

**TOTAL MAGNETIC FIELD SURVEY
On the ICO PROPERTY,
JAKES CORNER AREA, YUKON TERRITORY**

CLAIMS

ICO 1-10 YB46750-YB46759
ICO 11-15 YC40219-YC40223
ICO 16-19 YC40277-YC40280

For work performed

May 13 to June 20, 2006

By
Marvin Sherman
Tagish, Yukon

Report By
Scott Casselman B.Sc, P. Geo.
Aurora Geosciences Ltd
108 Gold Road
Whitehorse, Yukon, Y1A 2W3

Location: Latitude 60° 22' N, Longitude 134° 04' W
Mining District: Whitehorse
NTS: 105D/08
Date: December 12, 2005

SUMMARY

An exploration program consisting of picket gridding and a total magnetic field survey was conducted on the Ico property between the dates of May 13 and June 20, 2006. The property is owned 100% by Marvin Sherman of Tagish, Yukon and is located 65 km southeast of Whitehorse, near Jakes Corner on NTS map sheet 105 D/08. A total of 18.66 km of gridding and 16.26 km of magnetic surveying was completed on the Ico grid.

The 2006 program was conducted as a follow-up to anomalous soil geochemical and magnetic survey results from programs conducted on the property in 2004 and 2005. The 2005 soil survey on the Ico property returned gold-in-soil values as high as 1191 ppb. This program identified a coincident gold/magnetic anomaly that is very distinct and strong. The anomaly appears to be structurally controlled due to its strong linear trend and sharp cut-off to the east and west. The anomaly is not associated with base metals and is open to the north and south.

The 2006 magnetic survey has expanded the linear magnetic trend slightly to the north and south. The 2006 magnetic survey also returned a strong magnetic gradient from southwest to northeast with the magnetic high in the northeast believed to be caused by ultramafic rocks.

Recommendations for follow-up work on the property are to conduct a VLF-EM survey on the linear magnetic/gold anomaly to help to define any structural control to the source and to conduct prospecting and hand trenching to determine the cause of the anomaly. As well, the soil sampling could be expanded on the grid to determine if there are any other anomalous gold areas and/or any base metals associated with the hypothesized ultramafic rocks.

A budget of \$60,000 is proposed for the next phase of exploration.

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1.0 INTRODUCTION

Between the period of May 13 and June 20, 2006, Marvin Sherman of Tagish, Yukon conducted a field program of gridding on the Ico Property and contracted Mr. Gary Lee to perform 2 days of magnetic surveying on the grid. A total of 18.66 km of gridding and 16.26 km of magnetic surveying was completed on the Ico grid.

Aurora Geosciences Ltd. was retained by Mr. Sherman to process the magnetic data, plot the maps and prepared this report documenting the 2006 exploration program.

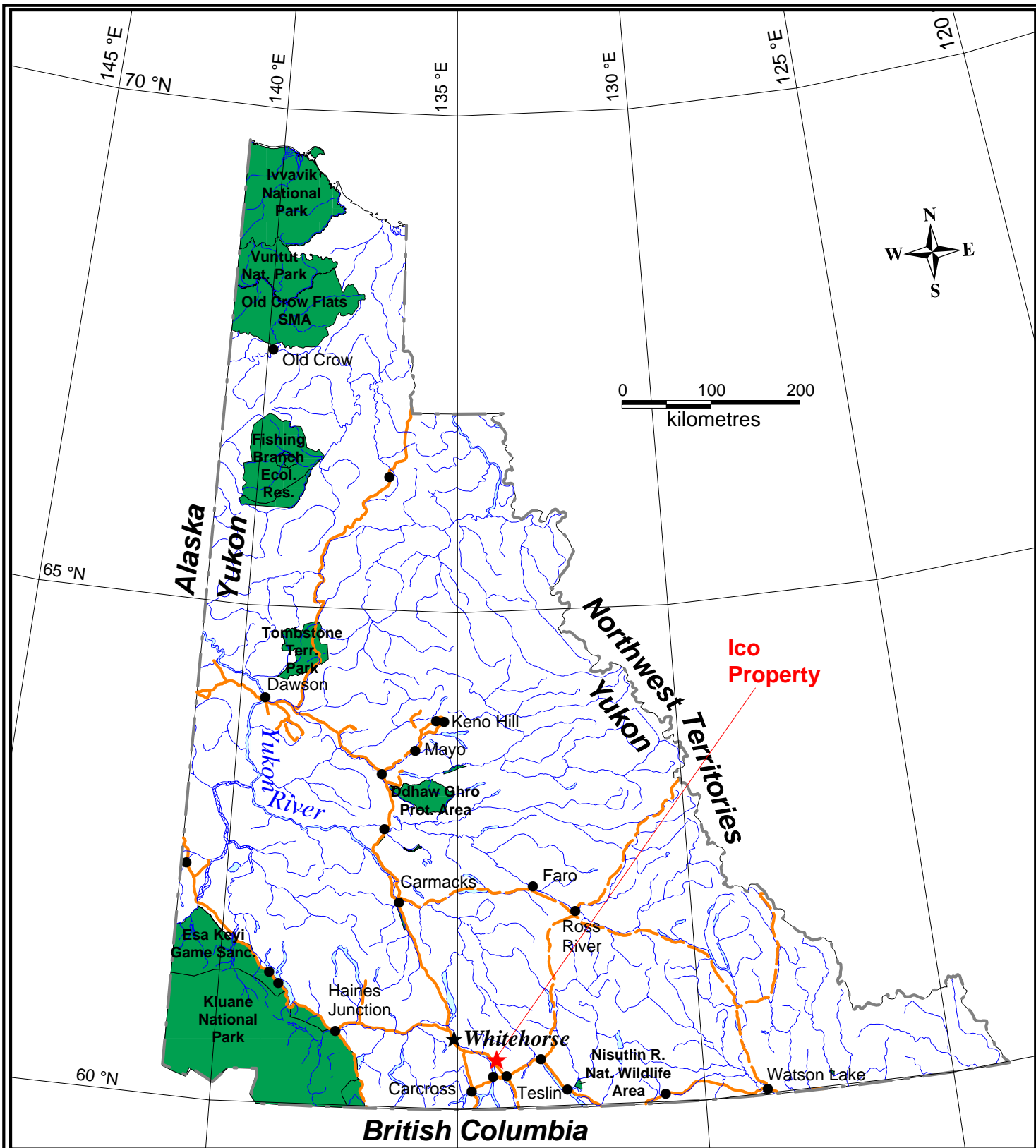
2.0 LOCATION AND ACCESS

The Ico Property is located 65 km southeast of Whitehorse on the Alaska Highway near Jakes Corner in the southern Yukon (Figure 1). It is centered at 60° 22'N, 134° 04'W, on NTS map sheet 105 D/08. It is accessible by the Alaska Highway and trails leading from the highway. For the 2006 program access was provided by truck and 8-wheel drive Argo. Mr Sherman commuted to the property daily for the duration of the program.

3.0 HISTORY

Mineral exploration in the Jakes Corner area dates back to the 1890's, when quartz-carbonate alteration of ultramafic rocks was examined by prospectors during the Klondike Gold Rush. The ultramafic rocks were examined in the 1960's and 1970's for potential asbestos mineralization and, in 1967, International Mine Services conducted an airborne magnetic survey covering a large area east of Marsh Lake.

Numerous properties were staked and explored for both placer and lode gold in the area through the 1990's. In 1994, the Yukon Prospectors Association contracted an airborne magnetic and electromagnetic survey to be flown over much of NTS sheets 105C/05, 12, 105D/08 and 09 (Smith, 1994). In 1995, Indian and Northern Affairs Canada mapped the area covered by the 1994 geophysical survey at 1:50,000 scale (Hunt, et al, 1995). The Ico claims were staked in 1994 and occasional small prospecting programs were conducted on the claims and in the general area. In 2004 and 2005, Mr. Sherman conducted magnetic field surveys and soil geochemical surveys on the Ico and adjacent Mex claims. The soil geochemical survey returned results up to 1191 ppb gold coincident with a strong, coincident north-northwest trending magnetic linear.



**MARVIN SHERMAN
ICO PROPERTY
Location Map**

Figure 1

December 12, 2006

4.0 PROPERTY STATUS

The Ico Property consist of the Ico 1 to 19 mineral claims staked in accordance with the Yukon Quartz Mining Act in the Whitehorse Mining Division. Marvin Sherman owns the claims 100%. Claim information is summarized below:

Claim	Grant #	Expiry Date
ICO 1-10	YB46750 – YB46759	May 6, 2016
ICO 11-15	YC40219 – YC40223	September 1, 2010
ICO 16-19	YC40277 – YC40280	September 19, 2010

Expiry dates are pending acceptance of this report for assessment purposes. Claims and the survey area are shown in Figure 2.

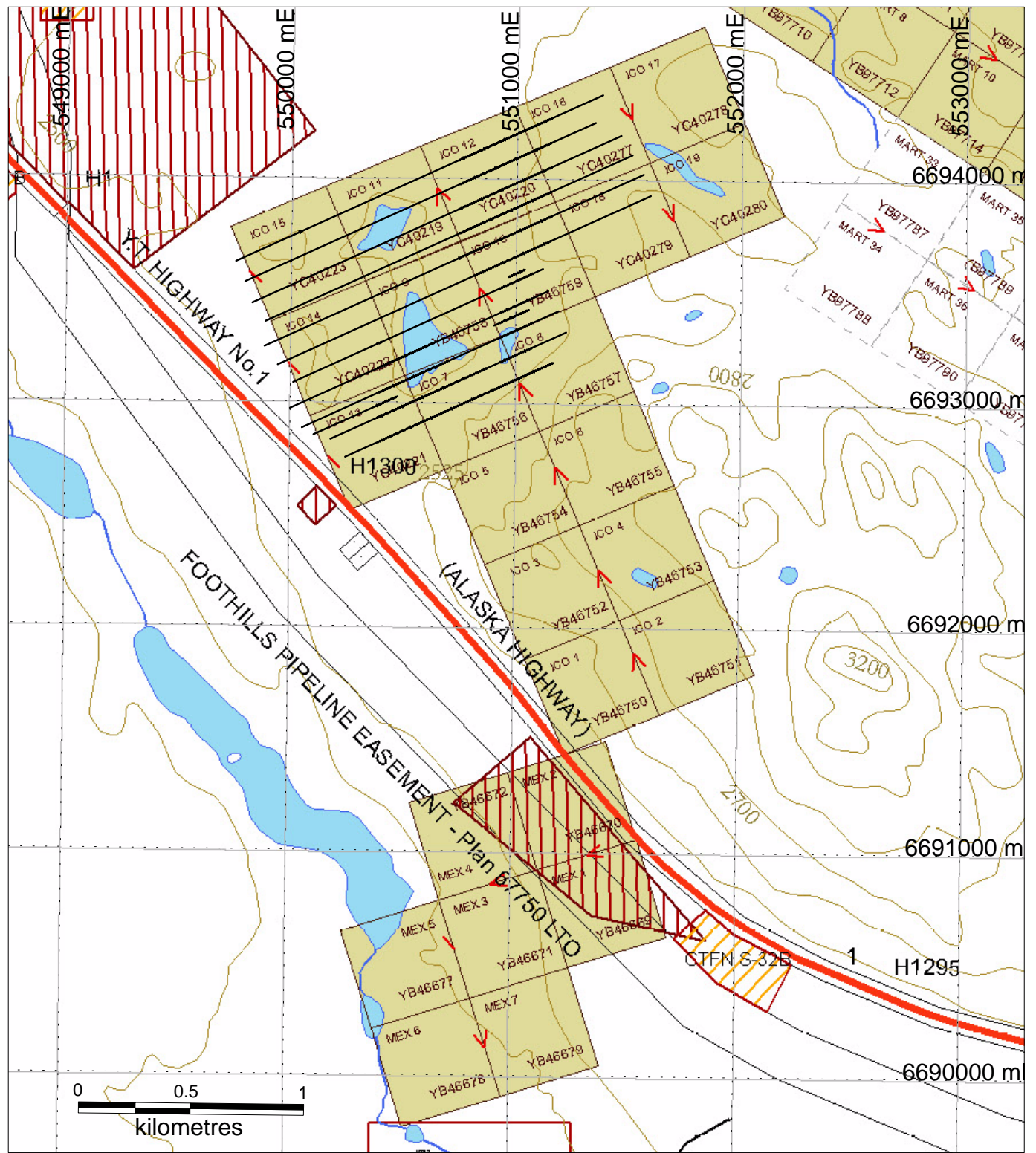
5.0 GEOLOGY AND MINERAL POTENTIAL

The Jakes Corner area was mapped by the Yukon Geology Program in 1995 as a follow-up to the 1994 airborne geophysical survey (Open File 1995-7(G)). Volcanic rocks of the Cache Creek Group underlie the area. The volcanic rocks are andesite, basalt and minor dacite. They are typically massive greenstone, commonly spherulitic, and pillowed, grey to orange-grey weathering, greyish-green to dark grey and aphyric.

East of the Alaska Highway are a number of peridotite, serpentized peridotite and associated ultramafic ophiolite complexes. Locally, the volcanic rocks are interbedded with thin chert beds. The rocks are cut by lamprophyre and felsic dykes.

Open File 1995-7(G) describes the area as having potential for:

- 1) Ultramafic-associated nickel-copper sulphide deposits
- 2) Chromite deposits
- 3) Volcanogenic massive sulphide deposits
- 4) Gold in listhwaenite-hosted quartz veins
- 5) Structurally controlled epithermal vein deposits
- 6) Asbestos deposits, and
- 7) Skarn/replacement deposits in limestone



**MARVIN SHERMAN
ICO PROPERTY**
Figure 2. Claim Location Map

NTS: 105D08 Mining District: Whitehorse
Datum: NAD83 Projection UTM, zone 8
Date: December 12, 2006

scale 1:25,000

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6.0 GRIDDING and MAGNETIC SURVEY PROCEDURES

The grid was expanded upon a grid that was originally constructed in 2004 and expanded in 2005. Lines were established by hipchain and compass and marked by flagging, stations were marked by survey pickets. Line spacing was 100 m with stations at 20 m intervals.

For the magnetic survey Mr. Lee was equipped with the following instruments and equipment:

Field unit: 1 - Gem GSM-19 Overhauser magnetometers.
Base unit: 1 - Gem GSM-19T proton precession magnetometer.

The magnetometer survey was conducted according to the following specifications:

Station spacing: 5 m nominal, interpolated between survey pickets.

Base station magnetometer: Installed near the grid in a magnetically quiet area and cycled at 10 s intervals.

Levelling: Data from each survey data was levelled by common readings from 30 stations.

Station Coordinates: The survey data was collected using grid coordinates. The station coordinates were interpolated based on the 2005 grid location to determine geographic coordinates in NAD 83 UTM, zone 8N. The grid was not surveyed by GPS and locations are approximate.

The total magnetic field data was corrected for temporal geomagnetic variation relative to the base station unit using software incorporating linear interpolation.

7.0 RESULTS

The total magnetic field survey on the expanded grid identified a strong magnetic high feature in the north-eastern corner of the survey area. It is suspected that ultramafic rocks may be the cause of this anomaly. In general there is a magnetic gradient from low in the southwest to high in the northeast. Due to the increased range of magnetic values, the linear anomaly that corresponded with the high gold values from the 2005 program is not as pronounced, but it is still noticeable. This feature trends from line 6700N at 60 m E to line 6900N at 65 m E. This anomalous trend is very weakly defined further southwards to line 6600N at 70E.

8.0 CONCLUSIONS AND RECOMMENDATIONS

The exploration program on the Ico Property in 2005 defined a coincident gold/magnetic anomaly on the Ico grid that is very distinct and strong. It appears to be structurally controlled and does not have and base metals associated with it.

The 2006 magnetic survey has expanded this trend slightly to the north and south. The 2006 magnetic survey also returned a strong magnetic gradient from southwest to northeast with the magnetic high in the northeast believed to be caused by ultramafic rocks.

Recommendations for follow-up work on the property are to conduct a VLF-EM survey on the linear magnetic/gold anomaly to help to define any structural control to the source and to conduct prospecting and hand trenching to determine the cause of the anomaly. As well, the soil sampling could be expanded on the grid to determine if there are any other gold anomalous areas and/or any base metals associated with the hypothesized ultramafic rocks.

A budget of \$60,000 is proposed for the next phase of exploration on the property.

Respectfully submitted,
AURORA GEOSCIENCES LTD.

Scott Casselman, B.Sc. P.Geo.
Geologist

9.0 STATEMENT OF EXPENDITURES

Wages - Marvin Sherman - 25 days @ \$250	6,250.00
Argo Rental - 25 days @ \$50	1,250.00
Truck Rental – 25 days @ \$100	2,500.00
Vehicle km charges – 1000 km @ \$0.475	475.00
Supplies	156.27
Fuel	264.55
Magnetometer Operator Mr. Lee – 2 days @ \$250	500.00
Magnetometer Rental	339.20
Data Processing and plotting	180.20
Report Preparation	500.00
Total project expenses	<u><u>\$12,415.22</u></u>

10.0 REFERENCES

- Casselmann, S., 2001. Soil Geochemical Survey on the Mex Property, Jakes Corner Area, Yukon Territory. Wilson Creek Placers Assessment Report.
- Casselmann, S., 2005. Soil Geochemical and Total Magnetic Field Survey on the Mex and Ico Properties, Jakes Corner Area, Yukon Territory. Marvin Sherman Assessment Report.
- Hunt, J. A., Hart, C. J. R., Gordey, S. P., 1995. Geology of the Jakes Corner Geophysical Survey Area, Southern Yukon, Indian and Northern Canada, Affairs Open File 1995-7(G).
- Lee, G. C., 2000. Geophysical Survey on the MEX and ICO Quartz Claims, Wilson Creek Placers Assessment Report.
- Power, M.A., 1995. Notes to Prospectors - Jakes Corner Dighem Survey Interpretation, _____ Indian and Northern Affairs Canada, Open File 1995-12(G).
- Smith, P. A., 1994. Dighem V Survey for the Yukon Prospectors Association, Jakes Corner Project, Yukon Territory (105C/5, 12, 105D/8, 9). Exploration and Geological Services Division, Yukon, Indian and Northern Affairs Canada, Open File 1994-10(G).

APPENDIX I
STATEMENT OF QUALIFICATIONS

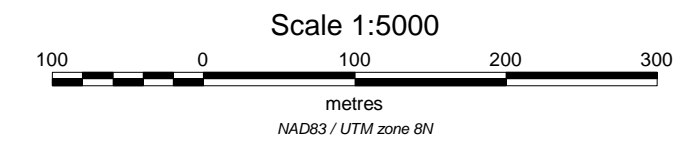
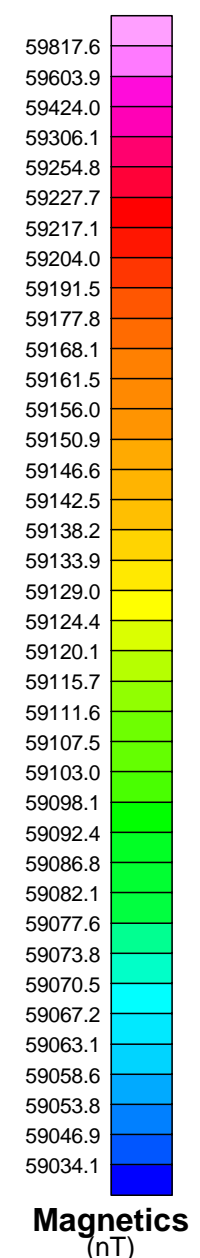
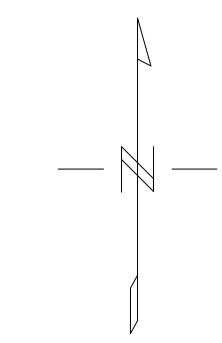
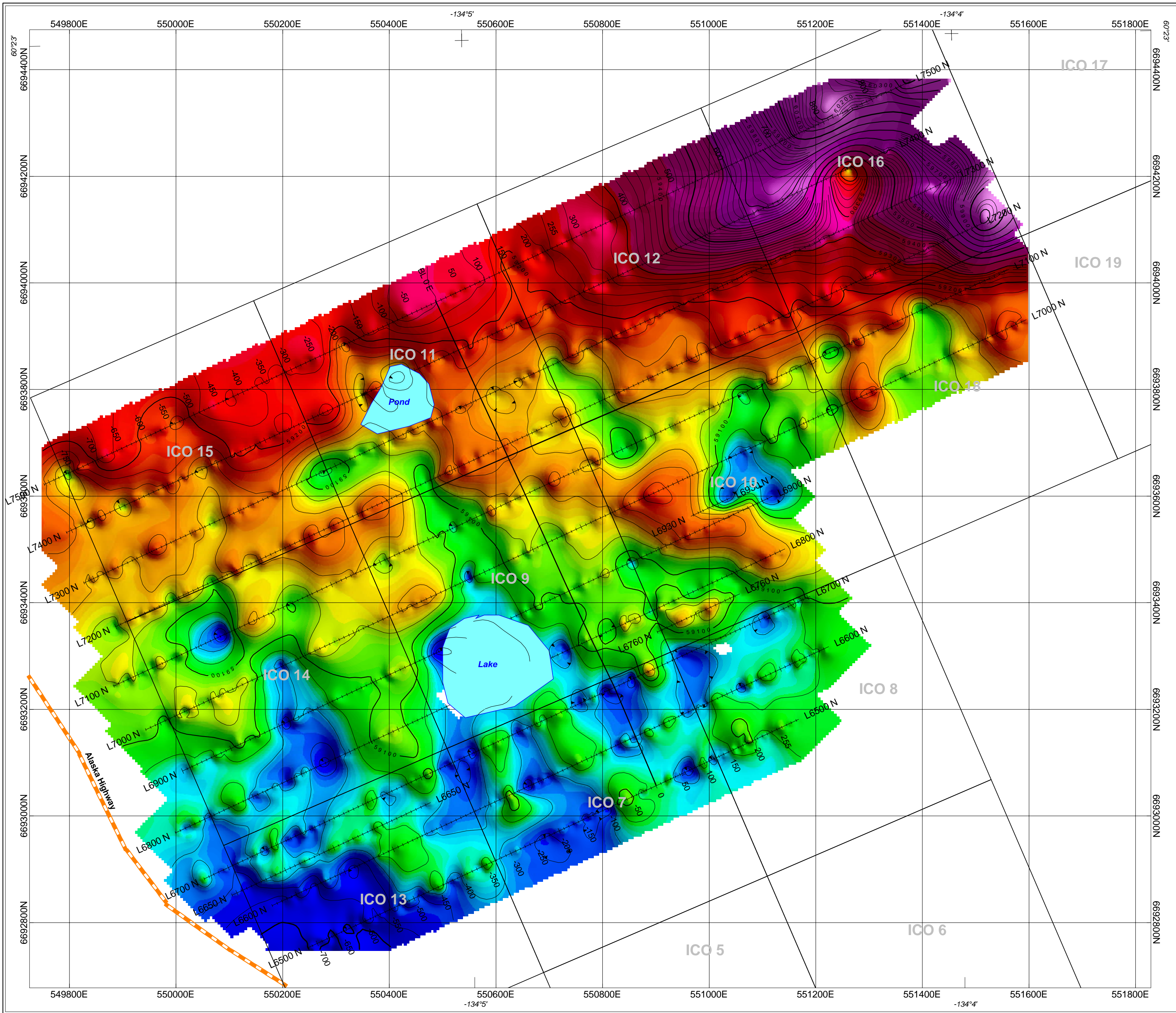
STATEMENT OF QUALIFICATIONS

I, Scott Casselman, B.Sc. P. Geo., certify that:

- 1) I reside at 33 Firth Road, Whitehorse, Yukon Territory, Y1A 4R5
- 2) I am a geologist employed by Aurora Geosciences Ltd. of Whitehorse, Yukon Territory.
- 3) I graduated from Carleton University in Ottawa, Ontario with a Bachelor of Science Degree in Geology in 1985 and have worked as a geologist since that time.
- 4) I am a member of the Association of Professional Engineers and Geoscientists of British Columbia, Registration No. 20032.
- 5) I compiled this report on the ICO Property from data collected and supplied by Marvin Sherman during the summer of 2006.
- 6) I have not visited the ICO Property.

Dated this ___th day of _____, 2006, at Whitehorse, Yukon Territory.

Scott G. Casselman, B.Sc., P.Geo.
Geologist



MARVIN SHERMAN	
ICO PROPERTY	
2006 MAGNETIC SURVEY	
Figure 3. SHADED RELIEF TOTAL MAGNETIC FIELD MAP	
NTS: 105D08	Mining District: Whitehorse
Datum: NAD83	Projection: UTM Zone 8N
Date: December 11, 2006	Job: Marvin Sherman, 2006
AURORA GEOSCIENCES LTD.	