

MAGALLOY – MAGEX PROJECT
Report of September 2007
Geological and Geochemical Survey

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Gold Commissioner's Office
VANCOUVER, B.C.

Cariboo Mining Division
NTS 093A-03 W
Lat 52° 14', Long. 121° 25'
093A.023

Claims worked: 402712 – 402715 inclusive

Owned and operated by
H.J. Wahl

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

29,874

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January 2008

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Scale 1:250,000
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- FIG. 3 Magalloy – Magex VS. 1972 Lake Sediment Anomalies,
Scale 1:31,680
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Scale 1cm = 204m
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pocket)

APPENDICES

(1) Acme Assay Report # A706753, 21 Dec. 2007

SUMMARY

The Magalloy – Magex legacy claims totalling 26 units are located 11 km SSE of Horsefly along the Deerhorn main line. The property adjoins the Woodjam holdings of Fjordland-Cariboo Rose, where drilling is ongoing, and a new porphyry Cu-Mo discovery has been announced, the Southeast Zone.

The massive expanse of glacial drift prevalent in the central interior, which masks the highly favorable Quesnel Trough Triassic Volcanic Stratigraphy and associated Jurassic plutons, is confirmed by current drilling to range from 30-145 meters in thickness within the project area.

The current soils program on the Magalloy-Magex project, utilized the sequential leach analytical technique, for 34 samples collected on two lines crossing the primary Aerodat gradient magnetic target.

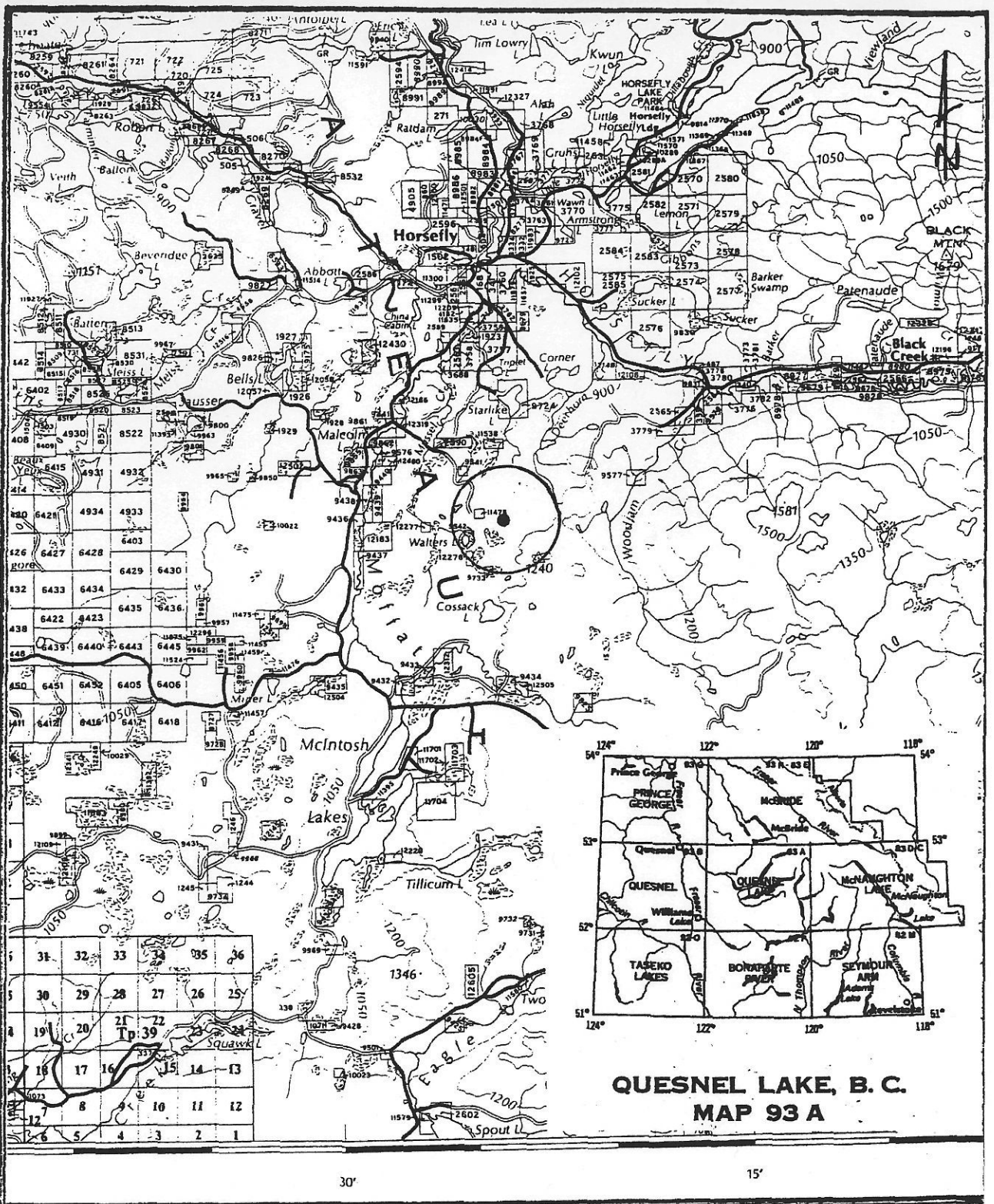
In general, results appear to confirm local anomalous conditions, however, given potential overburden thickness, an I.P. survey is the only means to conclusively prove a bedrock target.

Costs for the current project are \$6,797.05.

INTRODUCTION

The report describes the locations of, and results of follow-up geological and geochemical survey on the Magalloy – Magex 2-post legacy claims during September 2007.

The Magalloy – Magex property currently forms one of three targets within the “Afton Clone Project” (high-grade Cu-Au alkalic porphyry deposits). The other two, **King Kong** 93A.023 and **Kosak** 93A.013-.023 are situated in close proximity to the west and south.



MAGALLOY PROJECT
CARIBOO M.D. 093A - 03W
GENERAL LOCATION MAP

Scale: 1:250,000

H.J. Wahl, P.Eng.B.C.

August 2006

FIG. 1

Criteria for inclusion in the Afton Clone Project include:

1. Location within or marginal to known or suspected syenitic intrusives hosted by Triassic Nicola Volcanics.
2. Proximity to the edge or margins of Eocene/Miocene cover rocks
3. Indication of regional or local structural displacement (air photo interpretation/aeromagnetic trends.)
4. Association with strong aeromagnetics, generally 3500 δ or higher.
5. Presence of nearby mineralization and or drainage geochemical results. In the case of Magalloy, the claims cover a vertical magnetic gradient anomaly detected by Noranda's 1992 airborne survey (AR 22,670) (4) which is coincident with a lake sediment copper anomaly identified in 1972 (private files). A float sample collected in 1996 on the Deerhorn Road returned ppm 1416 Cu and ppb 38 Au, (leuco-monzonite, chloritized mafics), while a nearby silt returned anomalous Zn, Co, Ag, and Ba values.

The Magalloy claims are 3.5 km SSW from the Megabucks showing which contains a resource of 6.5 mt averaging 0.025 oz/t gold and 0.13% Cu.

The existing Takom showing lies 1.0 km east of the Magalloy boundary. At this location, 4 angle drill holes by Exploram in 1974 (2) tested porphyry-style mineralization with low and spotty Cu grades. The best intercept was recorded in hole 74-03 where 10.7 meters averaged 0.037 oz/t Au and 0.13% Cu.

The Magalloy – Magex claims adjoin the large Woodjam property owned by Wildrose Resources, containing the above noted showings. Drilling was performed there in 1999 by Phelps Dodge, and has been ongoing since 2003 under operational control of Fjordland Exploration Inc.

A new Cu-Mo discovery was made by Fjordland in the late summer of 2007, 4 km east of the Magalloy-Magex property.

Details of this event and related drilling on the Takom Zone are given in the following press release:

(Vancouver, B.C., Jan. 18, 2008 (M2 Presswire via COMTEX News Network)

"Fjordland Exploration Inc. (TSX-V: FEX) and Cariboo Rose Resources Ltd. (TSX-V:CRB) are pleased to report the final results for the 2007 diamond drilling program completed at the Woodjam porphyry project in south-central British Columbia confirming a significant discovery. Hole 07-79, the most northerly of the widely-spaced vertical holes in the newly discovered Southeast Zone, intersected 203.55 metres of copper-molybdenum mineralization averaging 0.34% copper and 0.014% molybdenum from bedrock surface at 145.20 metres to 348.75 metres. The final 3.90 metres of the hole encountered a cross cutting,

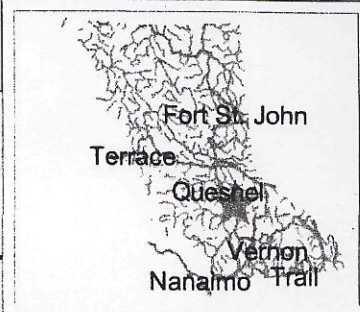
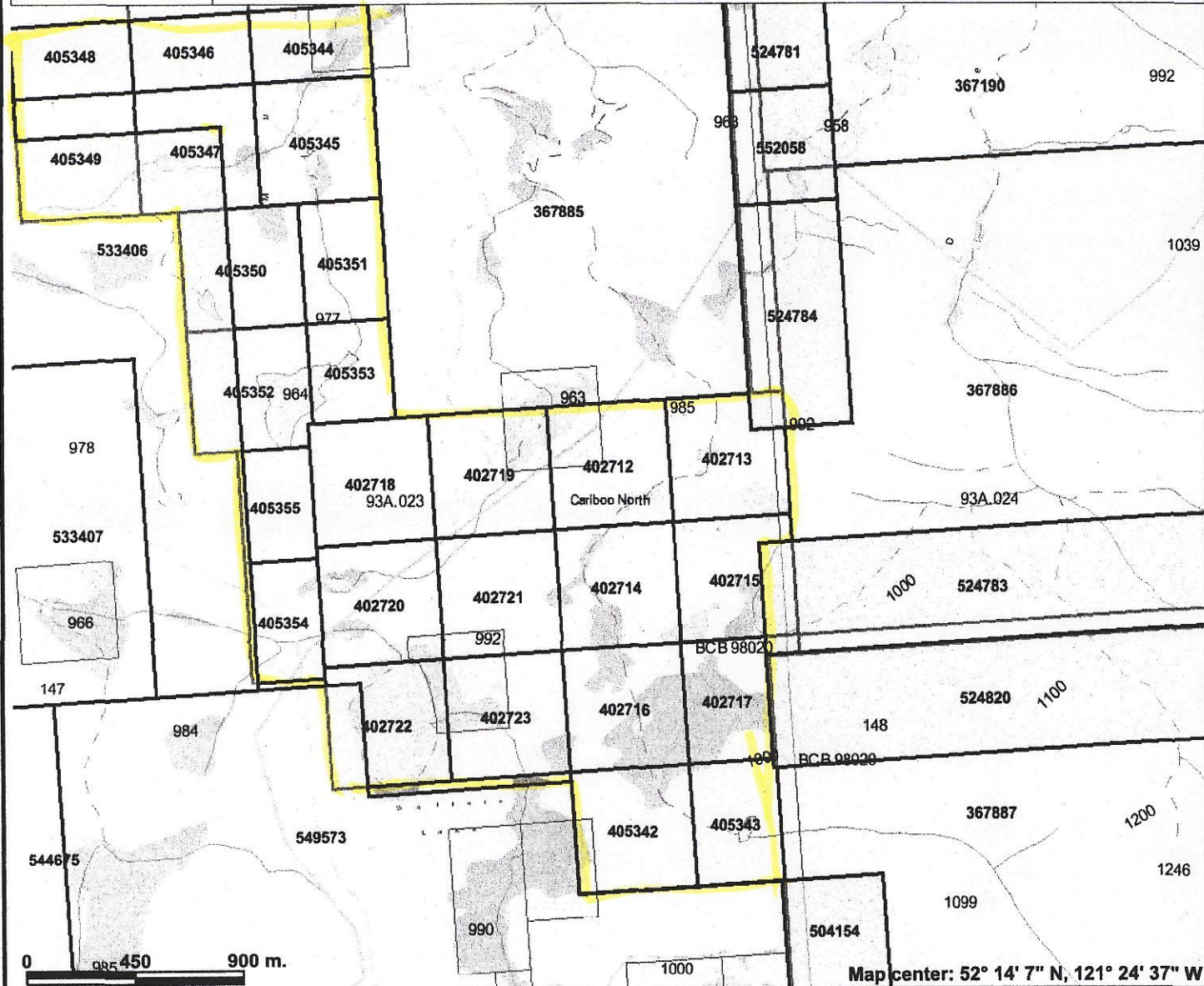
post-mineral basaltic dyke and the mineralization in this hole is thought to be open ended. A higher-grade portion of this hole beginning at the bedrock surface graded 0.40% copper and 0.014% molybdenum over 113.80 metres.

Hole 07-79 was drilled 3 metres east of hole 07-78 which was lost at bedrock where 1.20 metres of mineralization graded 0.38% copper and 0.012% molybdenum. Hole 07-79 is a 310-metre northern step out from hole 07-73, which in turn was a 500-metre northern step out from hole 07-72 (both drilled earlier in the 2007 program). All three holes (07-79, 07-73, and 07-72) bottomed in copper-molybdenum mineralization (except the dyke noted above in 07-79) over an open ended distance of 810 metres. The IP chargeability anomaly that formed the initial drill target measures 1,500 metres by 1,000 metres and remains largely untested. A map of the drill hole locations is available at http://www.fjordlandex.com/woodjam_property.html.

Tom Schroeter, President of Fjordland Exploration comments, "The drill intersection in hole 07-79 compares very favourably with the grades in the current reserves (383.6 million tonnes grading 0.310% copper and 0.009% molybdenum) and resources (530.0 million tonnes grading 0.309% copper and 0.007% molybdenum) at Taseko Mines' (TSX: TKO) nearby Gibraltar open-pit mine. With 3 holes bottomed in mineralization, we are looking at the potential for a large-tonnage copper-molybdenum deposit in the Southeast Zone."

Results have also been received for holes 07-76 and 07-77 drilled in the Takom Zone (approximately 2.5 kilometres west of the Southeast Zone). Hole 07-77 was collared approximately 600 metres to the west of hole 07-76 and encountered copper-gold mineralization. A 53.3-metre interval in hole 07-77 averaged 0.27% copper and 0.29 g/t gold (206.7 metres to 260.0 metres). The highest individual 3-metre samples graded up to 0.93 g/t gold and 0.37% copper and 0.50 g/t gold and 0.51% copper. This hole is approximately 200 metres northeast from hole 74-03 which returned 10.7 metres grading 1.3 g/t gold and 0.13% copper. These results are viewed as indicating a large target area of mineralization, which displays a high gold to copper ratio and opens up new vectors for further exploration of this relatively untested area."

Figure.2 Magalloy-Magex Property, BC



Legend

<input type="checkbox"/> Indian Reserves		Airfield
<input type="checkbox"/> National Parks		Airport
<input type="checkbox"/> Parks		Airstrip
<input type="checkbox"/> Mineral Tenures (Mineral - MTO)		Airport Abandoned
<input type="checkbox"/> Mineral Claim		Ferry Route
<input type="checkbox"/> Mineral Lease		Road (Gravel Undivided) - 1 Lane
<input type="checkbox"/> Reserves (Mineral - MTO Sites)		Road (Gravel Undivided) - 2 Lanes
<input type="checkbox"/> Placer Claim Designation		Road (Gravel Undivided) - U/C - 1 Lane
<input type="checkbox"/> Placer Lease Designation		Road (Gravel Undivided) - U/C - 2 Lanes
<input type="checkbox"/> No Staking Reserve		Road (Paved Divided) - Not Elevated - 1 Lane Each Way
<input type="checkbox"/> Conditional Reserve		Road (Paved Divided) - Not Elevated - 2 Lanes Each Way
<input type="checkbox"/> Release Required Reserve		Road (Paved Divided) - Not Elevated - 2 Lanes Each Way
<input type="checkbox"/> Surface Restriction		Road (Paved Undivided) - Not Elevated - 1 Lane
<input type="checkbox"/> Recreation Area		Road (Paved Undivided) - Not Elevated - 2 Lanes
<input type="checkbox"/> Others		Road (Paved Undivided) - Not Elevated - 4 Lanes
<input type="checkbox"/> Mining Division (MTO)		Road (Paved Undivided) - U/C - Not Elevated - 4 Lanes
<input type="checkbox"/> Integrated Cadastral Fabric		Road (Unimproved)
<input type="checkbox"/> Survey Parcels		Cut (Roadway)
<input type="checkbox"/> BCGS Grid		Embankment/Fill (Roadway)
<input type="checkbox"/> Contours (1:250K)		Trail
<input type="checkbox"/> Contour - Index		Bridge - Foot
<input type="checkbox"/> Contour - Intermediate		Bridge - Trestle
<input type="checkbox"/> Area of Exclusion		Tunnel
<input type="checkbox"/> Areas of Indefinite Contours		Bridge
<input type="checkbox"/> Annotation (1:20K)		Rail Line (Double Track)
<input type="checkbox"/> Transportation - Points (TRIM)		Rail Line (Multiple Track)
<input type="checkbox"/> Helipad		Rail Line (Single Track)
<input type="checkbox"/> Transportation - Lines (TRIM)		Rail Line - Abandoned Track
		Spur
		Transportation - Airfield (EBM)
		Air Facility
		Airport
		Airstrip
		Airstrip (cont)

(cont)

Scale: 1:25,000

0 450 900 m.

Map center: 52° 14' 7" N, 121° 24' 37" W

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

H.J. Wahl, P.Eng.B.C.
February 2007

PROPERTY (Fig. 2)

The property consists of 26 ea 2-post mineral claims as follows:

Claim	Tenure Nos.	Record Date
Magalloy 1-6 (6)	402712-402717	16 May 2003
Magalloy 7-12 (6)	402718-402723	18 May 2003
Magalloy 13.14 (2)	405342-405343	18 Sept 2003
Magex 1-6 (6)	405344-405349	19 Sept 2003
Magex 7-10 (4)	405350-405353	20 Sept 2003
Magex 11-12 (2)	405354-405355	21 Sept 2003
Total Units 26		

The subject claims are situated in the Cariboo Mining Division of Central British Columbia and are plotted on Mineral Titles map 93A-3W (93A.023). The Magalloy-Magex claims adjoin existing tenures Woodjam 8-10.

LOCATION & ACCESS

The claims are located 11 km SSE of Horsefly, B.C., with Walters Lake occupying the south west corner of the block. Access is south from Horsefly via the 108 Road, then east on the Walters Lake Rd. to the Deerhorn Road junction, then a further 4-5 km east to the north line of the Magalloy claims. Numerous secondary haul roads and skid trails give good access to the inner claim area. Logging is ongoing in the claim area.

Specific details are:

Latitude: 52°14'30"

Longitude: 121° – 25' 00"

NTS 93A-3W (93A.023)

TERRAIN/TOPOGRAPHY

The property lies within the Fraser Plateau area of central B.C. Terrain is subdued to rolling with a general base elevation of 32-3,500 ft. ASL. Maximum local elevation change is 15-25 meters. Much of the area is occupied by swampy depressions with forest cover varying from somewhat open pine or spruce, pine, fir bush, to aspen-willow-cedar in wet areas. Overburden is extensive with less than 1% exposure, and consists of clayey glacial drift with scattered areas of more gravelly outwash. Stream drainage is very sluggish.

HISTORY

1973-77 Exploram Minerals Ltd.

Field operations resulting in discovery of Megabuck and Takom showings. Refer assessment reports 5477, 6315, 5548, and 5731.

1983-84 Placer Development, 17 drill holes on Megabuck property.

Refer assessment reports 11,379, 12,301, 12,522.

1983-87 Rockridge Mining Corporation. Staked large block of claims (Ravioli Group) around Megabucks prospect and performed geological, geochemical, and geophysical surveys on various grids. Refer to assessment reports 12,268, 13,741, 16,717.

1992 Noranda. Flew combined helicopter magnetic, EM, and radiometric airborne survey over a NE-oriented block measuring some 6 X 12 km. Identified some 15 vertical gradient magnetic targets, of which Magalloy is one. The AEM system was largely ineffectual due to widespread surficial conductivity.

1999-2000 Megabucks area re-staked by Wildrose Resources and optioned to Phelps Dodge Canada Ltd. Drill program, (4 holes totalling 767 meters) by PD, resulted in property returned. Best intercept was 80 meters @ 0.85 g/t Au and 0.13% Cu in hole 99-20.

2001-2002 Optioned to Fjordland who completed 02 Drill program. Option currently on-going. (Refer press release 18 Jan. 2008.)

There is no record of previous work in the area currently occupied by the Magalloy-Magex claims. A small portion of the northeast lobe of the magnetic/lake sediment target was covered by a portion of Archer-Cathro Grid A (conventional soils, (AR 12,268).

WORK PERFORMED 09-11Sept. 2007 inclusive

Line cutting:

Line 7 South was turned off at 700S on base line 'MA' cut in 2004. Stations were marked by pickets at 50 m intervals, being 450E/450W for total of 900 meters.

Soil sampling:

Total 34 samples, 19 each from cut line 7S, and 15 each from road traverse MYR.

REGIONAL GEOLOGY

The Quesnel Trough (Nicola Group) consists of a variable assemblage of Late Triassic to Early Jurassic (island arc/sub-duction zone) submarine and subaerial volcanics, volcanoclastics and sedimentary strata underlying much of the Intermontane belt of central and south central British Columbia.

The lowermost Nicola is largely a sedimentary pelitic unit overlain by an upper, dominantly fragmental basalt/volcanoclastic package. Current literature suggests that the upper volcanic assemblage was thrust northeastwards over the pelitic zone during Jurassic time. The Eureka thrust marks the eastern boundary of the trough, and the contact between the Mesozoic and Paleozoic terranes. Strata of the Quesnel Trough have been intruded by both Late Jurassic to Early Cretaceous plutonic intrusives (Takomkane, Thuya) and a series of alkalic stocks of diorite, monzonite, and syenite, which occur in the central volcanic belt and constitute eruptive centers.

Exact geologic relationships are obscure, being limited by lack of stratigraphic continuity, block faulting, and glacial cover.

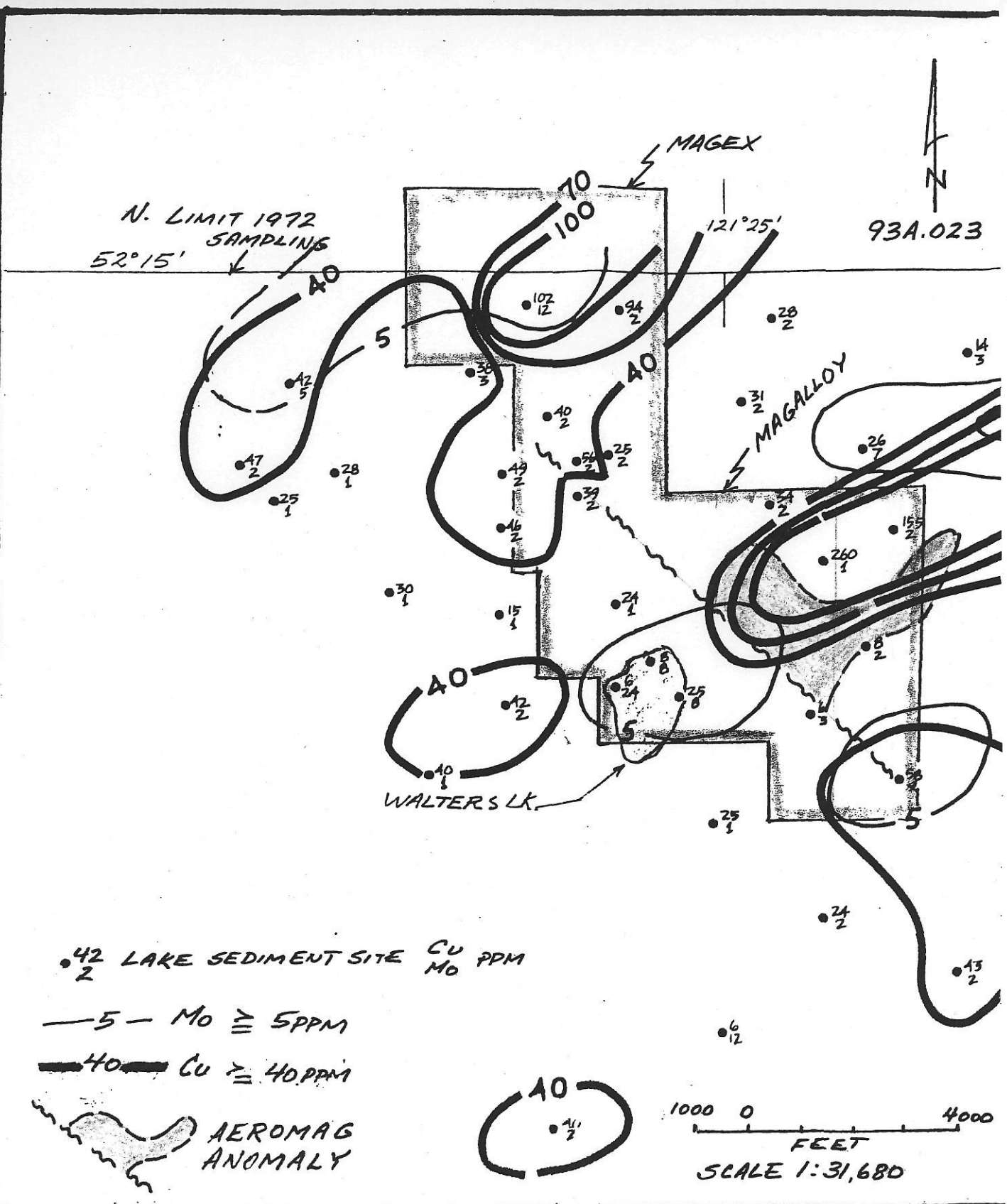
LOCAL GEOLOGY

As noted earlier, widespread glacial drift blankets most of the Magalloy-Magex claims. An appraisal of the local geology is based upon the few outcrop exposures observed and the coarser, angular float clusters.

On Line MA at 0+30W – 150S is an exposure of epidote bearing medium grained granodiorite. Further south on this line from 1325S – 1600S are coarse angular blocks of "maggot rock." This is a distinctive rock type, consisting of a sea of whitish soda feldspar crystals to 5 cm long, in a very fine grained, grey, siliceous matrix; minor epidote is present and the unit is non-magnetic. This unit contains no significant metal values based upon previous sampling.

At the south end of line MB (MB-1400S-10E) large blocks of non-magnetic skarn altered volcanic breccia are located. They have a characteristic dark brown-black surface rind. A previous grab sample of this rock returned no significant metal values.

Some 800 meters east of the east boundary of the Magalloy claims (Woodjam # 10 claim/ Alces Rd.) are altered outcrops of fine grained monzonite with re-sorbed breccia fragments. These outcrops have a bleached surface coloration and are spotted with distinctive epidote orbicules to 10 cm or more.



Scattered spangles of black hornblende? augite? are also present as well as some patchy K-spar alteration.

A new outcrop of syenite was located during the current investigation (Fig. 5) just north of the Deerhorn Road. This is a dry looking intrusive unit carrying about 1% disseminated pyrite. At 1500 meters south on line 'MA' abundant coarse angular blocks of feldspar porphyry are present, suggestive of a subcrop area (Ref. 5, pg.11). The Unit is non-magnetic and corroborates the estimated northwest fault forming the termination of the Aerodat magnetic target (Figs. 4,5).

On the Magex claims, no outcrops were located, however, much of the area traversed contains large blocks of Miocene plateau basalt.

In conclusion, the claimed area is apparently underlain by large areas of skarn altered Nicola Volcanics cut by a variety of intrusive rock types. The exact driver for the skarn event is unknown at present. The northwestern sector of the claimed area is likely covered by thin plateau basalts more or less forming the eastern margin for these cover rocks.

GEOCHEMISTRY

Soil Sampling:

During the period 09-11 September inclusive, a total of 34 soil samples were collected, 19 each from cutline 7 south, and 15 each from road traverse MYR. Samples were taken at 50 meter intervals in both cases.

Samples were collected with an intrenching tool, placed in labelled kraft envelopes and shipped to Acme Analytical Laboratories in Vancouver for analysis by sequential leach technique. (Refer assay report #A706753 for details.)

Soil types were catalogued using the undernoted nomenclature.

- N = stony glacial drift
- B = orange colored 'B' horizon
- O = organic
- L = loamy, silty soil

Details of the collected samples are given in Table A.

Table A**Magalloy – September 2007 Soils Collection****Line 7S**

00 – B	400E – N	350 W-N
50E – B	450E - N	400 W-B
100E – N	50W – B	450 W-N+0
150E – B	100W – N	
200E – L	150W – B	
250E – B	200W – L	
300E – N	250W – B	
350E – B	300W – B	
8 each	8 each	3 each

Total: 19**Road Traverse MYR**

00 – B	350N – B	700N – N
0+50N – B	400N – N	
0+100N – N	450N – N	
0+150N – N	500N – N	
200N – B	550N – 0	
250N – N	600N – N	
300N – B	650N – N	
7 each	7 each	1 only

Total: 15**Grand Total: 34****GEOCHEMISTRY: Interpretation (Fig. 5 and Figs. M-1 → M-8)**

The value of the geochemical survey needs to be understood in the context of the undernoted factors:

Magnitude of Values:

In absolute terms, values recorded for the base metal elements are not particularly noteworthy. The term "anomalous" in the report refers to value levels above the apparent local background, and with reference to the Aerodat gradient magnetic anomaly, which constitutes the primary target.

Overburden Depth:

Current drilling on the Takom Zone east of Magalloy indicates that overburden depths exceed 30 meters, while 5 km further east drilling on the newly discovered Southeast Zone, has proven overburden depths of 45 to 145 meters.

With the above in mind, discussion of current results follow. The elements Pb, Co, As, and Be were selected for plotting having shown the most variation in numerical range, while Co and As are generally considered pathfinder elements. Beryllium was plotted as an indicator of possible magnetic related hydrothermal activity.

Lead: (Figs. M-1, M-5)

Lead values appear to be locally anomalous above a background of 400 ppb. The anomalous sections of the line (7S, road MYR) overlie the estimated sub-surface position of the magnetic target.

Cobalt: (Figs. M-2, M-6)

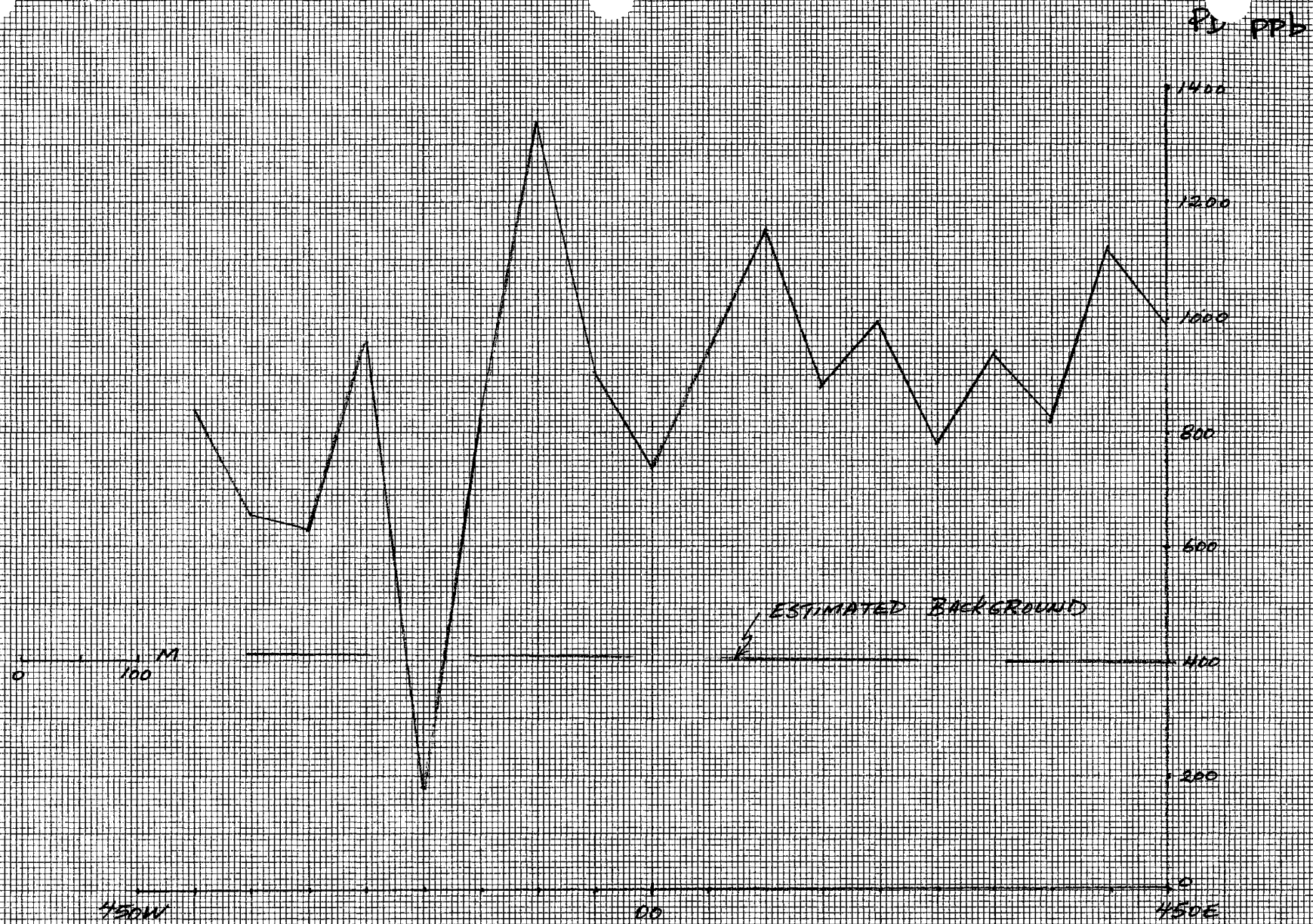
Cobalt shows a similar, but more defined pattern to lead. A strong spike on traverse MYR from 500 N – 650N coincides with the north lobe of the magnetic target.

Arsenic: (Figs. M-3, M-7)

Arsenic above 100 ppb shows a series of anomalous spikes on the order of 2-3 x background along line 7S. Traverse MYR shows an unusual spike to 4 x background related to the northern portion of the west limb of the magnetic target, related to the cobalt feature above.

Beryllium (Figs. M-4, M-8)

Local background for Be appears to be 40 ppb. Line 7S shows a series of spikes ranging from 2x to 6x background along the entire line length. The profile along Traverse MYR shows an anomalous trend with sharp drop-off at the northern end, coincident with the north edge of the western magnetic lobe.



MAGALLOY PROJECT CLAIMS 402712 - 402715 INCL.
 CARIBOO M.D. NTS 093A, 023
 LTS SOILS PLOT LEAD IN PPB
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FIG. M-1

0 100 M

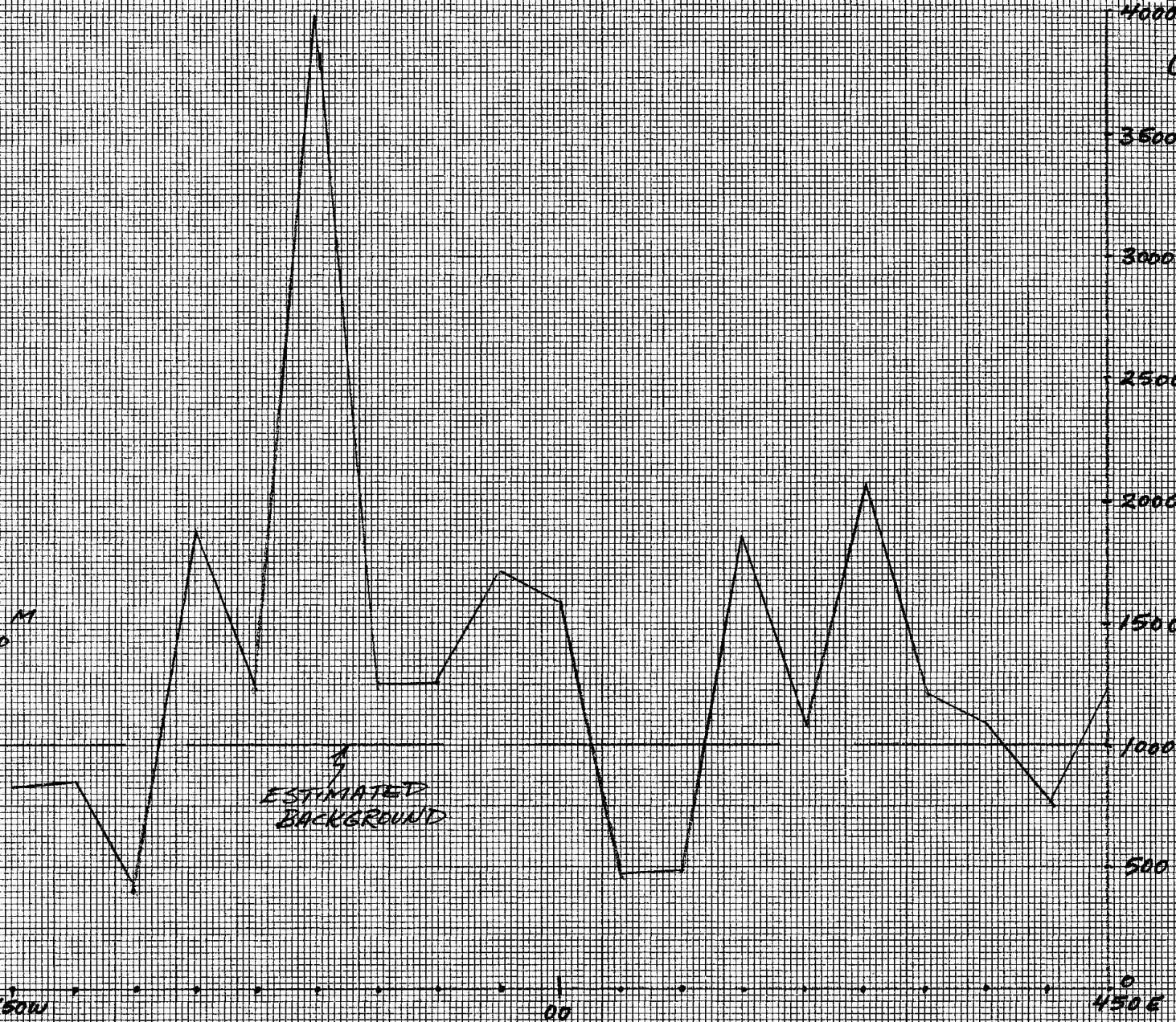
4000
Co ppb
3500
3000
2500
2000
1500
1000
500
0

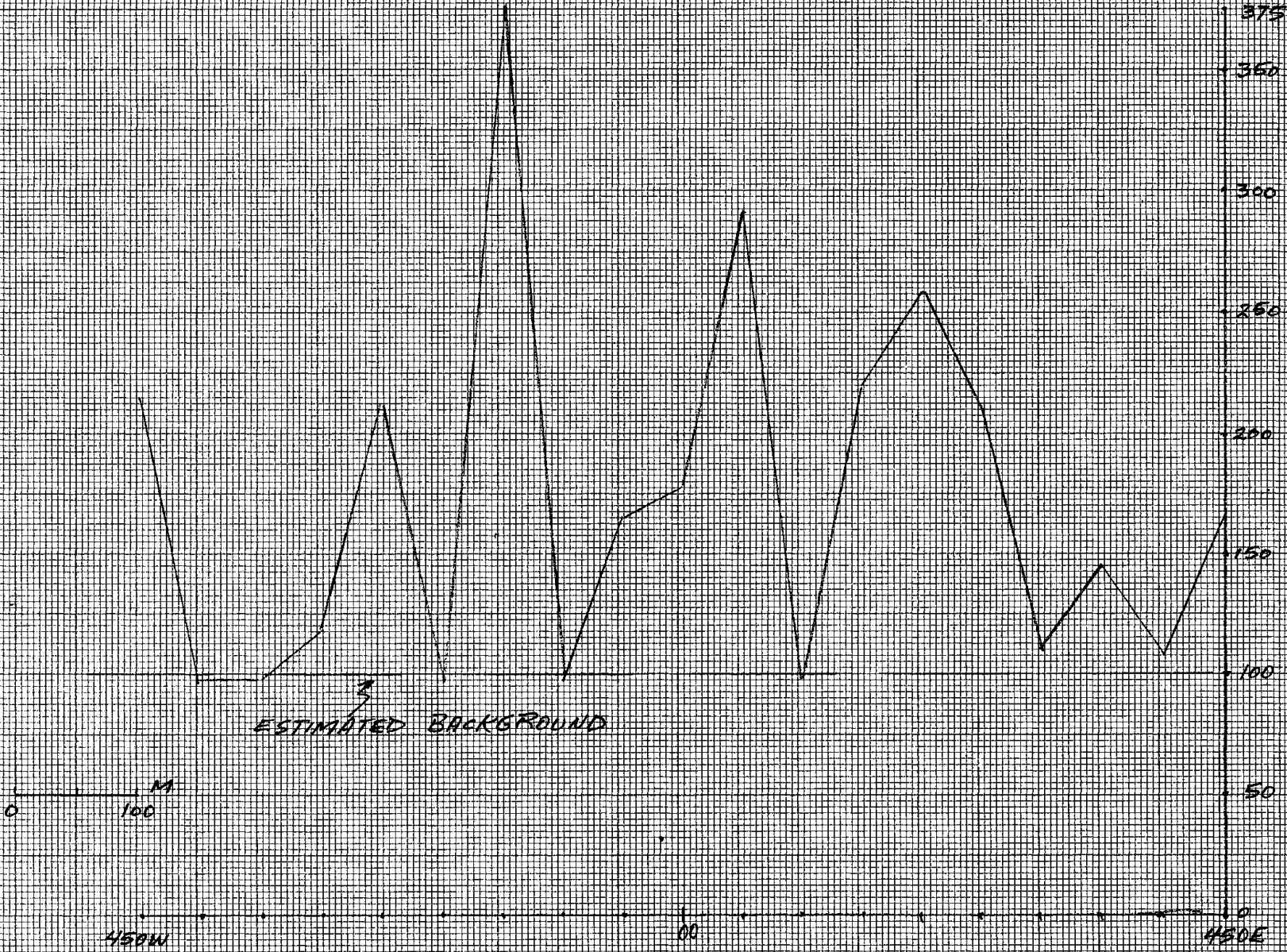
ESTIMATED
BACKGROUND

450W 00 450E

MAGALLOY PROJECT CLAIMS 402712 → 402715 WCL.
CARIBOO M.D. NTS 093A, 023 SOILS PLOT COBALT IN PPB
H. WAHL JAN. 2008

FIG. M-2

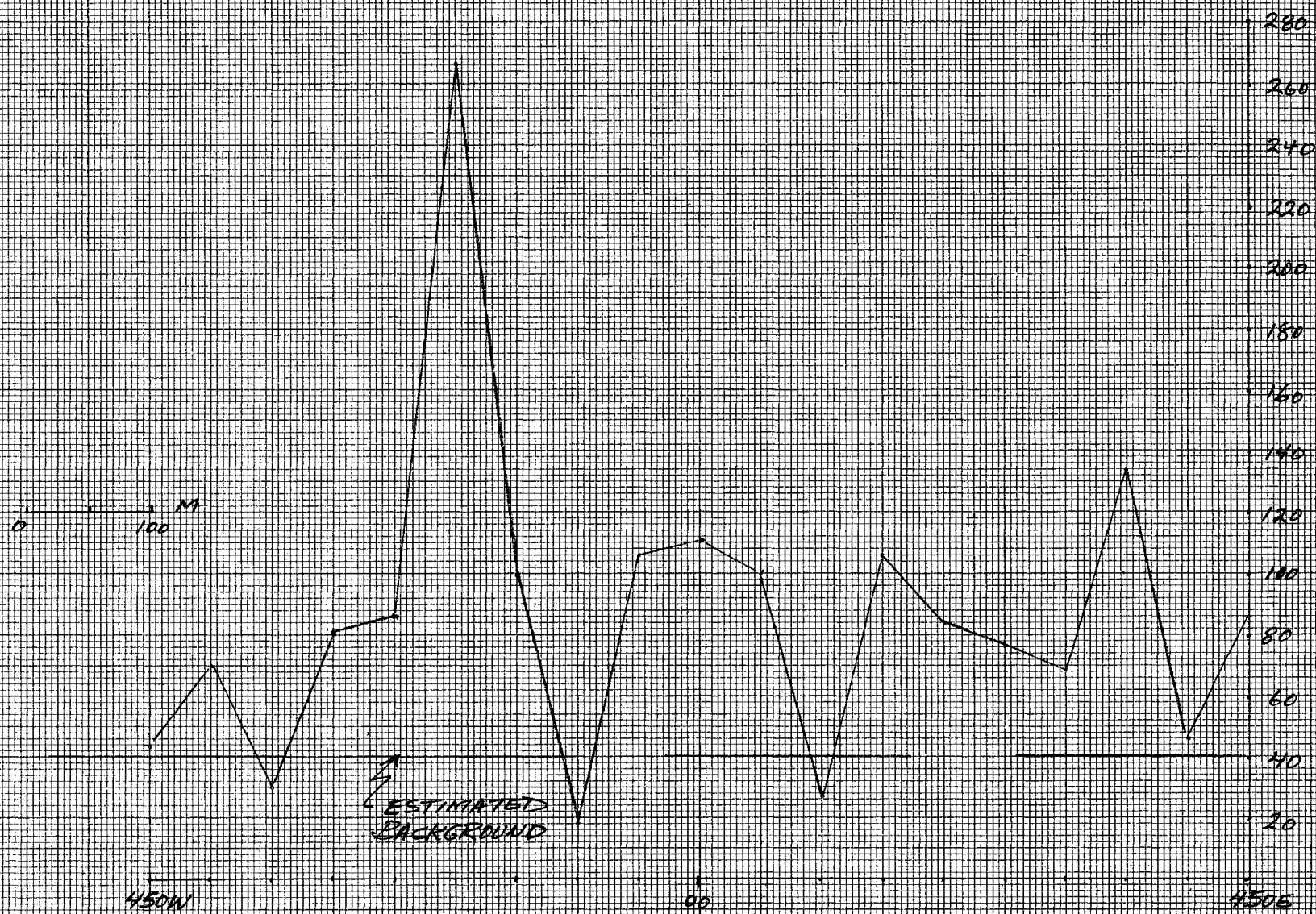




MAGALLOY PROJECT CLAIMS 402712 - 402715 INCL
 CARIBOO M.D. NTS 093A.023
 L TS SOILS PLOT ARSENIC IN PPB
 H. WAHL JAN. 2008

FIG. M-3

Be ppb



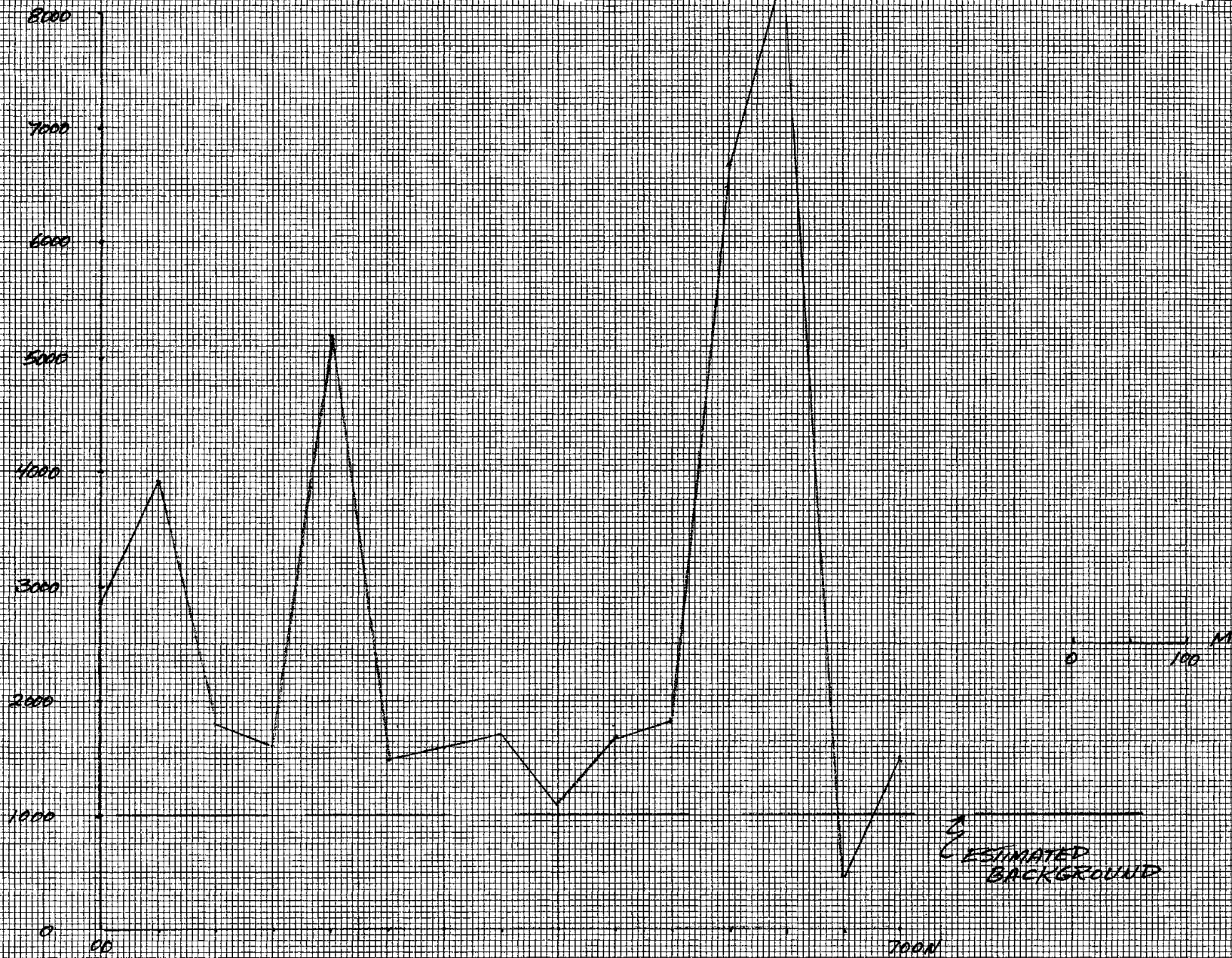
MAGALLOY PROJECT CLAIMS 402712 → 402715 INCL.
CARIBOO M.D. NTS 093A, 023
LINE 75 SOILS PLOT Be in ppb
H. WALL JAN. 2008

FIG. M-4



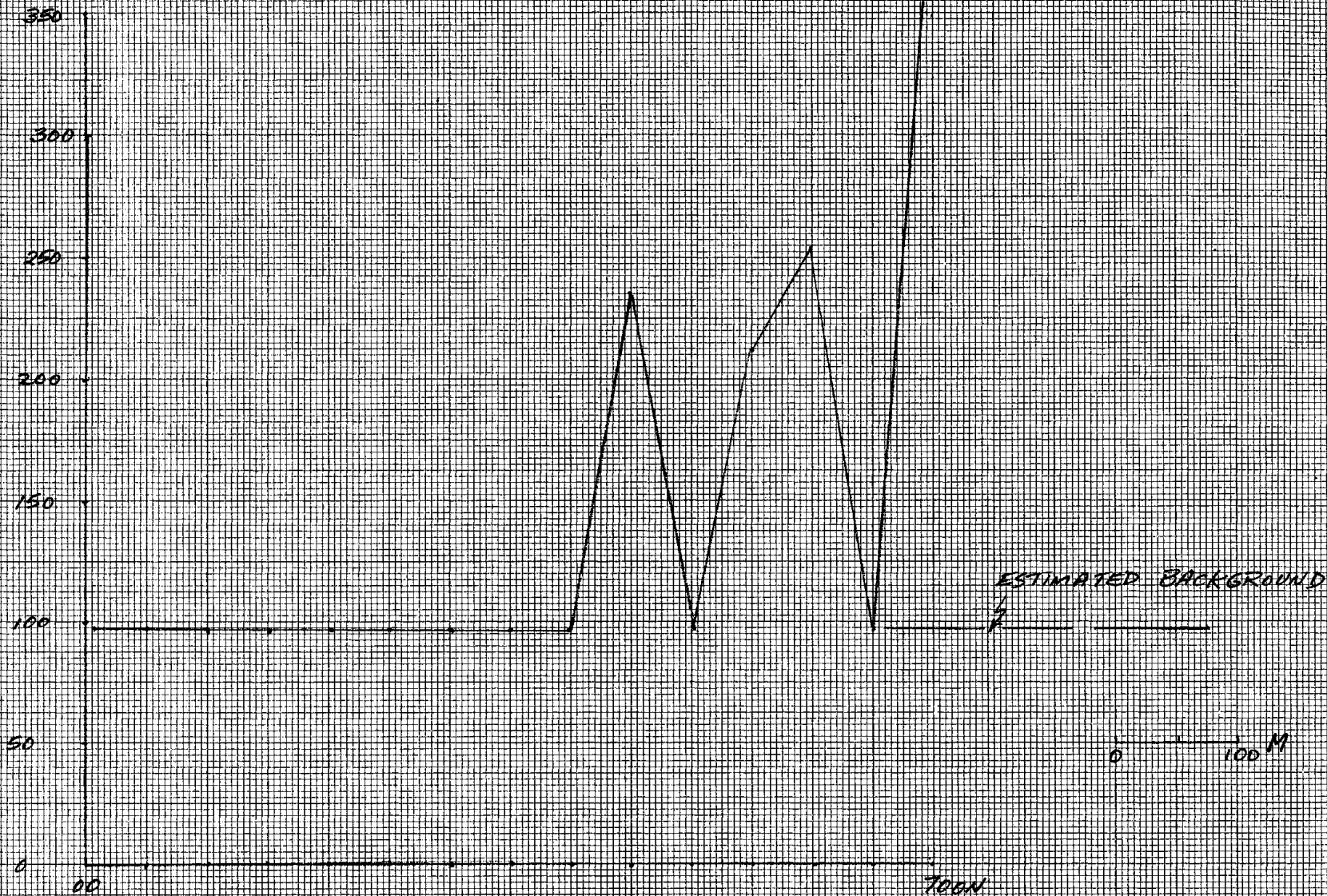
MAGALLOY PROJECT CLAIMS 402712 - 402715 INCL.
 CARIBOO M.D. NTS 093A.023
 SOILS PLOT ROAD TRAVERSE MYR LEAD IN PPB
 # WALL JAN 2008

FIG. M-5



MAGALLO'Y PROJECT CLAIMS 402712 → 402715 INCL.
 CARIBOO M.D. NTS 093A, 023
 SOILS PLOT ROAD TRAVERSE MYR COBALT IN PPb
 H. WAHL JAN. 2008

FIG. M-6



MAGALLOY PROJECT CLAIMS 40212 - 40215 INCL.
 CARIBOO M.D. NTS 093A. 023
 SOILS PLOT ROAD TRAVERSE MYR ARSENIC IN PPB
 H. WAHL JAN. 2008

FIG. M-7



MAGALLOY PROJECT CLAIMS 402712 → 402715 INCL.
 CARIBOO M.D. NTS 093A.023
 SOILS PLOT ROAD TRAVERSE MYR BERYLLIUM IN PPB
 H. WAHL JAN. 2008

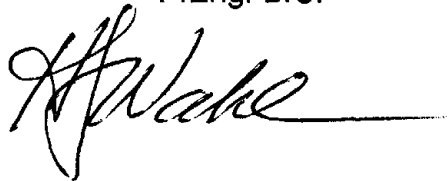
FIG. M-8

CONCLUSIONS & RECOMMENDATIONS

Results of the current limited survey can be viewed with scepticism regarding their ultimate significance vis-à-vis bedrock sulphide mineralization. Nonetheless, the Aerodat gradient magnetic anomaly remains a prime target marginal to a now proven area of porphyry-style Cu-Au, and Cu-Mo mineralization.

Aside from the current survey, the target has very positive lake sediment geochemical responses (6), and a positive stream silt response on the Magex claims (5) (6), that requires follow up. Current drilling by the prime operator in the area, Fjordland Exploration, has conclusively shown overburden thicknesses of 30-145 meters, which can be conquered by I.P. survey. Therefore, further target definition should consist of I.P. survey along line 'MA' and newly cut line 7 south. Additional soil sampling should be completed along line 'MB' (5) to cover the previous stream silt anomaly MB-500 S, which returned ppm 238 Cu.

Prepared by H. J. Wahl,
P.Eng. B.C.

A handwritten signature in black ink, appearing to read 'H. J. Wahl', with a long horizontal line extending to the right.

STATEMENT OF COSTS

Work was performed on the Magalloy – Magex claims by owner
 Herb Wahl, P.Eng. B.C. of:
 RR10, 1416 Ocean Beach Esplanade,
 Gibsons, B.C. Canada. V0N 1V3

Fieldwork, 3 days (09-11 Sept. inclusive) @ \$800/day, line cutting & soil sampling	\$2,400.00
Reporting and logistics, 4 days @\$500/day	<u>2,000.00</u>
Subtotal	\$4,400.00

Field vehicle, 05 F-350 SD diesel 4x4 @ \$175/day, 3 days	525.00
(Code 1) Travel Expense	199.23
(Code 4) Prints, Copy, Draft, Office	37.54
(Code 5) Secretarial	192.00
(Code 6) Postage, freight, communication	19.68
(Code 7) Field equipment, supplies	170.60
(Code 11) Assays, soil samples, sequential leach, 34 each	<u>1,253.00</u>
Subtotal	\$2,397.05

Total: \$6,797.05

Certified True and Correct
 H. Wahl, P.Eng. B.C.



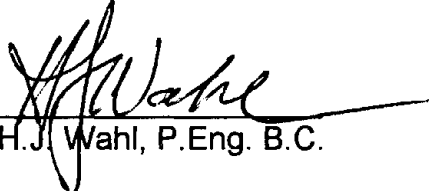
References

- (1) AR 4766 Geophysical Report, Exploram Minerals Ltd., HS1-46 Claims, by G.E. White, B.Sc. Geophysicist, 08 Nov. 1973.
- (2) AR 5237 *Assessment Work Submission (Drilling) on the HS Claims, Cariboo M.D.* by E.D. Cruz, P.Eng., Exploram Minerals Ltd., 30 Sept. 1974.
- (3) AR 12, 268 *Geological and Geochemical Report on the Ravioli 1-4 Claim Groups, Rockridge Mining Corporation*, by C.A. Main and J. F. Carne, May 1984.
- (4) AR 22,670 *Helicopter-borne Geophysical Survey for Noranda Exploration Company Ltd.*, by R.W. Woolham, P.Eng., Aerodat Ltd., 15 July 1992.
- (5) Wahl, H.J., *Magalloy-Magex Project, Report of Initial Geological and Geochemical Survey*, April 2004
- (6) Wahl, H.J., *Magalloy-Magex Project, Report of August 2006 Geological and Geochemical Survey*, Feb. 2007.

CERTIFICATE OF QUALIFICATIONS

This is to certify that:

1. I, Herbert J. Wahl, am a resident of British Columbia and live at RR10, 1416 Ocean Beach Esplanade, Gibsons, B.C. V0N 1V3. Canada.
2. I am a graduate of Dartmouth College, Hannover, New Hampshire, with the degree of Bachelor of Arts with Honors in Geology (1957).
3. I am a member of the Association of Professional Engineers of British Columbia and have practiced my profession continuously from 1961 to the present. (Registration No. 8990)


H.J. Wahl, P.Eng. B.C.



GEOCHEMICAL ANALYSIS CERTIFICATE



Wahl, Herb PROJECT MAGALLOY File # A706753 Page 1 (a)

R.R. 10, 1416 Ocean Beach, Gibson BC V0N 1V3 Submitted by: Herb Wahl

SAMPLE#	Ag ppb	Al ppm	As ppb	Ba ppm	Bi ppb	Ca ppm	Co ppb	Cu ppm	Fe ppm	K ppm	La ppb	Mg ppm	Mn ppm	Mo ppb	Ni ppm	P ppm	Pb ppb	Sb ppb	Sr ppm	Th ppb	Ti ppm	U ppb	V ppm	W ppb	Zn ppm	Se ppm	Te ppb	Au ppb	Hg ppb	Be ppb
MYL7S 450W	5	218	217	31.22	5	12255	879	.14	876	30	126	1317	52	<10	.67	118	75	5	69.12	75	2	61	.64	<10	3.5	<.2	<20	.4	<5	44
MYL7S 400W	64	1946	<100	69.11	<5	609	901	.84	2397	96	490	179	4	<10	.65	190	840	<5	9.15	47	2	35	6.10	<10	.7	<.2	<20	<.2	<5	70
MYL7S 350W	9	698	<100	86.44	<5	7253	421	.27	670	243	255	442	393	10	.60	539	657	<5	49.77	23	3	10	.79	<10	29.1	<.2	<20	.2	<5	30
MYL7S 300W	35	3896	119	47.59	<5	624	1882	.51	2707	90	576	75	132	<10	1.38	506	632	<5	5.49	50	4	21	4.91	<10	5.0	<.2	<20	<.2	<5	81
MYL7S 250W	55	2399	212	65.05	<5	1448	1239	.57	3381	64	826	261	46	<10	.81	484	969	<5	13.72	48	5	31	5.43	<10	3.7	<.2	<20	<.2	<5	86
MYL7S 200W	40	1078	<100	80.23	<5	8056	3972	.47	2671	74	2314	1014	542	<10	6.87	9	188	8	51.41	32	1	100	3.95	<10	1.9	<.2	<20	<.2	<5	266
MYL7S 150W	16	3152	376	85.41	<5	865	1256	.65	2663	67	863	120	57	11	1.22	796	827	<5	8.12	71	5	33	3.87	<10	4.2	<.2	<20	<.2	<5	100
MYL7S 100W	17	929	<100	24.52	12	1097	1267	.23	1087	79	248	334	192	15	.88	131	1341	<5	9.25	<20	2	22	2.13	<10	2.0	<.2	<20	<.2	<5	<20
BLK	<3	1	<100	<.05	<5	<5	<20	<.02	<5	<5	<5	<1	<1	<10	<.05	<5	<20	<5	<.02	<20	<1	<5	<.05	<10	<.1	<.2	<20	<.2	<5	<20
MYL7S 50W	24	3331	166	92.22	<5	1214	1679	.19	3520	119	704	135	129	18	.98	693	907	<5	12.95	56	9	18	3.46	<10	3.8	<.2	<20	<.2	<5	106
MYL7S 00	12	3384	183	71.76	<5	615	1579	.40	3406	98	423	96	64	18	1.28	509	738	<5	8.00	73	6	24	5.46	<10	6.4	<.2	<20	<.2	<5	111
RE MYL7S 00	16	3481	212	72.25	<5	643	1575	.41	3315	101	424	101	65	18	1.30	502	790	<5	8.13	71	5	24	5.51	<10	6.5	<.2	<20	<.2	<5	128
MYL7S 50E	14	3355	291	57.66	<5	796	461	.24	4166	86	490	142	7	16	.70	875	948	<5	8.22	56	9	25	5.40	<10	4.4	<.2	<20	<.2	<5	100
MYL7S 100E	37	1166	<100	33.30	<5	803	465	.43	1181	83	375	255	14	<10	.71	215	1145	<5	9.58	<20	3	14	1.54	<10	3.8	<.2	<20	<.2	<5	27
MYL7S 150E	31	3034	220	79.63	<5	859	1856	.27	2793	99	417	149	417	34	1.14	636	881	<5	10.14	49	5	25	3.78	<10	4.2	<.2	<20	<.2	<5	106
MYL7S 200E	44	2347	259	64.35	<5	648	1088	.98	2445	64	900	165	39	<10	.95	389	992	<5	7.45	33	3	41	4.58	<10	1.8	<.2	<20	.3	<5	83
MYL7S 250E	80	2500	210	110.22	<5	1327	2065	.57	2892	104	780	251	47	<10	1.29	484	781	<5	15.47	45	4	36	4.20	<10	6.7	<.2	<20	<.2	<5	77
MYL7S 300E	20	1389	110	44.48	<5	1331	1216	.72	1468	80	549	486	20	<10	1.32	321	933	<5	11.87	24	3	25	2.69	<10	3.2	<.2	<20	<.2	<5	69
MYL7S 350E	62	2598	142	135.17	<5	1633	1093	1.14	2926	168	1447	253	64	<10	1.92	430	821	<5	19.50	45	3	42	4.88	<10	1.6	<.2	<20	<.2	<5	134
MYL7S 400E	24	1191	108	41.73	<5	1204	772	.73	1244	86	737	326	91	<10	1.19	213	1118	<5	12.34	<20	2	20	2.71	<10	4.4	<.2	<20	<.2	<5	46
MYL7S 450E	16	1988	164	58.30	<5	1354	1251	.46	2381	143	606	289	193	10	1.55	317	994	<5	15.79	22	3	20	4.14	<10	3.3	<.2	<20	<.2	<5	86
MYR 700N	19	1445	392	48.72	<5	2232	1510	1.75	1870	130	2009	636	61	<10	1.76	515	912	<5	16.13	24	3	46	5.55	<10	5.6	<.2	<20	<.2	<5	41
MYR 650N	21	1439	<100	37.33	<5	492	466	.39	1723	85	278	164	8	12	.60	379	1124	<5	6.12	23	4	17	1.88	<10	2.4	<.2	<20	.3	<5	<20
MYR 600N	19	1151	253	91.88	<5	5260	8724	.43	7117	108	1614	694	746	<10	7.24	122	209	8	50.15	28	1	98	6.49	<10	12.4	<.2	<20	<.2	<5	184
BLK	<3	1	<100	<.05	<5	<5	<20	<.02	<5	<5	<5	<1	<1	<10	<.05	<5	51	<5	.03	<20	<1	<5	<.05	<10	<.1	<.2	<20	<.2	<5	<20
MYR 550N	7	329	212	129.05	<5	8740	6705	.10	3761	118	277	1220	3007	43	4.67	39	30	5	71.31	<20	1	14	.87	<10	5.4	<.2	<20	.3	<5	94
MYR 500N	35	1217	<100	44.66	<5	2098	1839	.63	1653	146	806	447	104	<10	1.78	106	875	<5	20.75	26	2	97	4.41	<10	2.8	<.2	<20	<.2	<5	77
MYR 450N	21	1552	237	51.64	<5	1728	1796	.58	2235	135	759	408	111	13	1.30	471	924	<5	14.54	28	4	29	4.50	<10	5.9	<.2	<20	.5	<5	63
MYR 400N	39	1628	<100	50.66	<5	1604	1167	.41	1531	89	733	306	36	<10	1.29	147	963	<5	16.30	<20	2	35	4.32	<10	2.6	<.2	<20	.5	<5	66
MYR 350N	12	4192	<100	75.25	<5	1302	1726	.27	2935	182	413	147	119	<10	1.52	306	328	<5	12.86	32	3	12	4.40	<10	7.6	<.2	<20	.2	<5	147
MYR 300N	28	2253	<100	43.87	<5	810	1587	.52	2859	124	718	314	141	14	1.01	362	1164	<5	8.01	22	4	20	4.03	<10	2.4	<.2	<20	.4	<5	46
MYR 250N	15	1327	<100	34.34	<5	3021	1520	.47	2006	71	717	1045	145	<10	2.29	60	973	<5	18.99	22	1	99	4.80	<10	8.0	<.2	<20	.2	<5	63
MYR 200N	10	3523	<100	68.17	<5	1343	5191	.22	3198	172	604	382	229	20	2.35	507	450	<5	15.52	31	4	15	2.86	<10	2.6	<.2	<20	.4	<5	125
MYR 150N	32	1576	<100	43.11	<5	1935	1626	1.17	1656	112	2570	707	104	<10	2.14	105	740	<5	20.39	<20	1	76	4.56	<10	4.1	<.2	<20	<.2	<5	108
MYR 1+00N	26	1957	<100	71.67	<5	1364	1812	.66	2067	84	531	657	74	<10	1.72	123	714	<5	15.50	<20	2	21	4.44	<10	3.5	<.2	<20	<.2	<5	77
STANDARD DS3	102	2418	2402	76.35	67	3250	2913	13.36	5224	174	2901	539	471	241	8.38	66	7955	319	13.95	98	2	769	3.96	61	20.7	<.2	77	5.9	<5	1448

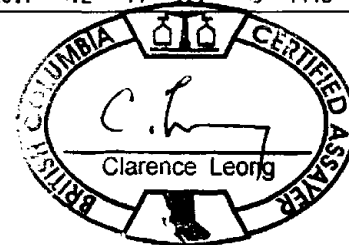
(PART 4) GROUP 1SLM - 1SLO RESIDUE LEACHED WITH 10 ML 0.1 M HYDROXYLAMINE DIGESTED FOR TWO HOURS AT 60c FOLLOWED BY ANALYSIS BY ICP/MS. (SEQUENTIAL LEACH)

- SAMPLE TYPE: SOIL S580 60C Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

Data FA

DATE RECEIVED: SEP 27 2007 DATE REPORT MAILED: Dec 21/07

All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of the analysis only.





SAMPLE#	Ag ppb	Al ppm	As ppb	Ba ppm	Bi ppb	Ca ppm	Co ppb	Cu ppm	Fe ppm	K ppm	La ppb	Mg ppm	Mn ppm	Mo ppb	Ni ppm	P ppm	Pb ppb	Sb ppb	Sr ppm	Th ppb	Ti ppm	U ppb	V ppm	W ppb	Zn ppm	Se ppm	Te ppb	Au ppb	Hg ppb	Be ppb
BLK	<3	2	<100	.16	<5	<5	<20	.05	<5	<5	<5	<1	<1	<10	<.05	<5	<20	<5	.50	<20	<1	<5	<.05	<10	<.1	<.2	<20	<.2	<5	<20
MYR 0+50N	11	3793	<100	115.00	<5	800	3908	.34	2451	153	413	205	327	24	.87	651	337	<5	7.83	47	3	16	2.27	<10	9.6	<.2	<20	.3	<5	117
MYR 00	13	3189	<100	78.38	<5	1868	2849	.41	2695	89	447	318	35	12	.77	557	335	<5	16.87	36	3	19	3.74	<10	1.3	<.2	<20	.3	<5	124
STANDARD DS3	62	2595	2321	76.64	68	3348	2999	12.80	4527	133	2625	548	455	286	8.28	80	6667	362	12.86	111	2	768	4.30	82	20.5	<.2	78	3.3	<5	1546

Sample type: SOIL SS80 60C.



GEOCHEMICAL ANALYSIS CERTIFICATE



Wahl, Herb PROJECT MAGALLOY File # A706753 Page 1 (b)

R.R. 10, 1416 Ocean Beach, Gibson BC V0N 1V3 Submitted by: Herb Wahl

SAMPLE#	Cd	Ce	Cs	Dy	Er	Eu	Ga	Gd	Ge	Hf	Ho	In	Li	Lu	Nb	Nd	Pr	Rb	Re	Sc	Sm	Sn	Ta	Tb	Tl	Tm	Y	Yb	Zr
	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppm	ppb	ppb	ppb	ppb	ppb	ppb	ppm	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb
MYL7S 450W	91	295	6	22	11	<5	<20	25	<50	<20	<20	<10	.54	<5	<10	100	23	130	<2	<20	25	<20	<20	<5	5	<5	130	9	171
MYL7S 400W	<20	1383	21	95	49	24	81	118	<50	<20	21	<10	.37	<5	12	462	113	511	<2	<20	103	<20	<20	17	<5	6	517	36	155
MYL7S 350W	34	583	<5	32	14	6	56	37	<50	<20	<20	<10	.22	<5	<10	169	44	211	<2	<20	32	<20	<20	5	<5	<5	177	11	57
MYL7S 300W	29	1487	18	90	48	21	99	116	<50	<20	<20	<10	.36	<5	14	447	114	540	<2	<20	102	<20	<20	14	<5	6	503	38	316
MYL7S 250W	38	1852	29	125	58	29	118	176	<50	<20	24	<10	.38	5	19	658	166	381	<2	<20	136	<20	<20	19	<5	7	704	43	260
MYL7S 200W	341	3437	14	261	151	74	<20	407	<50	<20	58	<10	1.67	17	<10	1449	356	522	<2	<20	279	<20	<20	40	13	19	2627	129	334
MYL7S 150W	39	2190	25	124	54	31	96	179	<50	<20	25	<10	.29	5	19	740	180	292	<2	<20	152	<20	<20	20	<5	7	690	43	270
MYL7S 100W	29	838	7	38	21	7	169	55	<50	<20	<20	<10	.39	<5	24	206	49	297	<2	<20	41	<20	<20	7	<5	<5	243	15	205
BLK	<20	<5	<5	<5	<5	<5	<20	<5	<50	<20	<20	<10	.02	<5	<10	<5	<5	<5	<2	<20	<5	<20	<20	<5	<5	<5	<5	<5	<20
MYL7S 50W	30	1861	16	66	30	20	158	101	<50	<20	<20	<10	.27	<5	34	504	128	366	<2	<20	88	<20	<20	11	<5	<5	389	22	409
MYL7S 00	26	1075	16	70	33	13	118	83	<50	<20	<20	<10	.30	<5	34	320	82	426	<2	<20	65	<20	<20	11	<5	<5	361	26	483
RE MYL7S 00	26	1101	16	66	32	13	114	80	<50	<20	<20	<10	.37	<5	33	320	84	412	<2	<20	70	<20	<20	11	<5	<5	364	24	490
MYL7S 50E	22	1133	12	64	28	13	195	76	<50	<20	<20	<10	.50	<5	39	352	92	280	<2	<20	66	<20	<20	10	<5	<5	327	21	350
MYL7S 100E	40	824	7	46	24	12	181	59	<50	<20	<20	<10	.51	<5	16	276	70	297	<2	<20	58	<20	<20	7	<5	<5	286	17	84
MYL7S 150E	46	1635	18	77	33	15	131	86	<50	<20	<20	<10	.33	<5	18	345	88	640	<2	<20	66	<20	<20	12	5	<5	364	23	274
MYL7S 200E	24	2667	17	139	58	32	115	175	<50	<20	24	<10	.34	6	10	730	186	505	<2	<20	153	<20	<20	23	<5	7	711	47	180
MYL7S 250E	31	2284	24	127	58	31	84	160	<50	<20	25	<10	.28	5	13	634	162	664	<2	<20	132	<20	<20	20	<5	6	678	44	259
MYL7S 300E	<20	1759	13	98	43	17	80	113	<50	<20	<20	<10	.77	<5	<10	427	104	690	<2	<20	87	<20	<20	14	<5	6	533	34	107
MYL7S 350E	26	2920	18	219	107	52	94	286	<50	<20	44	<10	.19	10	12	1171	291	633	<2	<20	222	<20	<20	35	<5	14	1378	83	345
MYL7S 400E	37	1745	15	108	52	22	127	133	<50	<20	21	<10	.58	<5	<10	590	150	583	<2	<20	118	<20	<20	16	<5	6	657	39	60
MYL7S 450E	33	1647	6	92	43	20	131	104	<50	<20	<20	<10	.50	<5	13	493	122	436	<2	<20	97	<20	<20	13	<5	6	498	32	213
MYR 700N	<20	5144	13	283	128	70	83	333	<50	<20	56	<10	.71	11	<10	1798	458	337	<2	<20	371	<20	<20	47	<5	15	1582	95	113
MYR 650N	24	659	7	45	21	9	171	54	<50	<20	<20	<10	.33	<5	23	207	52	275	<2	<20	40	<20	<20	7	<5	<5	220	11	169
MYR 600N	307	3840	14	208	108	49	39	261	<50	<20	43	<10	.88	12	<10	1025	253	321	<2	<20	192	<20	<20	31	12	14	1631	92	402
BLK	<20	<5	<5	<5	<5	<5	<20	<5	<50	<20	<20	<10	.02	<5	<10	<5	<5	<5	<2	<20	<5	<20	<20	<5	<5	<5	<5	<5	<20
MYR 550N	176	751	8	47	28	13	65	62	<50	<20	<20	<10	.78	<5	<10	223	54	233	<2	<20	46	<20	<20	8	19	<5	346	27	297
MYR 500N	26	2106	6	100	52	25	82	134	<50	<20	20	<10	.54	5	16	562	145	233	<2	<20	112	<20	<20	16	<5	5	637	38	290
MYR 450N	27	2150	8	122	61	28	133	163	<50	<20	25	<10	.59	5	19	597	160	395	<2	<20	137	<20	<20	21	<5	8	725	43	168
MYR 400N	26	1965	9	123	62	27	135	137	<50	<20	23	<10	.39	5	17	561	143	450	<2	<20	123	<20	<20	18	<5	6	674	42	160
MYR 350N	32	852	10	73	34	16	66	78	<50	<20	<20	<10	.27	<5	<10	288	69	529	<2	<20	56	<20	<20	11	<5	<5	420	25	373
MYR 300N	31	1723	6	87	37	22	178	133	<50	<20	<20	<10	.56	<5	23	554	136	169	<2	<20	109	<20	<20	14	<5	<5	500	26	184
MYR 250N	28	1543	10	109	52	25	49	142	<50	<20	22	<10	1.58	6	<10	468	120	419	<2	<20	100	<20	<20	17	<5	6	814	41	125
MYR 200N	21	1844	13	107	48	25	82	140	<50	<20	21	<10	.27	<5	17	504	122	488	<2	<20	109	<20	<20	18	<5	5	598	26	595
MYR 150N	34	3976	7	313	145	85	73	338	<50	<20	63	<10	.62	12	<10	1658	437	319	<2	<20	339	<20	<20	51	<5	17	2076	103	142
MYR 1+00N	22	1624	13	112	47	22	82	128	<50	<20	21	<10	.33	<5	22	477	118	351	<2	<20	114	<20	<20	16	<5	6	588	33	196
STANDARD DS3	4905	5412	592	345	180	86	48	390	205	118	71	740	.59	19	19	1925	497	1126	<2	<20	369	33	<20	56	494	22	2532	146	451

(PART 4) GROUP 1SLM - 1SLO RESIDUE LEACHED WITH 10 ML 0.1 M HYDROXYLAMINE DIGESTED FOR TWO HOUR AT 60c FOLLOWED BY ANALYSIS BY ICP/MS. (SEQUENTIAL LEACH)

- SAMPLE TYPE: SOIL SS80 60C

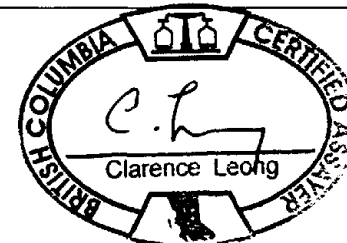
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

Data FA

DATE RECEIVED: SEP 27 2007

DATE REPORT MAILED: Dec 21/07

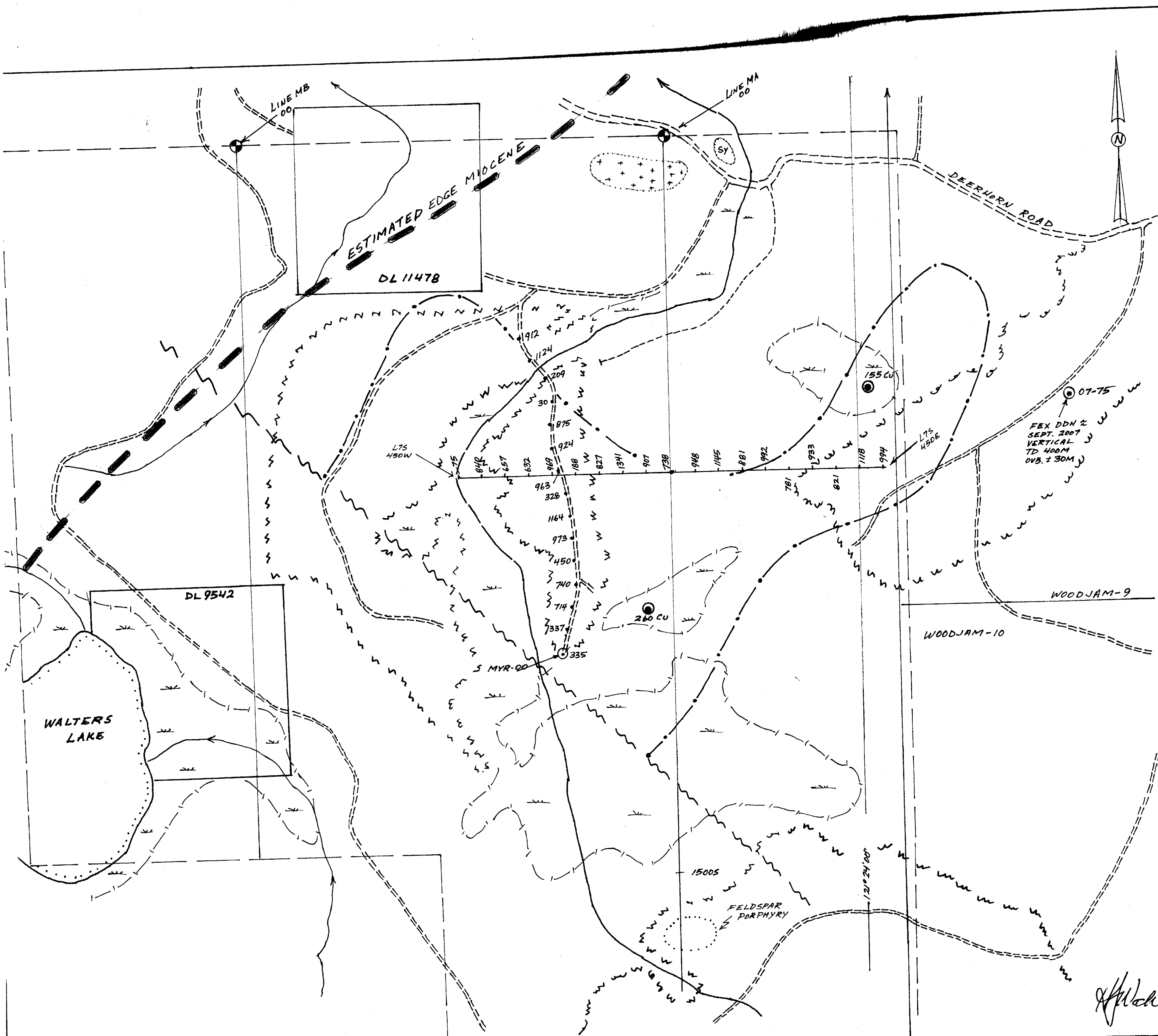
All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of the analysis only.





SAMPLE#	Cd ppb	Ce ppb	Cs ppb	Dy ppb	Er ppb	Eu ppb	Ga ppb	Gd ppb	Ge ppb	Hf ppb	Ho ppb	In ppb	Li ppm	Lu ppb	Nb ppb	Nd ppb	Pr ppb	Rb ppb	Re ppb	Sc ppm	Sm ppb	Sn ppb	Ta ppb	Tb ppb	Tl ppb	Tm ppb	Y ppb	Yb ppb	Zr ppb
BLK	<20	<5	<5	<5	<5	<5	<20	<5	<50	<20	<20	<10	<.02	<5	<10	<5	<5	<5	<2	<20	<5	<20	<20	<5	<5	<5	<5	<5	<20
MYR 0+50N	33	1038	8	63	31	9	107	101	<50	<20	<20	<10	.19	<5	<10	331	85	482	<2	<20	79	<20	<20	12	<5	<5	325	21	279
MYR 00	20	1121	8	75	29	12	81	110	<50	<20	<20	<10	.13	<5	12	363	92	377	<2	<20	87	<20	<20	12	<5	<5	348	27	345
STANDARD DS3	4858	4291	396	299	160	75	92	406	177	117	65	709	.41	18	16	1765	453	1020	<2	<20	362	47	<20	54	413	22	2189	148	659

Sample type: SOIL SS80 60C.



LEGEND

- Log Road, Skid Trail
- Outline, Recent Cut Block
- Outline, Swamp
- 1972 Lake Sediment Anomalous Site ppm Cu
- Outline 1992 Aerodat Magnetic Anomaly
- Granodiorite Outcrop Area
- Syenite Outcrop

07-75 FJORDLAND DDH
 35.7 → 48.0 M
 12.3 M @ 0.13 CU - 0.037 g/t Au

75 800 857
 450W --- CUT LINE, LEAD PPB

337 HAUL ROAD, LEAD PPB

335

MINERAL SURVEY BRANCH

29-874

100 50 0 100 200 300 M
 SCALE 1:5000

MAGALLOY PROJECT

Cariboo M. D., B.C.
 NTS 093A. 023

FEATURE MAP
 FIG. 5

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