GEOLOGICAL and GEOCHEMICAL EVALUATION REPORT on the ELLEN PROJECT

Ellen 1-20: YA97362-66, YB26797-99, YB27078-89
Ellen 25-37: YB27094-96, YB35480-83, YB35844-49

NTS: 115 A/13

Latitude 60°52'N Longitude 137°58'W

Whitehorse Mining District, Yukon

Work performed between October 11 and 13, 2006

For

Bill Harris
P.O. Box 31293
Whitehorse, Yukon
Y1A 5P7

By:
Jean Pautler, P.Geo.
JP Exploration Services Inc.
#103-108 Elliott Street
Whitehorse, Yukon
Y1A 6C4

April 18, 2007

1.0 Executive Summary

The 680 hectare Ellen Project, NTS map sheet 115 A/13, is located in the Whitehorse Mining District, approximately 27 km northwest of Haines Junction, which is 159 km by road from Whitehorse, Yukon Territory at a latitude of 60°52'N and a longitude of 137°58'W. The property comprises the Ellen 1-20 and Ellen 25-37 claims, owned by Mr. Bill Harris and Mr. Ron Stack of Whitehorse, Yukon Territory.

The Ellen Project is primarily underlain by 110º/30º to 50º south trending andesitic volcanic rocks, with minor interbedded limestone and clastic beds, possibly belonging to the Triassic Nicolai Group of the Wrangell Terrane. Diorite, andesite and fine grained peridotite sills of the Kluane mafic-ultramafic suite have been emplaced along thrust faults at the base of the Triassic volcanic sequence. The above units are unconformably overlain by Upper Jurassic to Lower Cretaceous Dezadeash Group clastic sedimentary rocks in the southern property area.

The Kluane mafic-ultramafic suite hosts a number of magmatic nickel-copper-platinum group mineral occurrences in Wrangellia from Northern British Columbia, through Yukon and into Alaska. One of these occurrences, the Wellgreen Deposit, produced almost 200,000 tonnes of Ni-Cu-PGE ore in 1972 and 1973 and hosts reserves of 49.9 million tonnes grading 0.36% Ni, 0.35% Cu, 0.51 g/t Pt and 0.34 g/t Pd. The Kluane Belt nickel-copper-PGE occurrences are particularly enriched in the rarer platinum group elements osmium, iridium, ruthenium and rhodium.

Exploration on the Ellen Project, from 1954 to present, has involved approximately 1,214m of drilling in 17 holes, hand/blast trenching, rock and soil geochemistry, ground electromagnetic (very low frequency and horizontal loop) and magnetic geophysical surveys. The 2006 program on the Ellen Project consisted of property wide geological mapping with concurrent geochemical sampling and an evaluation of the deposit type(s) and model(s). Old drill sites and workings were evaluated, located and surveyed in by GPS.

The Ellen Project covers the Kloo Minfile drilled prospect and nickel-copper-PGE anomalies. The Kloo prospect consists of a volcanogenic massive sulphide showing, which appears to be consistent with the Cyprus type deposit model, possibly a feeder system with strong dark chlorite alteration and chalcopyrite stringers and breccia infilling. Results from previous drilling include 3.15% Cu over 5.2m in MC66-1, 1.64% Cu over 10.4m in MC66-2 and 1.96% Cu, 2.1 g/t Au over 2.1m in DDH 95-3.

Mineralization at the main showing is exposed as intense malachite and azurite stained outcrops along the canyon of Ellen Creek, with several zones up to 10m wide consisting of high grade copper±gold bearing semi-massive pyrite and chalcopyrite layers (parallel to bedding and shear planes trending 110-125º/20-50ºS) crosscutting stringers and breccia zones with sulphide cement.

Previous drilling on the property intersected a serpentinite sill carrying low grade nickel values averaging 0.17% Ni over 12-15m (DDH 95-4 and 95-5). PGE mineralization is commonly associated with low grade nickel and higher grade copper throughout the Kluane Ultramafic Belt. Another sill is postulated in the southwestern property area based on the ground magnetic signature.

Samples collected from the Kloo prospect in 2006 confirmed previous results and verified the presence of high grade copper and copper-gold±palladium values, with results of 7.23% Cu, 1.01 g/t Au with 1.01 g/t Pd over 2.5m from the Kloo prospect. The Kloo prospect appears to represent a feeder zone that has been traced for 75m. Chalcopyrite occurrences have been traced for 800m along strike to the southeast and 500m along strike to the northwest.

Strong copper±gold soil geochemical anomalies (with maximum values of 4818 ppm Cu and 1340 ppb Au) were outlined in 1993, generally coincident with geophysical conductors outlined along the main zone of the Kloo prospect, 170m north of the main zone and 800m along strike to the southeast of the Kloo prospect.

The Kloo prospect lies 22 km to the east-southeast of the Telluride volcanogenic massive sulphide showing, of Klondike Star Mineral Corporation, in similar rocks. The Telluride showing contains values of 3.23% Cu, 6.75% Zn, 17.8 Ag, 0.15 Au over 4m with 11.54% Cu, 1514 ppm Zn and 7.2 g/t Ag over 3m from the Nunatak zone, 3 km along strike to the southeast.

The Ellen Project constitutes a property of merit based on the presence of a significant volcanogenic massive sulphide showing on the property with high grade copper±gold±PGE values and the potential to trace the showing along strike as evidenced by the numerous chalcopyrite occurrences, anomalous copper-gold soil geochemistry and coincident geophysical anomalies.

A $185,000 initial program is proposed on the Ellen Project consisting of a 30 line km HLEM survey with additional mapping, access upgrading, rock geochemical sampling, detailed prospecting, infill soil geochemistry and minor trenching to trace copper-gold mineralization further to the northwest and southeast and to delineate areas of PGE potential. This should be followed by a 50% non-contingent 2,000m Phase 2 drill program expected to cost approximately $500,000.

Table of Contents

Page

List of Illustrations

Page

List of Tables

2.0 INTRODUCTION AND TERMS OF REFERENCE

2.1 Qualified Person and Participating Personnel

Ms. Jean M. Pautler, P.Geo. was commissioned by Mr. Bill Harris of Whitehorse, Yukon to examine and evaluate the geology and mineralization on the Ellen Project near Haines Junction and to make recommendations for the next phase of exploration work in order to test the economic potential of the property. The report describes the property in accordance with the guidelines specified in National Instrument 43-101 and is based on historical information and an examination and evaluation of the property (consisting of the Ellen 1 to 20 and 25 to 37 claims) by the author from October 11 to 13, 2006. The author was assisted in the field by Mr. Matthius Bindig, prospector of Keno City, Yukon Territory and Mr. Bill Harris, prospector of Whitehorse, Yukon Territory provided a one day orientation on the property.

2.2 Terms, Definitions and Units

All costs contained in this report are denominated in Canadian dollars. Distances are primarily reported in metres (m) and km (kilometers) and in feet (ft) when reporting historical data. GPS refers to global positioning system. Minfile showing refers to documented mineral occurrences on file with the Yukon Geological Survey. DDH refers to diamond drill hole. VLF-EM refers to very low frequency electromagnetic and HLEM horizontal loop electromagnetic types of geophysical surveys.

The term ppm refers to parts per million, which is equivalent to grams per metric tonne (g/t) and ppb refers to parts per billion. The abbreviation oz/ton and oz/t refers to troy ounces per imperial short ton. The symbol % refers to weight percent unless otherwise stated.

Elemental abbreviations used in this report include: gold (Au), silver (Ag), copper (Cu), cobalt (Co), lead (Pb), zinc (Zn), nickel (Ni), iron (Fe), arsenic (As), manganese (Mn), palladium (Pd), platinum (Pt), platinum group elements (PGEs) sulphide (S) and oxide (O).

Minerals found on the Ellen Project include pyrite (py) and pyrrhotite (po) (iron sulphides), chalcopyrite (cp), bornite and chalcocite (copper, iron sulphides), malachite and azurite (both hydrous copper carbonates).

2.3 Source Documents

Sources of information are detailed below and include the available public domain information and private company data.

- Research of the Minfile data available for the area at www.geology@gov.yk.ca .
- Research of mineral titles at http://gysde.gov.yk.ca and www.mapsyukon.gov.yk.ca .

- Review of company reports and annual assessment reports filed with the government at http://emr.gov.yk.ca/library/.
- Review of geological maps and reports completed by the Yukon Geological Survey or its predecessors.
- Published scientific papers on the geology and mineral deposits of the region and on mineral deposit types.
- The author has recent previous independent experience and knowledge of the regional area having worked on the nearby Ultra property of Klondike Star Mineral Corporation during August, 2006.
- Work on the property by the author between October 11 and 13, 2006.

2.4 Limitations, Restrictions and Assumptions

The author has assumed that the previous documented work on the property is valid and has not encountered any information to discredit such work. Limited check samples collected in 2006 are consistent with the tenor of mineralization previously reported by several operators but do not constitute detailed quantitative check analyses.

2.5 Scope

This report describes the geology, previous exploration history and mineral potential of the Ellen Project. Research included a review of the historical work that related to the immediate and surrounding area of the property. Regional geological data and current exploration information have been reviewed to determine the geological setting of the mineralization and to obtain an indication of the level of industry activity in the area. The property was examined and evaluated by the author from October 11 to 13, 2006. Based on the literature review and property examination, recommendations are made for the next phase of exploration work.

An estimate of costs has been made based on current rates for drilling, geophysical surveys and professional fees in the Yukon Territory.

3.0 RELIANCE ON OTHER EXPERTS

The author has relied in part upon work and reports completed by others in previous years in the preparation of this report. Although the author personally collected samples to verify the tenor of mineralization exposed on the property, thorough checks to confirm the results of such prior work and reports has not been done. The author has no reason to doubt the correctness of such work and reports. Unless otherwise stated the author has not independently confirmed the accuracy of the data.

Further, while title documents and option agreements were reviewed for this study, it does not constitute nor is it intended to represent a legal, or any other, opinion as to the validity of the title.

4.0 PROPERTY DESCRIPTION AND LOCATION (Figure 1)

4.1 Location and Access

The Ellen Project, NTS map sheet 115 A/13 is located approximately 27 km northwest of Haines Junction, which is 159 km by road from Whitehorse, Yukon Territory *(Figure 1)*. The project area is centered at a latitude of 60° 52'N and a longitude of 137°58'W.

The project area is accessible from Haines Junction via the Alaska Highway (Highway 1), which is followed northwest to approximately one km northwest of the Jarvis River Bridge. At this point a gravel road heads southerly following the Jarvis River to active placer mine sites on Kimberley Creek. An old tote road connects the Ellen claims to the Kimberley Creek road approximately 250m west of (prior to) the crossing of the Jarvis River. The 1990 camp, with an intact 14 by 16 foot tent frame is situated at UTM coordinates 6751729m N, 339596m E, Nad 83, Zone 8. Helicopter charter services are available from Haines Junction on a year-round basis. A large helicopter clearing is located proximal to the camp at UTM coordinates 6751594m N, 339585m E, Nad 83, Zone 8.

Haines Junction is the closest town, with a population of approximately 800. Facilities include a grocery store, health centre, ambulance service, RCMP, service stations and restaurants. The town is on the power grid with diesel backup. Complete services are available in Whitehorse. Haines Junction is the gateway to Kluane National Park and lies 255 km via Highway 3 from the seaport of Haines, Alaska.

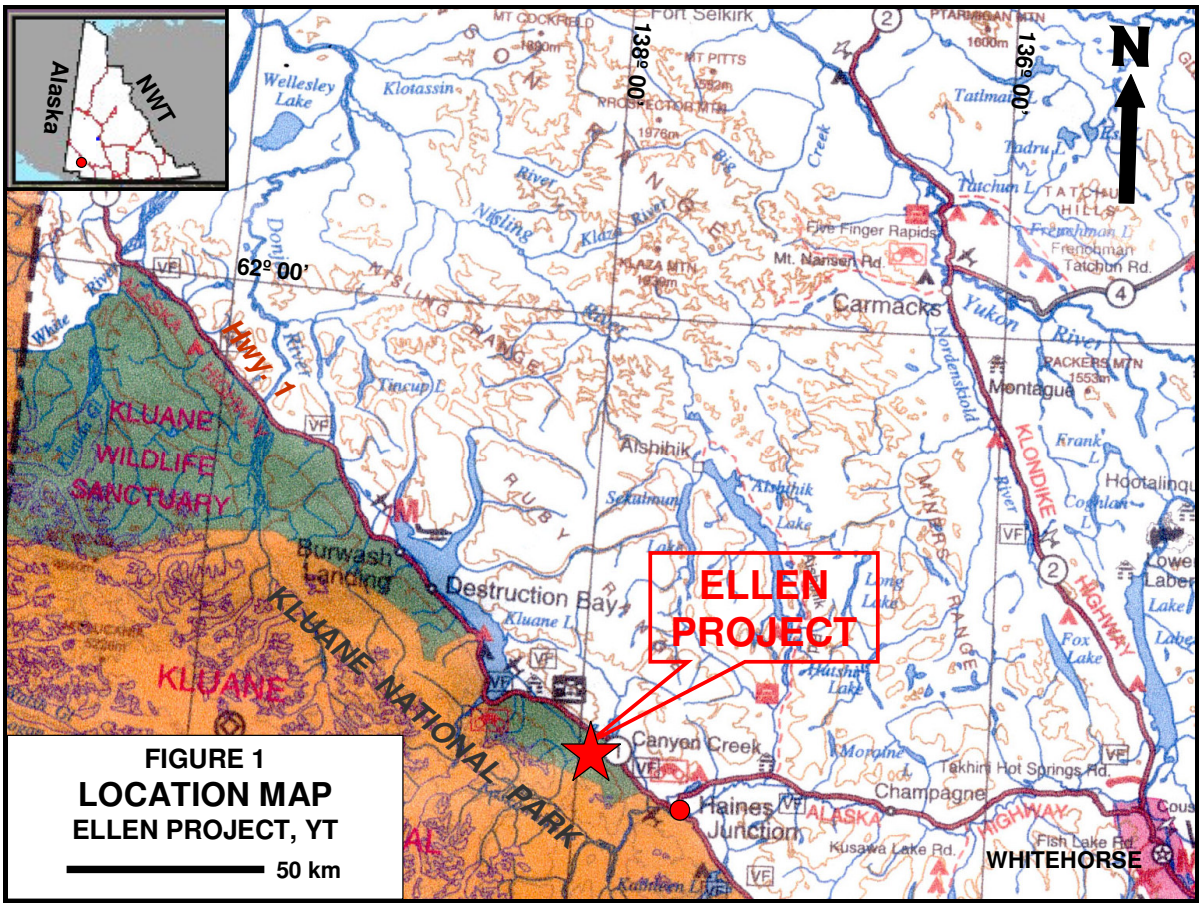


FIGURE 1
LOCATION MAP
ELLEN PROJECT, YT
50 km

4.2 Physiography and Climate

The project lies along the west margin of the Shakwak Valley in the Kluane Ranges of the St. Elias Mountains, in southwestern Yukon *(Figure 3)*. The Shakwak Valley is a deep northwest-southeast oriented depression stretching for several hundred kilometers from northwestern British Columbia to Alaska. In the Jarvis River area the valley is 8 to 10 km wide, bounded on the west side by the rugged Kluane Ranges which rise to 2588m.

The property is located at the northwestern end of Mt. Decoeli *(Figure 2)* covering an alpine plateau incised by a deep creek gully (Ellen Creek, a tributary of the Jarvis River). The plateau is bounded on the east by a steep north facing slope which descends to the low lying Shakwak Valley floor. Elevations on the property range from 900 to 1500m. The copper showings are located in a rugged steep sided gully, oriented perpendicular to the Shakwak Valley. Outcrop is abundant in the gully and on steeper slopes, however the surrounding uplands are covered with glacial till. Vegetation below the alpine plateau consists of spruce and poplar forest with moderate to thick ground cover broken by tundra. Water is available from tributaries of the Jarvis River.

The Haines Junction area has a northern interior climate strongly influenced by the St. Elias Mountains. The area is known for high winds which constantly blow from the mountains into the Shakwak Valley. Winter temperatures average –20º Celsius while summer temperatures average 20º Celsius but range up to 30º Celsius. The exploration season extends from mid May to October.

4.3 Land Tenure (Figure 2)

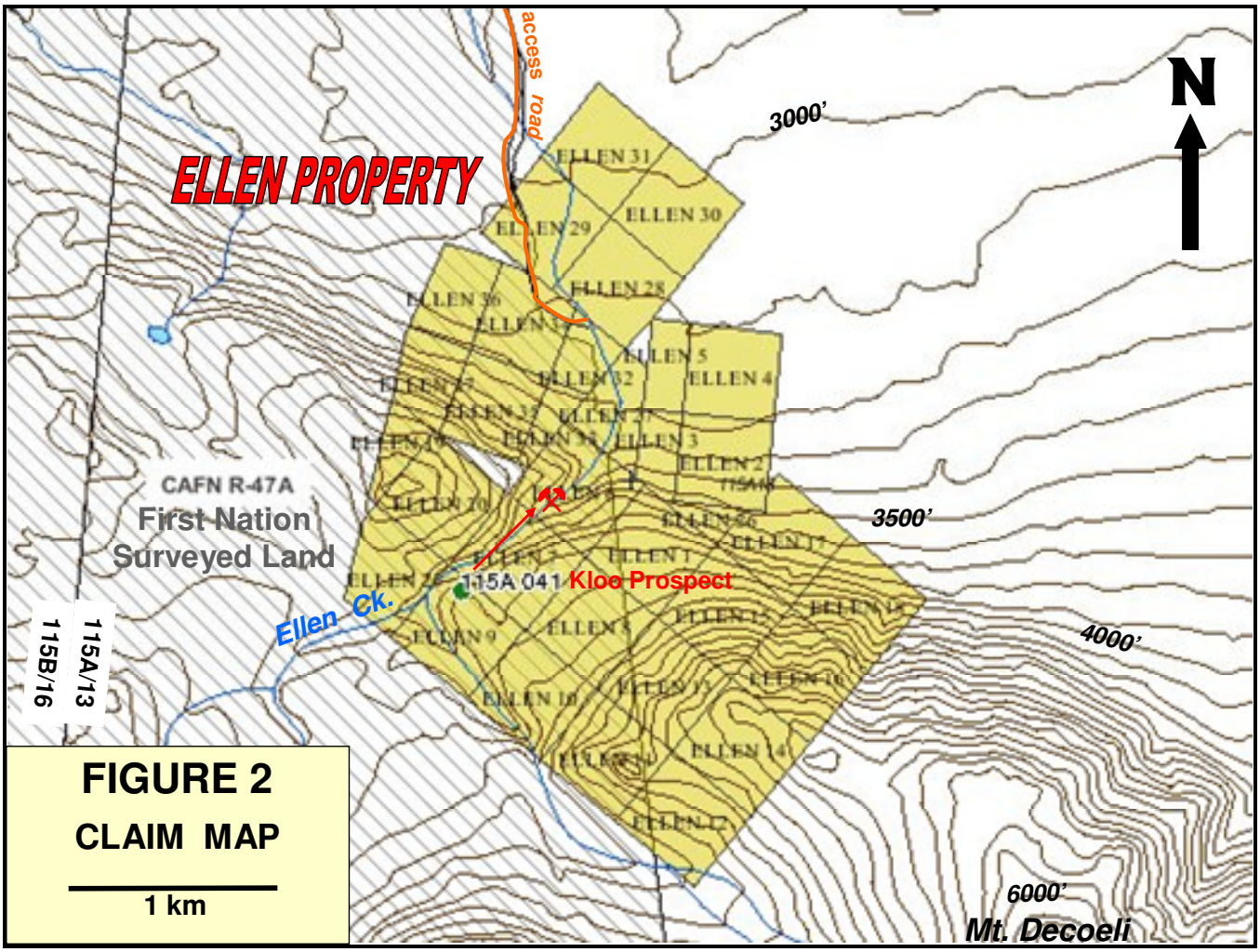
The Ellen Project consists of 33 Quartz Claims, the Ellen 1-20 and Ellen 25-37, and covers an area of approximately 680 hectares in the Whitehorse Mining District. The claims were staked in accordance with the Yukon Quartz Mining Act on claim sheet 115A/13, available for viewing in the Whitehorse Mining Recorder's Office. Legal surveys of the property boundaries have not been conducted.

The Ellen 6-8 and Ellen 28-31 claims are registered in the name of Mr. Bill Harris and the remainder of the claims are registered in the name of Mr. Ron Stack, both of Whitehorse, Yukon Territory.

Pertinent claim data is summarized in Table 1 and a detailed statement of claims with expiry dates, renewal years and renewal date is shown in Appendix I.

TABLE 1: Claim data summary

Claim Name	Grant No.	No.	Owner
Ellen 1-5	YA97362-66	5	Ron Stack
Ellen 6-8	YB26797-99	3	Bill Harris
Ellen 9-20	YB27078-89	12	Ron Stack
Ellen 25-27	YB27094-96	3	Ron Stack
Ellen 28-31	YB35480-83	4	Bill Harris
Ellen 32-37	YB35844-49	6	Ron Stack
TOTAL		**33**	



First Nations have settled their land claims in the area with the western half of the property occurring within Champagne-Aishihik First Nations surveyed land *(see Figure 2, above)*. The claims are grandfathered and do not revert to the First Nation unless claims lapse. The remaining land in which the mineral claims are situated is Crown Land. The mineral claims fall under the jurisdiction of the Yukon Government.

A mineral claim holder is required to perform assessment work and is required to document this work to maintain the title as outlined in the regulations of the Yukon Quartz Mining Act. The amount of work required is equivalent to $100.00 of assessment work per quartz claim unit per year. Alternatively, the claim holder may pay the equivalent amount per unit per year to the Yukon Government as “Cash in Lieu” to maintain title to the claims.

Preliminary exploration activities do not require permitting, but significant drilling, trenching, blasting, cut lines, and excavating may require a Mining Land Use Permit that must be approved under the Yukon Environmental Socioeconomic Assessment Act (YESSA).

5.0 HISTORY

A summary of the work completed by various operators, as documented in Yukon Minfile *(Deklerk and Traynor, 2005)*, various government publications of the Yukon Geological Survey or its predecessor *(Mineral Industry Reports and Yukon Exploration and Geology)* and the Geological Survey of Canada and company publications (primarily available as assessment reports filed with the government) is tabulated below:

before 1950 Discovery of chalcopyrite in greenstone in tributary of Jarvis River *(Davidson, 1995)*.

1953-5 An electromagnetic survey, construction of road to within 500m of showing and diamond drilling of 323m in 5 holes in 1954, all by Hudson Bay Mining and Smelting Company under option from Mr. R. Reber *(Deklerk and Traynor, 2005)*.

1965-71 Program of geochemistry, geological mapping and ground geophysics *(Baird, 1969),* completion of road to showing, 101m of diamond drilling in 4 holes in 1966 (with results of 3.15% Cu over 5.2m and 2.2% Cu over 6.4m reported) and 333m in 4 additional holes in 1969 (with results of 1.1% Cu over 0.9m from MC-5 and 0.66% Cu over 4.3m from MC-6, 61m along strike to the northwest) *(Canadian Barranca Mines Limited, 1969)*. Work was performed by Canadian Barranca Mines Limited under option from Mr. T. Worbetts.

1987-1990 Hand/blast trenching, geological mapping, prospecting, soil and rock geochemistry and a horizontal loop electromagnetic geophysical survey by Mr. Ron Stack and Mr. Harris, delineating volcanogenic massive sulphide copper±gold mineralization over a strike length of 75m *(Davidson, 1988-1990)*.

1993-1996 Geological and geochemical surveys, horizontal loop electromagnetic and VLF-EM geophysical surveys, excavator and hand trenching and diamond drilling of 457m in 5 holes by Probe Resources Limited under option.

The drill program intersected 1.76% Cu, 0.3 g/t Au over 5.5m in DDH 95-1 and 1.96% Cu, 2.1 g/t Au over 2.1m in DDH 95-3. A 12 to 15m wide intersection of a serpentinite sill in DDH 95-4, -5 returned an average of 0.17% Ni. The surface program outlined strong copper geochemical anomalies coincident with geophysical conductors around the main zone, located widespread concordant chalcopyrite-pyrite-quartz mineralization downstream and along strike from the main showing and delineated new showings to the southeast *(Davidson, 1993* and *1995)*.

2001-2006 Prospecting, geochemical sampling and hand trenching on new showings by Mr. Bill Harris and Mr. Ron Stack *(Craig, 2001, 2002, 2005).*

6.0 GEOLOGICAL SETTING

6.1 Regional Geology (Figure 3)

The regional geology of the area has been summarized from Gordey and Makepeace (2003), Israel and van Zeyl (2005) and Israel and Cobbett (2006).

The Ellen Property is situated between the Denali Fault and the Shakwak Valley in a wedge of Triassic volcanic rocks overlain by the Dezadeash clastic succession (**JKs**) within the accreted Wrangell Terrane (**WR**), part of the Insular Super Terrane *(Figure 3)*. The Wrangell and Alexander terranes were together by the mid-Jurassic and formed the basement beneath at least part of Wrangellia by Early Pennsylvanian time *(see Israel and van Zeyl, 2005)*.

Regionally, the Wrangell Terrane consists of Devonian to Permian arc volcanic, clastic and platform carbonate rocks overlain by Triassic oceanic rift tholeiitic basalt (**uTrN**), and carbonate rocks and associated igneous bodies of the Kluane mafic-ultramafic complex, thought to represent feeders to the Triassic flood basalts.

Post accretionary units include Jura-Cretaceous sedimentary rocks (**JKs** - Dezadeash Group), overlapping Wrangellia (**WR**) and Alexander Terranes (**AX**), and Tertiary felsic to mafic volcanic rocks with interbedded terrestrial sedimentary rocks (**Tvs**). Post accretionary intrusions in the region include Jura-Cretaceous (**JKp**), mid Cretaceous (**mKp**) and Neogene plutons (**Np**).

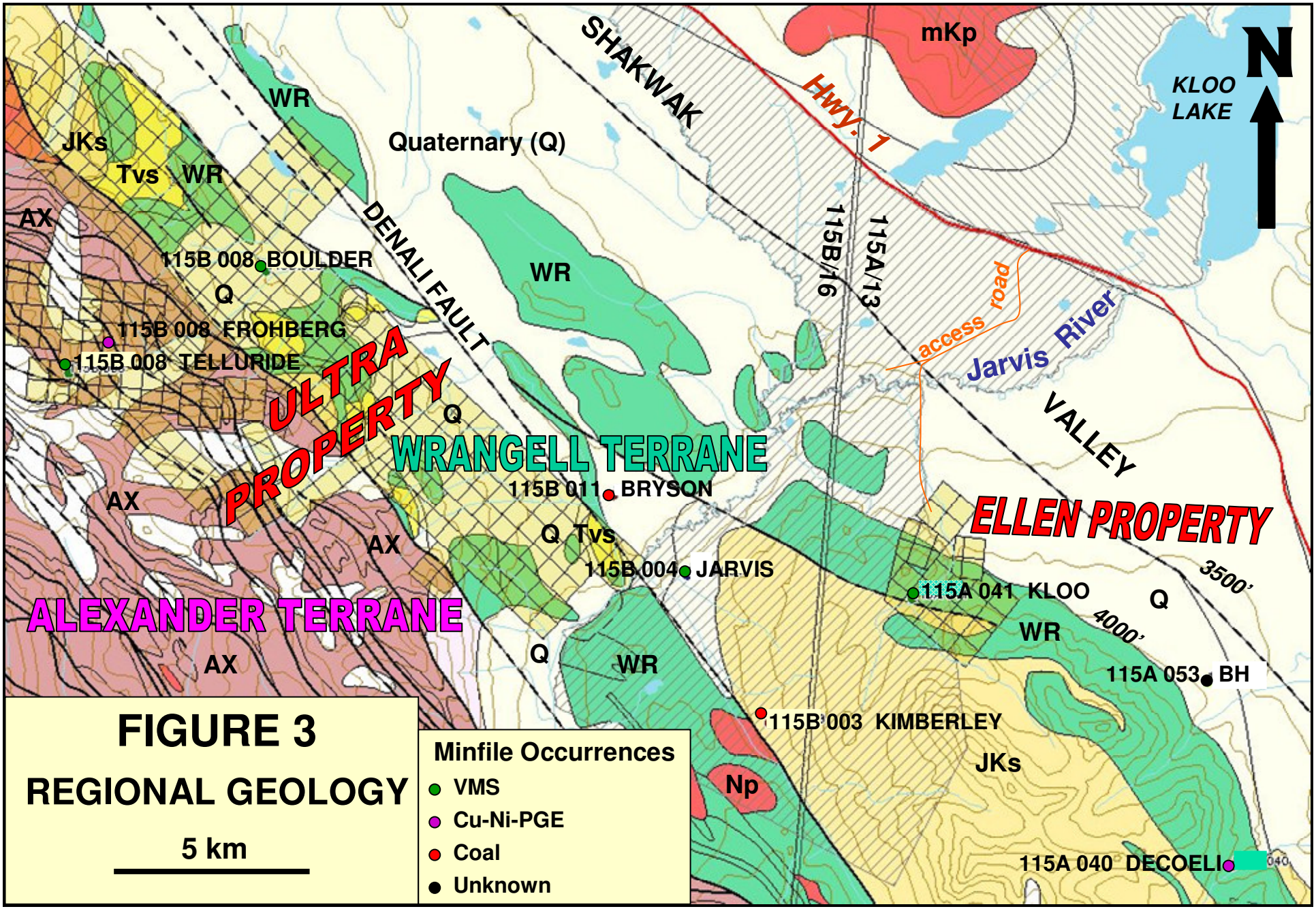
The major structural feature of the area is the Denali Fault, a large fault zone that lies southwest of the property. It is a strike-slip fault with a dextral sense of motion with an offset in the order of 350 km.

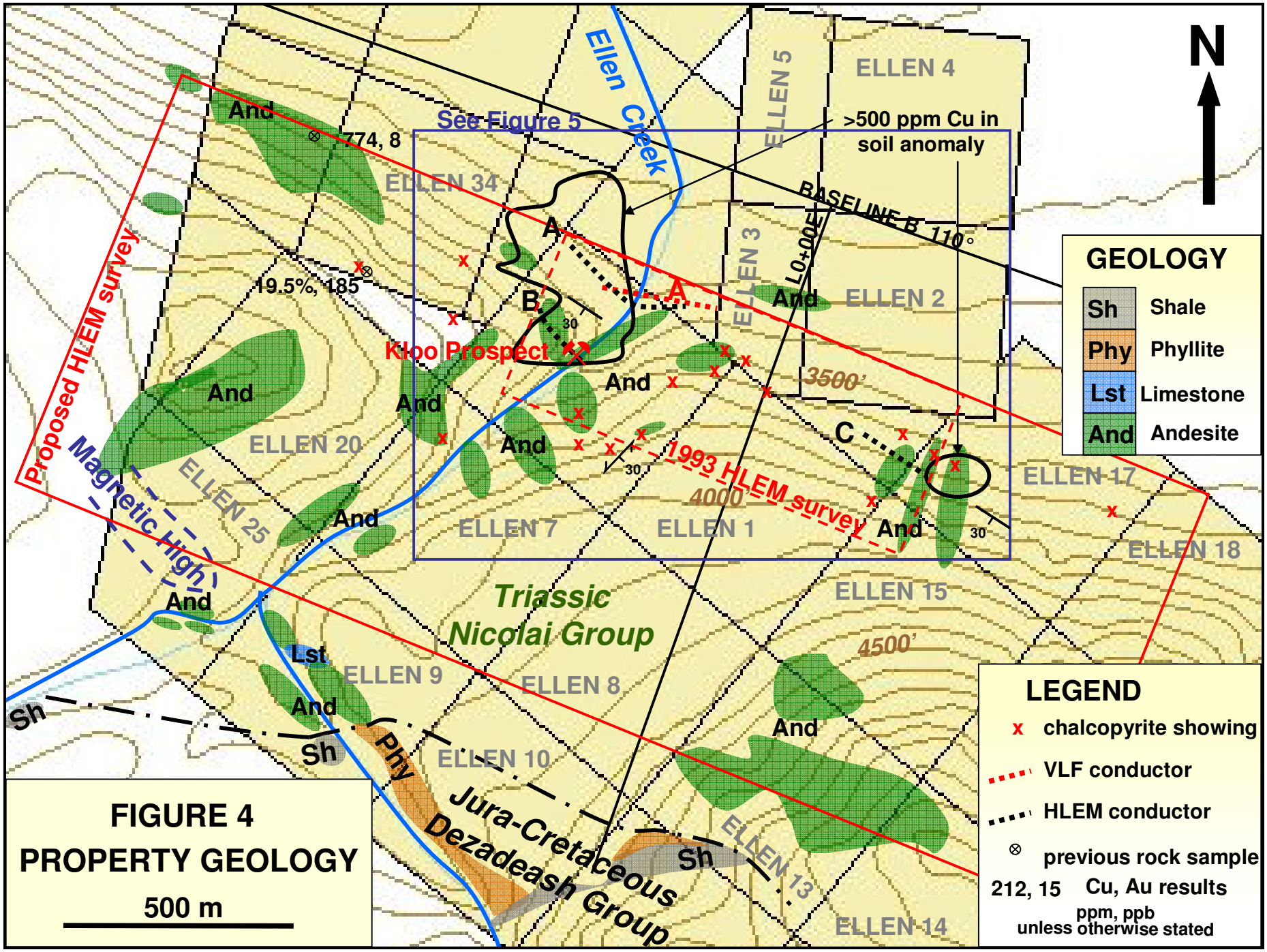
6.2 Property Geology (Figure 4)

The property is primarily underlain by a thick sequence of layered mafic volcanic rocks consisting of andesite flows, andesitic and mafic tuffs, and thin layers of tuffaceous argillite that may belong to the Upper Triassic Nicolai Group. A limestone interbed was previously noted within the volcanic succession in the southern property area. Diorite, andesite and fine grained peridotite sills occur within the volcanic rocks and have been emplaced along thrust faults at the base of the Triassic volcanic sequence. *(Davidson, 1995)*. The units strike 110º/30º to 50º south.

The volcanic rocks have been variably foliated and altered forming quartz sericite schist and narrow bands of black chlorite schist. Epidote and quartz banding is common. Serpentinization is common towards the base of the volcanic section *(Davidson, 1995)*.

The volcanic rocks are unconformably overlain by deformed clastic sedimentary rocks (phyllite), containing sections of green tuffaceous volcanic rocks, and shale at the south end of the claim block that belong to the Upper Jurassic to Lower Cretaceous Dezadeash Group. Narrow quartz carbonate veins cut the sedimentary rocks *(Davidson, 1995)*. The deformation may be related to a fault contact between the Nicolai and Dezadeash Groups.


SHAKWAK
Hwy. 1
mKp
KLOO LAKE
N
WR
JKs
Tvs
WR
Quaternary (Q)
AX
DENALI FAULT
115B/16
115A/13
115B 008 BOULDER
WR
Q
115B 008 FROHBERG
115B 008 TELLURIDE
access road
Jarvis River
VALLEY
ULTRA PROPERTY
Q
WRANGELL TERRANE
115B 011 BRYSON
ELLEN PROPERTY
AX
AX
Q Tvs
115B 004 JARVIS
3500'
115A 041 KLOO
Q
4000'
WR
ALEXANDER TERRANE
AX
Q
WR
115A 053 BH
115B 003 KIMBERLEY
JKs
Np
115A 040 DECOELI
FIGURE 3
REGIONAL GEOLOGY
5 km
Minfile Occurrences
VMS
Cu-Ni-PGE
Coal
Unknown


N
Ellen Creek
ELLEN 4
ELLEN 5
See Figure 5
>500 ppm Cu in soil anomaly
BASELINE B 110°
L0+00E
ELLEN 34
ELLEN 3
ELLEN 2
And
774, 8
19.5%, 185
A
A'
B
B'
30
Kloo Prospect
3500'
Proposed HLEM survey
Magnetic High
ELLEN 20
ELLEN 25
ELLEN 7
ELLEN 1
C
1993 HLEM survey
4000'
ELLEN 17
ELLEN 18
Triassic
Nicolai Group
ELLEN 15
4500'
Lst
ELLEN 9
ELLEN 8
Sh
Phy
Jura-Cretaceous
Dezadeash Group
ELLEN 10
ELLEN 13
ELLEN 14
GEOLOGY
Sh Shale
Phy Phyllite
Lst Limestone
And Andesite
LEGEND
x chalcopyrite showing
VLF conductor
HLEM conductor
previous rock sample
212, 15 Cu, Au results
ppm, ppb
unless otherwise stated
FIGURE 4
PROPERTY GEOLOGY
500 m

Ultramafic sills were intersected in the 1969 and 1995 drill programs approximately 200m northeast and down section of the Kloo volcanogenic massive sulphide prospect. A sill is also postulated in the southwestern property area based on a strong magnetic anomaly *(Figure 4)*.

Fault zones with mylonite, talc and graphitic gouge were reportedly intersected in the 1995 drill program in the main showing area. Cyprus type volcanogenic massive sulphide mineralization is typically controlled and aligned near steep normal faults.

7.0 DEPOSIT MODEL

The main style of mineralization on the Ellen property as exposed at the Kloo Minfile prospect is volcanic hosted copper-gold massive sulphide with potential for flood basalt associated nickel-copper-PGE mineralization.

7.1 Volcanic Hosted Copper-Zinc-Silver-Gold Massive Sulphide

The main deposit model for the Ellen property is volcanic hosted copper-gold massive sulphide, possibly of the Cyprus type. The following characteristics of the Cyprus massive sulphide deposit model are primarily summarized from Höy (1995).

Deposits of this type typically comprise one or more concordant lenses of massive pyrite and chalcopyrite (sometimes brecciated or banded) hosted by mafic volcanic rocks, underlain by a well developed pipe-shaped stockwork zone. The stockwork zone consists of a cross-cutting zone of intense alteration with disseminated, vein and stockwork mineralization and hydrothermally altered wallrock. The lenses may be overlain by or associated with chert layers, locally brecciated and containing disseminated sulphides.

Lenses commonly occur in tholeiitic or calcalkaline marine basalts, commonly pillowed, near a transition with overlying argillaceous sediments generally within ophiolitic complexes formed at oceanic or back-arc spreading ridges and possibly within marginal basins above subduction zones or near volcanic islands within an intraplate environment. Many lenses appear to be structurally controlled, aligned near steep normal faults.

Ore mineralogy includes pyrite, chalcopyrite, magnetite, sphalerite, with lesser marcasite, galena, pyrrhotite, cubanite, stannite-besterite, hematite in a gangue of talc, chert, magnetite and chlorite.

Alteration consists of chlorite, talc, carbonate, sericite and quartz veins in the core of the stringer zone, sometimes with an envelope of weak albite with illite alteration. Goethite alteration of the top of the sulphide layer may occur. Pyritic horizons occur distally and can be useful regional indicators.

Published average grade and tonnage figures are 1.6 million tonnes containing 1.7% Cu, 0 to 33 g/t Ag, 0 to 1.9 g/t Au, 0 to 2.1 % Zn. Examples in British Columbia include Chu Chua with reserves of 1.043 million tonnes of 2.97% Cu, 0.4% Zn, 8.0 g/t Ag, 1.0 g/t Au and Anyox with 0.2 to 23.7 million tonnes of approximately 1.5% Cu, 9.9 g/t Ag and 0.17 g/t Au. Associated deposit types include vein and stockwork copper (±gold) mineralization, manganese and iron rich cherts and massive magnetite (±talc) deposits.

7.2 Flood Basalt Associated Nickel-Copper-PGE

The singularly most important mineral resource in the Kluane Range, Yukon Territory is the nickel-copper-PGE±gold mineralization type with twenty-five documented occurrences. The deposit model is consistent with that of flood basalt associated nickel-copper-PGE deposits. The following description of the mineralization is summarized from the "*Metallogeny of the Kluane Ranges*" by Carnes, 2003.

The nickel-copper-PGE occurrences are genetically and geographically linked to a number of relatively large sill-like mafic-ultramafic intrusions of Triassic age, the Kluane Ultramafic Suite, which occurs within the Wrangell Terrane and extends from northern British Columbia, through Yukon and into Alaska. The most significant occurrence is the former producing Wellgreen Mine, which is hosted by the Quill Creek Mafic-Ultramafic Complex. Wellgreen currently contains the largest resource of nickel-copper-PGE mineralization in the North American Cordillera. Due to weak metal prices, excessive dilution and erratic distribution only 171,652 tonnes of ore were mined between 1972 and 1973 with an average grade of 2.23% Ni, 1.39% Cu, 0.073% Co and 2.15 grams/tonne Pt and Pd. Wellgreen hosts reserves of 49.9 million tonnes grading 0.36% Ni, 0.35% Cu, 0.51 g/t Pt and 0.34 g/t Pd *(Hulbert, 1997)*.

The Quill Creek Mafic–Ultramafic Complex is a highly serpentinized and moderately deformed 16.5 km long northwest-trending group of sill-like bodies that vary in thickness from 10 to 600m. These intrude the host sedimentary-volcanic sequence in a variety of settings ranging from upper Station Creek Formation to lower Nikolai Assemblage levels. Generally, non-cumulus gabbro forms the floor along much of the west part of the Wellgreen segment of the complex, with repeated injections of gabbro and chilled margins at the contacts, grading more mafic upwards to much more volumetric pyroxenites and peridotites containing disseminated sulphides.

The gabbros commonly contain disseminated to heavily disseminated sulphide minerals and schlieren or lenses of massive sulphide mineralization displaying classic sulphide-silicate melt immiscibility features. Massive sulphide mineralization and better grades of disseminated sulphide mineralization are often spatially associated with irregular footwall contacts of the sills.

The major ore minerals include pyrrhotite and pentlandite followed by chalcopyrite and magnetite. Trace amounts of cobaltite-gersdorffite, covellite, arsenopyrite, ullmannite, chromite, ilmenite, violarite, galena, sphalerite, barite, Au-Ag alloy, and altaite are also present. Platinum group elements are present in a number of diverse minerals as fine-grained disseminations, dominantly in magnetite, pyrrhotite, pentlandite-violarite and chalcopyrite.

The Wellgreen mineralization contains high levels of the rare PGE's rhodium, ruthenium, osmium, and iridium, comparable to the near age-equivalent Noril'sk deposits in Russia as indicated by a 1986 chip sample across the discovery outcrop at Wellgreen, which returned an average grade of 2.44% Ni, 2.07% Cu, 0.94% Co, 2400 ppb Pt, 2200 ppb Pd, 1020 ppb Au, 560 ppb Rh, 650 ppb Ru, 440 ppb Os, and 550 ppb Ir over 9.8m. In addition, high-grade PGE mineralization can be associated with relatively thin sill-like apophyses of the main ultramafic body in the Wellgreen area.

8.0 MINERALIZATION (Figures 3 to 6)

The Ellen property covers the Kloo volcanogenic massive sulphide drilled prospect as documented by the Yukon Geology Program as Minfile Number 115A 041 *(Deklerk and Traynor, 2005)*.

Mineralization at the main showing is exposed as intense malachite and azurite stained outcrops along the canyon of Ellen Creek, with several zones up to 10m wide consisting of high grade copper±gold bearing semi-massive pyrite and chalcopyrite layers (parallel to bedding and shear planes trending 110-125º/20-50ºS) crosscutting chalcopyrite-pyrrhotite stringers and breccia zones with sulphide cement, hosted in a series of thick andesite flows and tuffs of Triassic age. There are two zones of chalcopyrite rich mineralization that cross the creek, an upper or main zone and a lower zone, 10-15m below the main zone.

The east side of the main zone consists of three distinct layers of stringer mineralization. The lowest one is about three meters thick while the upper two are approximately one meter thick. The west side of the main zone consists of a single 10m thick zone of chalcopyrite stringer mineralization. The lower zone is not well exposed and difficult to access due to the cliff type exposure, but appears to consist of 1-2 bands of 1m wide chalcopyrite rich horizons.

The zones have an associated hydrothermal alteration assemblage that commonly consists of massive dark green to black chlorite proximal to intense areas of stringer mineralization that are up to 30 centimeters thick. Pervasive weak chlorite and sericite alteration occurs up to 10 meters around the stringer zones while patches of pervasive epidote alteration with associated quartz-carbonate-epidote veinlets occur over the extent of the 75 m long Kloo prospect.

Minor chalcopyrite veins and stringers continue along the walls of the Ellen Creek gully for 150m downstream of the main zone.

A weakly mineralized horizon 0.5 to 3.0m wide outcrops on both sides of the creek approximately 75m north of the main zone. The mineralization consists of argillaceous tuff and greenstone containing blebs and veins of chalcopyrite in a quartz stringer zone and can be traced for 100m along strike. The sulphide mineral content of this zone ranges from 1 to 2%, Several 10-30 cm wide well mineralized quartz veins occupy fractures concordant with bedding.

The 1995 drilling indicated a cross-cutting relationship of the stringer zones to the host stratigraphy. This relationship, the high grade copper±gold values and the intense black chlorite alteration suggest that the mineralization may represent part of a feeder system with a source area down dip to the south. Potential exists for massive lenses along strike from the main Kloo prospect.

Additional chalcopyrite stringer mineralization and associated quartz-chalcopyrite veins, generally less than one meter thick and less intensely mineralized than the main showing, have been traced up to 500m to the northwest and 800m to the southeast along the same stratigraphic horizon along strike and up dip of the Kloo prospect. This demonstrates continuity to the mineralization. The quartz-chalcopyrite veins are typical within the underlying stringer zones in Cyprus type volcanogenic massive sulphide deposits.

The Ellen property also has potential for copper-nickel-PGE±gold mineralization. Previous drilling on the property (DDH 95-4 and 95-5), which targeted a strong HLEM anomaly down section of the main showing, intersected graphitic siltstone and schist hosting a serpentinite sill carrying low grade nickel values. This sequence marks a thrust fault underlying the mafic volcanic rocks. Thrust faults found throughout the Kluane Ultramafic Belt are good targets for both high and low grade copper-nickel-PGE±gold mineralization. The presence of low grade nickel mineralization in the previous drill holes, which averaged 0.17% Ni over 12-15m, is significant in that PGE mineralization is commonly associated with low grade nickel and higher grade copper throughout the Kluane Ultramafic Belt *(Craig, 2002)*.

9.0 PREVIOUS EXPLORATION

Exploration on the Ellen Project, undertaken from 1954 to 2004, has involved approximately 1,214m of drilling in 17 holes, hand/blast trenching, rock and soil geochemistry, ground electromagnetic (VLF-EM, and horizontal loop) and magnetic geophysical surveys.

9.1 Geochemistry

Canadian Barranca Mines Limited completed rock and soil geochemistry over the showing in 1966 returning results from rock samples of 3.0% Cu over 9.1m on the northwest side of the creek and 2.0% Cu over 4.6m on the southeast side *(Deklerk and Traynor, 2005).* Soil results could not be found.

Minor rock sampling was completed by Mr. Glen Harris and Mr. Ron Stack in 1987, which is discussed under the “Trenching” section of this report.

From 1989 to 2001, inclusive, 85 rock samples are documented from the property. In 1989 chip samples from the main Kloo showing returned values of 8.55% Cu over 2m and 4.68% Cu, 780 ppb Au over 1m *(Davidson, 1989)*. Rock sampling in 1990 traced

the main zone for a 75m strike length, with maximum values from grab samples of 18.3% Cu and 6.63 g/t Au *(Davidson, 1990)*.

Probe Resources Limited conducted a 682 sample soil geochemical survey (collected at 50m spacings on lines 100m apart on a 36 line km grid with a 110º trending baseline) and collected 51 rock samples in 1993. The soil survey returned maximum values of 4818 ppm Cu and 1340 ppb Au and outlined strong copper±gold geochemical anomalies generally coincident with conductors outlined in the geophysical survey along the main zone, 170m north of the main zone and 800m along strike to the southeast of the main zone *(Davidson, 1993*). *(Refer to Figure 4.)*

In 1994 four chip samples were collected, three from the west side of the main zone (maximum 9.79% Cu, 1.741 g/t Au over 1.5m) and one from the east side (5.82% Cu, 0.373 g/t Au over 1.2m). A float sample was collected 500m to the northeast, downslope of the showing, returning 27.3% Cu, 0.715 g/t Au *(Craig, 2001- Figure 5)*.

TABLE 2: Summary of significant results from Kloo prospect

Year	Sampler	Cu %	Au g/t	width m	Sample Description
1966	Can. Barranca	3.0		9.1	Main Kloo showing, west
1966	Can. Barranca	2.0		4.6	Main Kloo showing, east
1989	Mr. Bill Harris	4.68	0.78	1.0	Main Kloo showing
1989	Noranda	8.55	0.35	2.0	Main Kloo showing, west
1989	Noranda	1.81	0.25	1.5	Main Kloo showing, east
1989	Total Energold	1.5	0.68	1.5	Main Kloo showing, west
1989	Total Energold	2.26	0.22	1.5	Main Kloo showing, east
1993	Probe Resources	4.27	1.65	2.8	Main Kloo showing, west
1993	Probe Resources	2.8	0.84	1.5	Main Kloo showing, east
1994	Probe Resources	9.79	1.74	1.5	Main Kloo showing, west
1994	Probe Resources	5.82	0.37	1.2	Main Kloo showing, east

9.2 Geophysics

An electromagnetic survey was carried out by Hudson Bay Mining and Smelting Company Limited in 1954 *(Deklerk and Traynor, 2005)*, but results of the survey could not be located.

In 1967 Canadian Barranca Mines Limited completed an electromagnetic (VLF-EM) survey over the property *(Deklerk and Traynor, 2005)*, but again results of the survey could not be located.

A 35 line km fluxgate magnetic survey was completed in 1969 over a grid with northeasterly trending lines by Canadian Barranca Mines Limited. They reported that no anomalies characteristic of vein-like deposits containing pyrrhotite or magnetite were uncovered, but no increased magnetic response was obtained over the known showing. One area of increased magnetic intensity in the northwest property area was interpreted

to be due to the occurrence of a basic intrusive rock type *(Baird, 1969)* and appears to correspond to the sill intersected in holes MC66-4 and DDH 95-4 and -5.

A 28 line km Omni magnetic survey and a 7 line km electromagnetic survey (2 line km HLEM and 5 line km VLF-EM) was carried out in 1990 over portions of a 30.1 line km grid utilizing a 110º trending baseline. The horizontal loop electromagnetic survey outlined a conductor tracing the main zone 100m to the east. Two similar parallel conductors were outlined on the upland 300m southeast of the main showing along strike *(Davidson, 1990)*.

Geophysical surveying entailing 25 line km of VLF-EM and 11 line km of HLEM was conducted in 1993 by Probe Resources Limited *(Figure 4)*. Three conductors were outlined, along the main zone for a 200m total strike extent, 170m north of the main zone, and 700m along strike to the southeast of the main zone *(Davidson, 1993*). Conductors A and B remained open to the west and Conductor C to the east due to limitations of the grid.

9.3 Trenching (Figures 4 to 6)

Several deep pits were excavated by Canadian Barranca Mines Limited between 1966 and 1969. Grab samples from the pits by Mr. Glen Harris and Mr. Ron Stack in 1987 returned values up to 2.67% Cu, 55 ppm Co and 70 ppb Au *(Davidson, 1988*).

Blast trenching on the Kloo prospect in 1989 by Mr. Ron Stack exposed copper±gold mineralization over a strike length of 50m, including a continuous 10m exposure. Results include 4.68% Cu and 0.78 g/t Au over 1.0m from the east side of the creek. Sampling during property exams by Noranda and Total Energold at this time returned 1.81% Cu, 0.25 g/t Au and 2.26% Cu, 0.22 g/t Au respectively over 1.5m from the east side of the creek and 8.55% Cu, 0.35 g/t Au over 2.0m and 1.5% Cu, 0.68 g/t Au over 1.5m respectively from the west side *(Davidson, 1989*). A total of 15 samples were collected *(Craig, 2001)*.

In 1990, 60m^3 of material was excavated by blast trenching (TR90-1 to TR90-5). The trenches are located at the main Kloo prospect *(Figure 6 - Davidson, 1990*), except for one trench 200m along strike to the southeast which exposed a 3m wide zone of chalcopyrite bearing quartz hosted by siliceous tuff returning 0.3% Cu with trace gold *(Figure 5 - Craig, 2002)*. A total of 15 samples were collected but assays were not reported *(Davidson, 1990*).

In 1993, 110m^3 of material was excavated from one excavator trench and five hand/blast trenches by Probe Resources Limited *(Figure 6)*. A blast pit 100m northwest of the main zone exposed patchy mineralization, including a quartz-calcite-chalcopyrite vein, over a width of 10m with maximum values of 1.1% Cu, > 0.67 g/t Au. Additional pits excavated on chalcopyrite occurrences in several steep gullies, 500-700m further to the southeast *(Figure 5)* returned maximum values of 1.8% Cu *(Davidson, 1993*). A pit testing the conductor 170m northeast of the main zone returned anomalous 0.1% nickel *(Craig, 2002)*. This is the area of the sills encountered in DDH 95-4 and -5.

In 1995, 100m^3 of material was excavated by hand/blast trenching by Probe Resources Limited exposing several showings to the southeast of the Kloo prospect, but no assays were reported *(Davidson, 1995*).

Minor hand trenching was undertaken in 2001, 2002 and 2004 by Mr. Ron Stack and Mr. Bill Harris (accompanied by Mr. Ron Robertson in 2004) exposing quartz veins, malachite, azurite, disseminated chalcopyrite and pyrite *(Craig, 2002, 2003*, 2005*)*. Significant results are tabulated below. New showings were located up dip of the Kloo prospect and to the southeast, with results of 10.4% Cu, 510 ppb Au approximately 300m east of the lower zone and 4.75% Cu, 1.26 g/t Au from mineralized breccia 75m south and up slope of the lower zone *(Figure 5)*. Quartz float 500m northwest and up dip of the main zone returned 19.5% Cu, 185 ppb Au and may represent stringer zone mineralization or remobilized sulphide from an underlying sulphide lens *(Figure 4)*.

Table 3: Significant trench results

Trench No.	Cu (%)	Au (ppb)
Pit 01-1	0.78	15
Pit 01-1	10.4	510
Pit 01-2	0.36	10
Pit 01-3	6.88	3.24 g/t
Pit 01-3	0.21	10
Pit 02-1	5.65	120
Pit 02-2	1.28	2
Pit 02-3	4.75	1.26 g/t

9.4 Drilling

Four diamond drill programs, totaling 1,214 metres in 17 holes, were completed on the Ellen property between 1954 and 1995. Table 4 below summarizes the drill programs.

Table 4: Summary of diamond drill programs on Kloo showing

Year	Company	Core	Holes	Depth (m)
1954	Hudson Bay Mining		5	323
1966	Canadian Barranca Mines	EXT 7/8”	3	101
1969	Canadian Barranca Mines		4	333
1995	Probe Resources Ltd.	BQ 1.4”	5	457
TOTAL			**17**	**1,214**

The 1966 core storage was located on the property in 2006 at UTM coordinates 6751122mN, 339382mE, Nad 83, Zone 8 but, although in fair condition, labels and footage markers cannot be read. The core from the 1995 drill program is stored in the Bostock Core Library on Range Road in Whitehorse. Most of the drill hole collars were located in the field, GPS co-ordinates collected, tabulated below with drill hole specifications and shown on Figure 5. The 1966 holes tested the showing from creek level, so one site would be at 6751148mN 339452mE. Another old site is shown on a previous map below DDH 95-3 on the east side of the creek that may correspond to one of the 1966 drill holes *(Davidson, 1993)*. Drill hole specifications are tabulated below.

TABLE 5: Drill hole specifications

DDH No.	UTM Nad 83, Zone 8 Northing	Easting	Az. (°)	Dip (°)	Depth (m)
MC 66-1			058	-45	25.6
MC 66-2			-	-90	40.2
MC 66-3			023	-45	35.05
MC 69-4	road	Near 95-4?	040	-45	91.75
MC 69-5 B	6751181	339389	050	-45	76.2
MC 69-6 B	6751181	339389	-	-90	91.45
MC 69-7 C	6751115	339373	050	-60	73.75
95-1	6751130	339430	030	-50	76.2
95-2	6751130	339430	-	-90	69.8
95-3	6751090	339478	040	-70	122.2
95-4	6751236	339564	020	-50	97.5
95-5	6751236	339564	020	-77.5	92.0

The 1954 drill program is rumored to have intersected only minor copper mineralization hosted by graphitic shale *(Deklerk and Traynor, 2005),* but no data could be located from this program. The 1966 drill program tested the main showing from the creek level. In 1969 DDH MC-4 tested an electromagnetic and magnetic anomaly down section from the main showing, MC-5 and -6 tested the main showing 61m along strike to the northwest of the main showing and DDH MC-7 tested the down dip extent of the main showing (*Canadian Barranca Mines Ltd., 1969* and *Deklerk and Traynor, 2005)*. Significant results from the drill programs are summarized in Table 6, below.

Table 6: Significant Diamond Drill Results

Hole No.	From-To Feet	Length (m)	Cu (%)	Ni (%)	Au (%)
MC 66-1	59-76	5.2	3.15	NA	NA
MC 66-2	90-124	10.4	1.64	NA	NA
including	103-124	6.4	2.20	NA	NA
MC 66-3	80-97	5.2	1.20	NA	NA
MC 69-4	51-53	0.61	NA	0.11	NA
and	145-151	1.8	NA	0.11	NA
MC 69-5	203-206	0.9	1.10	NA	NA
MC 69-6	205-219	4.3	0.66	NA	NA
MC 69-7	213-217	1.5	0.17	NA	NA
and	230-235	1.5	0.73	NA	NA
DDH 95-1	87-105	5.5	1.76	NA	296
including	87-91	1.2	3.47	NA	803
DDH 95-2	145-170	7.6	0.88	NA	36
and	190-200	3.05	0.25	NA	21
DDH 95-3	175-250	22.9	0.50	NA	205
including	197-204	2.1	1.96	NA	2098
DDH 95-4	230-280	15.2	NA	0.166	24
DDH 95-5	260-300	12.2	NA	0.177	91

NA: not analyzed

DDH MC-1 to -3 intersected the main mineralized zone down dip from the showing in the creek. DDH MC-5 and -6 intersected the zone 61m along strike to the northwest and down dip. DDH MC-7 did not intersect significant mineralization down dip of DDH MC-1 to -3 in the creek. The electromagnetic anomaly in MC-4 appeared to be related to graphitic schist and the magnetic anomaly, ultramafic sills. Since graphitic shales are referred to in the 1954 drill program by Hudson Bay Mining and Smelting Company Limited it is probable it targeted the same area as in MC-4, down section from the main showing.

It should be noted that poor core recovery (only 60-70% overall and 50-60% through the mineralized zone) was obtained in the 1966 program, utilizing standard equipment and no mud. Only 14 samples were collected for analysis. Better core recovery was obtained overall in the 1969 program averaging 85% in holes MC-5 and -6, but only 35% recovery was reported from the mineralized zone in MC-5, with only five samples analyzed from holes MC-5 to -7, and it appears that only 42% recovery was obtained from MC-4, with only two samples analyzed.

Despite the poor recovery, the 1966 program returned 3.15% Cu over 5.2m in MC-1, 1.64% Cu over 10.4m in MC-2 and 1.20% Cu over 5.2m in MC-3. In the 1969 drilling, MC-7 intersected only 0.8% Cu over 1.5m below the 1966 holes, but 61m along strike to the northwest MC-5 returned 1.1% Cu over 0.9m, with extremely poor recovery from the mineralized zone, and 0.6% Cu over 4.3m down dip in MC-6. MC-4 intersected two bands of serpentine, 7.9m and 9.4m thick containing nickel values up to 0.11%.

In the 1995 program a total of 76 samples were split and sent to Northern Analytical Labs Ltd. of Whitehorse, Yukon Territory for analysis. Holes DDH 95-1 to -3 intersected the mineralized zone with grades of 1.76% Cu and 0.3 g/t Au over 5.5m in DDH 95-1, 0.88% Cu over 7.6m in DDH 95-2, down dip of DDH 95-1 and 1.96% Cu and 2.1 g/t Au over 2.1m in DDH 95-3. A 12 to 15m wide intersection of a serpentinite sill in holes DDH 95-4 and -5, 200m northeast of the main showing, possibly near MC-4, returned an average of 0.17% Ni, but PGE's were not analyzed. Core recovery averaged 85%. Future drill programs should utilize NQ (1.87") or HQ (2.5") wireline tools to facilitate better core recovery.

10.0 2006 EXPLORATION PROGRAM AND DATA VERIFICATION

The 2006 program on the Ellen Project consisted of property wide geological mapping with concurrent geochemical sampling and an evaluation of the deposit type(s) and model(s). Old drill sites and workings were evaluated, located and surveyed in by GPS. Control was provided by property scale topographic maps, compass and GPS. A total of 8 man-days were spent on the Ellen property between October 11 and 13, 2006.

The mapping program and deposit type evaluation is discussed under the "Mineralization" section of this report. Geochemical procedure and sample results are discussed under the respective sections below. Sample locations and locations of old workings are primarily shown in Figure 5 and in Figure 6 for the Kloo prospect area. Occasional samples and working locations outside of the more detailed area shown in Figure 5 have been plotted on Figure 4 with the property geology.

Critical old drill hole, sample locations, and locations of old workings were located and recorded using a Garmin 12XL GPS, in Nad 83, Zone 8 projection and are tabulated below in Table 7.

Table 7: Significant GPS locations

Name	Easting	Northing	Description
E-CORE	339382	6751122	8 boxes stacked AQ core, drill steel, platform, MC-1 or -3?
E-E	339499	6751167	Main Zone, east side of creek
E-WEST	339503	6751203	Main Zone, west side of creek ; 120/30S
E-GFLT	339511	6751067	5 cm banded cp in chloritic greenstone float in gully above Main Zone E.
E-MAL	339427	6751141	WP019 R1 malachite in outcrop in gully
E-OTC1	339702	6751104	outcrop of weak sericite altered greenstone, minor pyrite, 040/30SE
E-PITS	340174	6750872	possible old pits at edge of E plateau, may be natural
E-STR	339735	6751099	quartz-carb stringers up to 1 cm with minor cp, cc, sericite altn
ELLEN	339475	6751149	Main zone, west side of creek
E-DH-A	339379	6751209	2 logs, cribbing, AQ boxes downslope
E-DH- B	339389	6751181	platform of rocks with dumped AQ core, MC-5,-6?, casing, 040/-45
E-DH-C	339373	6751115	pounded casing in hole, core boxes, cut logs, 050/-60? MC-7?
E-DH-D	339309	6751075	one drill rod, plank nearby
E-DH-E	339452	6751148	levelled area, no rods, etc

The stacked core at UTM coordinates 6751122mN, 339382mE, Nad 83, Zone 8 is thought to represent the 1966 core storage location. Most of the drill hole collars were located in the field, GPS co-ordinates collected and are correlated, tabulated and discussed under Section 9.4 “Drilling”.

10.1 Sampling Method And Approach

Eleven samples were collected from the property in 2006 to confirm significant previous results, to verify the grade and tenor of mineralization on the property and to gain information with which to focus continued exploration. The samples were located and recorded by GPS in the field using UTM coordinates, Nad 83, Zone 8 projection.

The samples were sent to Eco Tech Lab, Kamloops, British Columbia and analyzed for Al, Sb, As, Ba, Bi, Cd, Ca, Cr, Co, Cu, Fe, La, Pb, Mg, Mn, Mo, Na, Ni, P, Ag, Sr, Ti, Sn, W, U, V, Y and Zn using a 28 element ICP package which involves a nitric-aqua regia digestion. Gold was analyzed by fire assay with an atomic absorption finish. Three samples were analyzed for PGEs. Due to high values, two assays were completed for gold by fire assay and five for copper by acid digestion. Sample descriptions with select results are outlined in Appendix II. Lab procedures and results are outlined in Appendix III.

The rock samples primarily consisted of grab and chip samples of altered and sulfide bearing zones and vein, stockwork and stringer mineralization, exposed as subcrop, outcrop and local float. The samples were placed in clear plastic sample bags, numbered and secured in the field.

10.2 Sample Preparation And Security

Current samples collected by the author were placed in clear plastic sample bags, numbered and secured in the field. Samples were personally delivered to Greyhound in Whitehorse and sent directly to EcoTech Laboratory of Kamloops, British Columbia for preparation and analysis. Laboratory sample preparation and analysis procedures are outlined in Appendix III. Quality control procedures were implemented at the laboratory, involving the regular insertion of blanks and standards and repeat analyses of at least 25% of the samples, with re-analyses being performed for one sample in each batch on the original sample prior to splitting (resplit).

A sampling protocol should be implemented, involving the routine and regular insertion of blanks, standards and duplicates sent to the primary laboratory, and re-assaying of selected mineralized pulps at a second independent laboratory in the proposed exploration program on the project.

10.3 2006 Sample Results

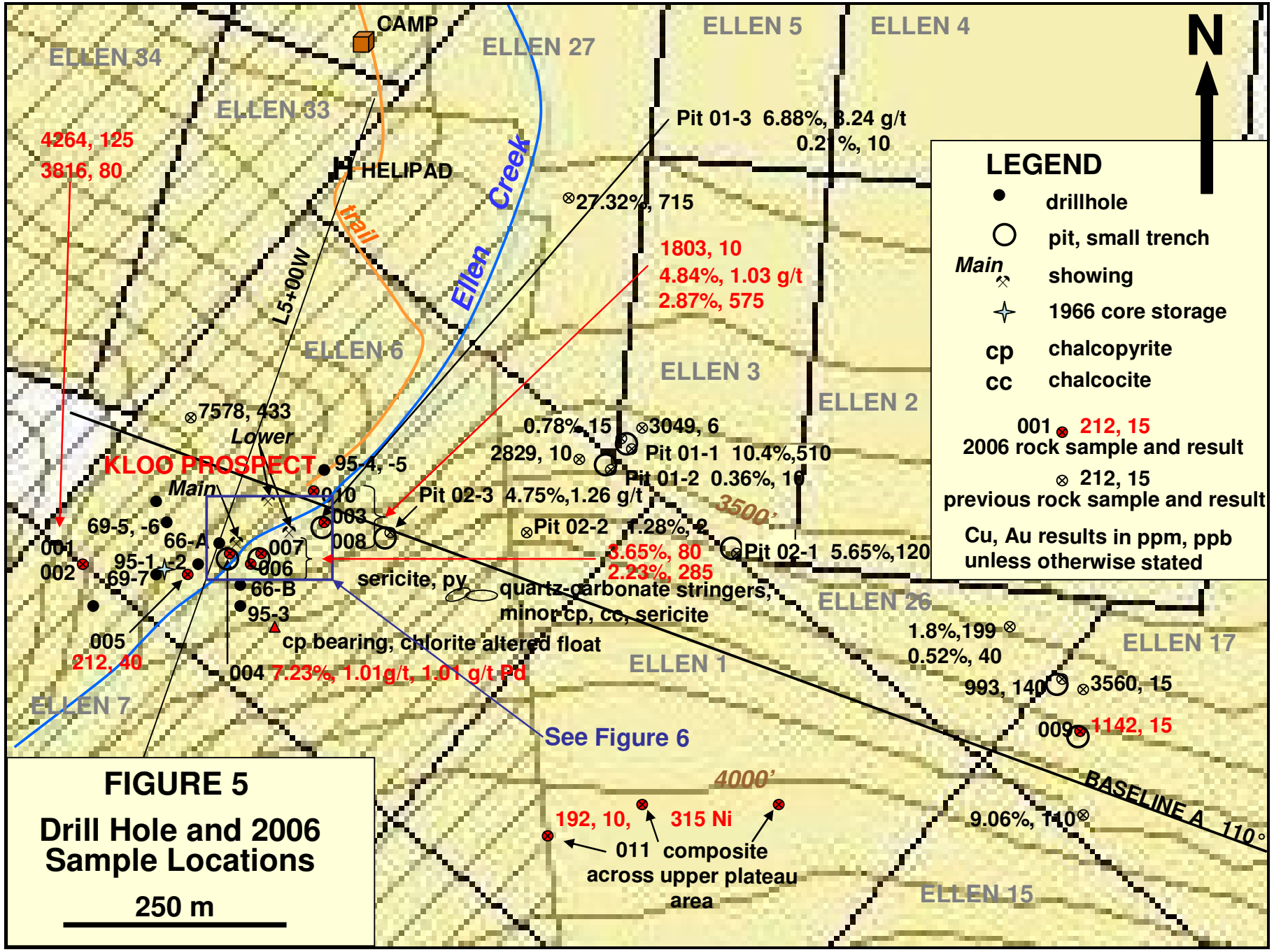
Samples collected from the Kloo prospect in 2006 confirmed previous results and verified the presence of high grade copper and copper-gold values. Detailed results for the Kloo prospect are shown on Figure 6. The remainder of the samples are plotted on Figure 5. The trace element significant for the Kloo prospect includes high cobalt (>40 ppm), iron (>10%), molybdenum, magnesium, manganese and enhanced silver and gold, which is common in Cyprus type volcanogenic massive sulphide deposits.

A 2006 sample from the west side of the main zone of the Kloo prospect returned 7.23% Cu, 1.01 g/t Au with highly anomalous 1.01 g/t Pd over 2.5m (Sample E-004), comparing favourably to a 1993 sample that returned 6.7% Cu, 1.06 g/t Au over 1.5m. Platinum Group Elements were not previously analyzed. The eastern side of the main zone returned 3.23% Cu, 285 ppb Au over 1.2m (Sample E-006) and 3.65% Cu, 80 ppb Au over 0.8m (Sample E-007). Previous results from the same trenches were 2.8% Cu, 844 ppb Au over 1.5m and 4.0% Cu, 373 ppb Au over 1.5m. The main zone can be traced directly across Ellen Creek, trending 115-125º/30-50ºS with no offset.

Significant copper-gold values were also obtained from the lower zone of the Kloo prospect with 2.87% Cu, 575 ppb Au over 1.0m (Sample E-008) and 4.84% Cu, 1.03 g/t Au from a grab (Sample E-003). Minor chalcopyrite stringer mineralization below the lower zone on the west side of Ellen Creek returned 1803 ppm Cu (Sample E-010 – *Figure 5*).

A malachite stained and chalcopyrite bearing zone 200m west of the Kloo prospect returned anomalous copper-gold values. The greenstone contains 4264 ppm Cu, 125 ppb Au with 0.13 g/t Pd (Sample E-001) and a serpentinized ultramafic sill contains 3816 ppm Cu, 80 ppb Au (Sample E-002 - *Figure 5*).

Weakly altered greenstone was observed 800m along strike to the east of the Kloo prospect returning 1142 ppm Cu, 15 ppb Au (Sample E-009). Compared to previous values of 3560 ppm Cu, 15 ppb Au and 993 ppm Cu, 140 ppb Au from the general area *(Figure 5)*. The existence of chalcopyrite occurrences along strike of the Kloo prospect suggests continuity of the massive sulphide system and may be indicative of underlying or proximal massive sulphide lenses.


CAMP
ELLEN 34
ELLEN 27
ELLEN 5
ELLEN 4
ELLEN 33
HELIPAD
trail
Ellen Creek
L5+00W
4264, 125
3816, 80
Pit 01-3 6.88%, 3.24 g/t
0.2 %, 10
27.32%, 715
1803, 10
4.84%, 1.03 g/t
2.87%, 575
ELLEN 6
ELLEN 3
ELLEN 2
7578, 433
Lower
KLOO PROSPECT
Main
95-4, -5
010
003
008
Pit 02-3 4.75%,1.26 g/t
0.78%,15
3049, 6
2829, 10
Pit 01-1 10.4%,510
Pit 01-2 0.36%, 16
3500'
Pit 02-2 1.28%, 2
3.65%, 80
2.23%, 285
Pit 02-1 5.65%,120
69-5, -6
66-A
001
002
95-1, -2
69-7
007
006
66-B
95-3
sericite, py
quartz-carbonate stringers,
minor cp, cc, sericite
cp bearing, chlorite altered float
005
212, 40
004 7.23%, 1.01g/t, 1.01 g/t Pd
ELLEN 26
1.8%,199
0.52%, 40
ELLEN 17
993, 140
3560, 15
009
1142, 15
ELLEN 1
ELLEN 7
See Figure 6
4000'
192, 10,
315 Ni
011 composite
across upper plateau
area
9.06%, 110
BASELINE A 110°
ELLEN 15
N
LEGEND
drillhole
pit, small trench
Main showing
1966 core storage
cp chalcopyrite
cc chalcocite
001 212, 15
2006 rock sample and result
212, 15
previous rock sample and result
Cu, Au results in ppm, ppb
unless otherwise stated
FIGURE 5
Drill Hole and 2006
Sample Locations
250 m

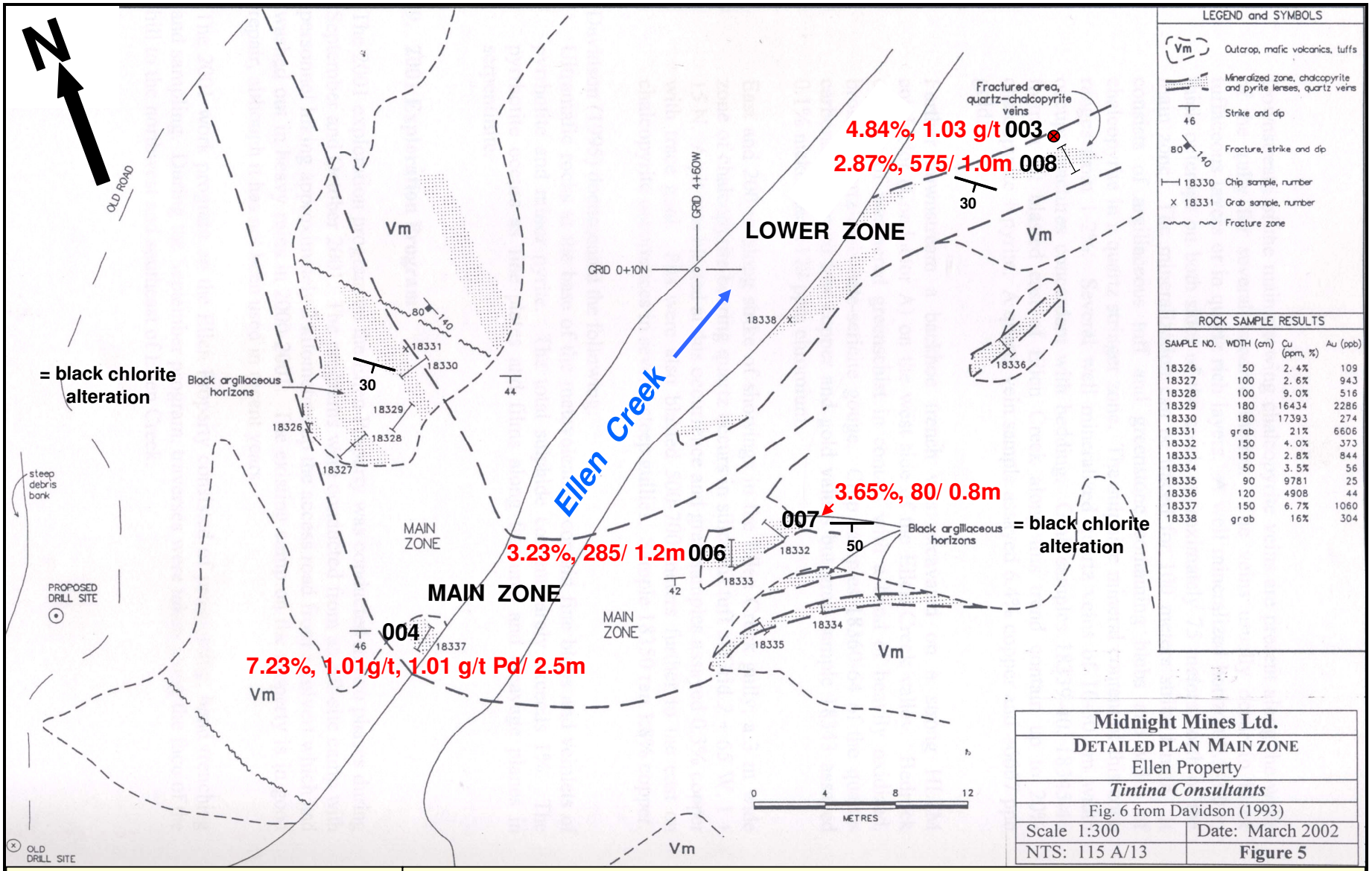


FIGURE 6
KLOO PROSPECT
15 m

LEGEND

003 2006 rock sample

006 2006 chip sample

RESULTS

212, 15/ width

Cu, Au results in ppm, ppb unless otherwise stated

11.0 ADJACENT PROPERTIES

The 8,650 hectare Ultra property, operated by Klondike Star Mineral Corporation, is centred approximately 15 km west-northwest of the Ellen property on NTS map sheet 115 B/16. The Ultra Project covers the Telluride volcanogenic massive sulphide showing, the nickel-copper-PGE Frohberg showing and Jesse anomaly, and the Jennifer copper-silver vein/stockwork showing *(Pautler, 2006)*.

The most significant showing on the Ultra Project is the Telluride volcanogenic massive sulphide showing, which appears to be consistent with the Cypress type deposit model. The massive sulphide horizon trends 130-140º/ 45-70ºS, ranges from 0.5 to 4m wide, has been traced for 200m and remains open along strike. The central portion overlies a 35m stockwork zone. The showing itself contains significant values, up to 13.4% Cu, 6.75% Zn, 56 ppm Ag and 0.25 ppm Au with 3.23% Cu, 6.75% Zn, 17.8 Ag, 0.15 Au over 4m. The system has been traced 6 km to the southeast and appears to continue beneath glacier cover to the northwest. The Nunatak zone, 3 km along strike to the southeast, carries 11.54% Cu, 1514 ppm Zn and 7.2 g/t Ag over 3m *(Pautler, 2006)*.

12.0 MINERAL PROCESSING AND METALLURGICAL TESTING

The Ellen property is at an early exploration stage and no metallurgical testing has been carried out.

13.0 RESOURCE AND MINERAL RESERVE ESTIMATES

There has not been sufficient drilling on the Ellen property to undertake a resource calculation or to delineate the limits of mineralization in any direction.

14.0 INTERPRETATION AND CONCLUSIONS

The Ellen Project constitutes a property of merit based on the presence of a significant volcanogenic massive sulphide showing on the property with high grade copper±gold±PGE values and the potential to trace the showing along strike as evidenced by the numerous chalcopyrite occurrences, anomalous copper-gold soil geochemistry and coincident geophysical anomalies.

The most significant showing on the Ellen property is the Kloo volcanogenic massive sulphide prospect, which appears to be consistent with the Cyprus type deposit model. The massive sulphide horizon trends 115-125º/ 30-50ºS. The Kloo prospect appears to represent a feeder zone that has been traced for 75m with strong dark chlorite alteration and chalcopyrite and pyrite bands, stringers and breccia infilling, associated with significant copper-gold± palladium values. Chalcopyrite occurrences have been traced for 800m along strike to the southeast (including values of 10.8% Cu, 510 ppb Au) and

500m along strike to the northwest (returning up to 19.5% Cu), suggesting continuity to the system with potential to locate a significant len(s).

Drill results from the Kloo prospect include 3.15% Cu over 5.2m in MC66-1, 1.64% Cu over 10.4m in MC66-2 and 1.20% Cu over 5.2m in MC66-3 with 1.1% Cu over 0.9m from MC69-5, 61 m along strike to the northwest and 0.6% Cu over 4.3m down dip in MC69-6, despite poor recovery. The economic grade copper values were confirmed and significant gold values were encountered in the 1995 drill program with grades of 1.76% Cu and 0.3 g/t Au over 5.5m in DDH 95-1 and 1.96% Cu and 2.1 g/t Au over 2.1m in DDH 95-3.

A 12 to 15m wide intersection of a serpentinite sill in holes DDH 95-4 and -5, 200m northeast of the main showing, possibly near MC69-4 (containing nickel values up to 0.11% from two 7.9m and 9.4m thick bands of serpentinite), returned an average of 0.17% Ni, but PGE's were not analyzed. The Ellen project covers intrusions with the same age and chemistry as those that host the nickel-copper-PGE deposit at the former Wellgreen Mine.

Strong copper±gold soil geochemical anomalies (with maximum values of 4818 ppm Cu and 1340 ppb Au) were outlined in 1993, generally coincident with geophysical conductors outlined along the main zone of the Kloo prospect, 170m north of the main zone and 800m along strike to the southeast of the Kloo prospect.

The Kloo prospect lies 22 km to the east-southeast of the Telluride volcanogenic massive sulphide showing in similar rocks. The Telluride showing contains values of 3.23% Cu, 6.75% Zn, 17.8 Ag, 0.15 Au over 4m with 11.54% Cu, 1514 ppm Zn and 7.2 g/t Ag over 3m from the Nunatak zone, 3 km to the southeast.

15.0 RECOMMENDATIONS and BUDGET

A more thorough (approximately 30 line km) HLEM survey is proposed along the favourable stratigraphy with abundant chalcopyrite mineral occurrences to trace the extent of existing conductors and to delineate new zones covered by overburden. The approximate boundaries of the survey area are outlined in Figure 4. Line spacing should be 100m. The access to the Kloo prospect area will require upgrading and is expected to cost $10,000.

Additional mapping, rock geochemical sampling, detailed prospecting and infill soil geochemistry is also warranted to trace copper-gold mineralization further to the northwest and southeast and to delineate areas of PGE potential. The possible sill in the southwestern property area has not been explored and most of the located mineralization on the property has not been analyzed for PGEs. Any additional samples should be analyzed for PGEs. Existing and additional anomalies should be followed up by blast trenching.

The above Phase 1 program should be followed by a 2,000m drill program initially targeting the open northwest and southeast strike extensions of the main zone, down dip extensions, and proceeding to other targets delineated in Phase 1. Approximately

half of the Phase 2 program is non-contingent on the results of the Phase 1 program since valid drill targets exist, but there is good potential to outline additional drill targets in Phase 1. Drilling should utilize NQ or HQ wireline equipment to facilitate high core recovery.

Based on the above recommendations, the following two phase exploration program with corresponding budget is proposed:

Phase 1:

• wages (soil, geology crew, supervision, cook)	$ 25,000
• accommodation/camp	6,000
• groceries and meals	3,000
• field supplies	2,000
• geochemistry: (100 rocks, 1000 soils @ $35/ea, freight)	40,000
• geophysics, grid preparation: (30 line km @ $2000/ line km, mob)	65,000
• trenching and trail repair	15,000
• communication	1,000
• transportation	3,000
• preparation, report and drafting	15,000
• contingency	10,000
Subtotal:	**$ 185, 000**

Phase 2:

• wages (geologist, supervision, cook)	$ 40,000
• accommodation/camp	10,000
• groceries and meals	4,300
• field supplies	2,000
• geochemistry: (100 rocks @ $35/ea, freight)	3,700
• drilling: (2000m @ $200/m all in)	400,000
• communication	2,000
• transportation	4,000
• preparation, report and drafting	20,000
• contingency	14,000
Subtotal:	**$ 500, 000**

TOTAL: **$ 685,000**

Respectfully submitted,

Jean Pautler, P.Geo.

April 18, 2007

16.0 REFERENCES

Abbot, J. G. and Cathro, R.J., 1977. Report on Cub (Telluride) Creek property, Kluane District, YT. Aquitaine Co. of Canada Ltd. Company Report.

Baird, J.G., 1969. Canadian Barranca Mines Ltd. Assessment Report #060731.

British Columbia Minfile, 2005. 114 P 002; British Columbia Ministry of Energy, Mines and Petroleum Resources.

Burke, M.R., 1996. 1995 Yukon Mining and Exploration Overview. In Yukon Exploration and Geology, 1995: Exploration and Geological Services Division, Yukon Indian and Northern Affairs Canada, p. 12.

Canadian Barranca Mines Ltd., 1969. Drill logs. Assessment Report #091313.

Carne, R.C., 2003. Metallogeny of the Kluane Ranges Southwest Yukon Territory. Archer, Cathro & Associates (1981) Limited for Yukon Regional Mineral Development Program.

Craig, S., 2005. 2004 assessment report on the Ellen property. Report for Midnight Mines Ltd. Assessment Report.

2003. 2002 assessment report on the Ellen property. Report for Midnight Mines Ltd. Assessment Report #094414.

2002. 2001 assessment & compilation report on the Ellen property. Report for Midnight Mines Ltd. Assessment Report #094258.

Davidson, G., 1995. Assessment report on the Ellen 1-20, 25-37 claims. Report for Probe Resources Inc. Assessment Report #093356.

1993. Assessment report on the Ellen 1-20, 25-37 claims. Report for Probe Resources Inc. Assessment Report #093174.

1990. Summary report on the Ellen 1-20, 25-38 claims. Report for R. Stack, Kincora Syndicate. Assessment Report #092921.

1989. Assessment report on the Ellen 1-8 claims. Report for R. Stack. Assessment Report #092766.

1988. Assessment report on the Ellen 1-8 claims. Report for R. Stack. Assessment Report #092589.

Deklerk, R. and Traynor, S. (compilers), 2005. Yukon MINFILE 2005 - A database of mineral occurrences. Yukon Geological Survey, CD-ROM.

Duncan, R., 2002. 2002 summary report on the Ellen property, Report for Midnight Mines Ltd.

Gordey, S.P. and Makepeace, A.J., (compilers), 2003. Yukon Digital Geology, version 2.0; Geological Survey of Canada Open File 1749 and Yukon Geological Survey Open File 2003-9(D).

Greene, A.R., Scoates, J.S., Weis, D. and Israel, S., 2005. Flood basalts of the Wrangellia Terrane, southwest Yukon: Implications for the formation of oceanic plateaus, continental crust and Ni-Cu- PGE mineralization. In: Yukon Exploration and Geology 2004, D.S. Emond, L.L. Lewis and G.D. Bradshaw (eds.), Yukon Geological Survey, p. 109-120.

Harjay Exploration Ltd., 1989. Property plan.

Hõy, Trygve, 1995. Besshi massive sulphide Zn-Cu-Pb; and Cyprus massive sulphide Cu (Zn), in Selected British Columbia Mineral Deposit Profiles, Volume 1 - Metallics and Coal, Lefebure, D.V. and Ray, G.E., Editors, British Columbia Ministry of Energy of Employment and Investment, Open File 1995-20, pages 49-52.

Hulbert, L. J., 1997. Geology and metallogeny of the Kluane Mafic-Ultramafic Belt Yukon Territory, Canada: Eastern Wrangellia – a new Ni-Cu-PGE metallogenic terrane. Geological Survey of Canada, Bulletin 506.

INAC, 1990. Yukon Exploration 1989; Exploration and Geological Services Division, Yukon Indian and Northern Affairs Canada, p. 99.

Israel, S. and Cobbett, R., 2006. Update of bedrock mapping in the Kluane Ranges Southwest Yukon. Yukon Geological Survey poster at 2006 Geoscience Forum.

Israel, S. and Van Zeyl, D.P., 2005. Preliminary geology of the Quill Creek map area, southwest Yukon parts of NTS 115G/5, 6 and 12, in Yukon Exploration and Geology, 2004. D.S. Emond, L.L. Lewis and G.D. Bradshaw (eds), Yukon Geological Survey, p. 129-146.

Israel, S., Tizzard, A. and Major, J., 2006. Bedrock geology of the Duke River area, parts of NTS 115G/2, 3, 4, 6 and 7, southwestern Yukon. In Yukon Exploration and Geology 2005, D.S. Emond, G.D. Bradshaw, L.L. Lewis and L.H. Weston (eds.), Yukon Geological Survey, p. 139-154.

Macdonald, B.C., 1967. Canadian Barranca Mines Ltd. B.C. Securities Commission, Open File Report Feb/67.

Mann, W. and O'Shea, C., 2006. Prospecting, rock geochemistry and geophysical surveying program on the Ellen Property. Assessment Report for Klondike Star Mineral Corporation.

Pautler, J.M., 2006. Geological, geochemical and trenching report on the 2006 Ultra Project. Assessment Report for Klondike Star Mineral Corporation.

Power, M., 1993. HLEM and VLF survey on the Ellen property. Report for Probe Resources Inc.

1990. A total magnetic field and HLEM survey of the Ellen Claims, for G. Davidson.

Probe Resources Ltd., 1995. Public offering document.

Tully, D.W., 1994. Geological evaluation report on the Ellen Mineral Claim Group. Report for Probe Resources Inc. Only select figures available.

17.0 CERTIFICATE, DATE AND SIGNATURE

1) I, Jean Marie Pautler of 103-108 Elliott Street, Whitehorse, Yukon Territory am self-employed as a consultant geologist, authored and am responsible for this report entitled "Geological and geochemical evaluation report on the Ellen Property", dated April 18, 2007.

2) I am a graduate of Laurentian University, Sudbury, Ontario with an Honours B.Sc. degree in geology (May, 1980) with more than 25 years mineral exploration experience in the North American Cordillera. Pertinent experience includes the acquisition and delineation of the Tsacha epithermal gold deposit, British Columbia for Teck Exploration Ltd., experience working on and evaluating volcanogenic massive sulphide prospects and deposits in the North American Cordillera such as Telluride, Yukon Territory and Avalanche and Langs Creek, British Columbia and PGE prospects such as the Frohberg in the Kluane Range, Yukon Territory.

3) I am a registered member of the Association of Professional Engineers and Geoscientists of British Columbia, registration number 19804.

4) I have visited the subject mining property of this report and am a "Qualified Person" in the context of and have read and understand National Instrument 43-101 and the Companion Policy to NI 43-101. This report was prepared in compliance with NI 43-101.

5) This report is based upon a site visit to the property between October 11 and 13, 2006, the author's personal knowledge of the region and a review of pertinent data.

6) As stated in this report, in my professional opinion the property is of potential merit and further exploration work is justified.

7) To the best of my knowledge this report contains all scientific and technical information required to be disclosed so as not to be misleading.

8) I am entirely independent of the owners of the Ellen property and any associated companies. I do not have any agreement, arrangement or understanding with the owners and any affiliated company to be or become an insider, associate or employee. I do not own securities in any affiliated companies and my professional relationship with the property owners is at arm's length as an independent consultant, and I have no expectation that the relationship will change.

9) I consent to the use of this report by Bill Harris for such assessment and/or regulatory and financing purposes deemed necessary, but if any part shall be taken as an excerpt, it shall be done only with my approval.

Dated at Whitehorse, Yukon Territory this 18th day of April, 2007,
"Signed and Sealed"

"Jean Pautler"

Jean Pautler, P.Geo. (APEGBC Reg. No. 19804)
JP Exploration Services Inc.
#103-108 Elliott St.
Whitehorse, Yukon Y1A 6C4

APPENDIX I: Statement of Claims

Grant No.	Claim Name	No.	Claim Owner	Record Date	Expiry Date	Years Filed	New Expiry Date
YA97362	ELLEN	1	Ron Stack - 100%.	5/14/1987	12/11/2007	2	11/14/2009
YA97363	ELLEN	2	Ron Stack - 100%.	5/14/1987	12/11/2007	2	11/14/2009
YA97364	ELLEN	3	Ron Stack - 100%.	5/14/1987	12/11/2007	2	11/14/2009
YA97365	ELLEN	4	Ron Stack - 100%.	5/14/1987	12/11/2007	2	11/14/2009
YA97366	ELLEN	5	Ron Stack - 100%.	5/14/1987	12/11/2007	2	11/14/2009
YB26797	ELLEN	6	Bill Harris - 100%.	9/29/1989	9/29/2007	2	9/29/2009
YB26798	ELLEN	7	Bill Harris - 100%.	9/29/1989	9/29/2007	2	9/29/2009
YB26799	ELLEN	8	Bill Harris - 100%.	9/29/1989	9/29/2007	2	9/29/2009
YB27078	ELLEN	9	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27079	ELLEN	10	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27080	ELLEN	11	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27081	ELLEN	12	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27082	ELLEN	13	Ron Stack - 100%.	12/11/1989	12/11/2007	2	12/11/2009
YB27083	ELLEN	14	Ron Stack - 100%.	12/11/1989	12/11/2007	2	12/11/2009
YB27084	ELLEN	15	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27085	ELLEN	16	Ron Stack - 100%.	12/11/1989	12/11/2007	2	12/11/2009
YB27086	ELLEN	17	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27087	ELLEN	18	Ron Stack - 100%.	12/11/1989	12/11/2007	2	12/11/2009
YB27088	ELLEN	19	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27089	ELLEN	20	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27094	ELLEN	25	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27095	ELLEN	26	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB27096	ELLEN	27	Ron Stack - 100%.	12/11/1989	12/11/2008	2	12/11/2010
YB35480	ELLEN	28	Bill Harris - 100%.	10/22/1990	10/22/2006	2	10/22/2008
YB35481	ELLEN	29	Bill Harris - 100%.	10/22/1990	10/22/2006	2	10/22/2008
YB35482	ELLEN	30	Bill Harris - 100%.	10/22/1990	10/22/2006	2	10/22/2008
YB35483	ELLEN	31	Bill Harris - 100%.	10/22/1990	10/22/2006	2	10/22/2008
YB36844	ELLEN	32	Ron Stack - 100%.	5/12/1992	8/12/2007	2	8/12/2009
YB36845	ELLEN	33	Ron Stack - 100%.	5/12/1992	8/12/2007	2	8/12/2009
YB36846	ELLEN	34	Ron Stack - 100%.	5/12/1992	8/12/2007	2	8/12/2009
YB36847	ELLEN	35	Ron Stack - 100%.	5/12/1992	8/12/2007	2	8/12/2009
YB36848	ELLEN	36	Ron Stack - 100%.	5/12/1992	8/12/2007	2	8/12/2009
YB36849	ELLEN	37	Ron Stack - 100%.	5/12/1992	8/12/2007	2	8/12/2009
TOTAL		**33**				**66**	

APPENDIX II

Sample Descriptions

ELLEN PROJECT, Yukon Territory
2006 ROCK SAMPLE DESCRIPTIONS AND RESULTS

Au in red in g/t
Cu in red in %

SAMPLE NUMBER	LOCATION	NAD 83 EASTING	ZONE 8 NORTHING	TYPE	GEOLOGY	Au ppb	Ag ppm	As ppm	Cu ppm	Pd g/t	Pt g/t
E-001	West side Ck to S	339282	6751146	grab	malachite stained greenstone with chalcopyrite as disseminations and stringers	125	0.8	<5	4264	0.13	<0.03
E-002	West side Ck to S	339282	6751146	grab	malachite stained serpentinized ultramafic with carbonate-quartz vein, actinolite, disseminated chalcopyrite	80	<0.2	<5	3816	0.04	<0.03
E-003	East side Ck	339528	6751187	grab	quartz-carbonate veining in malachite stained greenstone up to 4 cm wide with 20% coarse grained chalcopyrite along foliation	1.03	12.6	<5	4.84		
E-004	West side Ck	339468	6751145	2.5m chip	sericite, chlorite altered, malachite stained greenstone with chalcopyrite as stringers, bands to 10 cm, blebs, disseminations	1.01	4.0	10	7.23	1.01	<0.03
E-005	West side Ck	339424	6751123	0.35 chip	quartz stringered weakly silicified, sericite altered greenstone, with bedding and pyrite bands at 120/40S	40	<0.2	<5	212		
E-006	open cut East side Ck	339483	6751134	1.2m chip	dark chlorite, sericite altered greenstone with chalcopyrite-quartz, some limonite, drusy bands and stringers, malachite	285	1.2	10	2.23		
E-007	above E-006	339488	6751137	0.8m chip	weak sericite to variably black chlorite altered greenstone with ep-quartz-limonite layers to 4cm wide, chalcopyrite stringers, blebs, disseminations, minor malachite staining, appears to join up with E-004 layer	80	2.8	<5	3.65		
E-008	East side Ck	339535	6751211	1.0m chip	weakly rusty, malachite stained, sericite altered greenstone with chalcopyrite-quartz bands, fine chalcopyrite stringers and disseminations, same area as E-003	575	4.5	<5	2.87		
E-009	far east end	340373	6750925	grab	malachite stained greenstone with vuggy quartz along foliation in greenstone, some sericite and chlorite alteration, pyrite stringers and bands in greenstone above	15	0.3	<5	1142		
E-010	West side Ck	339557	6751220	grab	silicified, weak sericite altered greenstone with malachite, minor chalcopyrite as stringers	10	<0.2	<5	1803		
E-011	East plateau	340000	6750900	grab	weak malachite stained greenstone float from across plateau area MB	10	<0.2	<5	192	316 Ni	

APPENDIX III

Geochemical Procedure and Results

Analytical Method for

GEOCHEMICAL GOLD ANALYSIS

Samples are catalogued and dried. Soils are prepared by sieving through an 80 mesh screen to obtain a minus 80 mesh fraction. Samples unable to produce adequate minus 80 mesh material are screened at a coarser fraction. These samples are flagged with the relevant mesh. Rock samples are 2 stage crushed to minus 10 mesh and a 250 gram subsample is pulverized on a ring mill pulverizer to -140 mesh. The subsample is rolled, homogenized and bagged in a pre-numbered bag.

The sample is weighed to 10/15/30 grams and fused along with proper fluxing materials. The bead is digested in aqua regia and analyzed on an atomic absorption instrument. Over-range values for rocks are re-analyzed using gold assay methods.

Appropriate reference materials accompany the samples through the process allowing for quality control assessment. Results are entered and printed along with quality control data (repeats and standards). The data is faxed and/or mailed to the client.

GOLD and PGE ASSAYS

Samples are sorted and dried (if necessary). The samples are crushed through a jaw crusher and cone or rolls crusher to -10 mesh. The sample is split through a Jones riffle until a -250 gram subsample is achieved. The subsample is pulverized in a ring & puck pulverizer to 95% - 140 mesh. The sample is rolled to homogenize.

For gold, a 1/2 or 1.0 assay ton sample size is fire assayed using appropriate fluxes. The resultant dore bead is parted and then digested with aqua regia and then analyzed on a Perkin Elmer AA instrument.

Determinations for Au, Pt and Pd are completed by classical lead-collection fire assay on a 1 assay ton sample (30g). Analysis is by ICP after digestion of the dore bead.

Appropriate standards and repeat sample (Quality Control components) accompany the samples on the data sheet.

Analytical Procedure Assessment Report

MULTI ELEMENT ICP ANALYSIS

Samples are catalogued and dried. Soil samples are screened to obtain a -80 mesh sample. Samples unable to produce adequate -80 mesh material are screened at a coarser fraction. These samples are flagged with the relevant mesh. Rock samples are 2 stage crushed to minus 10 mesh and pulverized on a ring mill pulverizer to minus 140 mesh, rolled and homogenized.

A 0.5 gram sample is digested with aqua regia which contains beryllium which acts as an internal standard. The sample is analyzed on a Jarrell Ash ICP unit.

Results are collated by computer and are printed along with accompanying quality control data (repeats and standards). Results are printed on a laser printer and are faxed and/or mailed to the client.

BASE METAL ASSAYS (Ag, Cu, Pb, Zn)

Samples are catalogued and dried. Rock samples are 2 stage crushed followed by pulverizing a 250 gram subsample. The subsample is rolled and homogenized and bagged in a pre-numbered bag.

A suitable sample weight is digested with aqua regia. The sample is allowed to cool, bulked up to a suitable volume and analyzed by an atomic absorption instrument, to .01 % detection limit.

Appropriate certified reference materials accompany the samples through the process providing accurate quality control.

Result data is entered along with standards and repeat values and are faxed and/or mailed to the client.

CERTIFICATE OF ASSAY AK 2006-2139

Bill Harris 2-Jan-07
P.O. Box 31293
Whitehorse, Yukon
Y1A 5P7

No. of samples received: 11
Sample Type: Rock
Project: Ellen
Submitted by: J. Pautler

ET #.	Tag #	Au (g/t)	Au (oz/t)	Cu (%)	Pt (g/t)	Pt (oz/t)	Pd (g/t)	Pd (oz/t)
1	E-001	0.11	0.003		<0.03	<0.001	0.13	0.004
2	E-002	0.06	0.002		<0.03	<0.001	0.04	0.001
3	E-003	1.03	0.030	4.84				
4	E-004	1.01	0.029	7.23	<0.03	<0.001	1.01	0.029
6	E-006			2.23				
7	E-007			3.65				
8	E-008			2.87				
QC DATA:								
Repeat:								
1	E-001	0.12	0.003					
Standard:								
PG115		0.54	0.016		1.238	0.036	0.13	0.004
Cu 120				1.51				

JJ/sa
XLS/06

ECO TECH LABORATORY LTD.
Jutta Jealouse
B.C. Certified Assayer

2-Jan-07

ECO TECH LABORATORY LTD.
10041 Dallas Drive
KAMLOOPS, B.C.
V2C 6T4

Phone: 250-573-5700
Fax : 250-573-4557

ICP CERTIFICATE OF ANALYSIS AK 2006-2139

Bill Harris
P.O. Box 31293
Whitehorse, Yukon
Y1A 5P7

No. of samples received: 11
Sample Type: Rock
Project: Ellen
Submitted by: J. Pautler

Values in ppm unless otherwise reported

Et #.	Tag #	Au (ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
1	E-001	125	0.8	2.26	<5	25	<5	0.90	<1	45	156	4264	5.59	<10	2.04	606	<1	0.03	55	250	32	<5	<20	22	0.30	<10	111	<10	8	74
2	E-002	80	<0.2	0.87	<5	10	<5	1.81	<1	23	94	3816	1.97	<10	0.72	294	<1	0.05	26	350	10	<5	<20	21	0.34	<10	60	<10	16	29
3	E-003	>1000	12.6	1.27	<5	75	<5	0.30	<1	27	143	>10000	>10	<10	1.06	457	178	0.02	39	>10000	<2	<5	<20	6	0.12	<10	71	<10	<1	71
4	E-004	>1000	4.0	5.21	10	115	<5	0.25	2	100	130	>10000	>10	<10	3.28	1801	66	<0.01	54	>10000	<2	<5	<20	8	<0.01	<10	254	<10	<1	151
5	E-005	40	<0.2	0.39	<5	10	<5	2.84	<1	9	67	212	0.65	<10	0.11	136	<1	0.05	5	500	10	<5	<20	23	0.26	<10	43	<10	12	9
6	E-006	285	1.2	5.72	10	85	<5	0.43	1	106	189	>10000	>10	<10	3.81	1997	87	<0.01	74	<10	44	<5	<20	3	0.22	<10	261	<10	<1	164
7	E-007	80	2.8	5.44	<5	105	<5	0.39	<1	92	172	>10000	>10	<10	4.13	2029	24	<0.01	73	<10	12	<5	<20	5	0.26	<10	221	<10	<1	162
8	E-008	575	4.5	3.55	<5	75	<5	0.53	2	58	203	>10000	>10	<10	3.01	1444	59	0.02	72	<10	8	<5	<20	6	0.27	<10	165	<10	<1	122
9	E-009	15	0.3	1.25	<5	15	<5	1.63	<1	23	112	1142	2.34	<10	0.71	281	<1	0.02	32	470	26	<5	<20	55	0.35	<10	75	<10	21	31
10	E-010	10	<0.2	1.51	<5	10	<5	1.03	<1	30	141	1803	2.94	<10	1.15	496	<1	0.02	40	440	18	<5	<20	21	0.29	<10	81	<10	13	52
11	E-011	10	<0.2	1.70	<5	45	<5	1.02	<1	50	174	192	4.88	<10	5.09	746	<1	0.03	316	520	22	<5	<20	13	0.23	<10	95	<10	8	54
QC DATA:																														
Repeat:																														
1	E-001	130	0.9	2.33	<5	25	<5	0.94	<1	46	160	4291	5.68	<10	2.06	614	<1	0.03	59	220	32	5	<20	26	0.33	<10	118	<10	11	75
6	E-006	330																												
8	E-008	520																												
Standard:																														
OXE42		605																												
Pb106			>30	0.53	270	75	<5	1.62	34	3	43	6189	1.67	<10	0.22	556	31	0.02	7	280	5296	55	<20	132	<0.01	<10	13	10	<1	8363

JJ/sa/bp
df/2128
XLS/06

ECO TECH LABORATORY LTD.
Jutta Jealouse
B.C. Certified Assayer

Appendix IV
Statement of Expenditures

Wages:	J. Pautler	3 days @ 600.00/day	$1,800.00	
	Matthius Bindig	3 days @ 300.00/day	900.00	
	Bill Harris	1 day @ 400.00/day	400.00	
		Total: 7 man-days		**$ 3,100.00**

Geochemistry:	11 rocks	@ 25/ea.	Au, ICP	275.00	
	3 assays	@17/ea.	PGE	51.00	
	6 assays	@10/ea.	Au, Cu	60.00	
	freight			60.00	
			Total: (includes shipping)		**446.00**

Equipment Rental:	Trucks	2x4 days @ 100/md	800.00	
	ATV	4 man days @ 60/md	240.00	
	Radios	6 man days @ 10/md	60.00	
		Total:		**1,100.00**

Fuel:		**300.00**
Groceries:	7 man days @ 35/md	**245.00**
Field Supplies:	(flagging tape, batteries, sample bags, markers)	**105.00**
Maps and Copies:		**50.00**
Report & Drafting:		**3,000.00**
GRAND TOTAL:		**$8,346.00**
Total applied for assessment:		**$6,600.00**