

ASSESSMENT REPORT

**Spectral Analysis and Ground Truthing
Of the
Dude and Tak Claim Group**

TEXADA ISLAND, British Columbia

For
Tenures: 502019
Of the Nanaimo Mining District

Prepared For:
NORTHSTAR MINING LTD.
FMC# 143663

**Event #
4253290**

Located on Map sheet
92F.059

Longitude: 49.611182°
Latitude: -124.266682°

Associated Minfile #s:

092F 059 (MAY); 092F 200 (CISCO); 092F 276 (MAY)
092F 327 (ANGEL); 092F 504 (LONG B); 092F 505 (DAVE'S); 092F 506
(FRISKY)

Associated ARIS (Assessment Report) file numbers:

07559; 09264; 10065; 13747; 14916; 16013; 17301; 17685; 18671 27799; 27551;
26690; 26582

Date: Dec 10 2008

By
Auracle Geospatial Science Inc.

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EXECUTIVE SUMMARY

In 2008 Auracle Geospatial Science Inc. was asked by NORTHSTAR MINING LTD. to carry out a Gamma Ray Spectrometer survey and prospecting program on its several of its mineral tenures on Texada Island British Columbia. The Dude Claim Group consists of Copper Molybdenum Gold prospects staked for their base metal and precious metal potential. In the preceding years spectral analysis and ground truthing were undertaken by the author on these tenures, as part of an ongoing program of geoscience data: compilation; integration and image fusion.

Geologically this area is widely underlain by Upper Triassic Karmutsen Formation Basaltic Volcanic rocks and narrow lenses of Limestone with intrusions of quartz diorite to granodiorite. Exploration work this year was carried out as a part of the Dude and Tak Groups Field Work Project on this tenure which is the largest contiguous tenure group within the project area. This is an area of coastal rainforest and steep terrain. This area is an excellent candidate for higher resolution airborne or ground grid Hyperspectral data collection, which has the potential to more clearly define these complex mineral occurrences. Of note are the lack of data regarding gold mineralization in the work conducted by Falconbridge in the 1970s and a noticeable lack of sample retention in drill core characterized as intersecting fracture zones. B. Bowen P. Eng.'s statement: "Falconbridge's drilling program represents an incomplete test of the porphyry potential of the Dude prospect" remains yet unanswered. Additionally the group's western extent includes an area of swampy wetlands which are upslope from the outcrop mineralization. There is no indication that this swampy zone has been closely examined in the past likely due to obvious access problems but may be suitable to soil probe analysis. Drill core from previous work and stored by Northstar requires resampling for Rhenium.

Auracle Geospatial Science Inc.

INTRODUCTION

In May of 2006 an area of prospective Copper Molybdenum Gold porphyry terrain was acquired by Northstar Mining Ltd. on the East Coast of Texada Island. Exploration in this area has been carried out since the mid 1970s by Falconbridge Nickel, Cariboo Gold, Rhyolite Resources Ltd., Carolin Mines Limited and Pathfinder Resources. Programs of Prospecting, Soil Geochemistry, Geophysics, and limited drilling have been conducted at various locations. With the acquisitions by Northstar of a more complete ground package, currently elevated base and precious metal prices, a decision was made to apply satellite spectral analysis to locate possible zones of alteration which may provide a basis for more intensive ground exploration. Work performed in 2007 by Auracle Geospatial Science Inc. in concert with J. Houle P. Eng. included spectral analyses and lineament interpretation which when integrated as a part of the planning process for the 2008 field season produced several general target areas which were followed with gamma ray spectral survey and prospecting. With elevated rhenium market interest and improved rhenium chemical analysis methodologies now available previously collected samples including drill core ought to be carefully considered.

LOCATION AND ACCESS (Figure 1)

The Northstar Dude and Tak claim groups are located 31 to 37 km south of the Town of Venanda on the east coast of Texada Island west by a government operated Ferry of the City of Powell River British Columbia. Crossing time from Powell River to Blubber Bay on the Northern end of Texada is approximately 25 minutes. Access to the site is along a secondary road from a smaller community of Gilles Bay. There is an airport approximately 20km north of the claim group at Gilles bay with daily scheduled flights to Vancouver and Qualicum Beach. There is a good network of roads accessing and crossing the claim group area including public roads and old and new logging roads. An improved BC Hydro Access road provides general access. This is an area of possible high winter snowfall and winter travel should be avoided. Four wheel drive transportation is recommended year round. A main electrical transmission line crosses the claim group presenting a relatively vegetation clear window. Texada Island enjoys an industrial economic base, featuring three operating limestone quarries. Tenure # 502019 is no longer accessible via the coast hydro reactor road, but must be accessed via the west logging road (figure2).

PHYSIOGRAPHY (figure3)

The topography of the area is rugged and mountainous. The mineral tenures cover and lie to the east of Mount Grant with steep slopes with moderately to deeply incised river valleys. Elevations range from sea level in the north east to about 700 meters in the highlands to the west.

This a coastal rainforest with dense vegetation consisting of replanted to larger Douglas fir, Hemlock, Balsam conifers, Alder deciduous trees, and thick salal underbrush. This location features a maritime environment with moderate to high rainfall.

MINERAL TENURE CLAIM STATUS

This exploration report encompasses 15 mineral claim cells out of the total 130 mineral cell claims held by Northstar in three separate claim blocks (tenures). All of the 15 cells are contiguous. Separate groups consisting of 15 cells (mineral tenure #502019) and 23 cells (mineral tenures: 516336 and 516341) are located south and east of this group. A list of claims is included in the **Confirmation Cover** to this document and a claim map is inserted as **Figure 2**.

PREVIOUS WORK (Extracts from Minfile and ARIS)

Mineral exploration work carried out on these several properties is reported in the British Columbia Ministry of Energy Mines and Petroleum Resources Minfiles numbered: 092F 059 (MAY); 092F 200 (CISCO); 092F 276 (MAY); 092F 327 (ANGEL); 092F 504 (LONG B); 092F 505 (DAVE'S); 092F 506 (FRISKY) and in the same ministry's exploration assessment reports file (**ARIS**) numbered: 7559; 9264; 10065; 13747; 14916; 16013; 17301; 17685; 18671.

Texada Island enjoys a lengthy and persistent mining history. In the 1900's copper gold skarns were mined at Venanda. A magnetite replacement deposit 3 km north of Gilles Bay was mined by Texada Mines Ltd. from 1952 to 1977. Three limestone quarries are currently in operation on Texada.

Past Work performed on the Adjacent Longbeach Claim is reported in **ARIS** files: 27799; 27551; 26690; 26582; 17658; and 13747. The Longbeach work consisted of geochemical sampling this sampling suggested a correlation between gold in soil values and proximity to the intrusive volcanic contact¹. Further work was to ascertain industrial mineral potential for Lehigh Northwest Cement Limited of the tenure's feldspathic sand and its suitability for cement raw materials.

The Dude mineral prospects were discovered as anomalous copper and molybdenum mineralization by local prospectors in 1969. The area was staked and subsequently optioned to Falconbridge Nickel Mines Ltd. Falconbridge conducted soil Geochemistry, ground geophysics, geological mapping and limited diamond drilling. Low grade copper was intersected and the option that they held was terminated in 1970.

A minor program of short hole drilling (11m maximum) was conducted by F. Brennan in the late 1970s without substantial success.

Northstar Mining staked the claim area and acquired additional cell claims from 2000 to present. Northstar's prospector Bob Duker assisted B. Bowen P. Eng. in an intensive geological mapping program in 2001.

2006 and 2007 work conducted by the Author included spectral image analyses, including mineral classification and lineament study together with historic data compilation and integration.

REGIONAL GEOLOGY (Figures 4 and 5)

The Northstar Mining Ltd. Dude and Tak Claim Group lie within a region of Texada Island underlain by the basaltic volcanic rocks of the Upper Triassic Karmutsen formation which have been variously described as porphyritic and narrow limestone lenses. Of interest are Diorite/Granodiorite intrusions. Metallic mineralization has been described as related to these intrusives. Chlorite, kaolinite, epidote, hematite and potassic alteration are reported to commonly occur near intrusive contacts.

EXPLORATION WORK 2008

FIELD WORK

This tenure was prospected on foot via two traverses as shown in figures 2, 3 and 4. While the work included sample collection, the samples were primarily representative of rock type and were not obviously metal mineralized samples. The traverses were planned to intersect zones of detected alteration spectra classified in the 2007 work by Auracle and to determine the best methods to proceed based on terrain, vegetation and site access.

RESULTS

6.8 kilometres of terrain was covered during two traverses. Rock samples were collected at outcrop for future SWIR analysis. Terrain was densely covered in vegetation and not amenable to ATV borne work. There was no obvious surface expression of the target mineralization encounters during the site work.

CONCLUSIONS

The area, while quite rugged is amenable to further work and seems to be in a region of possible future development. This area seems to be underexplored at present. Spectral analysis has identified areas of interest that should receive more intensive ground based follow up. Ground based gamma ray spectrometry or high resolution geophysics are recommended to further evaluate the potential of this zone within the Dude Group.

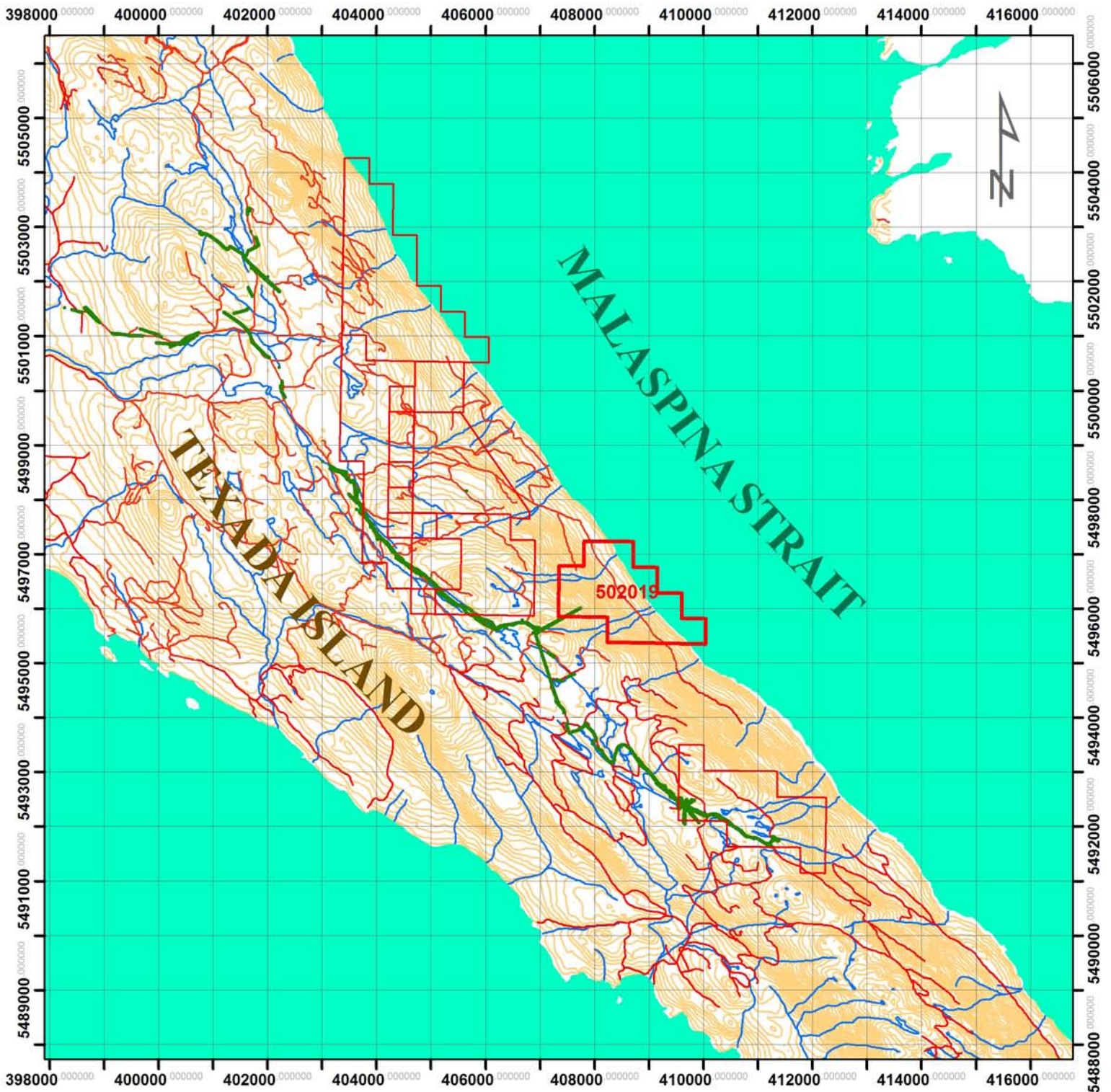
STATEMENT OF WORK

The Exploration Field Work was carried out by Auracle Geospatial Science Inc. between March 1st 2008 and December 1st 2008. Site work took place on March 28th, and resumed on October 27th to October 28th 2008.

While the actual cost of the work exceeds the amount (please see appendix I) applied to this assessment report, it agrees with the budget allowed to complete the work and is reduced from an aggregate total of \$4079.19 to an applied total of \$2500 for this tenure only in accordance with a lump sum agreement for the conduct of the work.

Filing fees amount to \$125.60.

ⁱ J. Shearer M.Sc., P. Geo. Assessment report on the Long Beach Claims ARIS #27799

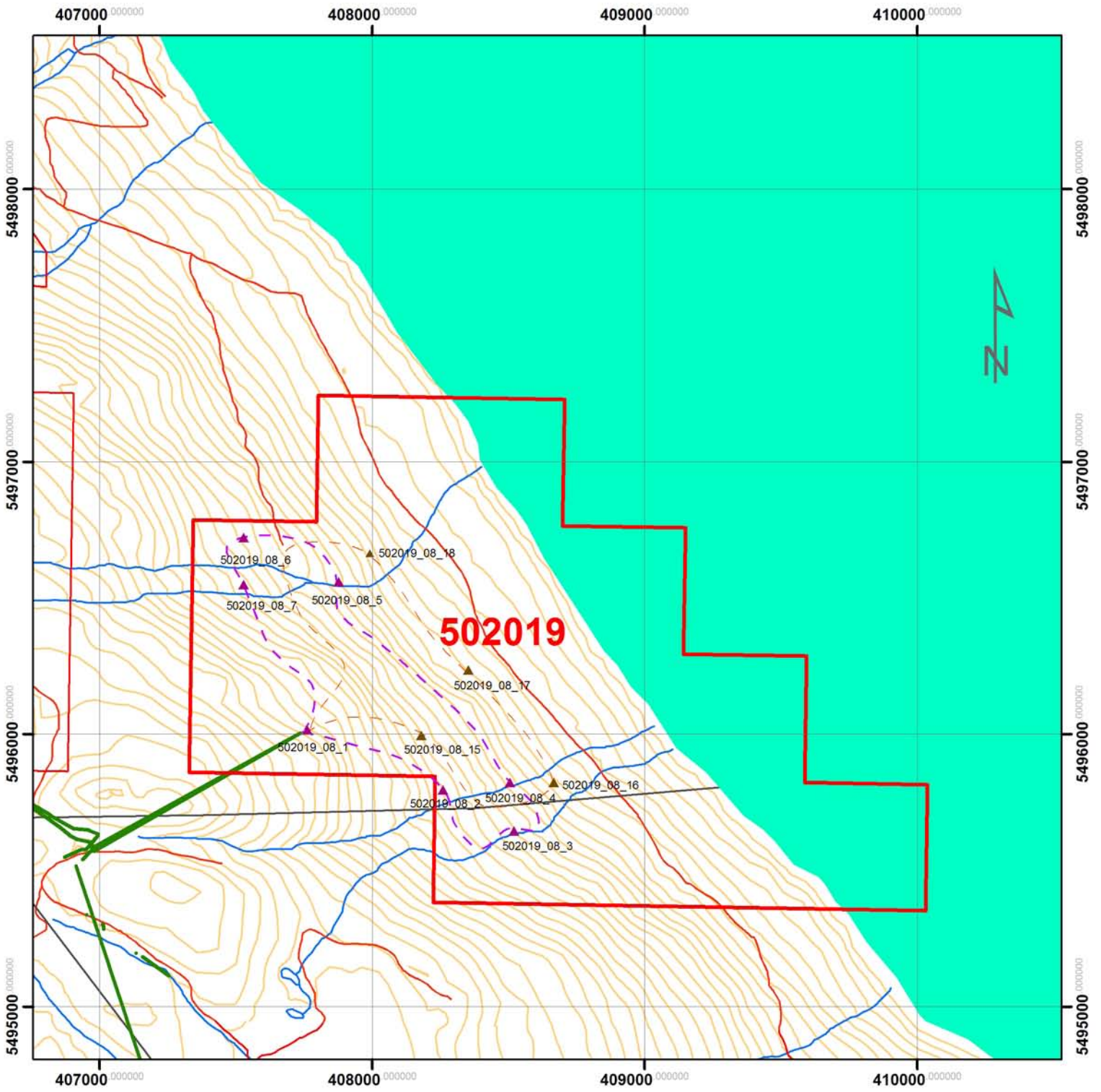


NORTHSTAR MINING LTD.
 TEXADA ISLAND
 DUDE GROUP Tenure #502019
 Location and Road Access

Legend

- tctrl
- troad
- trivr
- tlake

Datum WGS 84 UTM 10N



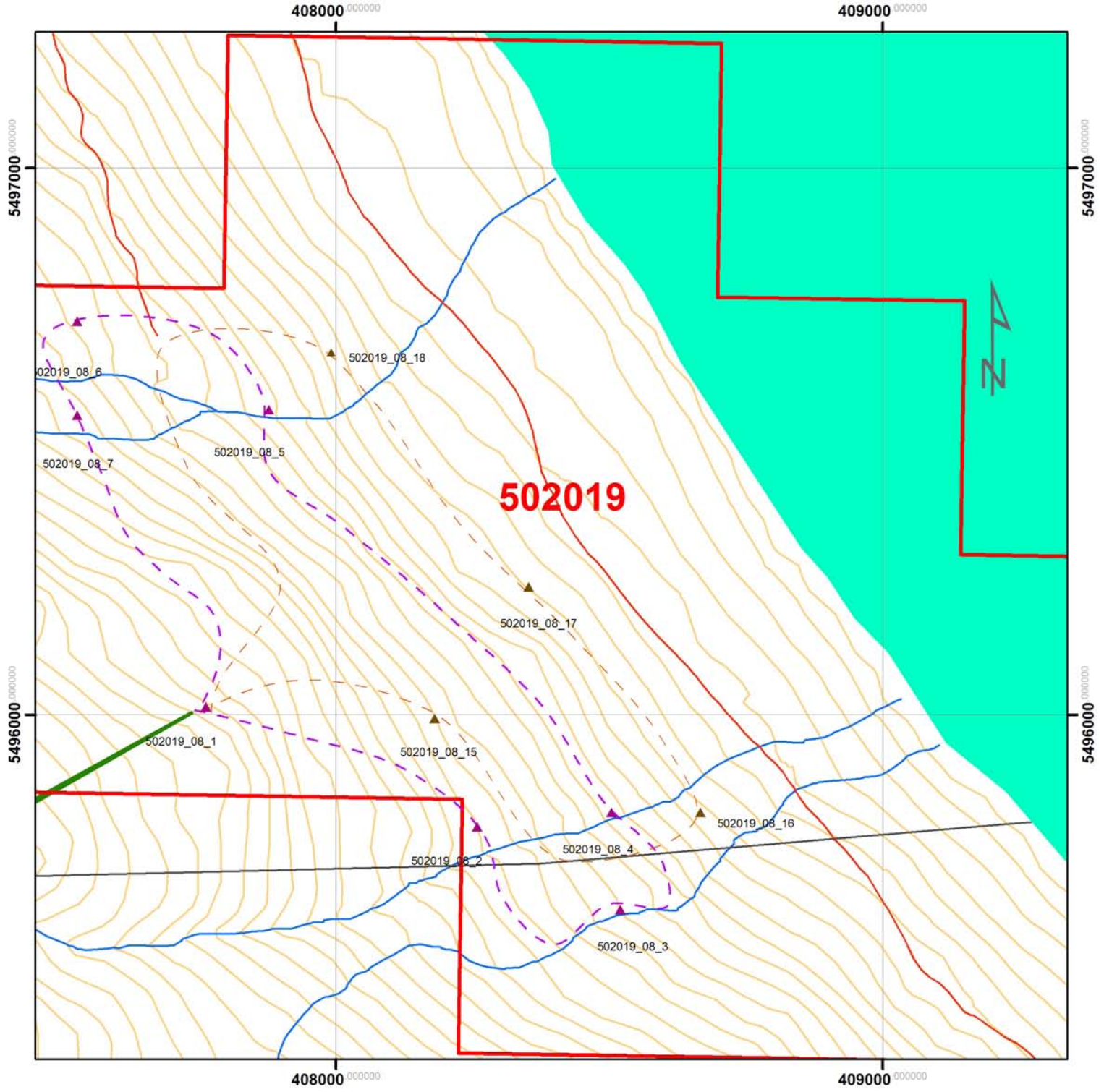
502019



1:20,000
 NORTHSTAR MINING LTD.
 TEXADA ISLAND
 DUDE GROUP Tenure #502019
 Tenure access and Traverses

- Legend**
- tctrl
 - troad
 - trivr
 - tlake
 - Road Access

Datum WGS 84 UTM 10N











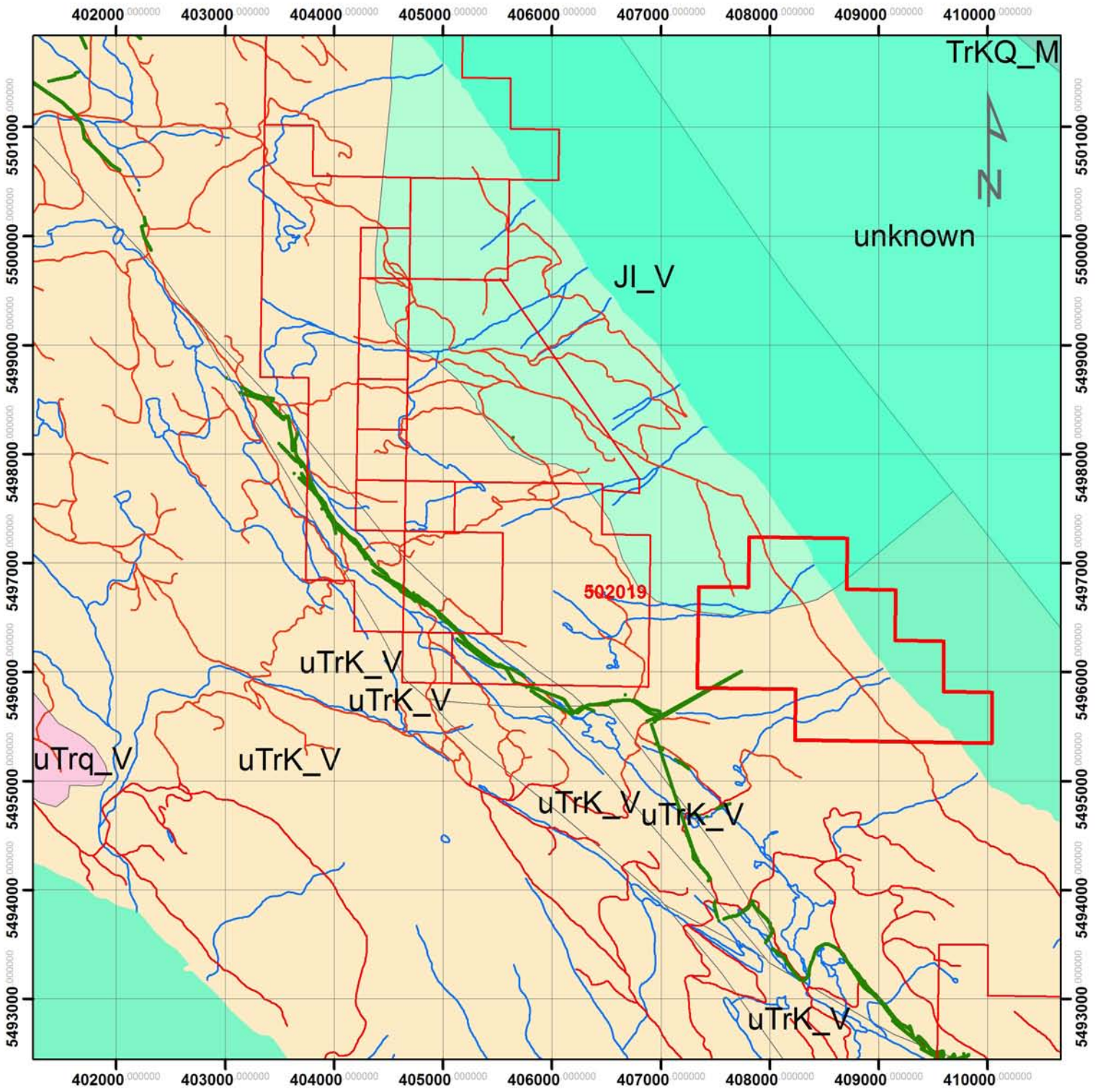
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NORTHSTAR MINING LTD.
TEXADA ISLAND
DUDE GROUP Tenure #502019
Tenure access and Prospecting Traverses

Datum WGS 84 UTM 10N

Legend

-  tctrl
-  troad
-  trivr
-  tlake
-  Road Access
-  Traverse2
-  Traverse1
-  Collection pts



2,500 1,250 0 2,500 Meters

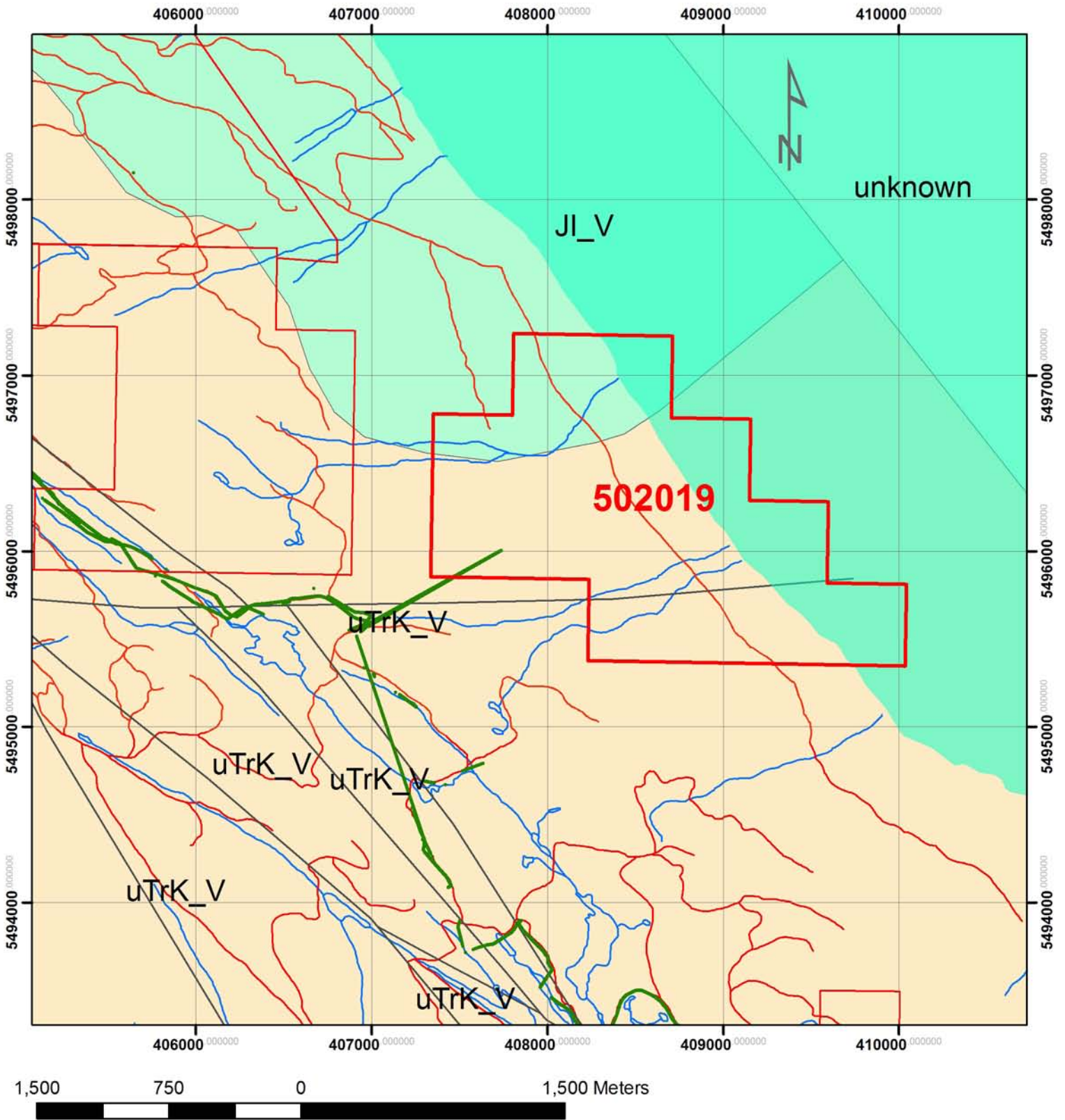
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NORTHSTAR MINING LTD.
 TEXADA ISLAND
 DUDE GROUP Tenure #502019
 Regional Geology

Legend

- troad
- trivr
- tlake

Datum WGS 84 UTM 10N



1:30,000

NORTHSTAR MINING LTD.
 TEXADA ISLAND
 DUDE GROUP Tenure #502019
 Regional Geology

Legend

- troad
- trivr
- tlake
- Road Access

Datum WGS 84 UTM 10N

SW BC

DUDE Group Project	Tenure#502019						
2008Work Budget							
Project Area:	Texada						
Cost Categories	Type	Description	Units	Rate	number	Qty	extended
Personnel							
	Project Manager		\$/Day(8hr.)	\$550.00	1	2	\$1,100.00
	QP		\$/Day(8hr.)	\$650.00	1	0	\$0.00
	Field Assistants		\$/Day(8hr.)	\$350.00	1	2	\$700.00
	Other		\$/Day(8hr.)				
Travel							
	Lodging	R and Board	\$/Day/Person	\$100.00	3	2	\$600.00
	Lodging Short Stay	R and Board QP	\$/Day/Person	\$100.00	1	0	\$0.00
	Meals	travel meals	\$/Day/Person	\$30.00	2	1	\$60.00
	Vehicle		\$/Kilometre	\$0.42	1	280	\$117.60
	Fuel	Unimog				1	\$1.00
	Fares	Ferry Powell River		\$132.30	2	0.1	\$26.46
		Ferry Texada		\$66.95	1	0.1	\$6.70
		Ferry Pass PR Return		\$11.05	2	0.1	\$2.21
		Ferry Pas Tex		\$4.10	2	0.1	\$0.82
Misc Costs							
	Materials						
	Supplies						
	Misc.						
Communications							
	Satellite		\$/Week	\$30.00	1	0	\$0.00
	Sat Phone		\$/month	\$275.00	1	0	\$0.00
	Radio		\$/Week				
Field Equipment Rental							
	Unimog		\$/Day	\$200.00	1	2	\$400.00
	Generator		\$/Week	\$250.00	1	0.42	\$105.00
	Dryer heater		\$/Month	\$98.00	1	0	\$0.00
	ATV		\$/Day	\$100.00	2	0	\$0.00
	Aircraft	J Ranger	\$/Hour				
		Mob & Demob fuel inc	\$/Minute	\$18.89	150	0	\$0.00
		Daily fuel inc	\$/Minute	\$378.00	4	0	\$0.00
		L Ranger					
Tech Equipment Rental							
	Computer		\$/Day	\$25.00	1	0	\$0.00
	CDGPS		\$/Day	\$30.00	1	0	\$0.00
	Gamma Ray Spectrometer		\$/Week	\$500.00	1	0	\$0.00
	SWIR Spectrometer		\$/Week	\$850.00	1	0	\$0.00
Sampling equipment Rental							
	Soil Probe	portable	\$/Week	\$1,550.00	1	0	\$0.00
	Tips	wet cutting	\$each	\$144.19	1	0	\$0.00
	Core Tubes	36" clr vinyl	\$ per set of	\$26.75	2	0	\$0.00
Sample Analysis							
	Sample prep						
	Drying	onsite	\$/week				
	Sample Bags		\$each	\$0.30	8	1	\$2.40
	Chemical analysis	Uassay	\$perSample	\$12.15	0	5	\$0.00

Statement of Qualification

I, David J. McLelland, do hereby certify that:

1. I am a Principal in:
Auracle Geospatial Science Inc,
325 Dorset Road Qualicum Beach,
British Columbia, Canada V9K 1H5
2. I am a post graduate student of Earth and Environmental Science and have completed the postgraduate certificate in applied and theoretical GI Science at Simon Fraser University. I was awarded a Master of Science with Distinction for studies in GI Science and remotes sensing from Manchester Metropolitan University.
3. I have completed the B.C.I.T. B.C.Y.C.M. Mineral Exploration program, and Completed the B.C.I.T.1 B.C.Y.C.M. Advanced field School.
4. I am the Project Manager and I am responsible for the collection and management of data and execution of analysis.
5. This report was prepared on behalf of Auracle Geospatial Science who has been engaged by Northstar Mining Ltd. to complete a work program on these properties.
6. I have no material or financial interest in the subject properties or the companies that own them.
7. This report has been prepared in accordance with generally accepted Scientific Principles and is based upon the best information available at the time of preparation. I am not aware of any material fact or material change with respect to the subject matter of the report that is not reflected in the report.

Date: Dec 1 2008
Qualicum Beach, British Columbia

David McLelland