do not include field days**				
Literature search	Erika Shepard		$0.00	$1,000.00	
Report preparation	Erika Shepard		$0.00	$7,250.00	
				$8,250.00	**$8,250.00**
Ground Exploration Surveys	**Area in Hectares / List Personnel**				
Reconnaissance	Grid lay - Ranex Line Cutting			$2,680.00	
				$ 2,680.00	**$2,680.00**
Ground geophysics	**Line Kilometres / Enter total amount invoiced list personnel**				
IP	*3 line - kilometers*			$10,463.53	
Resistivity					
				$10,463.53	**$10,463.53**
Geochemical Surveying	**Number of Samples**	**No.**	**Rate**	**Subtotal**	
Rock	19 samples		$0.00	$1,615.93	
				$1,615.93	**$1,615.93**
Drilling	**No. of Holes, Size of Core and Metres**	**No.**	**Rate**	**Subtotal**	
Other (specify)			$0.00	$0.00	
				$0.00	**$0.00**
Other Operations	**Clarify**	**No.**	**Rate**	**Subtotal**	
Other (specify)			$0.00	$0.00	
				$0.00	**$0.00**
Reclamation	**Clarify**	**No.**	**Rate**	**Subtotal**	
Other (specify)			$0.00	$0.00	
Transportation		**No.**	**Rate**	**Subtotal**	
Airfare			$0.00	$3,939.19	
Other					
				$3,939.19	**$3,939.19**
Accommodation & Food	**Rates per day**				
Hotel			$0.00	$5,908.78	
				$5,908.78	**$5,908.78**
Miscellaneous					
Telephone			$0.00	$0.00	
Other (Specify)	Field Supplies			$70.56	
				$70.56	**$70.56**
Equipment Rentals					
Field Gear (Specify)			$0.00	$0.00	
Other (Specify)					
				$0.00	**$0.00**
Freight, rock samples					
			$0.00	$0.00	
			$0.00	$0.00	
				$0.00	**$0.00**
TOTAL Expenditures					**$48,612.86**

13.0 References

Anonymous, *MINFILE Record No. 103I-085, Alvija, Lucky Jim;* British Columbia Ministry of Energy, Mines, and Petroleum Resources.

Anonymous, *MINFILE Record No. 103I-208, Kleanza Creek;* British Columbia Ministry of Energy, Mines, and Petroleum Resources.

Anonymous, 1915, *Annual Report of the Minister of Mines for the Year Ending 31st December 1914*; pgs. K-125-K129.

Anonymous, 1969, *Annual Report of the Minister of Mines and Petroleum Resources for the Year Ending 31st December 1968*; pgs. 107-108.

Anonymous, 1970, *Geology, Exploration, and Mining in British Columbia, 1969; British Columbia Department of Mines and Petroleum Resources, pgs. 82-83*.

Anonymous, 2007, *Canadian Soil Information System Version 3.1.1*; interactive soil data and maps hosted by Agriculture and Agri-Food Canada at http://sis.agr.gc.ca/cansis/intro.html.

Gareau, S.A., Friedman, R.M., Woodsworth, G.J., and Childe, F., 1997a, *U-Pb Ages From the Northeastern Quadrant of the Terrace Map Area, West-Central British Columbia;* in Current Research, Geological Survey of Canada, Paper 1997-A/B, pgs. 31-40.

Nelson, J.L., Barresi, T., Knight, E., and Boudreau, N., 2006a, *Geology and Mineral Potential of the Usk Map Area (NTS 103I-09), Terrace, British Columbia*; B.C. Geologic Survey Paper 2006-1, 17 pgs.

Nelson, J.L., Barresi, T., Knight, E., and Boudreau, N., 2006b, *Geology of the Usk Map Area (NTS 103I-09), Terrace, British Columbia*; B.C. Geologic Survey Open File Report 2006-3 (map).

Nelson, JoAnne, and Kennedy, R., 2007, *Terrace Regional Mapping Project Tear 2: New Geological Insights and Exploration Targets (NTS 103I-16S, 10W), West-Central British Columbia*; B.C. Geologic Survey Paper 2007-1, 13 pgs.

Peters, William C., 1978, *Exploration and Mining Geology*; J. Wiley & Sons, 696 pgs.

Quin, Stephen, 1980, *Report [on the] Lucky Jim Claims, Kleanza Creek, Omineca Mining Division, Map M 103I-9E;* Mineral Resources Branch Assessment Report No. 9914, 23 pgs.

14.0 CERTIFICATE of AUTHOR

Erika J. Shepard
Geological Consultant
338 West King Tut Rd.
Bellingham, WA
USA 98226

Telephone: (360) 398-0142
Fax: (800) 580-9064
Email: erikajs@verizon.net

I, Erika J. Shepard, L.Geo., do hereby certify that:

1. I am Senior Geologist (contract) of: Nass Valley Gateway, Ltd.
Suite 575 – 1111 West Hastings St.
Vancouver, B.C. Canada V6E 2J3

2. I graduated with a Bachelor's of Science degree in Geology from the University of Missouri – Kansas City in 1976, and obtained a Master's of Science degree from Oregon State University – Corvallis in 1979.

3. I am a member of the Society of Economic Geologists and the Geological Society of America. I am also registered as a Licensed Geologist in the state of North Carolina.

4. I have worked as a geologist for a total of 21 years since my graduation from university.

5. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101, but have not yet received official notice of my designation as P.Geo.in British Columbia. This notice is expected within two months of this date.

6. I am responsible for the preparation of the entire report entitled: *Exploration Report On The Kleanza Mountain Project, Terrace, BC, Canada,* and dated *January 31, 2008.*

7. I have not had prior involvement with the property that is the subject of the Exploration Report.

8. I am not aware of any material fact or material change with respect to the subject matter of the Exploration Report that is not reflected in the Report, the omission to disclose which makes the Technical Report misleading.

9. I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.

10. I have read National Instrument 43-101 and Form 43-101F1, and the Report has been prepared in compliance with that instrument and form.

11. I consent to the filing of the Report with any stock exchange and other regulatory authority and any publication by them for informational purposes, including electronic publication in the public company files on their websites accessible by the public, of the Report.

Dated this 31st Day of *January*, 2008.

Erika J. Shepard
Signature

Erika J. Shepard
Print name

APPENDIX 1

Rock Chip Geochemistry
Kleanza Mountain Project

AUG-7-2007 TUE 02:15PM ID:

ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
ALS Canada Ltd.
212 Brooksbank Avenue
North Vancouver BC V7J 2C1
Phone 604 984 0221 Fax 604 984 0218 www.alschemex.com

To: **NASS VALLEY GATEWAY INC.**
575-1111 WEST HASTINGS STREET
VANCOUVER BC V6E 2J3

NVGL : KLEANZA PROJ

INVOICE NUMBER 1576295

BILLING INFORMATION		
Certificate:	**VA07072569**	
Sample Type:	**Rock**	
Account:	**NASVAL**	
Date:	**3-AUG-2007**	
Project:		
P.O. No.:		
Quote:		
Terms:	**Due on Receipt**	C3
Comments:		

QUANTITY	ANALYSED FOR CODE	DESCRIPTION	UNIT PRICE	TOTAL
1	BAT-01	Administration Fee	30.00	30.00
19	PREP-31	Crush, Split, Pulverize	6.00	114.00
35.72	PREP-31	Weight Charge (kg) - Crush Split, Pulverize	0.60	21.43
19	Au-ICP21	Au 30g FA ICP-AES Finish	13.50	256.50
19	ME-ICP41	35 Element Aqua Regia ICP-AES	6.00	114.00
19	GEO-AR01	Aqua regia digestion	3.00	57.00
4	ME-OG46	Ore Grade Elements - AquaRegia	2.00	8.00
4	ASY-AR01	Assay Aqua Regia Digestion	5.00	20.00
4	Cu-OG46	Ore Grade Cu - Aqua Regia	2.00	8.00

SUBTOTAL (CAD)	$	628.93
R100938885 GST	$	37.74
TOTAL PAYABLE (CAD)	**$**	**666.67**

To: **NASS VALLEY GATEWAY INC.**
ATTN: ED SKODA
575-1111 WEST HASTINGS STREET
VANCOUVER BC V6E 2J3

Payment may be made by: Cheque or Bank Transfer

Beneficiary Name:	ALS Canada Ltd.
Bank:	Royal Bank of Canada
SWIFT:	ROYCCAT2
Address:	Vancouver, BC, CAN
Account:	003-00010-1001098

Please Remit Payments To :
ALS Chemex
212 Brooksbank Avenue
North Vancouver BC V7J 2C1

PAGE:2

PH 984-0221

WORKORDER CONFIRMATION FOR VA07072569

Print date : Jul 15, 2007
Client Code : **NASVAL**
Page 1 of 2

To:

Ed Skoda
Nass Valley Gateway Inc.
575-1111 West Hastings Street
Vancouver BC
Canada V6E 2J3

WO Billing address:

Erika Sheppard
Nass Valley Gateway Inc.
575-1111 West Hastings Street
Vancouver BC
Canada V6E 2J3

WORKORDER DISTRIBUTION

REPORT DESCRIPTION	DESTINATION PERSON	DELIVERY
CSV (including sample received weight)	Erika Sheppard	Email
Invoice CC	Erika Sheppard	Print
Work Order	Ed Skoda	Fax
Certificate of analysis	Ed Skoda	Print
Invoice	Ed Skoda	Print

Samples submitted by:		Total Samples Received:	19
Project:		Pulp Disposition:	Paid Storage after 90 Days
P. O. #:		Reject Disposition:	Monthly Storage
Sample Type:	Rock	First Sample Description:	KZ-001
Date Received:	July 11, 2007	Carrier and Waybill:	GREYHOUND 71184406624

ANALYTICAL WORK REQUESTED:

PREP

19	CRU-31	Fine crushing - 70% <2mm
19	LOG-22	Sample login - Rcd w/o BarCode
19	PUL-31	Pulverize split to 85% <75 um
19	SPL-21	Split sample - riffle splitter
19	WEI-21	Received Sample Weight

Analytes Requested: Recvd Wt.

WORKORDER CONFIRMATION FOR VA07072569

Print date : Jul 15, 2007
Client Code : **NASVAL**
Page 2 of 2

ANALYTICAL

19 Au-ICP21 Au 30g FA ICP-AES Finish
Analytes Requested: Au

IF Au >= 10 ppm THEN RUN METHOD Au-GRA21

19 ME-ICP41 35 Element Aqua Regia ICP-AES
Analytes Requested:
Ag,Al,As,B,Ba,Be,Bi,Ca,Cd,Co,Cr,Cu,Fe,Ga,Hg,K,La,Mg,Mn,Mo,Na,Ni,P,Pb,S,Sb,Sc,Sr,Th,Ti,Tl,U,V,W,Zn

IF Ag >= 100 ppm THEN RUN METHOD Ag-OG46
IF Cu >= 10000 ppm THEN RUN METHOD Cu-OG46
IF Mo >= 10000 ppm THEN RUN METHOD Mo-AA46
IF Pb >= 10000 ppm THEN RUN METHOD Pb-OG46
IF Zn >= 10000 ppm THEN RUN METHOD Zn-OG46

MISCELLANEOUS ITEMS:

1 BAT-01 Administration Fee

VA07072569 - Finalized
CLIENT : "NASVAL - Nass Valley Gateway Inc."
# of SAMPLES : 19
DATE RECEIVED : 2007-07-11 DATE FINALIZED : 2007-08-03
PROJECT : " "
CERTIFICATE COMMENTS : ""
PO NUMBER : " "

	WEI-21	Au-ICP21	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
SAMPLE	Recvd Wt.	Au	Ag	Al	As	B	Ba	Be	Bi	Ca	Cd	Co	Cr
DESCRIPTION	kg	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
KZ-001	1.54	0.003	<0.2	1.91	6	<10	20	<0.5	<2	1.34	0.6	26	66
KZ-002	1.94	0.007	3.4	3.87	<2	<10	50	<0.5	<2	1.22	0.5	36	77
KZ-003	1.94	0.004	1.6	2.34	7	<10	20	<0.5	<2	1.58	0.5	26	80
KZ-004	1.7	<0.001	<0.2	2.75	<2	<10	40	<0.5	2	1.29	<0.5	30	105
KZ-005	1.56	<0.001	<0.2	0.99	<2	<10	110	0.5	<2	0.51	<0.5	9	31
KZ-006	1.8	0.014	3.3	0.45	<2	<10	610	0.6	<2	1.31	<0.5	3	2
KZ-007	1.74	<0.001	0.2	2.07	2	<10	120	0.9	2	0.3	<0.5	21	97
KZ-008	1.48	<0.001	0.4	1.31	8	10	1050	0.9	<2	6.03	1.9	26	35
KZ-009	1.44	<0.001	<0.2	0.35	2	<10	300	<0.5	<2	1.06	<0.5	3	5
B522206	2.48	<0.001	7.1	0.82	<2	<10	60	<0.5	<2	0.69	0.9	5	1
B522207	2.42	0.001	7.5	0.75	<2	<10	110	<0.5	<2	0.84	0.5	7	1
B522208	2.72	0.008	41.7	1.58	<2	<10	50	<0.5	3	0.49	1.1	21	<1
B522209	2.48	0.006	11.9	1.5	2	<10	150	<0.5	<2	0.69	0.6	13	2
B522210	2.28	<0.001	0.2	1.67	<2	<10	20	<0.5	<2	0.45	<0.5	16	1
B522211	2.76	<0.001	4.5	1.68	4	<10	170	0.6	<2	0.7	<0.5	12	1
B522212	2.14	0.015	49.4	1.12	3	<10	180	<0.5	<2	0.3	0.5	14	1
B522213	2.06	<0.001	0.5	1.85	<2	<10	480	<0.5	<2	0.55	<0.5	20	10
B522214	0.42	0.008	53	1.63	2	<10	40	<0.5	<2	0.52	6.1	18	20
B522215	0.82	<0.001	<0.2	0.99	2	<10	60	<0.5	<2	0.71	<0.5	8	2

	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
SAMPLE	Cu	Fe	Ga	Hg	K	La	Mg	Mn	Mo	Na	Ni	P	Pb
DESCRIPTION	ppm	%	ppm	ppm	%	ppm	%	ppm	ppm	%	ppm	ppm	ppm
KZ-001	4	4.67	10	<1	0.01	<10	2.57	969	1	0.07	56	860	10
KZ-002	1080	5.06	10	<1	0.05	<10	3.87	1870	1	0.03	66	850	16
KZ-003	670	4.5	10	1	0.01	<10	2.92	1170	1	0.06	58	800	10
KZ-004	24	4.76	10	<1	0.02	<10	3.89	1100	1	0.04	70	830	8
KZ-005	23	3.6	<10	<1	0.17	20	0.96	825	<1	0.05	10	610	8
KZ-006	895	2.74	<10	<1	0.2	20	0.33	1050	1	0.03	2	610	13
KZ-007	43	4.58	10	<1	0.19	10	1.52	735	1	0.03	72	720	12
KZ-008	111	5.41	<10	<1	0.33	<10	2.62	1640	1	0.01	55	770	29
KZ-009	37	2.86	<10	1	0.18	10	0.22	550	4	0.04	3	450	19
B522206	7830	3.63	<10	1	0.1	10	0.34	862	1	0.05	2	1330	22
B522207	5870	2.94	<10	<1	0.1	10	0.43	950	1	0.07	1	1550	8
B522208	>10000	3.83	10	<1	0.06	10	1.24	1220	6	0.06	1	1770	19
B522209	>10000	4.14	10	1	0.1	10	1.14	1470	<1	0.05	8	800	11
B522210	250	4.61	10	<1	0.06	10	1.45	1410	<1	0.06	7	1060	7
B522211	2200	4.21	10	1	0.08	10	1.15	1390	1	0.05	1	1500	12
B522212	>10000	3.33	<10	<1	0.08	10	0.69	682	10	0.07	1	1060	21
B522213	486	3.47	10	<1	0.06	10	1.37	1260	1	0.06	7	1170	12
B522214	>10000	3.39	<10	1	0.02	<10	1.49	1120	12	0.07	8	1120	78
B522215	23	3.53	<10	<1	0.13	10	0.77	1150	<1	0.05	1	1060	8

	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	Cu-OG46	Cu-OG46
SAMPLE	S	Sb	Sc	Sr	Th	Tl	Tl	U	V	W	Zn	Cu	Cu
DESCRIPTION	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	%	ppm
KZ-001	0.01	3	15	30	<20	0.26	<10	<10	85	<10	208		4
KZ-002	0.01	3	20	80	<20	0.13	<10	<10	155	<10	256		1080
KZ-003	0.02	<2	19	82	<20	0.31	<10	<10	116	<10	189		670
KZ-004	0.03	<2	14	55	<20	0.22	<10	<10	104	<10	192		24
KZ-005	<0.01	2	9	19	<20	0.04	10	<10	38	<10	84		23
KZ-006	0.04	<2	8	37	<20	0.02	<10	<10	10	<10	77		895
KZ-007	0.01	<2	17	14	<20	0.04	<10	<10	72	<10	69		43
KZ-008	0.05	35	19	286	<20	<0.01	10	<10	79	<10	208		111
KZ-009	0.01	2	7	39	<20	0.03	<10	<10	6	<10	38		37
B522206	0.06	2	5	28	<20	0.04	<10	<10	86	<10	77		7830
B522207	0.07	2	6	19	<20	0.03	<10	<10	91	<10	88		5870
B522208	0.57	2	5	14	<20	0.03	<10	<10	100	<10	199	2.88	28800
B522209	0.31	<2	6	42	<20	0.07	<10	<10	83	<10	188	1.31	13100
B522210	<0.01	2	7	28	<20	0.07	<10	<10	80	<10	210		250
B522211	0.03	<2	6	39	<20	0.18	<10	<10	49	<10	194		2200
B522212	1.04	<2	5	14	<20	0.06	<10	<10	43	<10	131	3.02	30200
B522213	0.02	<2	7	42	<20	0.06	<10	<10	79	<10	191		486
B522214	0.39	<2	6	21	<20	0.1	<10	<10	64	<10	202	2.14	21400
B522215	0.01	<2	7	26	<20	0.04	<10	<10	43	<10	160		23

Standards Council of Canada
Conseil canadien des normes
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Ottawa, ON (Canada)
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Fax.: +1 613 569 7808
E-mail/Courriel : info@scc.ca
Internet: http://www.scc.ca

SCOPE OF ACCREDITATION

ALS Canada Ltd.
ALS LABORATORY GROUP – MINERALS DIVISION – ALS CHEMEX
212 Brooksbank Avenue
North Vancouver, BC
V7J 2C1

Accredited Laboratory No. 579
(Conforms with requirements of CAN–P–1579 , CAN–P–4E (ISO/IEC 17025:2005))

CONTACT:	Michele Ramshaw
TEL:	(604) 984–0221
FAX:	(604) 984–0218
EMAIL:	michele.ramshaw@alschemex.com
URL:	www.alschemex.com
CLIENTS SERVED:	Mining, Exploration and other interested parties
FIELDS OF TESTING:	Chemical/Physical
PROGRAM SPECIALTY AREA:	Mineral Analysis
ISSUED ON:	2007–05–30
VALID TO:	2009–05–18

METALLIC ORES AND PRODUCTS

Mineral Analysis Testing

Mineral Assaying

AA45/46	Ag, Cu, Pb and Zn by Aqua Regia Digestion and Atomic Absorption Spectrometry
AA61/62	Ag, Co, Cu, Ni, Pb and Zn by 4–Acid Digestion and Atomic Absorption Spectrometry
Au/Ag–GRA	Determination of Au and Ag by Lead Collection Fire Assay and Gravimetric Finish

Standards Council of Canada Accredited Laboratory No. 579

Au−AA	Determination of Au by Lead Collection Fire Assay and Atomic Absorption Spectrometry
ICP81	Al, Co, Cu, Fe, Mg, Mn, Ni, Pb, S, and Zn by Sodium Peroxide Fusion and ICP−AES
ME−ICP41	Multi−Element (Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, Hg, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Ti, Tl, U, V, W, Zn) Determination by Aqua Regia Digestion and ICP−AES.
ME−ICP61	Multi−Element (Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, S, Sb, Sc, Se, Si, Sn, Sr, Ta, Te, Ti, Tl, U, V, W, Y, Zn, Zr) Determination by 4−Acid Digestion and ICP−AES
Mo−AA46	Mo by Aqua Regia Digestion and Atomic Absorption Spectrometry
Mo−AA62	Mo by 4−Acid Digestion and Atomic Absorption Spectrometry
OG46	Ag, Cu, Pb and Zn by Aqua Regia Digestion and ICP−AES
OG62	Ag, Cu, Pb and Zn by 4−Acid Digestion and ICP−AES
PGM−ICP	Determination of Au, Pt and Pd by Lead Collection Fire Assay and ICP−AES

Notes:

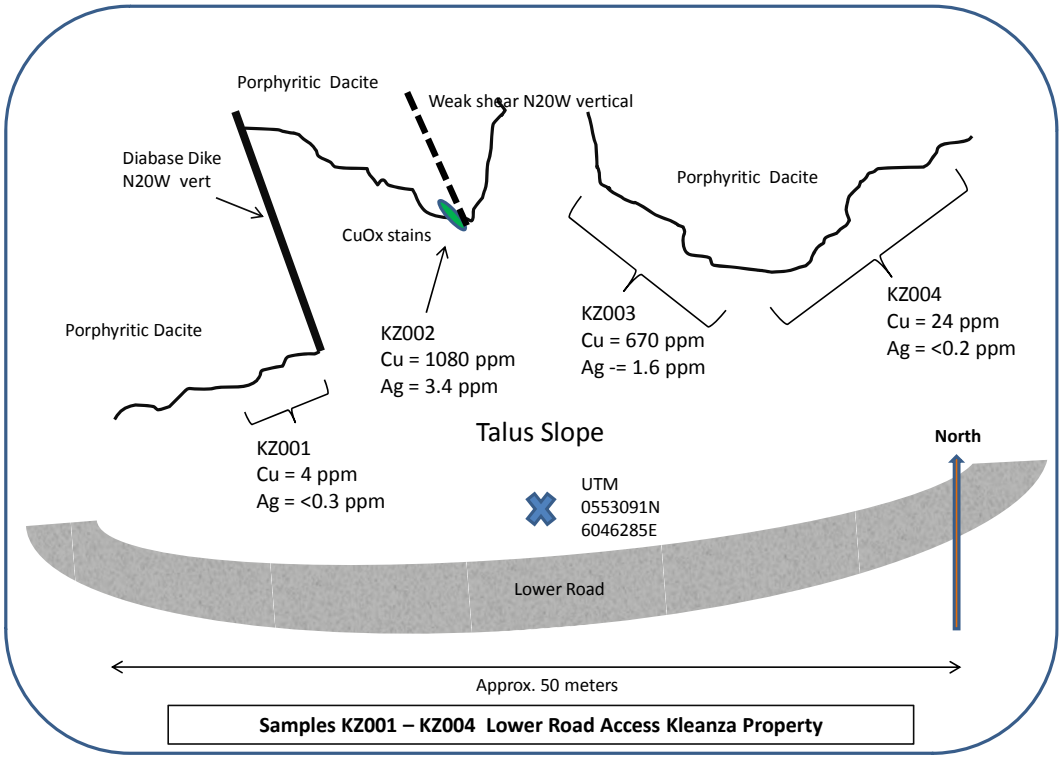
CAN−P−1579 − Guidelines for the Accreditation of Mineral Analysis Testing Laboratories

CAN−P−4E (ISO/IEC 17025): General Requirements for the Competence of Testing and Calibration Laboratories (ISO/IEC 17025−2005)

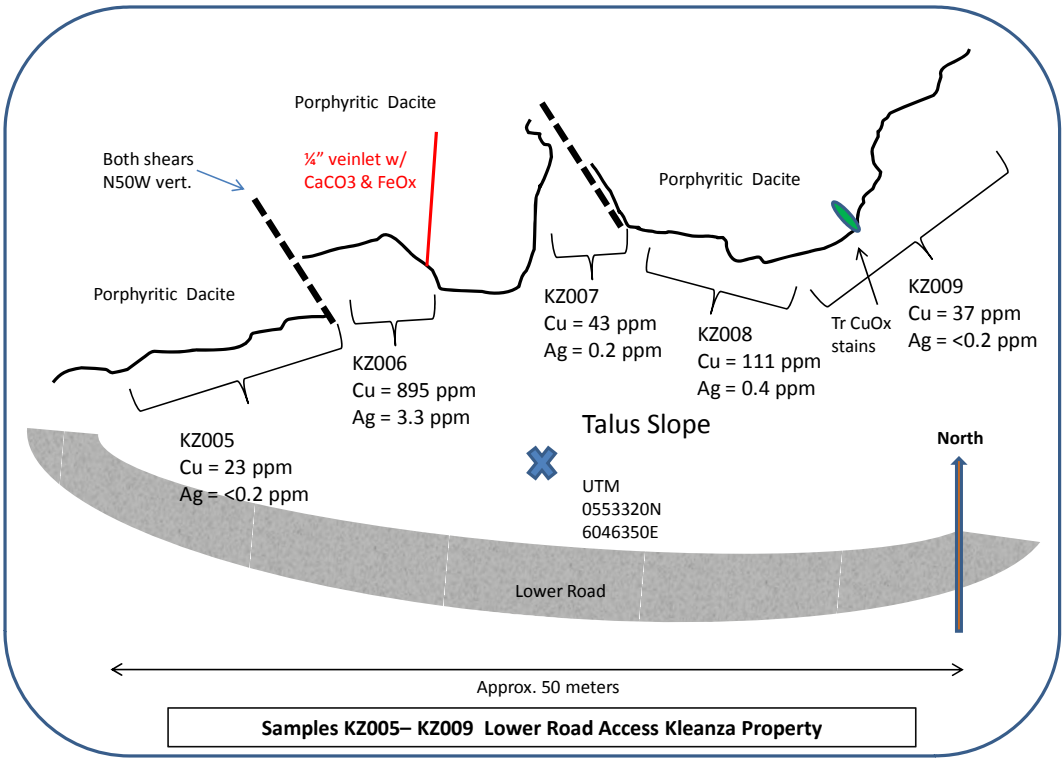
P. Paladino, P. Eng., Director, Conformity Assessment

Date: 2007−05−30

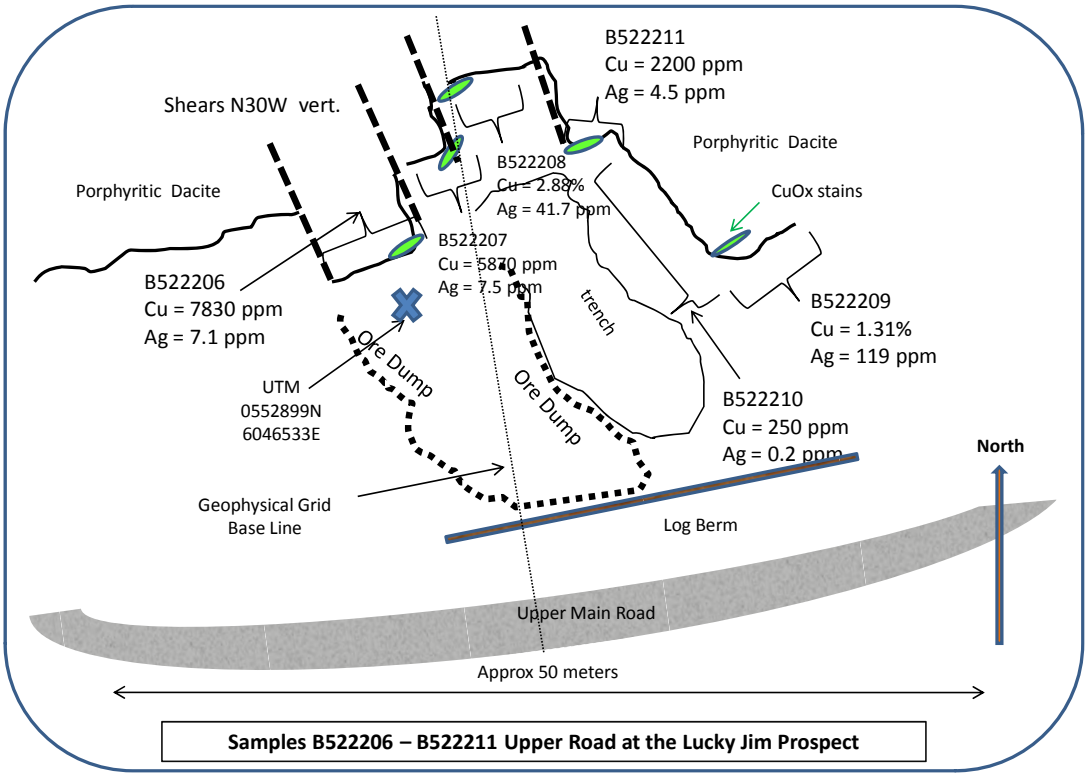
Number of Scope Listings: 12
SCC 1003−15/722
Partner File #0
Partner: SCC



Samples KZ001 – KZ004 Lower Road Access Kleanza Property



Samples KZ005– KZ009 Lower Road Access Kleanza Property



Samples B522206 – B522211 Upper Road at the Lucky Jim Prospect

APPENDIX 2

Induced Polarization/Resistivity Survey
Kleanza Mountain Project

AURORA GEOSCIENCES

AURORA GEOSCIENCES LTD.
Western Office: 34A Laberge Rd. Whitehorse, YT, Y1A 5Y9
Phone: (867) 668-7672 Fax: (867) 393-3577
www.auroragеosciences.com

MEMORANDUM

To: Ed Skoda
Nass Valley Gateway Ltd.

Date: 1 Dec 07

From: Ian Kickbush
ikickbush@gmail.com

Re: Kleanza Property IP 2007 – Preliminary Report

This memorandum is a preliminary report describing an IP survey conducted at the Kleanza Property, Northwest Regional District, British Columbia. The IP crew mobilized from Smithers, British Columbia to Terrace, British Columbia on November 9th, 2007 and demobilized to Whitehorse, Yukon on November 13th, 2007. Line 200N was pre-cut. Lines 300N and 400N followed the side of a road and were flagged every 20 meters. For the duration of the project the crew was based out of the Northern Motor Inn, in Terrace, and drove 30kms daily to the Kleanza property. The survey comprised of a 3 line grid totalling 3 line-kms.

A full survey log is attached to this report.

a. Crew and equipment.

The IP surveys were conducted by the following personnel:

Ian Kickbush (Nov 9 – Nov 13)	Crew chief
Sabastien Roy (Nov 9 – Nov 13)	Helper
Ghislian Poulin (Nov 9 – Nov 13)	Helper
Dan Mawhinney (Nov 9 – Nov 13)	Helper

The crew was equipped with the following instruments and equipment:

IP receiver	1	Iris Elrec Pro (s/n 2315-2758300063-165)
IP transmitter	1	GDD TxII 3.6 kW (s/n 267)
	1	Honda 5kW generator
IP equipment	1	Repair tools & spare IP parts
	6 km	18 gauge wire
	24	6 conductor 25 m potential cables
	24	10 conductor 25 m potential cables
	4	VHF handheld radios
		Georeels & spools, Speedy winders and spools, stainless steel electrodes
Other	1	Laptop with Geosoft IP package
	1	Truck: 1 Ton

b. IP survey specifications.

The IP survey was conducted according to the following specifications:

Array	Expanding pole-dipole.
Dipole spacing	25 m.
Tx	Time domain, 50% duty cycle, reversing polarity, 0.125 Hz.
Stacks	Minimum 15
Rx error	5 mV/V or less, otherwise repeated several times
Grid registration	In the field, line stations were taken every 25m with a handheld GPS using an average accuracy less than 10m. Topography registered through DEM NTS grid 103 I East (1:50000). All coordinates in NAD83 UTME/UTMN, Zone 9N.

c. Data processing.

Data were downloaded nightly from the receiver and imported into the Geosoft Oasis Montaj IP package. Every reading was inspected and individual outlier readings were rejected from the dataset. Apparent resistivity was recalculated using a four electrode equation assuming a homogeneous earth. Average apparent resistivity and

chargeability were calculated when repeat readings were present (excluding the rejected outliers) using a weighted mean based on the number of stacks and the standard deviation of the chargeability.

Line stations were taken every 25m with a non-differential Garmin 72 GPS unit. GPS points were recorded as UTM NAD83 Zone 9N coordinates with an average accuracy less than 10m. Elevations were determined from a digital elevation model equivalent to a 1:50000 NTS topographic map.

Pseudosections of apparent resistivity, apparent chargeability and apparent chargeability error were produced draped over topography with the Oasis Montaj IP package. Apparent chargeability and apparent chargeability error are plotted using a linear colour distribution. Apparent resistivity was plotted using log-linear colour distribution.

d. Products.

The following data files are appended to the digital version of this report

Data	Final data folder in Geosoft ASCII xyz and gdb format. The GPS file has all GPS coordinates taken in NAD83, UTM zone 9N coordinates.
Images	Pseudosections of apparent resistivity, apparent chargeability and apparent chargeability error (scale = 1:2500).
	A grid map of the 3 lines with elevation contours (scale 1:5000)
Raw	A folder with all the raw instrument dump files.
Kleanza Property IP 2007 - Preliminary Report.pdf	A PDF of this report.
Kleanza Property IP 2007 - Survey Log. pdf	Survey log.

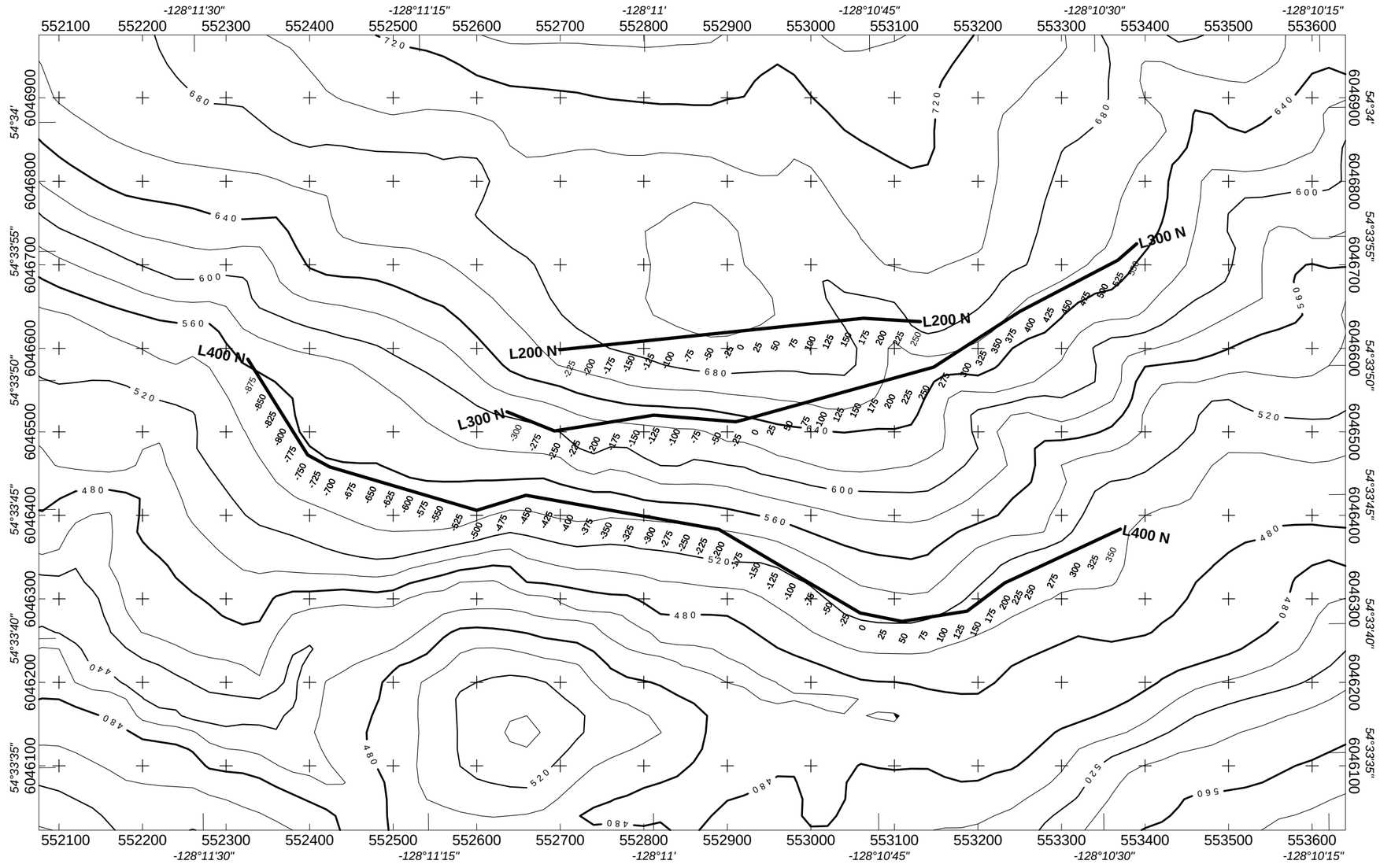
Respectfully submitted,
AURORA GEOSCIENCES LTD.

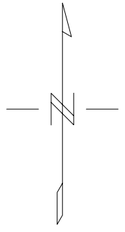
Ian Kickbush B.Sc.

Nass Valley Gateways Expanding Pole-Dipole IP
NVGL-7563-BC
DAILY OPERATIONS LOG

crew chief	Ian Kickbush	nov 9 - 13
helper	Dan Mawhinney	nov 9 - 13
helper	Sebastien Roy	nov 9 - 13
helper	Ghislian Poulin	nov 9 - 13

Date	Survey / standby	Rx	Tx	Current	Cables	Weather (Celsius)	Lines	From	To	Line-km	Notes
Nov-09	mobe					blizzard/ -1 to +4					Left Smithers at 4:30pm. Arrived in Terrace at 7:15pm. Checked into Northern Motor Inn.
Nov-10	survey	ian	dan	seb	gus	rain/sun/rain/ +2 to +4	3	500	-350	0.85	Met with Ed Skoda at 6:15am. Discussed lines. Arrived at first line at 9am. Started taking readings at 9:30am. Tx stopped working at 1pm. Ed arrived with Rental generator at 3pm. Started taking readings again at 3:15pm. Finished taking readings at 4:40pm. Arrived back at hotel at 6pm. Ed was up at the grid for all but from 12-3pm. Dry cables.
Nov-11	survey	ian	seb	dan	gus	overcast/blizzard/ 0 to +4	3 2	350 -275	600 250	0.25 0.525	Met with Ed at 6:25am. Arrived at grid at 8:30am. Started taking readings at 9am. Finished L3 extension at 10:30am. Moved Tx and to the start of L2 (kept infinite at L3 station 600). Started taking readings on L2 at 12:30pm. Blizzard at 2pm. Rugged territory. Finished line at 3:15pm. Finished rolling up wire and cables at 4pm. Arrived at hotel at 5:15pm. Ed was at the grid from 9-10am and 4pm. Dry cables / Damp cables.
Nov-12	survey	ian	seb	dan	gus	overcast/snow/overcast/0 to +4	4	-900	400	1.3	Met with Ed at 6:25am. Arrived at grid at 8am. Started taking readings at 8:30am. Extended line 300m's. Finished line at 3:15pm. Ed met us at grid. Packed up equipment and arrived at motel at 4:30pm. Dry cables.
Nov-13	demobe					overcast/snow/0 to +4					Left Terrace at 7am. Ate at the Bell2Bell at 1pm. Supper at Junction 37 at 7pm. Arrived in Whitehorse at 1am.





Scale 1:5000

100 0 100 200 300

(meters)

NAD83 / UTM zone 9N

NASS VALLEY GATEWAY LTD.

INDUCED POLARIZATION SURVEY
KLEANZA PROPERTY
GRID LOCATION MAP

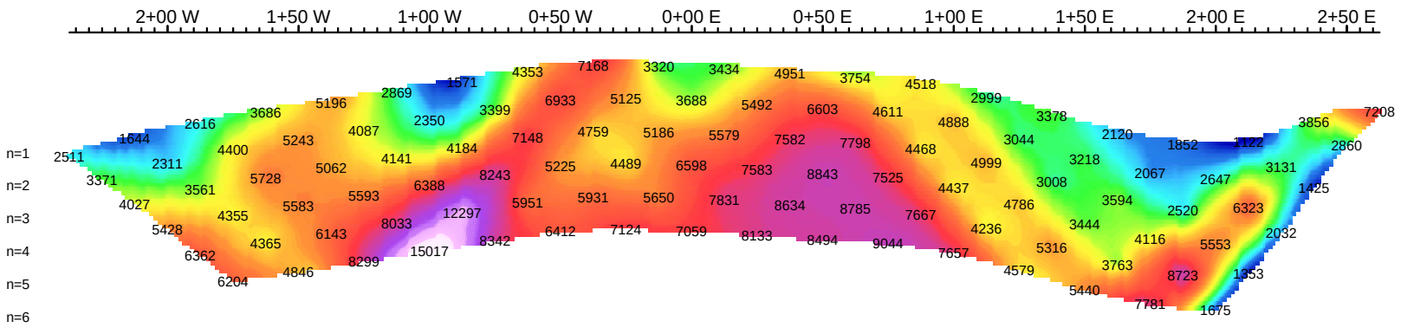
Mining District: Northwest Region
Date: November 30, 2007
NTS: 103 I/09

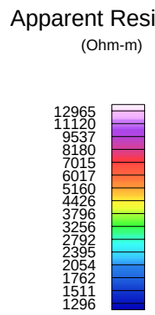
NAD 83 9N
Job: NVGL-7563-BC
Drawn by: IK

AURORA GEOSCIENCES LTD.

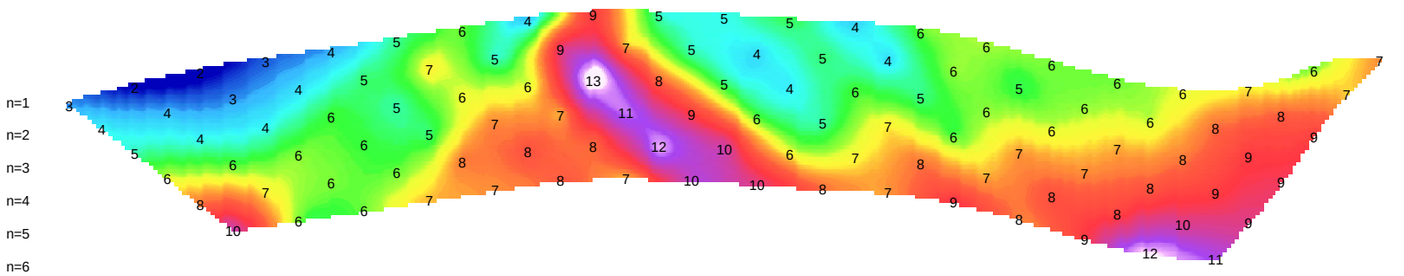
PSEUDOSECTION PLOTS
2+00 N

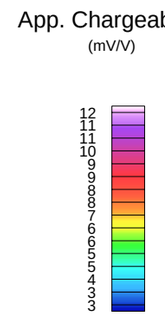
Apparent Resistivity
(Ohm-m)



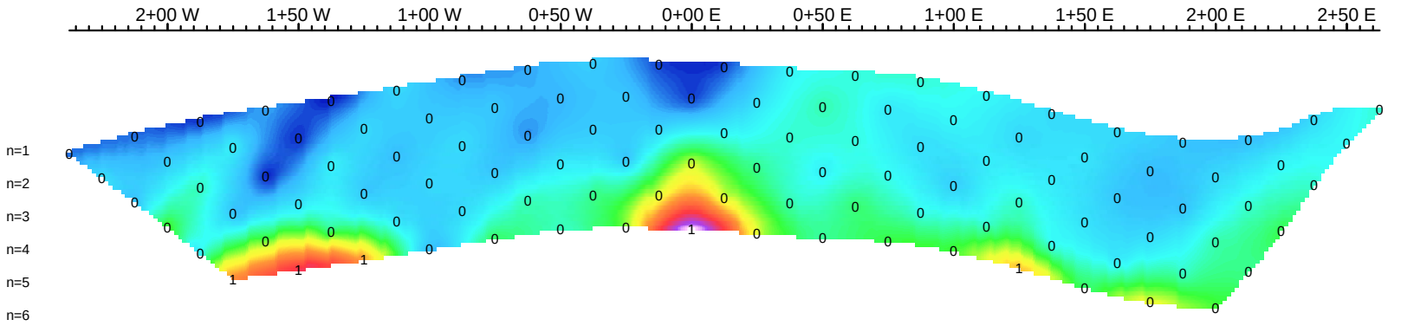


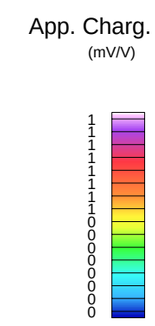
App. Chargeability
(mV/V)



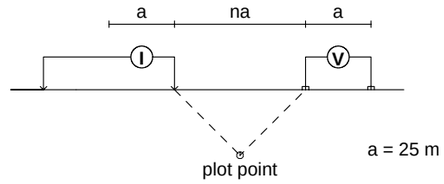


App. Charg. Err,
(mV/V)





Modified Pole-Dipole Array



Stationary electrode at 300E (moving W).

Data File: Kleanza 2007 IP.xyz

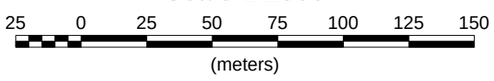
Dates Surveyed : Nov 09 to Nov 13, 2007

Transmitter: GDD Tx-II 3.6kW

Receiver: Iris Elrec Pro

PRELIMINARY

Scale 1:2500



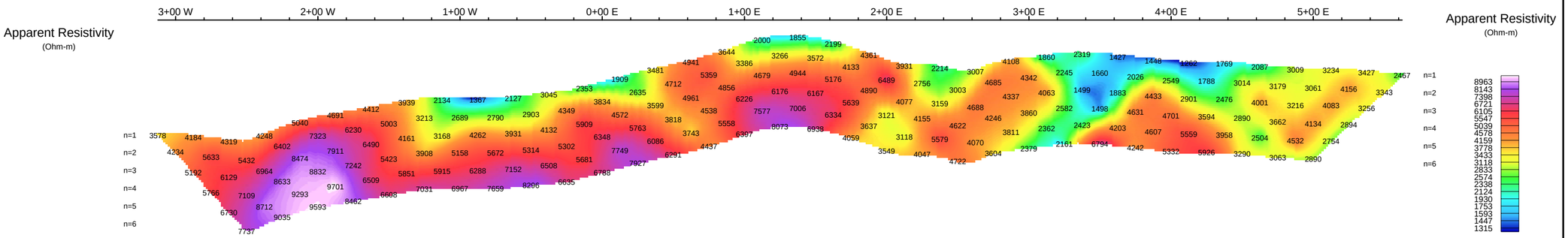
NASS VALLEY GATEWAY LTD.

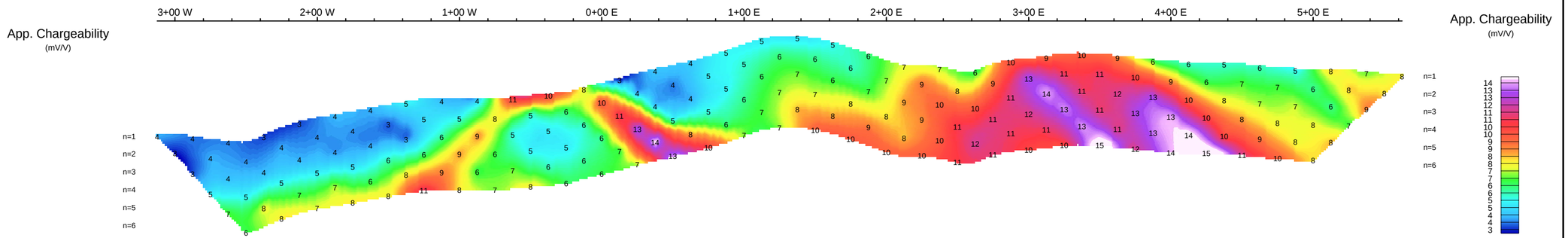
INDUCED POLARIZATION SURVEY
KLEANZA PROPERTY
PSEUDOSECTION PLOTS 2+00 N

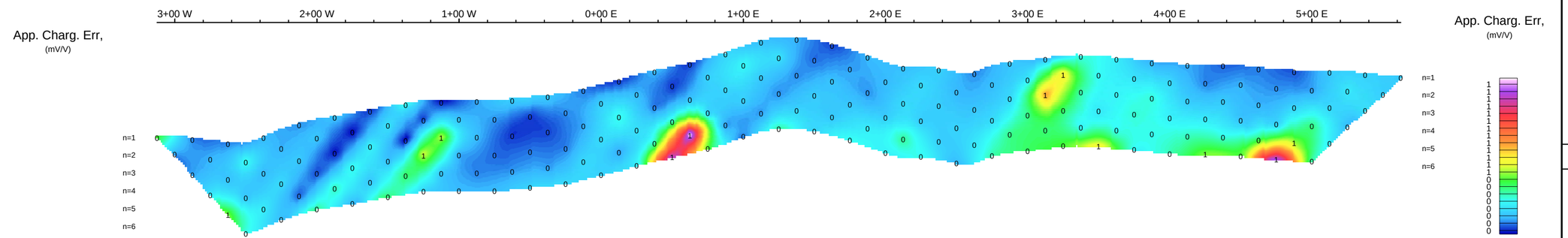
Mining District: Northwest Region
Date: November 30, 2007
NTS: 103 I/09

Grid: Local
Job: NVGL-7563-BC
Drawn by: IK

AURORA GEOSCIENCES LTD.

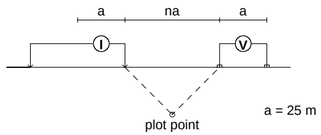






PSEUDOSECTION PLOTS
3+00 N

Modified Pole-Dipole Array



Stationary electrode at 600E (moving W).

Data File: Kleanza 2007 IP.xyz

Dates Surveyed : Nov 09 to Nov 13, 2007

Transmitter: GDD Tx-II 3.6kW

Receiver: Iris Elrec Pro

PRELIMINARY

Scale 1:2500

25 0 25 50 75 100 125 150

(meters)

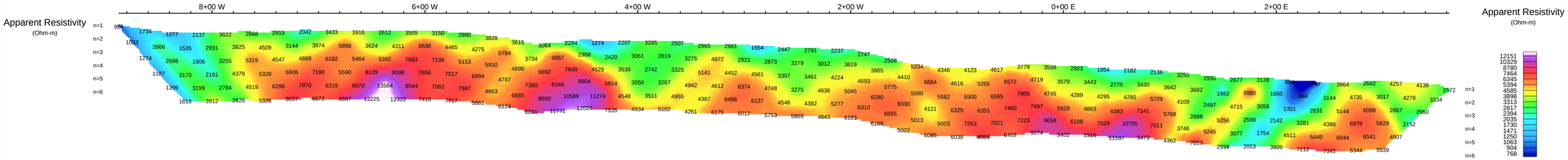
NASS VALLEY GATEWAY LTD.

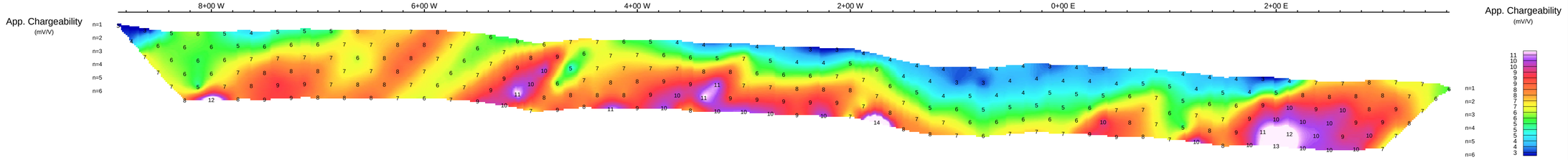
INDUCED POLARIZATION SURVEY
KLEANZA PROPERTY
PSEUDOSECTION PLOTS 3+00 N

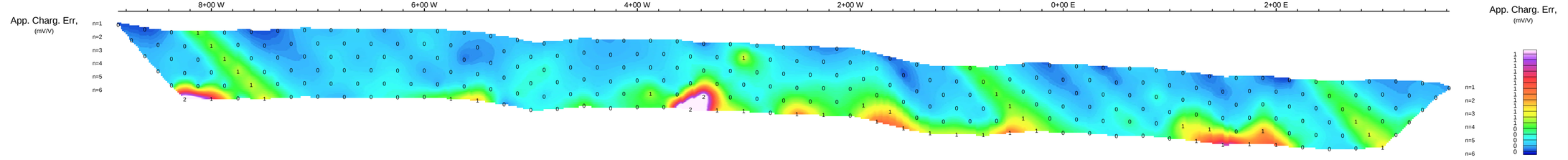
Mining District: Northwest Region
Date: November 30, 2007
NTS: 103 I/09

Grid: Local
Job: NVGL-7563-BC
Drawn by: IK

AURORA GEOSCIENCES LTD.

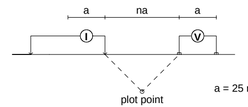






PSEUDOSECTION PLOTS
4+00 N

Modified Pole-Dipole Array



Stationary electrode at 925W (moving E).

Data File: Kleanza 2007 IP.xyz

Dates Surveyed : Nov 09 to Nov 13, 2007

Transmitter: GDD Tx-II 3.6kW

Receiver: Iris Elrec Pro

PRELIMINARY

Scale 1:2500

25 0 25 50 75 100 125 150

(meters)

NASS VALLEY GATEWAY LTD.

INDUCED POLARIZATION SURVEY
KLEANZA PROPERTY
PSEUDOSECTION PLOTS 4+00 N

Mining District: Northwest Region
Date: November 30, 2007
NTS: 103 I/09

Grid: Local
Job: NVGL-7563-BC
Drawn by: IK

AURORA GEOSCIENCES LTD.