

**2006 ASSESSMENT REPORT
ON THE
KENO LIGHTNING PROPERTY**

Homestake 1-5 (YC38987-YC38991), Homestake 6-26 (YC39474-YC39494),
Homestake 27-32 (YC39564-YC39569), Homestake 33-36 (YC39890-YC39893),
Maja 1-8 (YC38992-YC38999), Maja 9-13 (YC39004-YC39008),
Maja 14 (YC39009), Maja 15-24 (YC39878-YC39887),
Murray 1-4 (YC39000- YC39003), Murray 5-11 (YC39963-YC39969)
Ski 1-42 (YC39009-YC39050), Ski 43-46 (YC39051-YC39054), and
Ski 47-48 (YC39888-YC39889)

**NTS 105-M-14
LAT. 63 54'N, LONG. 135 11'W
MAYO MINING DISTRICT**

**FOR
MATTHIAS BINDIG
BOX 15
KENO CITY, YUKON
Y0B 1M0**

**BY
JIM McFAULL B.Sc.
EXPLORATION GEOLOGIST
FEB. 15, 2007**

PERIOD OF WORK SEPT. 9-22, 2006

TABLE OF CONTENTS

INTRODUCTION.....	1
LOCATION & ACCESS.....	1
PHYSIOGRAPHY.....	2
PROPERTY & CLAIM STATUS.....	3
GEOLOGY, MINERALIZATION & HISTORY OF WORK.....	3
2006 WORK PROGRAM.....	7
RECLAMATION PROGRAM	
• FAITH SHAFT.....	8
• CARIBOU ADIT.....	9
PROSPECTING, BLASTING AND SAMPLING PROGRAM	
• HOMESTAKE SHOWING.....	9
• SILVER BASIN SHOWING.....	10
• DUNCAN & CARIBOU SHOWINGS.....	11
SAMPLING PREPARATION AND ANALYSIS.....	11
CONCLUSIONS.....	11
REFERENCES.....	13
STATEMENT OF QUALIFICATIONS.....	14
STATEMENT OF COSTS.....	15
SILVER BASIN SHOWING GPS SURVEY POINTS.....	16

INTRODUCTION

Between September 9 and 22, 2006 a one or two man crew carried out assessment work on the Keno Lightning property. The first part of this program involved environmental reclamation work under the aegis of the D.I.A.N.D. Waste Management Program. This work consisted of infilling of the Caribou Adit and the Faith Shaft by hand methods.

The second part of the assessment work program involved the prospecting, and /or blasting of outcrops, and sampling of the Homestake, Silver Basin, Duncan, Caribou and Faith silver vein prospects.

A total of 27 samples were taken from these prospects and 26 sent for assay. At the time of the writing of this report, the assays had not been returned from the assay lab due to delays caused by increased assay business from the mining industry.

The Keno Lightning property belongs to Mr. Matthias Bindig of Keno City, Y.T. This assessment work program was carried out by Mr. Bindig with the assistance of Mr. Kelly Benson. The program totaled 25 mandays of work.

This report is compiled from information supplied to this writer by Mr. Bindig, plus information from the references and publications listed in this report and from the writer's 30 years experience exploring the Keno Hill mining camp.

LOCATION & ACCESS

The Keno Lightning property is located 350 km northeast of Whitehorse and 4 to 8 km east of Keno City, in the central Yukon Territory. The claims are located on the eastern end of the summit of Keno Hill and the northern slope of Bunker Hill and the flanks of both hills down to Lightning Creek. This creek runs between the two hills. The creek is the headwater of Duncan Creek, the Mayo River and the Stewart River, which is a major tributary of the Yukon River.

Mayo is located 50 km southwest of Keno Hill and is the main service and supply center for this district. It is connected to Whitehorse by an all-weather highway and to Keno by an all-weather gravel road. From Keno City a number of two wheel drive gravel roads and four wheel drive mining roads and ATV accessible "cat trails" provide good access to all of the prospects on the Keno Lightning property, during summer months.

The town of Mayo has a population of approximately 400 and has a gravel airstrip suitable for medium sized aircraft (DC-3 etc.). A helicopter base is also located there. Mayo's service and supply facilities include police, medical clinic, grocery store, hotels, restaurant and fuel supply. Some heavy equipment is available for contract mining work.

Keno City has a population of approximately 25 and has a coffee shop and cabins for rent.

The Keno Lightning property is part of the historic Keno Hill silver mining camp, which has produced in excess of 220 million ounces of silver between 1919 and 1989. The silver camp is surrounded to the north, west and south by the Mayo Lake/Dublin

Gulch placer gold mining camps. These creeks have been producing placer gold since the late 1880's and are still being mined.

The Homestake showing is located 4 km due east of Keno City. It is accessed by gravel road from Keno City, up Lightning Creek to the mouth of Thunder Gulch. A 4 x 4 road branches off the Lightning Creek road and runs 2 km up the north slope of Bunker Hill to the Homestake mine workings. The main Lightning Creek road carries on eastward from Thunder Gulch along Lightning Creek and accesses the northern part of the Homestake claims between Hope and McNeil Gulches.

The main Lightning Creek road has a second junction at the mouth of Hope Gulch with a 4 x 4 road that runs northward up Hope Gulch on the southern slope of Keno Hill and then turns eastward to the Ski claims and the Faith showing.

A second 4 x 4 trail branches off the Hope Gulch road and runs northward up the south slope of Keno Hill to the Caribou Hill summit and the Caribou and Duncan showings on the Murray claims.

The Silver Basin showings are accessed from Keno City via the two-wheel drive road up the southwest flank of Keno Hill to the "Signpost" located next to Minto Hill, which is the summit of Keno Hill. From the "Signpost" a 4 x 4 trail runs into the Silver Basin showings on the Murray claims, in the cirque headwall of Silver Basin Gulch.

PHYSIOGRAPHY

The Keno Lightning property is located on Keno and Bunker Hills in the northeastern part of the Yukon Plateau.

These hills are located on the western flank of the Wernecke Mountains, which make up part of the western flank of the Rocky Mountains.

Elevations within the claim area range from 1300 m A.S.L. at the Homestake showing to over 1750 m A.S.L. at the summit of Caribou Hill. Total relief in the area approaches 1000 m from the valley floors to the summits.

The terrain is mountainous and north slopes can be precipitous cirque headwalls. Southern slopes are less steep. Ridge tops can be sharp and narrow or broad and open.

Tree line is located near 1300 m A.S.L. and the upper slopes are alpine tundra with poorly developed soil, talus, grasses and moss cover. "Buckbrush" willows are common in the sheltered areas.

Below tree line, dense stands of black spruce are widespread. Poplar and alder are common on south facing slopes and as second growth where the spruce has been burned or logged out.

Outcrop is uncommon in this area and would constitute less than 1% of surface overall. The exceptions are gulches and cirque headwalls, particularly on north slopes. In the remaining areas the primary source of geological information is float rock that has been frost-heaved to surface through the overburden cover. Below tree line there is

extensive glacial till cover which deepens downslope to depths in excess of 100 m on the floors of the major valleys.

The claim area is also in a region of permafrost, which reaches depths up to 150 m on Keno Hill. This causes problems for prospecting in that the frozen ground masks soil geochemical responses from bedrock and also transports soil downslope by solifluction.

This transports soil geochem anomalies downslope as well. The frost also inhibits trenching by hand or machine.

PROPERTY & CLAIM STATUS

The Keno Lightning property is comprised of 119 Yukon Quartz Mining claims, held by annual grant. These claims are included in the present assessment filing.

The area covered by these claims is 2300 hectares. The claims are located and filed in the Mayo Mining district, and are located on map sheet NTS 105-M-14. The current ownership is 100% to Mr. Matthias Bindig.

The 2006 assessment work program was carried out on the claims listed in Table 1 below.

TABLE 1 CLAIMS WORKED ON IN 2006

Homestake 2	YC38988	Homestake showing
Homestake 6	YC39474	Homestake showing
Murray 1	YC39000	Duncan showing
Murray 2	YC39001	Duncan showing
Murray 3	YC39002	Caribou Adit
Murray 5	YC39963	Silver Basin showing
Murray 6	YC39964	Silver Basin showing
Murray 7	YC39965	Silver Basin showing
Murray 8	YC39966	Silver Basin showing
Murray 9	YC39967	Silver Basin showing
Murray 10	YC39968	Silver Basin showing
Murray 11	YC39969	Silver Basin showing
Ski 30	YC39038	Faith Shaft

GEOLOGY & MINERALIZATION & HISTORY

The Keno Hill-Galena Hill area is underlain by Yukon Group metasedimentary rocks (Boyle, 1965). These rocks have been divided locally into three formations (Watson, 1986); Upper Schist, Central Quartzite and Lower Schist. Conformable greenstone horizons (metamorphosed diorite or gabbro) occur as lenses or sills. The Upper Schist consists of quartz-mica schist, quartzite, graphitic phyllite and calcareous schist and minor limestone. The Central Quartzite contains thick and thin-bedded quartzite, massive quartzite, graphitic phyllite and schist and calcareous schist. This unit is up to 700 m in thickness and hosts many of the principal silver deposits of the camp. The Lower Schist includes graphitic schist, argillite, thin-bedded quartzite, calcareous

schist, phyllite, slate, sericite schist and minor quartzite. These units strike east-west and dip 20 to 30 degrees south. Silver-lead-zinc lode deposits are hosted by a series of faults which strike north-east and dip steeply south-east. These vein faults show left lateral movement with offsets of up to 150 meters and range in width from 0.3 meters to over 30 meters. The mineralized vein faults are offset by two types of unmineralized faults. Cross faults strike north-west and dip 40 to 60 degrees to the south-west. Bedding plane thrust faults are the second type of fault. Both types show some evidence of post-ore movement.

The Keno Hill-Galena Hill camp produced silver from 1914 until 1989. Total production was approximately 4.54 million tonnes with an average grade of 1412 g/t silver, 6.84% lead and 4.60% zinc (Watson, 1986). Over 65 deposits and prospects have been recognized in the district. The main lode deposits occur within the Central Quartzite where fracturing of competent rock has produced open spaces for mineral deposition. Where vein faults pass into less competent rock units they become narrow and poorly mineralized. Ore zones also occur in other competent rock types in the Lower Schist such as greenstone horizons. Vein faults can occur as simple veins, breccia zones or sheeted zones. Simple veins consist of siderite gangue, with occasional quartz and discontinuous bands of silver bearing sulphides. Breccia zones consist of angular rock fragments (quartzite, phyllite, greenstone) in a matrix of siderite, commonly with some quartz. Sheeted zones have slabs of greenstone separated by narrow fractures filled with breccia or gouge. Breccia fragments and slabs are cemented by siderite, sulphides and some quartz. The principal gangue mineral is siderite. The main ore minerals are argentiferous galena, argentiferous tetrahedrite (freibergite) and pyrargyrite (ruby silver). Polybasite, stephanite, argentite and native silver are silver-bearing minerals that occur locally in minor amounts. Other ore minerals such as sphalerite, chalcopyrite and lead sulphosalts (jamesonite, boulangerite etc.) are present in varying amounts. Pyrite, arsenopyrite and barite occur in many veins.

Two stages of vein mineralization have been recognized in the district. The first stage deposited quartz, pyrite and some arsenopyrite with trace gold and some sulphosalts in the vein faults. A second stage deposited siderite, galena, sphalerite, pyrite, freibergite and pyrargyrite. Several writers have described district-wide metal and mineral zoning patterns (Franzen, 1986; Lynch, 1986; Tessari and Sinclair, 1980).

HOMESTAKE SHOWING

The Homestake showing was staked in 1920. Between 1928 and 1931 a 26.8 m shaft and 28.4 m of drifts were completed. This work was summarized by Cockfield (1930) as work consisting "of two open cuts and a shaft 43 feet deep with a drift 15 feet long in a southerly direction from the bottom of the shaft. The shaft at the time of the writer's visit was filled with water to within 6 feet of the surface, so that very little of the vein could be seen. The strike of the vein is approximately north 30 degrees east astronomic, and the dip 70 degrees to the southeast. It is reported that at the bottom of the shaft the vein had a width of 7 feet; composed of a little over 3 feet of siderite, and somewhat over 2 feet of shattered quartzite with siderite, followed by 1 foot of siderite with streaks of the ore minerals through it. South in the drift the vein narrowed to 5 feet, and was about half siderite and half country rock; towards the end of the drift the siderite

appeared to pinch out. The siderite is coarsely crystalline with blebs and streaks of galena and grey copper in it. To the north of the shaft a width of 4 feet of siderite was encountered in an open cut, and still farther to the north a second open cut, which had not reached bedrock, showed heavy siderite float. Further surface prospecting is desirable on this property, before underground work is undertaken, but prospecting is difficult, as the overburden is about 12 feet thick.”

Bostock (1938) reported; “that some years ago a few tons of galena ore running 200 ounces of silver per ton were shipped from the property and that there is a good showing of galena ore believed to be a good mill ore. Some float found on the property carries over 7,000 ounces of silver to the ton.”

Extensive bulldozer trenching in 1962-64 by United Keno Hill Mines (UKHM) was completed. Additional trenching was done in 1966 and 1974. In 1967, Hecla Mining Company of Canada Ltd. carried out 107 m of cross-cutting and 147 m of drifting and 203 m of underground drilling in 4 holes.

This exploration work discovered two types of veins on the Homestake property. A longitudinal vein has been explored for over 90 m on surface; mineralization consists of lenses of arsenopyrite and galena in quartz carbonate gangue. Lenses rich in arsenopyrite have assayed up to 102.9 g/t gold over narrow widths. A transverse vein was exposed over a 30 m length by bulldozer trenching in 1966; mineralization consists of tetrahedrite and galena in carbonate gangue, with reported assay values up to 1,131.4 g/t silver.

The Homestake claims cover a portion of the headwaters of Lightning Creek. This creek is a historically mined placer gold creek. Large rough gold nuggets with vein quartz attached are common in these placer mines.

The Homestake veins are located near the stratigraphic center of the main Keno Hill quartzite host rock and should have excellent potential for ore shoot development on strike in both directions and down dip for a considerable distance.

FAITH SHOWING

On the Faith Vein showing a vein fault has been prospected by several open cuts. This vein fault strikes about N70W through quartzites and phyllites and contains a few small pods of siderite and galena, limonite, cerrusite and anglesite. Prismatic quartz crystals up to 2 inches long are locally present. No ore shoots have been found on this showing to date.

The Faith showing was first explored in 1920, by Yukon Gold Corp. A shaft and drifts totaling 25.6 m were completed at that time. A total of 11.3 tons of hand picked ore were shipped to area mills in 1923. Assays up to 7,312.9 g/t Ag have been reported from this property.

Exploration resumed in 1960 with additional hand trenches and a 7.6 m inclined shaft with 18 m of drifting on the vein. Between 1963 and 1979 several more bulldozer trenches were excavated. The shaft has since collapsed.

The trenches on the Faith showing exposed greenstone, thin-bedded quartzites and carbonaceous phyllites. Mineralization was reported to include quartz siderite veins with some galena, tetrahedrite and pyrite.

CARIBOU SHOWING

The Caribou showing is located near the summit of Caribou Hill, near the eastern end of Keno Hill. It was located in 1919 and a 13.7 m adit with 40.2 m of drifting were driven prior to 1928. A total of 78.9 tons of ore grading 6,103.9 g/t Ag and 70% Pb were hand-mined and shipped to the nearby Treadwell Yukon mill during that time.

In 1952 UKHM drove an 8.2 m adit and surface trenched on the property.

In 1986 Dawson Eldorado Mining Ltd. trenched and sampled the vein and reported assays up to 8,571.2 g/t Ag over 0.3 m.

These workings exposed a vein striking S45E and dipping 72NE. The vein was 5 feet wide. Mineralization consisted of 5 to 8 inches of galena in a gangue of carbonates, oxides and quartz. The outcrop was traced along the northern slope of Caribou Hill. A considerable body of disseminated ore was found below the intersection of the Caribou Vein with a flat-dipping vein.

On the dumps there is an abundance of limonite, wad, cerrusite, oxidized siderite, galena, some freibergite and a little brecciated quartz.

SILVER BASIN SHOWING

The Silver Basin showings were staked in 1919 and explored by hand trenches and open cuts and a short adit, up to 1927. Rio Plata, in 1963-1973 and Dawson Eldorado in 1986 performed trenching and soil geochemical sampling.

Assays range from 171.4 g/t Ag and 13.7 g/t Au over 0.5 to 2.5 m.

The showings consist of a number of narrow vein faults striking N50E to N75E, which are associated with a second set of vein faults striking N50W to N25W.

The veins are located on the west side of Silver Basin Gulch. A main longitudinal fault striking N30E and dipping 65SE crosses the property. This vein has typical quartz arsenopyrite mineralization with some galena.

Four transverse faults intersect the main longitudinal fault and then pass up section from the quartzites into schists. This is a classic Keno Hill camp "schist cap" ore trap with an additional Keno Hill "vein intersection" ore trap and presents an excellent prospecting target.

The No.1 Vein was opened up by the adit. The vein strikes N67E and dips 60SE. The vein cuts quartzite but shortly passes up section into schists. Mineralization is typical galena in siderite with freibergite. One small ore shoot was cut in the adit.

The No.2 Vein strikes N74E and dips 37SE. It is exposed in a small open cut northeast of the adit. The vein width there is 1 foot. Mineralization is mainly quartz arsenopyrite with minor galena.

The No.3 Vein is exposed in several open cuts at the top of the quartzite band and a short distance below a sill of quartz porphyry. Strike and dip of the vein are variable but averages N48E/75SE. Mineralization is similar to the No.1 Vein.

The No.4 Vein is one of the most important on the property. It is exposed in a series of open cuts near the eastern boundary of the claims and has a width of 4 feet. The vein strike is N23W and dip is 50SW. The mineralization is quartz, galena, siderite and freibergite. This vein has been traced over 100 feet by open cuts. The ore is disseminated.

The No.5 Vein is located 150 feet east of the No.3 Vein, above the quartz porphyry sill. It is partly exposed in an open cut with a width of 8 feet, and is mineralized with quartz, arsenopyrite, galena, freibergite, siderite, barite and occasional flakes of native silver. It is cut off in the open cut by a steep dipping normal fault with a small offset.

In 1952 Yukeno Mines Ltd. extended the adit but failed to find any ore.

The longitudinal veins on the Silver Basin showing may be the northeast extension of the Shamrock/Gambler or Faro Gulch No.1 Vein systems. Both of these were well mineralized and have potential as ore bearing structures.

DUNCAN SHOWING

The Duncan showing was first staked in 1919. From then until 1923 a 14 m shaft and 12 m of drifting were driven. The shaft was located on the steep north-facing cirque headwall of Silver Basin Gulch, approximately 90 m below the rim. A total of 11.8 tons of ore grading 25,462 g/t Ag and 22%Pb were shipped to area mills.

Bulldozer trenching was performed in 1946, 1962 and 1989. In 1952, Yukeno Mines Ltd. optioned the Duncan showing.

None of the veins on the showing were traced far and strikes and dips were uncertain. One vein appears to strike N35E and is steeply dipping.

Vein material on the dumps is limonite, wad, siderite, galena and freibergite. Wall rocks appear to be mostly dark carbonaceous phyllites, which are not good host rocks for vein development.

Most of the veins on the Duncan showing appear to be of the transverse type, lying between longitudinal vein faults that appear to be the northeast projections of the Porcupine-Kinman-Gold Hill No.2 Vein and the Main Fault-Nabob-Ladue Fraction Vein.

2006 WORK PROGRAM

Reclamation work was completed on the Caribou Shaft and the Faith Shaft between Sept.9 and 17, 2006.

This reclamation work was required by D.I.A.N.D. Waste Management. They had identified these old, open and unguarded shafts as human safety risks during their Keno Valley/Dublin Gulch Mine Site Assessment study.

THE FAITH SHAFT

The Faith Shaft is located on claim SKI 30 (YC39038) at UTM grid 08V 0493774/7090178, on the south side of Faith Creek.

An overgrown “cat” trail was manually brushed out for ATV access to the mine site from the main 4 x 4 mining road-the Hope Gulch trail, which branches off the Lightning Creek road.

The original 1920’s shaft was located on a 50 degree hillside and measured 2 m x 2 m and was 6 m deep. The shaft was exposed on the downhill side by hand mucking rubble using picks, shovels, scaling bars, pry bars, “swede” picks and sledgehammers.

Bedrock and overburden were removed in 3 benches to provide a safe and stable platform to work from.

Six rock samples were taken from the old shaft before it was sealed.

Once cleared, the shaft timbers and head frame were removed using ropes and a winch. The removal of these timbers caused the surrounding overburden and waste rock to collapse into the shaft bottom. This closed the shaft and sealed the shaft to public access to the underground workings.

The timbers were piled on the bench below the shaft.

The work was carried out from Sept.11 to 17, 2006 by M. Bindig and K. Benson for 7 x 2 = 14 mandays.

The six rock samples taken were numbered F001/06 to F006/06 and subsequently labeled 84274-84275 and 72186-72188 for assay.

F001/06 was not assayed.

F002/06 (assay #84274) was taken from the Faith Shaft on the hangingwall of the vein close to the wall contact. It consisted of quartz mica schist with some carbonaceous folia and quartz veins 1-2 cm wide with minor pyrite.

F003/06 (assay #84275) was taken from the Faith Shaft on the footwall of the vein close to the wall contact. It consists of blocky quartz mica schist with carbon folia and thin bands of quartz and vuggy quartz veins with minor pyrite.

F004/06 (assay #72186) was taken from the Faith shaft as a grab sample of dark schist with coarse, vuggy quartz veins with sphalerite, pyrite and small quartz prisms in the vugs.

F005/06 (assay#72187) was taken from the Faith Shaft as a grab sample of blocky, rusty weathering schist with fractures with quartz veins and trace pyrite with sericitic alteration of the schist.

F006/06 (assay#72188) was taken from the Faith Shaft as a grab sample of glassy, brown weathering quartz vein in schist with open spaces and limonite.

Assays of these samples are pending.

THE CARIBOU ADIT

The Caribou Adit is located on the MURRAY 3 (YC39002) claim at UTM grid 08V 0492742/7090981, on the top of Caribou Hill at the eastern end of Keno Hill.

It is accessible from Keno City by the Lightning Creek road and the Hope Gulch trail using ATV's.

Most of the old adit was caved in during extensive stripping and bulldozer trenching work in the 1950's. An unstable 2 m x 3 m x 10 m adit remained open.

As with the Faith Shaft, hand tools including scaling bars, pry bars, picks, shovels and sledgehammers were used to backfill the mine opening. Several short holes were also drilled into the already unstable roof of the adit to loosen up the bigger pieces of rock. Sledgehammers were then used to break these boulders up into manageable size. Scaling bars were used to collapse part of the adit roof into the adit. By this means the adit opening was completely closed and sealed from public access.

This work was completed on Sept.9 & 10, 2006 by M. Bindig and K. Benson for a total of 2 x 2= 4 mandays.

Hard hats, steel-toed boots and eye protection were used at all times on this project. Since only hand tools were used- no Land Use permits were required.

This completed the reclamation phase of the 2006 Assessment Work Program on the Keno Lightning property.

2006 PROSPECTING, SAMPLING, MAPPING AND BLASTING PROGRAM

The second phase of the 2006 Assessment Work program consisted of prospecting, mapping, sampling and blasting on the Homestake, Silver Basin, Caribou and Duncan showings. This work was completed from Sept.18-22, 2006 by M. Bindig and/or K. Benson for a total of 7 mandays.

THE HOMESTAKE SHOWING

The Homestake vein was prospected around the eastern end of Trench no.1 on the Homestake 2 and 6 claims (YC38988 & YC39474). M. Bindig and K. Benson spent Sept. 18 & 19, 2006 drilling 4 foot blast holes into the eastern end of Trench No.1. Three separate blasts were completed and approximately 20 cubic meters of wall rock and vein material were moved.

Ten rock samples were taken from this target. Two of the blast holes' cuttings were sampled as sample numbers HS Core A/06 (assay #72197) and HS Core B/06 (assay #72198) from (respectively) the west end and east end of Trench No.1. These samples were collected after the second blast.

Eight additional rock samples were taken from Trench No.1 as HS001/06 to HS008/06.

Sample HS001/06 (assay #72199) was a grab sample taken below the vein and was comprised of quartz veining in schist with open spaces, limonite, siderite and minor galena.

Sample HS002/06 (assay #72200) was a grab sample taken below the vein and comprised of quartz veining with limonite and very fine-grained galena (locally known as “steel” galena).

Sample HS003/06 (assay #71942) was a grab sample taken below the vein and comprised of quartz veining with abundant dark, fine-grained sphalerite with some surface limonite.

Sample HS004/06 (assay #71943) was a grab sample taken of the vein after the first blast. It was comprised of quartz veining in contorted, bleached quartz mica schist with limonite after pyrite cubes.

Sample HS005/06 (assay #71944) was a grab sample of vein material taken after the second blast. It was comprised of quartz veins in schist with calcite, pyrite and limonite.

Sample HS006/06 (assay #71945) was a grab sample of vein material taken after the third blast. It was comprised of quartz veins with small pyrite cubes, tetrahedrite (?), sphalerite and calcite.

Sample HS007/06 (assay #71946) was a grab sample of vein material taken after the third blast. It was comprised of quartz vein in quartzite or quartzose schist with pyrite cubes and limonite.

Sample HS008/06 (assay #71947) was a grab sample of vein material taken after the third blast. It was comprised of quartz vein in quartzite or quartzose schist with pyrite cubes and limonite.

Assays have not been returned from the assay lab, to date.

THE SILVER BASIN SHOWING

The Silver Basin area was prospected and sampled on Sept.20 & 21, 2006 by M. Bindig. The work consisted of prospecting a dry run-off channel, tagging claim posts, locating, walking, prospecting and sampling along all trenches and roads in the area. Surveying of all trenches and roads was completed by GPS.

Eight grab samples were taken for assay from this showing.

SB001/06 (assay #72189) was a grab sample from Trench No.1 of silvery muscovite schist with crenulated cleavage and a 3 cm quartz vein with limonitic patches after pyrite cubes, near the selvedge.

SB002/06 (assay #72190) was a grab sample from Trench No.4 of quartzose schist with fine white quartz veins parallel and cross cutting foliation with trace pyrite and limonite.

SB003/06 (assay #72191) was a grab sample from Trench No.4 of quartz vein in schist with limonite, goethite and minor pyrite.

SB004/06 (assay #72192) was a grab sample from Trench No.5 of a 4 cm glassy quartz vein cutting carbonaceous muscovite schist with pyrite and limonite in the vein and in fine fractures in the schist.

SB005/06 (assay #72193) was a grab sample from Trench No.6 of pale honey coloured siderite, quartz veins with pyrite (and other sulphides?).

SB006/06 (assay #72194) was a grab sample from along Trench No.9 of quartz mica schist with quartz veins and vugs with limonite, pyrite and sericite.

SB007/06 (assay #72195) was a grab sample from the road of quartz veins, sericite and limonite.

SB008/06 (assay #72196) was a grab sample from the run-off channel of a vein with siderite, calcite, pyrite and tetrahedrite (?).

THE DUNCAN AND CARIBOU SHOWINGS

The Duncan and Caribou showings were prospected and sampled on the MURRAY 1 to 3 (YC3900-YC39002) claims by M. Bindig on Sept. 22, 2006.

Sample CH001/06 (assay #84273) was taken of quartz sericite schist with small pyrite cubes and interleaved graphitic folia.

Two additional samples were taken. One, from Hanson Lake area, as "Hanson Lake" (assay #84271) was of dark brown, rusty weathering float of foliated, banded quartz lenses with siderite bands and thin pyrrhotite veinlets parallel to foliation.

The second sample was from the Mt.Hinton area (assay #84272) and was a float sample of two small pieces of vein material with quartz, sphalerite and minor pyrite.

This completed the 25 manday, 2006 Assessment Work program on the Keno Lightning property.

SAMPLE PREPARATION AND ANALYSIS

A total of 26 rock samples were assayed during the 2006 assessment work program on the Keno Lightning property. These samples were sent to Eco Tech Labs in Kamloops, B.C. for analysis. The samples were to be analysed for gold and 28 elements.

The gold analysis was to be by 30 gram fire assay with AAS (atomic absorption spectrometry) finish. This involves crushing and pulverizing each sample, splitting out a 30 gram split for fire assay with AA finish and a second split is analysed for 28 elements (including base metals, silver, arsenic, antimony etc.) by ICP (induced coupled plasma) analysis after digestion of the sample split by aqua regia.

Samples showing over limit analyses of the principle elements were re-assayed.

Results of these assay analyses are attached to this report.

CONCLUSIONS

The 2006 assessment work program on the Keno Lightning property successfully reclaimed two open mine workings at the Caribou Adit and the Faith Shaft. Access by the

public to these underground workings is no longer possible and the potential safety hazard has been removed.

Prospecting on the Homestake, Silver Basin, Caribou, Duncan and Faith showings confirmed the presence of Keno Hill type silver, lead, zinc mineralization and gold, quartz arsenopyrite mineralization in siderite and quartz veins.

The full extent of these vein showings has never been fully determined, to date. Additional prospecting and sampling is recommended to attempt to delineate the full strike length of these veins. The prospecting would also attempt to locate the presence of economic mineralization along those vein strike lengths.

REFERENCES

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STATEMENT OF QUALIFICATIONS

I, Jim McFaull, certify that;

I am a self-employed consulting geologist based at 22-986 Range Road, Whitehorse, Yukon Y1A 4V1.

I obtained a Bachelor of Science degree in Geology from the University of British Columbia in 1976.

I am President of the Yukon Prospectors' Association.

I am a Director and a past-President of the Yukon Chamber of Mines.

I have been engaged in mineral exploration and development since 1972 in British Columbia and since 1974 in the Yukon Territory. I have also worked, briefly, in Northwest Territories, Alaska and Australia.

I was employed by United Keno Hill Mines Ltd., Exploration Department as a geologist, a Senior Exploration Geologist and as the Exploration Manager between May 1975 and April 1990. I worked at the Keno Hill silver mines at Elsa from Nov. 1977 to April 1980 and from June 1983 to April 1987. During this period I worked on the discovery of 17 Keno Hill type silver-lead-zinc ore bodies that went into production as mines. I prospected the Elsa area for myself and for Yukon Revenue Mines Ltd. and Stratagold Ltd. from April 1990 to Dec. 2003. During this time I discovered a gold skarn showing on the AUREX claims that I subsequently optioned to these two companies. Nearly two million dollars has been spent on this property to date.

I am extremely familiar with the geology and mineral deposits on the Keno Lightning property having prospected throughout this area over the last 30 years.

Signed at Whitehorse, Yukon Territory on February 26, 2007

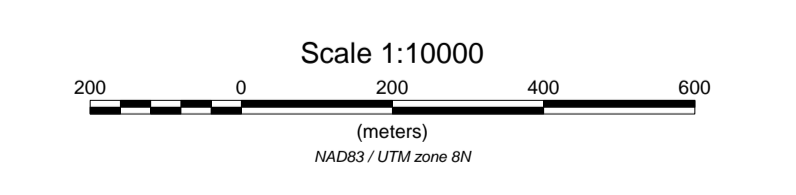
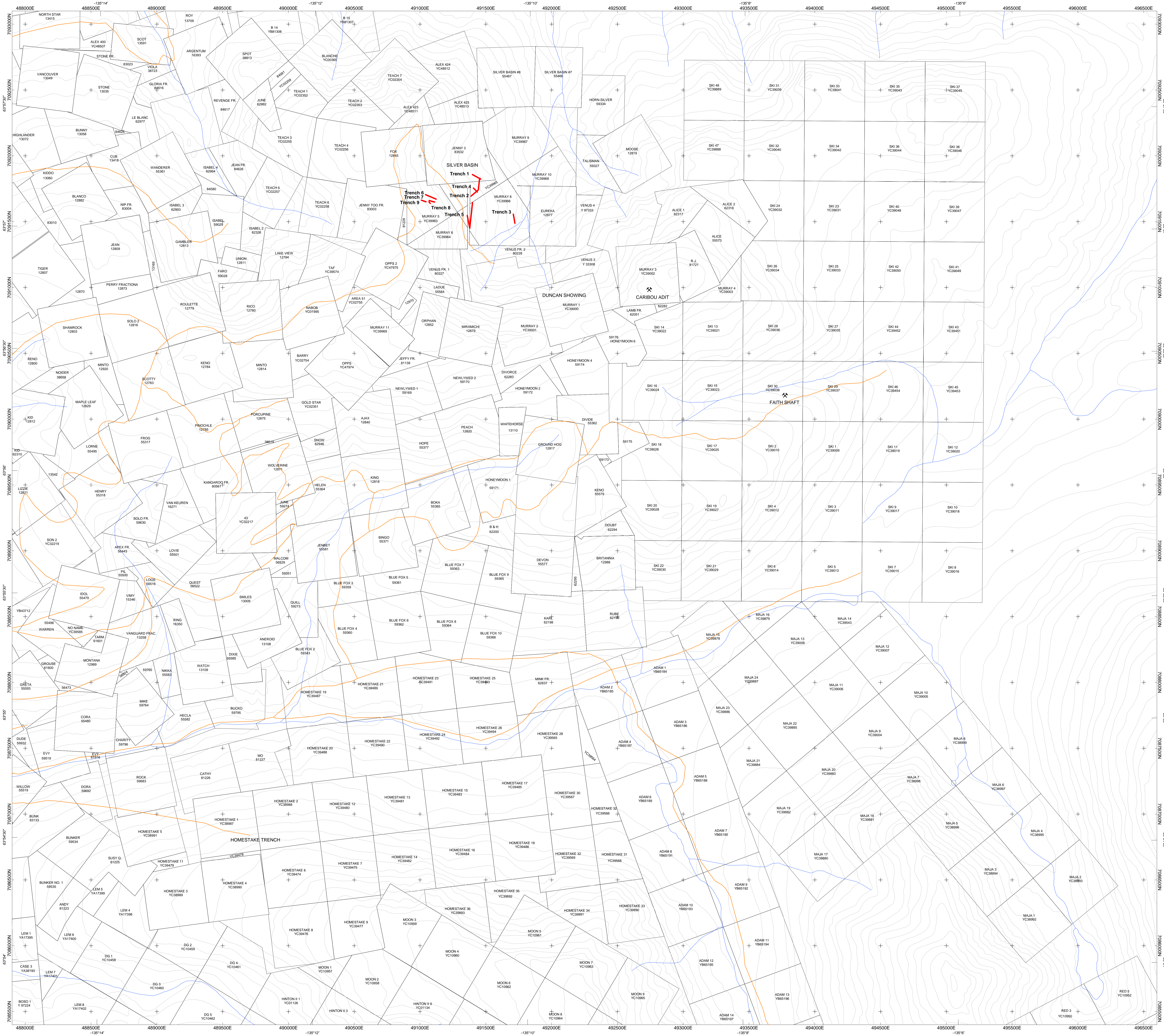
Jim McFaull B.Sc.
Exploration Geologist

STATEMENT OF COSTS

Date	Matthias Bindig	Kelly Benson	Target
Sept.9	1 manday	1 manday	Caribou Adit
Sept.10	1 manday	1 manday	Caribou Adit
Sept.11	1 manday	1 manday	Faith Shaft
Sept.12	1 manday	1 manday	Faith Shaft
Sept.13	1 manday	1 manday	Faith Shaft
Sept.14	1 manday	1 manday	Faith Shaft
Sept.15	1 manday	1 manday	Faith Shaft
Sept.16	1 manday	1 manday	Faith Shaft
Sept.17	1 manday	1 manday	Faith Shaft
Sept.18	1 manday	1 manday	Homestake prospecting
Sept.19	1 manday	1 manday	Homestake prospecting
Sept.20	1 manday		Silver Basin prospecting
Sept.21	1 manday		Silver Basin prospecting
Sept.22	1 manday		Caribou/Duncan prospecting
TOTALS	14 mandays	11 mandays =	25 mandays

SILVER BASIN SHOWING GPS SURVEY POINTS

WAYPOINT	ZONE	EASTING	NORTHING	ALTITUDE	LOCATION
082	08V	491398	7091858	1401	Trench 1
083	08V	491461	7091823	1401	Trench 1
084	08V	491453	7091830	1408	Trench 1 Road
085	08V	491443	7091741	1421	Trench 1 Road & Bottom of Trench 2
086	08V	491721	7091488	1347	Bottom of road, Trench 3
087	08V	491709	7091557	1338	Trench 3
088	08V	491388	7091694	1434	Top of Trench 2
089	08V	491436	7091725	1438	Trench 4
090	08V	491406	7091755	1448	Trench 4
091	08V	491359	7091547	1471	Trench 5
092	08V	491378	7091450	1499	Trench 5
093	08V	491399	7091645	1481	Trench 5 road
094	08V	491123	7091671	1552	Trench 6 road
095	08V	490969	7091873	1579	Access road
096	08V	491042	7091705	1597	Trench 6 road
097	08V	491111	7091649	1571	Trench 7
098	08V	491069	7091660	1594	Trench 7
099	08V	491078	7091638	1588	Trench 8 (vein)
0100	08V	491068	7091650	1588	Trench 8 (vein)
0101	08V	491010	7091663	1609	Trench 9 (vein)
0102	08V	491046	7091651	1602	Trench 9 (vein)



MATTHIAS BINDIG
KENO LIGHTNING PROPERTY
2006 PROSPECTING
 Mayo Mining District, Yukon Territory NTS: 105 M/14
 Date: March 30, 2007 Drawn by: G. Hetu
AURORA GEOSCIENCES LTD.