Report to:

Seel Copper Project
Mineral Resource Estimate

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SEEL COPPER PROJECT
MINERAL RESOURCE ESTIMATE

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GLOSSARY

UNITS OF MEASURE

Above mean sea level	amsl
Acre	ac
Ampere	A
Annum (year)	a
Billion	B
Billion tonnes	Bt
Centimetre	cm
Cubic centimetre	cm^3
Cubic feet per minute	cfm
Cubic feet per second	ft^3/s
Cubic foot	ft^3
Cubic inch	in^3
Cubic metre	m^3
Cubic yard	yd^3
Coefficients of Variation	CVs
Day	d
Days per week	d/wk
Days per year (annum)	d/a

Dead weight tonnes	DWT
Decibel adjusted	dBa
Decibel	dB
Degree	°
Degrees Celsius	°C
Diameter	ø
Dollar (American)	US$
Dollar (Canadian)	Cdn$
Foot	ft
Gallon	gal
Gallons per minute (US)	gpm
Gigajoule	GJ
Gigapascal	GPa
Gigawatt	GW
Gram	g
Grams per litre	g/L
Grams per tonne	g/t
Greater than	>
Hectare (10,000 m^2)	ha
Hertz	Hz
Horsepower	hp
Hour	h
Hours per day	h/d
Hours per week	h/wk
Hours per year	h/a
Inch	"
Kilo (thousand)	k
Kilogram	kg
Kilograms per cubic metre	kg/m^3
Kilograms per hour	kg/h
Kilograms per square metre	kg/m^2
Kilometre	km
Kilometres per hour	km/h
Kilopascal	kPa
Kilotonne	kt
Kilovolt	kV
Kilovolt-ampere	kVA
Kilovolts	kV
Kilowatt	kW
Kilowatt hour	kWh
Kilowatt hours per tonne (metric ton)	kWh/t
Kilowatt hours per year	kWh/a
Less than	<
Litre	L
Litres per minute	L/m
Megabytes per second	Mb/s
Megapascal	MPa
Megavolt-ampere	MVA

Megawatt	MW
Metre	m
Metres above sea level	masl
Metres per minute	m/min
Metres per second	m/s
Metric ton (tonne)	t
Microns	µm
Milligram	mg
Milligrams per litre	mg/L
Millilitre	mL
Millimetre	mm
Million	M
Million bank cubic metres	Mbm^3
Million tonnes	Mt
Minute (plane angle)	'
Minute (time)	min
Month	mo
Ounce	oz
Pascal	Pa
Centipoise	mPa·s
Parts per million	ppm
Parts per billion	ppb
Percent	%
Pound(s)	lb
Pounds per square inch	psi
Revolutions per minute	rpm
Second (plane angle)	"
Second (time)	s
Specific gravity	SG
Square centimetre	cm^2
Square foot	ft^2
Square inch	in^2
Square kilometre	km^2
Square metre	m^2
Thousand tonnes	kt
Three Dimensional	3D
Three Dimensional Model	3DM
Tonne (1,000 kg)	t
Tonnes per day	t/d
Tonnes per hour	t/h
Tonnes per year	t/a
Volt	V
Week	wk
Weight/weight	w/w
Wet metric ton	wmt
Year (annum)	a

1.0 SUMMARY

Gold Reach Resources Ltd. (GRH: TSX-V) (Gold Reach) has commissioned Wardrop Engineering Inc. (Wardrop) to evaluate the Seel property and prepare a resource estimate based on the 80 holes (17,900 metres) drilled by Gold Reach and Grayd Resources (Grayd) between 2004 and 2008.

The Ox Lake and Seel properties are located within the Omineca Mining Division approximately 120 kilometres (km) by gravel road from the town of Houston in West Central British Columbia. The properties are located on the south side of Tahtsa Reach, an arm of Ootsa Lake, an artificial lake created by the Kenney dam which blocks the Nechako River. The property is 9 km east-southeast of the operating Huckleberry porphyry copper mine. The mineral claims covering the property are situated on the western margin of the Central Interior physiographic region of the Province of British Columbia, Canada.

The Seel Mineral Claim Group consists of 37 mineral claims covering 17,226 hectares (ha) (42,566 acres). The Seel Mineral Claims (Seel) completely surround the Ox Claim Group (14 claims covering 613 ha (1,514.5 acres) belonging to the wholly owned subsidiary Ootsa Lake Resources and are contiguous with the operating Huckleberry Mine property. The Ox property was acquired on January 7, 2007 from Silver Standard Resources Inc. and is the subject of a Technical Report by Wardrop Engineering Inc. (Wardrop), "Mineral Resource Estimate for the Ox Lake Mineral Property", dated March 20, 2008.

The area enclosed by Seel has been intermittently explored by a number of operators over a 34-year period. Separate programs have led to identification of the Seel Breccia Pipe, the Damascus Vein, and an extensive system of hydrothermal alteration and sulphide mineralization. The occurrence is part of the Seel property owned by Gold Reach Resources Ltd (Gold Reach).

The Seel Property is underlain by a series of juxtaposed fault blocks containing tilted and locally folded strata of the Telkwa, Nilkitkwa, Whitesail and Smithers Formations of the Lower to Middle Jurassic Hazelton Group. These rocks are cut by multi-phase intrusive complexes that are correlative with the Late Cretaceous Bulkley Intrusive suite. Intrusive phases include diorite, granodiorite, quartz diorite, porphyritic quartz monzonite (aka quartz porphyry), porphyritic granodiorite, feldspar porphyry, and quartz feldspar porphyry. The youngest rocks on the property are gently dipping basaltic and rhyolitic flows of the Eocene Ootsa Lake Group that cap older strata in the Whitesail and Kasalka ranges.

The Seel property contains a porphyry-style mineral deposit of the copper+gold, and porphyry copper+molybdenum style. There is one well-exposed occurrence of a clast supported breccia (the Seel Breccia) with dolomite, chalcopyrite and lesser galena and sphalerite cementing the clasts. There is also a well-exposed Ag-Pb-Zn vein (the Damascus Vein).

Three styles of mineralization have been reported or observed on the Seel Mineral Claims. These are a dolomite-chalcopyrite cemented breccia (Seel or Lean-To Breccia); a structurally controlled precious and base metal vein (Damascus Vein); and an extensive system of hydrothermal alteration and pyritization.

Gold Reach began exploration of Seel in 2003 and the first diamond drill holes were drilled in 2004. Since then, Gold Reach has drilled 80 diamond drill holes on the Seel property totalling 17,896.69 and returning 16,192.15 m of core. Prior to this drill program, a new cut line grid was established and combined 2D/3D IP and magnetometer surveys. In total, 63 holes totalling 14,424.62 m and 13,064.5 m of core were used in the Seel Mineral Resource Estimate.

The Inversed-Distance Squared weighting method (ID2) was used to estimate the grades of Au, Cu, Mo, and Ag on the Seel property.

The Seel Mineral Resource Estimate (at 0.3 % CuEq Cut-off), the subject of this Technical Report, is summarized below:

Table 1.1 Seel Indicated and Inferred Resource Estimate at 0.3% CuEq Cut-Off

Zone	Tonnes (x 1,000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
Indicated Resource Estimate - ID2						
Cu-Au	10,522	0.35	0.37	0.002	1.18	0.42
Cu-Mo	3,342	0.15	0.10	0.025	0.57	0.37
SBX	-					0.00
Total	13,864	0.30	0.30	0.007	1.04	0.41
Inferred Resource Estimate - ID2						
Cu-Au	482	0.29	0.29	0.003	0.71	0.36
Cu-Mo	12,091	0.18	0.10	0.020	2.97	0.38
SBX	372	0.66	0.05	0.001	19.13	0.69
Total	12,945	0.20	0.11	0.019	3.35	0.38

2.0 INTRODUCTION AND TERMS OF REFERENCE

The Seel Mineral Claims are located in the Central Interior of the Province of British Columbia (BC), approximately 120 km southwest of the town of Houston, BC. The Seel Mineral Claim Group consists of 37 mineral claims covering 17,226 hectares (42,566 ac). The Seel Mineral Claims completely surround the Ox Claim Group (14 claims covering 613 ha (1,514.5 ac)) belonging to the wholly owned subsidiary Ootsa Lake Resources and are contiguous with the operating Huckleberry Mine property. The Ox property was acquired on January 7, 2007 from Silver Standard Resources Inc. and is the subject of a Technical Report by Wardrop (Mineral Resource Estimate for the Ox Lake Mineral Property) dated March 20, 2008.

The area enclosed by the Seel Mineral Claims has been intermittently explored by a number of operators over a 34-year period. Separate programs have led to identification of the Seel Breccia Pipe, the Damascus Vein, and an extensive system of hydrothermal alteration and sulphide mineralization. The occurrence is part of the Seel property owned by Gold Reach Resources Ltd.

Between 1982 and 2004, approximately 2,597 metres (m) were drilled in 72 holes on the Seel (Lean-To) prospect by Lansdowne Oil and Minerals. A similar amount of work was completed between 1980 and 1986 on the Damascus Silver Vein (Damascus Vein) by International Damascus Resources, Cominco Limited and Granges Inc. using geochemical surveying, geophysical surveys, trenching, and diamond drilling. The Damascus Vein, lying on the north eastern part of the Claims, has a historical, non National Instrument 43-101 (NI 43-101) compliant inferred resource of 196,087 t grading 433 grams per tonne (g/t) Ag. This estimate is reported here only for historical completeness since Wardrop makes no claims about the veracity of the estimate and the Damascus Vein is outside of the area evaluated as part of this report.

The most recent drilling program, conducted between 2004 and 2008, saw a total of 80 holes drilled totalling approximately 17,900 m. The main objective of the drill program was to increase tonnage on the known Copper-Gold and Copper-Molybdenum systems.

This report is based on previous technical reports by Peter L. Ogryzlo, M.Sc., P.Geo., dated June 12, 2004 (Technical Report and Exploration Recommendations, Seel Mineral Claims,Tahtsa Reach, Omenica Mining Division, Report prepared for Grayd Resource Corporation) and by D.G. MacIntyre, Ph.D., P.Eng., dated June 16, 2005 (Diamond Drilling Report on the Seel Property; NI 43-101 Technical report prepared for Gold Reach Resources and Grayd Resource Corporation). These reports are available as PDF documents on the SEDAR website (http://www.sedar.com). This information, combined with a review of all historical data and current exploration results to the end of April 2008 have been used to prepare this technical report.

Units of measure in this report are metric; monetary amounts referred to are in Canadian Dollars.

2.1 TERMS OF REFERENCE

Gold Reach has commissioned Wardrop to evaluate the Seel property and prepare a resource estimate based on the 80 holes (17,900 m) drilled by Gold Reach and Grayd between 2004 and 2008. The drilling was carried out under the direction of Barbara Welsh, P.Geo.(2004-2006) and Derrick Strickland, P.Geo. (2007-2008), both of whom are Qualified Persons, as defined by NI 43-101.

The work entailed estimating mineral resources in conformance with the CIM Mineral Resources and Mineral Reserves definitions referred to in NI 43-101, Standards and Disclosure for Mineral Projects. It also involved the preparation of a Technical Report as defined in NI 43-101, and in compliance with Form 43-101F1 (the “Technical Reports”). This Technical Report is intended to be used as supporting documentation to be filed with the British Columbia Securities Commission and the TSX Venture Exchange. The purpose of this filing is to support the first time disclosure of mineral resources for the Seel Property by Gold Reach.

Information used in the preparation of this report includes a number of publicly available assessment reports filed with the Province of British Columbia for assessment credit. These reports contained detailed drill hole logs and copies of original analytical reports from accredited laboratories. Citations for these and other assessment reports are contained in the Reference section of this report.

3.0 RELIANCE ON OTHER EXPERTS

No outside experts have been relied upon for the writing of this technical report.

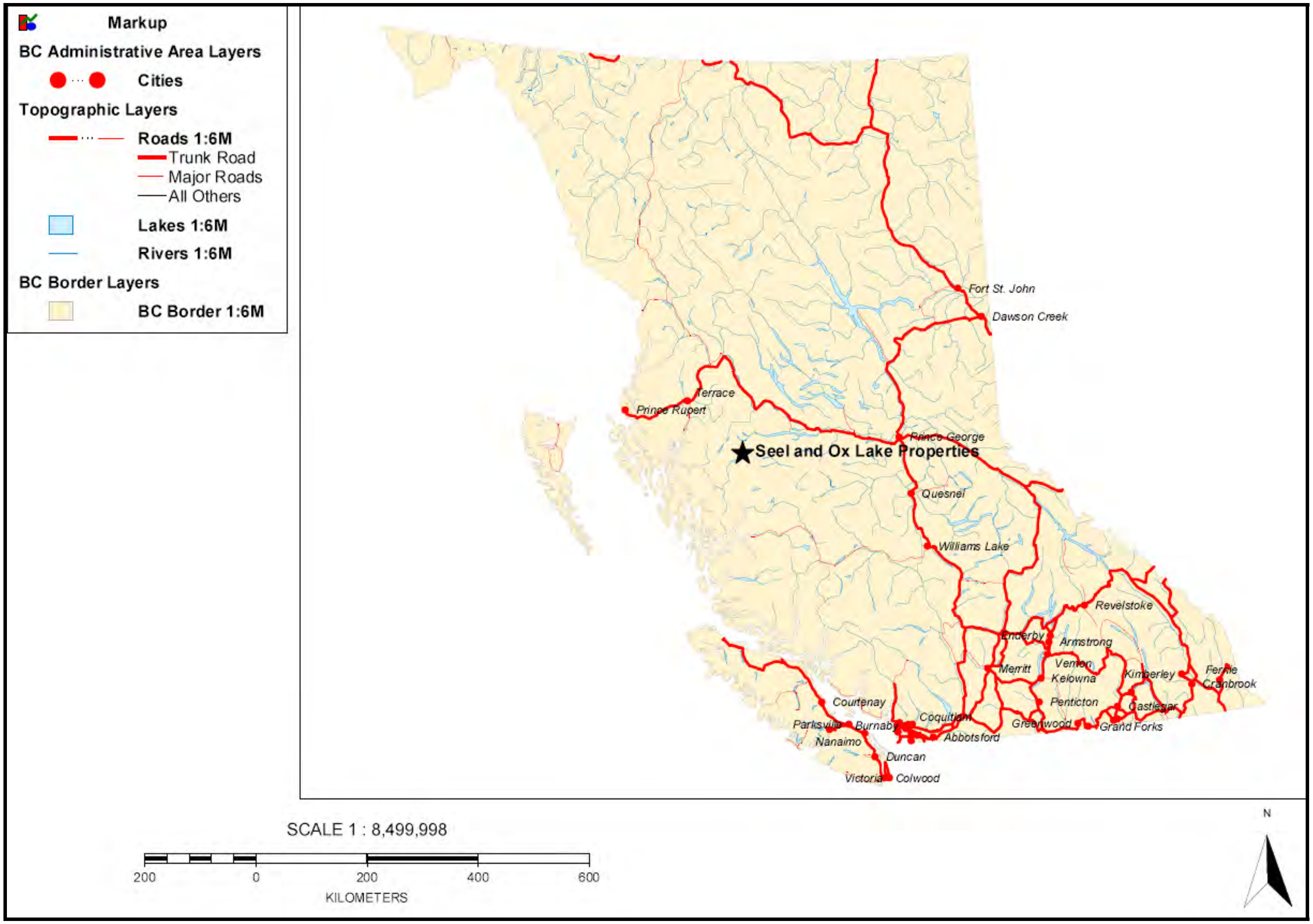
4.0 PROPERTY DESCRIPTION AND LOCATION

The following information was obtained from the B.C. Ministry of Energy, Mines, and Petroleum Resources, Mineral Titles website and is believed to accurately reflect the status of mineral tenures that comprise the property as of the effective date of this report.

4.1 PROPERTY LOCATION

The Ox Lake and Seel properties are located within the Omineca Mining Division approximately 120 km by gravel road from the town of Houston in west Central British Columbia (Figure 4.1). The properties are located on the south side of Tahtsa Reach, an arm of Ootsa Lake, an artificial lake created by the Kenney dam which blocks the Nechako River. The property is 9 km east-southeast of the operating Huckleberry porphyry-copper mine. The mineral claims covering the property are situated on the western margin of the Central Interior physiographic region of the Province of British Columbia, Canada on National Topographic System sheet 093E 1 1E (Figure 4.1). The claims are centered at approximately Universe Transverse Mercator (UTM) coordinates 627000E, 5945500N using North American Datum (NAD) 83, or latitude 53^{o}38'N longitude 127^{o}05'W.

Figure 4.1 Property Location



4.2 PROPERTY DESCRIPTION

The Seel property consists of 37 contiguous Mineral Claims totalling a surface area of 17,226.3 ha (Table 4.1). The Ox Lake claims, located within the Seel Property, consist of 14 claims totalling approximately 53 ha (Figure 4.2).

Table 4.1 Seel Property Claim Listing

Tenure No.	Area (ha)	Issue Date	Expiry Date
403806	300.0	2003-07-20	2016-11-30
505713	441.3	2005-02-03	2016-02-03
505731	460.6	2005-02-03	2016-02-03
505733	306.5	2005-02-03	2016-02-03
505734	459.9	2005-02-03	2016-02-03
505736	479.0	2005-02-03	2016-02-03
505738	460.2	2005-02-03	2016-02-03
505744	478.8	2005-02-03	2016-02-03
505746	479.9	2005-02-03	2016-02-03
505749	478.7	2005-02-03	2016-02-03
513095	1,226.9	2005-05-19	2016-11-30
513096	268.5	2005-05-19	2016-11-30
513097	919.8	2005-05-19	2016-11-30
513098	421.9	2005-05-19	2016-11-30
513099	613.4	2005-05-19	2016-11-30
513136	613.3	2005-05-19	2016-11-30
541736	115.1	2006-09-20	2010-10-31
544319	402.5	2006-10-24	2009-11-15
544320	479.2	2006-10-24	2009-11-15
544321	479.4	2006-10-24	2009-11-15
544841	440.8	2006-11-03	2009-11-15
544842	441.0	2006-11-03	2009-11-15
544844	479.0	2006-11-03	2009-11-15
544845	460.2	2006-11-03	2009-11-15
544847	460.3	2006-11-03	2009-11-15
545033	19.2	2006-11-08	2007-11-08
545720	478.9	2006-11-22	2009-11-15
545721	440.6	2006-11-22	2009-11-15
545722	440.6	2006-11-22	2009-11-15
545724	478.9	2006-11-22	2009-11-15
545726	479.2	2006-11-22	2009-11-15
545727	479.2	2006-11-22	2009-11-15
545728	479.2	2006-11-22	2009-11-15
545729	479.3	2006-11-22	2009-11-15
545730	479.5	2006-11-22	2009-11-15
545731	479.5	2006-11-22	2009-11-15
545732	326.1	2006-11-22	2009-11-15
Total	**17,226.3**		

Gold Reach acquired the Seel Claims 1-7 by way of an option agreement on January 31, 2003. On October 11, 2005, Grayd staked some additional claims 8-20 and included them in the option agreement. On Oct. 15, 2007 Grayd declined their back in right and Gold Reach owned 100% of the Seel Claims 1-20.

In November 2006, Gold Reach staked 19 additional claims under its wholly owned subsidiary, Ootsa Lake Resources Ltd. and all of them remain in good standing.

On January 7, 2007, Gold Reach and its wholly owned subsidiary, Oosta Lake Resources Ltd., acquired a 100% interest in 14 claims totalling approximately 538 ha known as the “Ox Lake Mineral Property” from Silver Standard Resources Inc. (Silver Standard), in consideration of the issuance to Silver Standard of 2 million common shares of Gold Reach, subject to TSX Venture Exchange acceptance.

The writer is not aware of any environmental liabilities related to the Seel property. Trenches and other surface disturbances do not appear to be acid generating and for the most part do not pose significant slope stability hazards. Most are dry, some are partially to completely filled with water and most have started to re-vegetate naturally.

The Seel property is on Crown land, and the area is open to mineral exploration and development. Portions of the area of the claim lie within areas of interest claimed by the Wet'suwet'en, Cheslatta-Carrier or Carrier-Sekani First Nations. Requirements under the Mineral Tenure Act are that work be performed to a per unit value of $100.00 for the first three years of a tenure, and $200 in the fourth and subsequent years. To perform the exploration work that will cause a physical disturbance, Grayd must first file and receive approval of a Notice of Work and Reclamation as required by Section 10 of the Mines Act of the Province of British Columbia.

The location of the original Seel Mineral Claims in relation to the Huckleberry mine, forest service access roads and exploration access trails is shown (Figure 4.3).

Figure 4.2 Seel and Ox Lake Claim Map

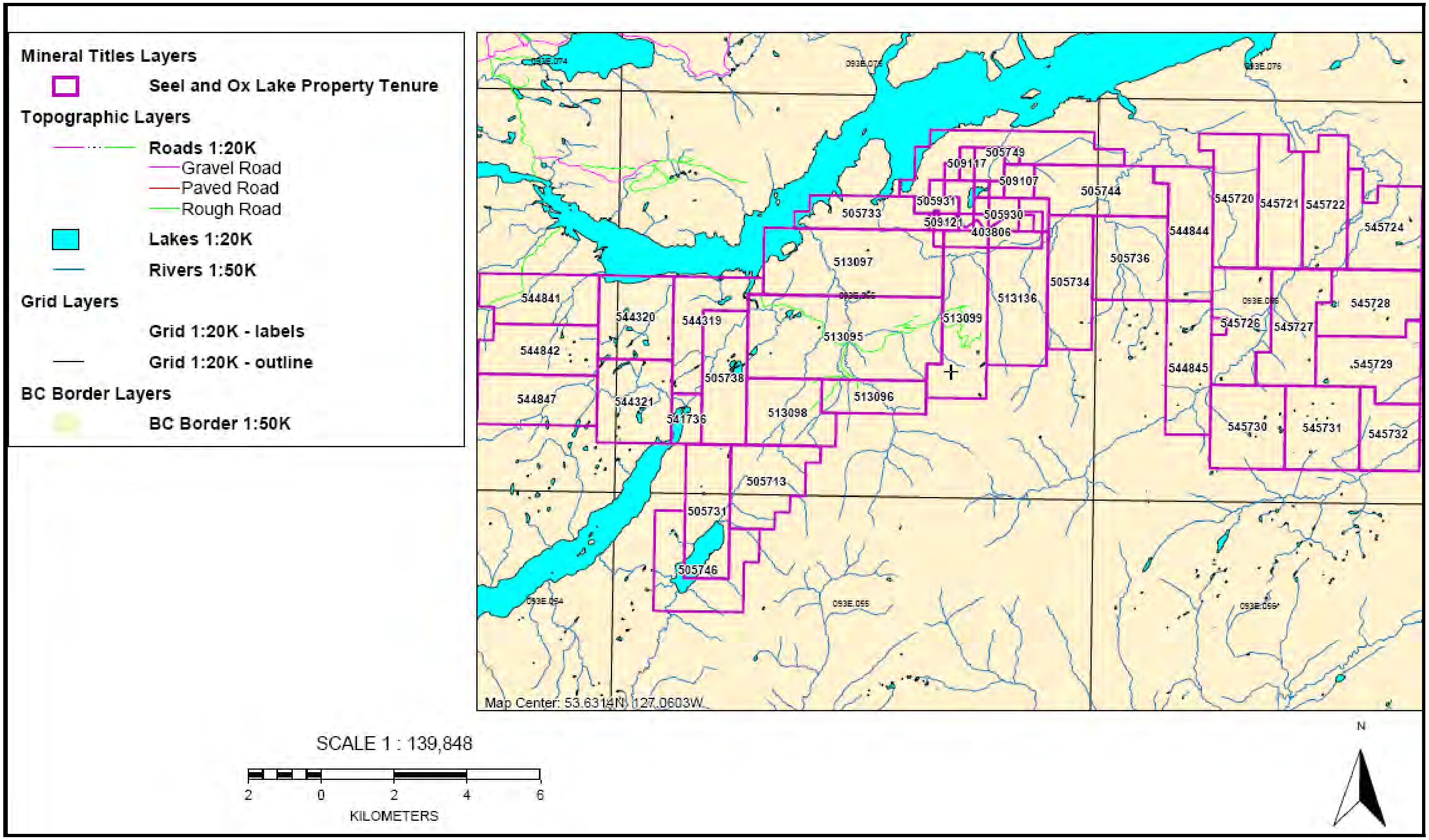
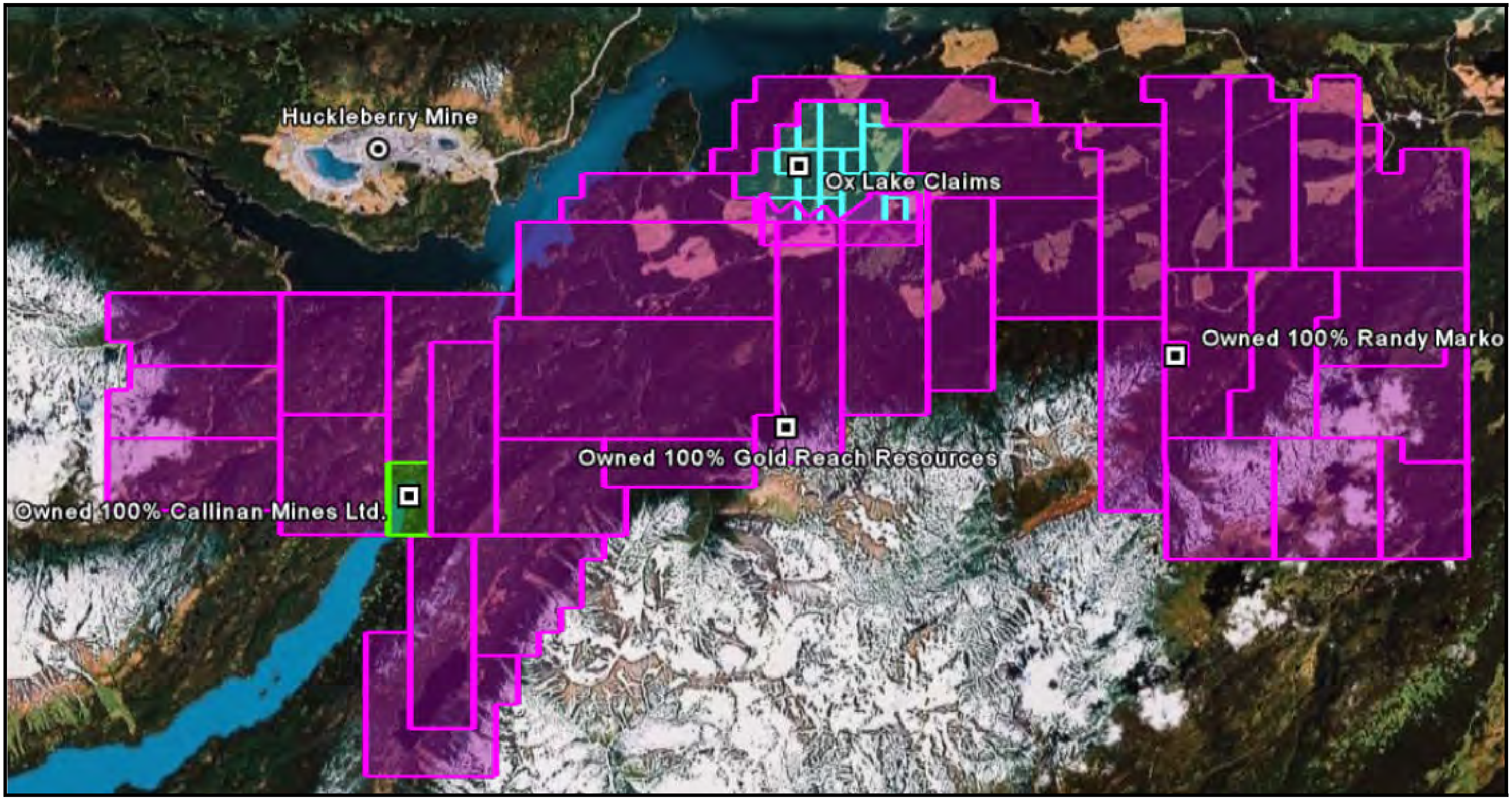


Figure 4.3 Seel and Ox Lake Claim Map – Google Earth



5.0 ACCESSIBILITY

The following section is extracted from an earlier technical report by Peter Ogryzlo dated June 12, 2004.

5.1 ACCESSIBILITY AND INFRASTRUCTURE

The Seel property is located approximately 120 km south of the town of Houston in the Central Interior of British Columbia. Houston's urban population is approximately 4,300, with approximately 2,000 in the surrounding rural area. Houston is a major supply and industrial centre and is serviced by the CNR transcontinental railway as well as by Highway 16, a major thoroughfare. The Smithers Airport, located 70 km west of Houston, has a 5,000 ft by 150 ft asphalt runway suitable for light to medium aircraft with a 24-hour Flight Service Station and daily air service to Vancouver.

From Houston, access to the property is by road using a two-wheel drive vehicle in fair weather, and a four-wheel drive vehicle in poor weather. Road access is achieved by first traveling west from Houston on Highway 16 to the intersection with the Morice Forest Service Road (FSR); thence south 56.5 km on the Morice FSR and the Morice Owen FSR to the intersection with the Morice Nadina FSR. Travel is then south and west along the Morice Nadina FSR a further 33 kilometres to the Morice Reach FSR. The Morice Reach FSR is followed to the south for a further 20 km to the Tahtsa Reach Ferry crossing. The ferry is taken to the southern shore of Tahtsa Reach, and travel is resumed west and south by road to approximately Kilometre 14 of the Troitsa Main FSR. Access is thence by trail further to the south and west for approximately 3 km to the showings on the property.

A logging camp has been constructed on the southern side of Tahtsa Reach approximately 4 km south of the ferry landing to service the logging development in the area, and is approximately 12 km from the Seel showings.

5.2 CLIMATE

The climate in the Seel and Ox Lake properties region is typical of the Coast Ranges and that of the Central Interior, with short cool summers, and long relatively mild winters. Annual temperature variation in the region is approximately -25°C to +25°C. In the winter months, snowpack ranges from 1 to 4 m. The operating season for ground based activities such as geological mapping, surface sampling and geophysical surveys would extend from approximately early June to late October. With sufficient support, diamond drilling could be conducted year round.

5.3 PHYSIOGRAPHY

The property is located in the Tahtsa Ranges physiographic region of central British Columbia, part of the transition zone between the Coast Mountains and Interior Plateau. It lies astride the northern flank of the Whitesail Range on the southern shore of Tahtsa Reach. This range is an up-faulted, block-like mountain which rests abruptly along its north-western margin and slopes cuesta-like generally towards the south and east (Richards, 1984). It represents an uplifted portion of the Interior Plateau.

Relief is moderate on the property, with elevations rising from a valley base of approximately 900 m to 1861 m. Topography is moderately steep and timber covered, while above 1550 m elevation the terrain is alpine in nature. Between 1350 and 1550 m, the area is forested white spruce and pine, and below 1350 m by white spruce and fir. Valley bottoms are U-shaped and filled with till and fluvioglacial debris. Outcrop is sparse except on steep slopes and mountain peaks. Logging development has progressed onto the property, with clear-cutting planned for the block immediately north of the showings.

6.0 HISTORY

The following section on the history of the property is extracted from previous technical reports by Ogryzlo (2004) and MacIntyre (2005).

6.1 TAHTSA REACH-FRANCOIS LAKE AREA MINING HISTORY

The Tahtsa Reach area has been actively explored since the early part of the 20th century. Interest in mining the area began in the early 1900's in the Emerald Glacier

Ag-Zn-Pb veins, on the Sibola Range, 9 km west of Huckleberry Mountain. Located approximately 20 km northwest of the Seel Claims, the Emerald Glacier Mine was one of the first mines developed in north central British Columbia.

Underground exploration at Emerald Glacier commenced at the end of World War I and between 1951 and 1953 the property produced 4,200 t of ore grading 408 g/t Ag, 12.1% Pb and 11.5% Zn. The Tahtsa-Francois Area became a centre of intense exploration activity in the 1960's and 1970's when extensive stream sediment and soil sampling programs resulted in the discovery of several important porphyry copper and molybdenum deposits including the Berg and Ox Lake porphyry deposits, located 29.5 km to the northwest and 3.5 km to the north of the Seel Breccia respectively. The Ox Lake porphyry copper deposit was found in 1968 by the ASARCO-Silver Standard joint venture. The deposit contains an inferred mineral resource of 16 million tons grading 0.3% Cu and 0.04% Mo as estimated by Wardrop in March 2008.

The Equity Silver Mine, located 90 km east of the property, was discovered in 1967 and commenced production in 1980. Between 1981 and 1994, 32,649,393 t of ore yielded 2194 t (70.5 million ounces) of silver, 15.6 t (500,000 ounces) of gold and 83,260 t of copper.

While the ASARCO-Silver Standard joint venture explored the Ox Lake Claims north of the Ox Property between 1968 and 1970, Bethlehem Copper Corp. in 1969 staked the REA and TL claims east of Kasalka Creek covering an area that overlaps onto the western portion of the current Ox-B and Ox-C claims. The Bethlehem claims were staked to cover anomalous copper-silver soil geochemistry. In 1972, they built a tote-road and drilled eight percussion holes (454 m) to test the anomalies. The Bethlehem claims lapsed and were re-staked by Lansdowne Oil and Minerals Limited in 1980 as the LEAN-TO Group. Soil sampling outlined a moderately strong copper anomaly with attendant anomalous gold, silver, lead, and zinc east of the area tested by Bethlehem. In 1982, 38 shallow diamond drill holes (917 m) were completed and a mineralised breccia pipe was discovered (Ager and Holland, 1983). The breccia body occurs within the south-western portion of a resistive quartz porphyry plug. The breccia is pervasively pyrite, silica and carbonate-altered with clasts of quartz porphyry and hornfels. Other metallic minerals include pyrrhotite, arsenopyrite, chalcopyrite, sphalerite, and marcasite. The best intersection contained 18 m grading 1.59 % Cu and 42.2 g/t Ag.

Exploration in the 1960's and 1970's also led to the discovery of the Huckleberry deposit. The Huckleberry Mine commenced production in 1998. The Huckleberry mine is located approximately 7 km northwest of the Seel Breccia on the northern shore of Tahtsa Reach, and 86 km southwest of Houston. The mine, which remains in production at the time of preparation of this report, is a modern mine and mill industrial complex producing copper, molybdenum and silver. The mine is exceptionally well located with respect to roads, electrical power, water, and other infrastructure.

6.2 HISTORY – OWNERSHIP

Between 1995 and 2000, different portions of the area enclosed by the Seel Mineral Claims were acquired at various times as the SEEL 1 to 29 two post claims by Seel Enterprises Ltd. These claims were all abandoned on June 25, 2001, and the area was restaked as the Seel #1 and Seel #2 Mineral Claims on June 28 and June 30, 2001 by the same owner. The Seel #3 to Seel #10 Mineral Claims were added at various time between June 30, 2001 and July 20, 2003. Details of issue and expiration dates may be seen in Table 4.1.

The eastern portion of the area enclosed by the Seel #1 to Seel #10 Mineral Claims was previously held as the OX A, OX B, OX C, and OX-EAST Mineral Claims. These claims were staked between 1981 and 1982, and forfeited on October 1, 2002. The claims were held by Ravenhead Recovery Corporation of Vancouver, BC at the time of forfeiture.

Gold Reach acquired the Seel Claims 1-7 by way of an option agreement on January 31, 2003. On October 11, 2005, Grayd staked some additional claims 8-20 and included them in the option agreement. On Oct. 15, 2007 Grayd declined their back in right and Gold Reach owned 100% of the Seel Claims 1-20.

In November 2006, Gold Reach staked 19 additional claims under its wholly owned subsidiary, Ootsa Lake Resources Ltd. and all of them remain in good standing.

On January 12, 2007 Gold Reach acquired 100% of the 14 claims known as the "Ox Lake Mineral Property" from Silver Standard pursuant to an agreement dated January 3, 2007.

6.3 PREVIOUS EXPLORATION – SEEL (LEAN-TO) PROJECT

The first recorded work on the Seel Claims was done on the REA group of mineral claims in the early 1970's by Bethlehem Copper (Anderson, 1972). A widely spaced geochemical grid survey covered the middle and upper reaches of Seel Creek for copper and silver. The geochemical survey appears to have led to a diamond or percussion drilling program, but there is no public record of the drilling. The geochemical survey has been incorporated into the project database.

The Lean-To prospect was staked by Lansdowne Oil and Minerals in 1980. They actively explored the area around the Seel Breccia Pipe from 1980 to 1985. Surface work consisted of geochemical soil sampling, trenching, magnetometer, and VLF (Ager, 1981).

An Induced Polarization geophysical survey in 1985 reported very high chargeabilities (to 80 milliseconds). The area of high (+20 msec) chargeabilities extends beyond the limits of the survey (Ager, 1985). The raw IP data was reprocessed in 2003 using modern geophysical inversion techniques, and revealed in cross section a zone of high chargeabilities in the form of an inverted bowl. These geochemical and geophysical surveys have also been included in the project compilation.

This work led to three drilling programs in 1982, 1983 and 1985. The main focus of this work was the Lean-To showing. This showing was first drilled by Lansdowne Oil and Minerals Ltd. in 1982 when they completed 38 diamond drill holes in two phases totalling 917.3 m (Ager et al, 1983). The first 19 holes were drilled by Seel Enterprises Ltd. of Burnaby B.C. using a Winkie IEXS drill rig. Drilling covered an area 650 m long by 550 m wide.

Lansdowne drilled an additional 24 holes totalling 1,480.9 m of BQ core in 1983. No drilling was done in 1984 but 10 more holes totalling 201 m were drilled in 1985. Table 6.1 is a summary of significant drill hole intersections encountered in the 1982, 1983 and 1985 drilling programs. As can be seen in the table, most of the drill holes were very short. Most of the holes were drilled at 45 degree angles and were targeted at the Seel breccia body. The best core intersections were split and sent to Acme Analytical Laboratories, Vancouver BC for standard assays for copper, silver, and gold and for geochemical analysis by ICP methods for copper, lead, zinc, silver, tungsten, and gold. Some of this core is stored on the property but only a few boxes remain intact. Of these, only a few boxes have readable labels on them. The surface exploration and drilling resulted in the delineation of an annular zone of sulphide cemented breccia. Highlights of the programs were DH82- 19 which reported 18 m of 1.59% Cu and 640 ppb Au; DH85-1 with 9.76 m of 2.08% Cu, 47 g/t Ag and 0.3 g/t Au; DH85-9 with 0.46m of 8.14% Cu, 112.7 g/t Ag and 6 g/t Au, and DH85-10 with 0.9 m of 8.26% Cu, 120 g/t Ag and 9.5 g/t Au. In general, the breccia has been intersected along an arc length of 450 m to a depth of approximately 40 m. Although the records as supplied are incomplete, the average width and grade as observed in core may be estimated at approximately 8.5 m at 1.7% Cu, 20 g/t Ag and 0.20 g/t Au. An additional 10 holes totalling 203 m were completed in 1985.

Locations and significant intersections for drilling done in 1982, 1983 and 1985 are shown on a map prepared by Arctex Engineering Services in 1986. This is believed to be the best and most accurate source for drill hole locations and it has been used to prepare illustrations for this report. There is an indication that a minor drill program took place in 1987, but there are no public records to verify this. Core from the earlier drill programs remains at the old diamond drill camp below the Seel Breccia, but has suffered considerable damage.

The surface exploration and drilling resulted in the delineation of an arcuate zone of sulphide cemented breccia. Highlights of the programs were DH82-19 which reported 18 m of 1.59% Cu and 640 ppb Au; DH85-1 with 9.76 m of 2.08% Cu, 47 g/t Ag and 0.3 g/t Au; DH85-9 with 0.46m of 8.14% Cu, 112.7 g/t Ag and 6 g/t Au, and DH85-10 with 0.9 m of 8.26% Cu, 120 g/t Ag and 9.5 g/t Au. In general, the breccia has been intersected along an arc length of 450 m to a depth of approximately 40 m. Although the records as supplied are incomplete, the average width and grade as observed in core may be estimated at approximately 8.5 m at 1.7% Cu, 20 g/t Ag and 0.20 g/t Au.

The property was revisited between 1995 and 2000 by Mr. Rupert Seel, who undertook a program of excavating trenches, and collecting rock and reconnaissance soil samples on the property. A limited program of stream sediment geochemical surveying and prospecting was performed in 2003 by Orgyzlo (2004).

Figure 6.1 Drill Hole Plan, Lean-To Showing (Seel Breccia)

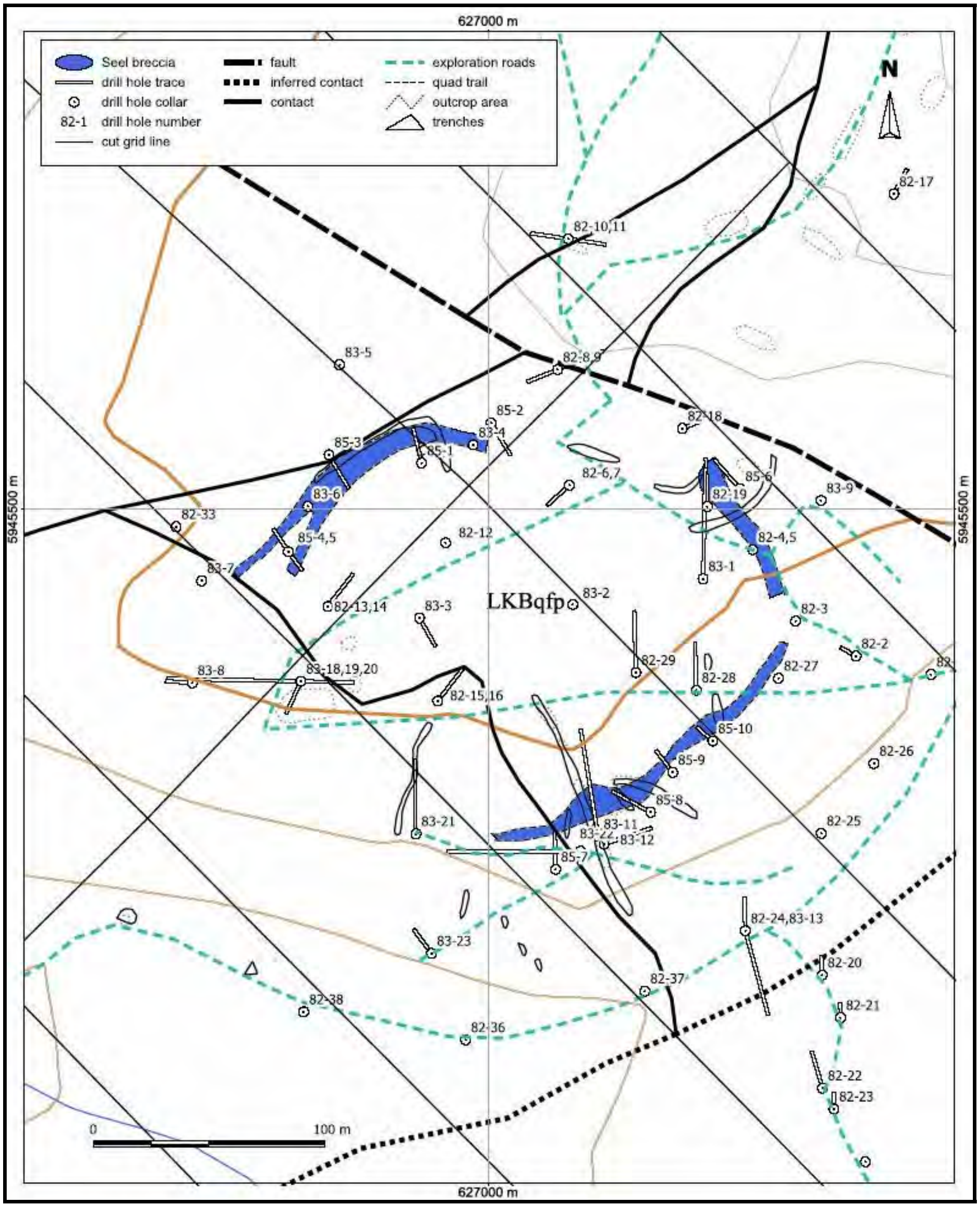


Table 6.1 Significant Drill Hole Intersections, Lean-To Showing (Goldsmith and Kallock, 1986)

Hole		Interval			Cu	Mo	Ag		Au		
Number	Length (m)	Start (m)	End (m)	Length (m)	(%)	(%)	(oz/ton)	(g/t)	(oz/ton)	ppb	(g/t)
82-2	30	5.2	5.8	0.6	0.3		0.01	0.34			
		8.4	9	0.6	1.1		0.01	0.34			
82-3	18.9	11.1	12.8	1.7	1.14		3.63	124.46			
82-4	27.4	4.9	6.9	2	0.38		0.28	9.60			
		11.3	11.9	0.6	0.75		0.46	15.77			
		12.5	14	1.5	0.31		0.28	9.60			
82-5	17.1	5.2	12.1	6.9	0.96		0.77	26.40			
	Incl.	8.4	12.2	3.8	1.25		1.08	37.03			
	and:	14.6	17.1	2.5	1.39		1.1	37.71			
82-6	23.8	4.1	5.3	1.2	0.63		0.49	16.80			
		7.3	9.8	2.5	0.58		0.46	15.77			
		20.4	23.8	3.4	0.36		0.28	9.60			
82-19	29.3	7.2	25.3	18.1	1.59		1.24	42.51			
	Incl.	7.3	9.4	2.1	4.2		2.94	100.80			
	and:	18	21.3	3.3	2.29		1.65	56.57			
82-29	53	51.2	53	1.8	0.48		0.28	9.60			
82-34	23.5	12.2	15.2	3	0.1		0.11	3.77		360	0.36
82-10	23.3	14.3	15.8	1.5	0.13						
		17.4	18.9	1.5	0.26		0.16	5.49		190	0.19
82-28	40.9	12.8	21.3	8.5	0.12		0.1	3.43			
83-1	91.4	11.8	20	8.2	0.48		0.4	13.71			
		20	60	40	0.13		0.14	4.80			
		60	62.2	2.2	1.1		0.98	33.60			
83-2	97.8	2.6	4.6	2	0.3		0.22	7.54			
		65	66.7	1.7	0.44		0.27	9.26			
83-4	168	1	14	13	2.28		1.61	55.20			
		14	18	4	0.13		0.14	4.80			
		18	30	12	0.09		0.09	3.09			
		30	46	16	0.79		0.59	20.23			
		46	50	4	0.3		0.24	8.23			
		50	93	43	0.12		0.09	3.09			
83-6	104.5	18.6	24	5.4	1.52		1.28	43.89			
83-7	54.7	33.1	33.4	0.3		0.21					
83-11	89.4	7.6	25	17.4	1.58		1.23	42.17			
		25	31	6	0.16		0.16	5.49			
85-1		7.9	11	3.1	1.64		1.12	38.40	0.007		0.24
		11	17.7	6.7	2.28		1.49	51.09	0.011		0.38
85-3		11	11.9	0.9	0.67		0.42	14.40	0.001		0.03
		12.2	13.7	1.5	1.4		0.82	28.11	0.002		0.07

table continues….

Hole		Interval			Cu	Mo	Ag		Au		
Number	Length (m)	Start (m)	End (m)	Length (m)	(%)	(%)	(oz/ton)	(g/t)	(oz/ton)	ppb	(g/t)
		13.7	15.3	1.6	0.89		0.43	14.74	0.001		0.03
		15.3	16.8	1.5	0.8		0.57	19.54	0.001		0.03
		16.8	18.6	1.8	1.42		1.23	42.17	0.001		0.03
		18.6	20.1	1.5	0.96		0.69	23.66	0.002		0.07
		20.3	21.2	0.9	2.09		1.51	51.77	0.001		0.03
85-4		3.66	4.9	1.24	0.14		0.18	6.17	0.002		0.07
		4.9	5.5	0.6	2.73		2.63	90.17	0.001		0.03
		6.7	7.9	1.2	0.2		0.35	12.00	0.001		0.03
85-5		5.8	6.6	0.8	0.18		0.9	30.86	0.001		0.03
		10.1	13.7	3.6	2.04		0.86	29.49	0.01		0.34
85-6		16.5	17.7	1.2	3.18		1.85	63.43	0.008		0.27
		18.8	20.7	1.9	1.97		1.22	41.83	0.007		0.24
85-7		15.3	16.8	1.5	1.4		0.78	26.74	0.002		0.07
		17.5	18.5	1	3.9		2.59	88.80	0.003		0.10
85-8		7.6	8.2	0.6	4.35		2.76	94.63	0.005		0.17
		11.3	12.8	1.5	4.11		2.24	76.80	0.012		0.41
		20.1	21.7	1.6	4.39		2.47	84.69	0.004		0.14
85-9		4.6	5	0.4	8.14		3.29	112.80	0.175		6.00
		8.2	9.5	1.3	3.37		1.04	35.66	0.013		0.45
		9.5	9.8	0.3	0.96		0.47	16.11	0.021		0.72
		9.8	11.3	1.5	3.12		1.36	46.63	0.003		0.10
85-10		5.2	6.1	0.9	8.26		3.5	120.00	0.276		9.46

6.4 PREVIOUS EXPLORATION - OX C AND OX-EAST PROJECTS

Work on the Ox Property by International Damascus Resources Ltd. (Damascus Resources) began in 1981 when the current Ox-A, Ox-B and Ox-C Claims were staked. In 1981, an airborne VLF-EM survey was completed. Between 1981 and 1983, prospecting, soil geochemical, and ground magnetometer surveys were completed on the Property as well as diamond drilling on the Ox-C Claim and southern portion of the Ox-B Claim. This work led to the drilling of four diamond drill holes in 1982. None of the holes encountered mineralization and the location and records are not available. Thirty six holes (910 m) were completed in 1983. The Damascus Vein and the Hilltop Vein were discovered and explored during this phase. The best intersection encountered on the Damascus Vein was in Ox-21 where a 3.82 metre core length (2.83 m true width) returned assays averaging 1228.6 g/t Ag, 7.32% Pb and 5.76% Zn.

The property was operated by Cominco Ltd. in 1984, which recognised similarities between the Ox Property and to the newly-commissioned Equity Silver Mine. They optioned the property and completed work on the Ox-C and adjacent portion of the Ox-B Claim searching for bulk-tonnage (Equity-type) mineralization which they thought might be associated with the Damascus Vein system. Both the Ox Property and the Equity

Mine area are underlain by steeply-dipping Mesozoic and Tertiary volcanic and intrusive rocks which are clay and tourmaline-altered and have widespread veinlet pyrite-sphalerite mineralization (Blackwell, 1985). Of particular interest to Cominco was "a 2000 by 600 metre high contrast Ag-As-Pb-Zn soil geochemical anomaly upslope from previously tested massive sulphide veins" (Blackwell, 1985). The Cominco program included ground geophysical surveys (VLF-EM and induced polarisation), geological mapping, trenching (backhoe, cat and Wajax-pump) and rock geochemical sampling. The K Vein was discovered by prospecting during the 1984 Cominco program.

Later in 1984, and following the Cominco program, Ager Consultants supervised an exploration program for Damascus Resources on the Ox-C Claim, completing an additional seven holes on the Damascus Vein and two on the Hilltop Vein - no report is available on the results from this work. On the Ox-East Claim, linecutting (26.7 km.), magnetometer (22.2 km.), induced polarisation (11.65 km.) and soil geochemical surveys (787 samples analysed for Ag, Pb, Zn and As) were completed (Kallock and Goldsmith, 1984). Seven diamond drill holes (721.4 m) were subsequently completed to test Ag-Pb-Zn-As anomalies. Hole 844 intersected 0.4 m grading 92.2 g/t Ag, 6.45 % Pb and 10.97 % Zn. None of the other holes intersected any significant mineralization.

In 1986, Hi-Tee Resource Management Ltd. (Smallwood and Sorbara, 1986) completed a program on behalf of Damascus Resources consisting of 36.25 km. of linecutting, 30 km. of induced polarisation surveying and 10.6 km. of VLF-EM surveying on the Ox-East Claim. This work outlined a strong induced polarisation anomaly near the east margin of the Claim. Some trenching and sampling was completed near the KVein, which is located approximately 200 m south and above the Damascus Vein. A more extensive Induced Polarization survey covering 30 line km was completed in 1986 (Smallwood and Sorbara, 1986).

In 1989, Granges Inc. optioned the property, completing a total of 748.6 m of diamond drilling in eight holes. Six holes (561.4 m) tested depth extensions of the Damascus Vein on the Ox-C Claim and two (187.2 m) tested the induced polarisation (IP) anomaly at the east margin of the Ox-East Claim. The results were encouraging and intersected significant mineralization at depth on the Damascus Vein, the best intersection being 4.5 m (1.5 m true width) grading 194.3 g/t Ag, 0.7 g/t Au, 2.7 % Zn and 1 .I % Pb at a depth of 88.0 m (DDH-OX51). Granges (Deveaux, 1989) concluded that the mineralized zone has a shallow plunge to the south of 28', and is still open in that direction and at depth. Of the two holes which were designed to test the strong induced polarisation anomaly on the east side of the Ox-East Claim only one tested part of the target, the other was lost due to bad ground conditions. The holes intersected an intensely fractured and altered zone containing disseminated pyrite but no base or precious metal mineralization - the cause of the silver and arsenic-in-soil geochemical anomaly remains unexplained. Granges subsequently dropped their option on the Ox Property because "values and width did not improve with depth" on the Damascus Vein (Devereaux, 1989).

6.4.1 *Historical Resource Estimate*

The Damascus Vein reported resources of 4711 t at 580.31 g/t Ag, 0.54 g/t Au, 3.75% Pb and 4.55% Zn to a down dip depth of 9 m (Goldsmith et al, 1984). . All of the historical resource figures were determined before the implementation of NI 43-101.

Although the Damascus vein is not considered to be a target for this stage of exploration, the extensive Induced Polarization and soil geochemical surveys from the OX C and OX-EAST claims have been included, with some gaps in the data, in the Seel Project compilation.

Historical resource estimates for the Damascus vein are relevant to the evaluation of the Seel Property as they give an indication of the estimated size and grade of the Damascus vein system.

However, the writer did not have access to the original resource calculations reported by previous workers and no opinion is offered with regard to the reliability of these historical estimates. Without examination of the original data is not possible to determine what categories were used in the historical estimates and how these may differ from current NI43-101 approved categories. There has been no recorded production from any portion of the Seel Mineral Claims.

6.5 EXPLORATION IN 2003

Reconnaissance exploration was undertaken on the Seel Property between June 6 and June 13, 2003. Eight days were spent on the property by two prospectors under the direction of Peter Ogryzlo. The purpose of the program was to visit areas of anomalous gold and copper concentrations outside of the known occurrences; visit areas of high IP response revealed in previous geophysical surveys; and to explore the possibility for the existence of a large porphyry copper gold system on the property. The methods used were grass roots prospecting and stream sediment sampling, both directed by the extensive geochemical and geophysical database. Forty-five rock and 38 stream sediment samples were collected.

The Seel Breccia was examined, but only for instructional purposes to familiarize the prospectors with the breccia style (angular clasts cemented with pyrite and chalcopyrite) and with the ferricrete blanket. This proved useful, as both prospectors later identified mineralized breccias and ferricrete in float and in outcrop. The most important of the new occurrences are:

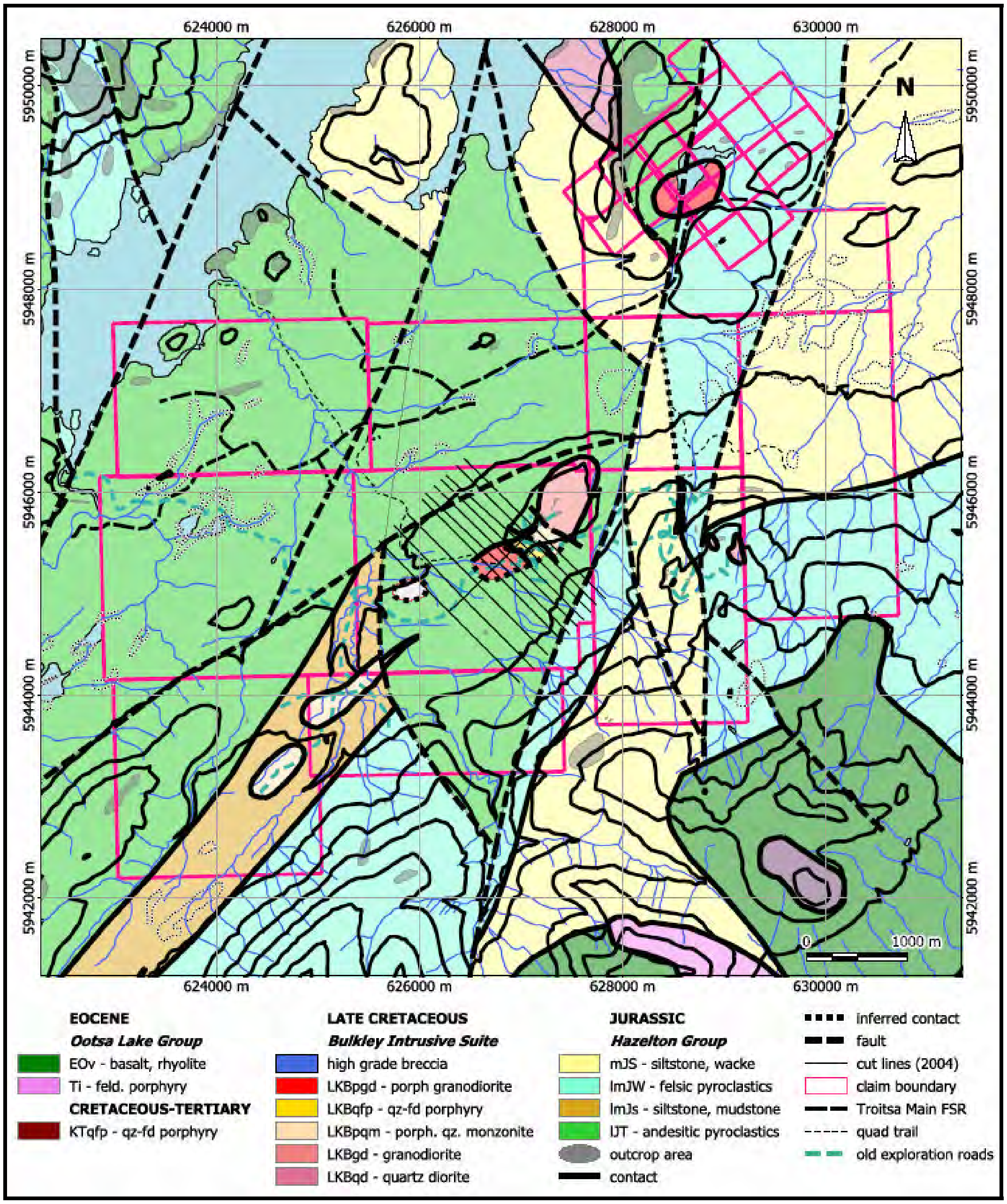
1. Radio (Breccia Creek) Breccia prospect. A single cobble of chalcopyrite cemented breccia was found in float near the south bank of the creek near the junction with Seel Creek at 625572E 5945118N (NAD 83). Examination of the creek revealed several hundred m of outcrop with exposures of ferricrete and quartz-sericite-pyrite altered sedimentary and intrusive rocks. Sulphide contents were locally high. One enigmatic outcrop of chalcopyrite cemented breccia was discovered, which reported appreciable concentration of copper and gold. An exposure of “tight” breccia (well mineralized with pyrite, but with little porosity) was noted over several hundred m in the creek. There is a strong possibility that an unidentified breccia pipe lies close to these exposures, most likely on the south bank of the creek.
2. Upper Damascus tourmaline zone. A single cobble of tourmaline and pyrite cemented breccia float was collected (628460, 5945652) from one of the upper trenches on the Damascus (Ox-C) showing. Tourmaline cemented breccias are of considerable importance in Chilean breccia pipes, and may be both barren and highly

mineralized. The area lies within the Damascus IP anomaly, and warrants further work. The cobble reported 323 parts per million (ppm) Cu and 48 parts per billion (ppb) gold.

3. Breccia knoll. An occurrence of weathered breccia (with galena? cement) was collected at the top of the knoll (627236,5945732) which contains the Seel Breccia. The occurrence is approximately 400 m northeast of the Seel Breccia. This area lies near the edge of a gap in the sampling between the Lean-To (Seel) and the Damascus historical work. The underlying lithology is QFP (quartz-feldspar porphyry) pervasively altered to quartz-sericite pyrite. The occurrence reported 7080 (Pb and 18.5 g/t silver.

4. Creek C: This drainage was visited and sampled by R. Seel in 1997, who reported a sample at 0+600 of around 2.3 g/t Au. The creek cuts through quartz-sericite-pyrite altered sandstone and felsic volcanics attributed to the Smithers Formation. Sandstones are decalcified and pyritized, giving a “sanded” texture. A sample of sandstone with around 30% pyrite was collected from an outcrop believed to be the same as the one sampled by R. Seel, and returned 1373 ppb gold.

Figure 6.2 Bedrock Geology, Seel Property



Map prepared by the writer based on nine days of geological mapping done on the Seel property in late September, 2004. UTM Projection, Zone 9.

A stream sediment survey was conducted to test the south-eastern portion of the property, which has no recorded sampling or ground geophysical surveying. Six orientation samples were collected, three regional samples and three samples from "mineralized" drainages. Six conventional silt samples were also collected at the same sites. Approximately five kilograms of sample were collected over 50 m of stream bed at each site. The sample was field sieved down to –20 mesh, with the collection of approximately 300 g of sieved sample. The orientation samples were further sieved to –80 mesh in the lab, and the –80 mesh fraction and the +80-20 mesh fraction were both analyzed by ICP-MS on a 30 g split for base and precious metals. These results were compared with analyses of the conventional silt samples. The rationale for the detailed analysis results from the initial property visit, and the identification of erratic gold distribution from the trenches and the drill core. The stream sediment survey was designed to test the distribution of gold in the size fractions collected. Thirty eight stream sediment samples were collected in total. Access was good for most streams, but was hampered to some extent by snow in the ravines above 1500 m. One drainage remains inadequately sampled.

Despite a small sample population, some anomalous areas were indicated by the stream sediment survey. The lower reaches of the stream 250 m south of the Radio Creek breccia prospect was anomalous in copper, gold, silver and zinc. The upper reaches of a branch of the same stream draining the slopes of Troitsa Peak were also anomalous in copper and zinc. This area lies outside the area of historical geochemical and geophysical coverage. The stream that drains the upper part of the Damascus vein was likewise anomalous in copper and zinc.

The work completed in the 2003 program was followed up in 2004 by the cutting of a new grid, IP and magnetometer surveys and geological mapping. This work is described in a previous technical report by the writer (MacIntyre, 2005). The IP survey defined a large chargeability anomaly which was tested by 3370 m of diamond drilling in late 2004 and early 2005. The results of this drilling are discussed in this report.

7.0 GEOLOGICAL SETTING

The following section is compiled from two earlier geological reports prepared by Ogryzlo (2004) and MacIntyre (2005).

7.1 REGIONAL GEOLOGY

The Tahtsa Reach area is underlain by volcanic and related volcaniclastic and marine sedimentary rocks of the Lower to Middle Jurassic Hazelton Group. The Hazelton Group is comprised of subaerial andesitic volcanic rocks of the Lower Jurassic Telkwa Formation, felsic pyroclastic and volcaniclastic rocks of the Lower to Middle Jurassic Whitesail Formation, shallow water feldspathic sedimentary rocks of the Middle Jurassic Smithers Formation and shallow to deep water marine sedimentary rocks of the Middle to Upper Jurassic Ashman Formation. The Hazelton Group is cut by calc-alkaline intrusive rocks of the Late Cretaceous Bulkley and Eocene Nanika intrusive suites. South of Tahtsa Reach, in the Whitesail Range, the Hazelton Group is unconformably overlain by basalt and rhyolite of the Eocene Ootsa Lake Group. To the west, the Hazelton Group is overlain by marine sedimentary and volcanic rocks of the Lower Cretaceous Skeena Group and andesitic volcanic rocks of the Upper Cretaceous Kasalka Group. These rocks are preserved within the Tahtsa Lake cauldron subsidence complex. Emplacement of Late Cretaceous plutons and formation of associated porphyry copper mineralization is believed to be controlled by faults related to this structure (MacIntyre, 1985). A period of crustal extension and block faulting that is recognized throughout central B.C. has been superimposed on Eocene and older rocks in the area resulting in a complex map pattern. In the vicinity of the Seel property a series of northeast and north trending faults is probably related to this period of extension.

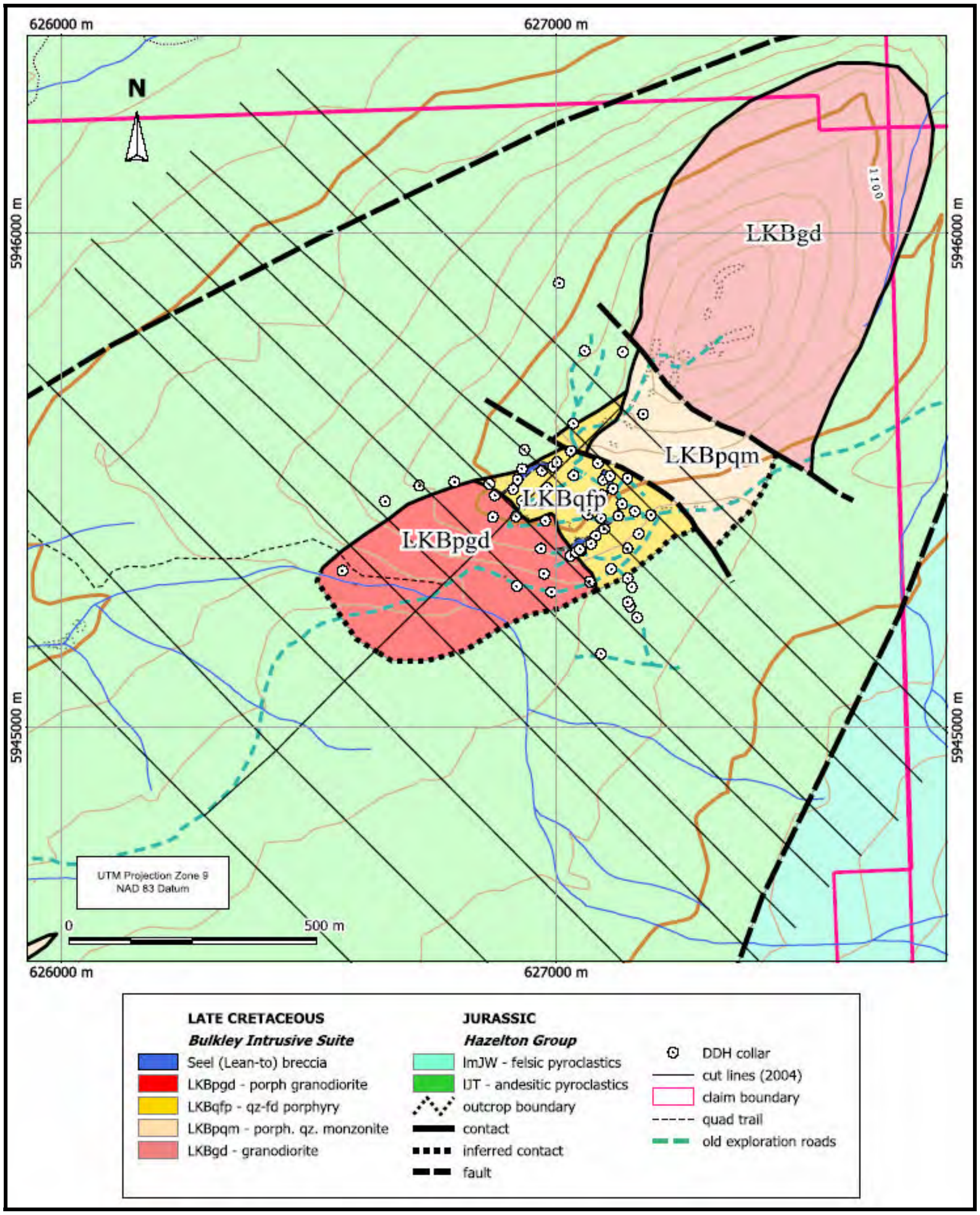
The Seel Property is underlain by a series of juxtaposed fault blocks containing tilted and locally folded strata of the Telkwa, Nilkitkwa, Whitesail and Smithers Formations of the Lower to Middle Jurassic Hazelton Group. These rocks are cut by multi-phase intrusive complexes that are correlative with the Late Cretaceous Bulkley Intrusive suite. Intrusive phases include diorite, granodiorite, quartz diorite, porphyritic quartz monzonite (aka quartz porphyry), porphyritic granodiorite, feldspar porphyry, and quartz feldspar porphyry. The youngest rocks on the property are gently dipping basaltic and rhyolitic flows of the Eocene Ootsa Lake Group that cap older strata in the Whitesail and Kasalka ranges.

7.2 LOCAL GEOLOGY

7.2.1 TELKWA FORMATION (LJT)

Widely spaced outcrops of maroon, purple, and red lapilli tuff with lesser crystal, lithic and ash tuff, volcanic breccia and agglomerate interbeds occur along the Troitsa Main Forest Service Road and at isolated localities throughout the property. These rocks, which typically contain 30-60% 1-2 mm feldspar crystal fragments, are lithologically identical to the lower Telkwa Formation elsewhere in central B.C. Therefore, these rocks are correlated with the Telkwa Formation. The best exposure visited by the writer is located on the north side of the Troitsa Main just past the 15 km marker. Here, medium-bedded maroon and green lapilli tuff beds strike south-easterly and dip moderately to the northwest. Hornfelsed and altered andesitic tuffs were also intersected in drill holes near the Lean-To showing and are presumed to be part of the Telkwa Formation.

Figure 7.1 Bedrock Geology, Lean-To Area



Map prepared by the writer based on nine days of geological mapping performed on the Seel property in late September, 2004.

7.2.2 NILKITKWA FORMATION (LMJS)

Medium to thin bedded, dark grey siltstones and mudstones crop out in a number of steep sided creek gullies that are part of the upper Seel Creek drainage system (Figure 6.2). Good exposures also occur along the banks of Seel Creek near the old Bethlehem Copper camp. These fine grained sedimentary rocks were mapped as unit 6 argillites by Bethlehem Copper (Assessment report 3576). The GSC assigned these rocks to the Middle to Upper Jurassic Ashman Formation (Woodsworth, 1980), but in the writers opinion these rocks are sufficiently different in lithology and stratigraphic position to be mapped as a separate and older unit. The primary differences between these rocks and the Smithers or Ashman formations is the lack of feldspar detritus and the more reduced, finer-grained and presumably deeper marine nature of these rocks. These features are similar to the Lower Jurassic Nilkitkwa Formation that is found further north in the Smithers-Babine Lake area. This correlation is supported by the apparent stratigraphic position of these rocks which suggest they overlie the Lower Jurassic Telkwa Formation. Similar marine sedimentary rocks occur near the mouth of Kasalka Creek but these rocks were either mapped as the Smithers or Ashman Formations (Woodsworth, 1980) or included in the Telkwa Formation (MacIntyre, 1985).

7.2.3 WHITESAIL FORMATION (LMJW)

A distinctive unit comprised of well bedded cream to light grey rhyolitic ash flow tuffs with lesser interbeds of chert, feldspathic wacke, felsic lapilli tuff and volcanic breccia crops out in creeks draining the steep north facing slope of the White sail range and in the area east of the Damascus vein (Figure 6.2). These rocks occur elsewhere in the Whitesail-Tahtsa Lake area and were mapped as the Lower to Middle Jurassic Whitesail Formation by the GSC (Woodsworth, 1980). These rocks grade upward and are in part interbedded with lower part of the Middle Jurassic Smithers Formation. The best section where this transition is exposed is in on the steep, north facing slope of the ridge south of the Lean-To showing. Here outcrops exposed in creek gullies at the base of the ridge are mainly rhyolitic ash flows interbedded with feldspathic wackes and granule conglomerates and these grade up slope and up section into predominantly feldspathic wacke, siltstone and granule conglomerate of the Smithers Formation. A similar transition is observed in the area east of the Damascus vein where the section dips gently to the north. Rocks exposed near the top of the knoll are typical Whitesail Formation whereas those further down slope and up section are typical of the Smithers Formation.

7.2.4 SMITHERS FORMATION (MJS)

Medium to thin-bedded feldspathic wackes, siltstones and heterolithic granule to pebble conglomerates are exposed on the steep north facing slope south of the Lean-To grid and along prominent cliffs, road cuts and trenches northeast and west of the Damascus vein (Figure 6.2). These rocks are assigned to the Smithers Formation based on lithology and apparent stratigraphic position. Some limy beds containing macrofossils are reported to occur at the base of cliffs east of the Damascus vein (Blackwell, 1985) but these could not be located.

7.2.5 BULKLEY INTRUSIVE SUITE

Intrusive rocks on the Seel property crop out in trenches, road cuts and along the crest of the northeast trending ridge at the Lean-To showing, in creeks and along quad trails near the headwaters of Seel Creek and as small isolated bodies east of the Damascus vein. Most of the drill holes at the Lean-To showing also intersected highly altered feldspar phyric intrusive rocks. Six lithologically distinct intrusive phases are recognized and all are assigned to the Late Cretaceous Bulkley Intrusive Suite based on lithology and cross-cutting relationships. These include from oldest to youngest, equigranular diorite, quartz diorite to granodiorite, porphyritic quartz monzonite (aka quartz porphyry), quartz-feldspar porphyry, feldspar porphyry, and porphyritic granodiorite.

7.2.6 DIORITE (LKBDR)

Several small outcrops of medium grained diorite with trace amounts of pyrite crop out east of the Damascus vein. This rock is equigranular and comprised mostly of intergrown 2-4 millimetre feldspar crystals. Primary mafic minerals are generally weathered out or replaced by chlorite which imparts a dark greenish grey colour to the rock. Similar fine grained dioritic intrusions occur in the Kasalka Creek and Troitsa Lake area (Late Cretaceous Kasalka Intrusions of MacIntye, 1985).

7.2.7 QUARTZ DIORITE TO GRANODIORITE (LKBQD, LKBGD)

Equigranular biotite granodiorite to quartz diorite crops out near the crest of the ridge at the Lean-To showing. This rock is generally massive and resistant. Near the Lean-To showings it is weakly altered to clay. Similar equigranular intrusions occur at other porphyry copper prospects in the Tahtsa Lake district and all of these intrusions are interpreted to be the earliest phase of Late Cretaceous intrusive centers (MacIntyre, 1985). They probably represent initial, relatively slow cooling and crystallization of granitic magma in large magma reservoirs prior to fracturing and emplacement of more differentiated porphyritic phases. Rocks in contact with these equigranular intrusions are generally thermally metamorphosed to biotite hornfels.

7.2.8 PORPHYRITIC QUARTZ MONZONITE (LKBPQM)

A distinctive intrusive phase comprised of 40-60%, 2-4 millimetre rounded quartz phenocrysts in a finer-grained feldspar-quartz groundmass crops out on the lower south facing slopes above the Lean-To showing (Figure 7.1). Identical porphyritic rocks also crop out in steep sided creek valleys and along an old exploration road in the southwest corner of the property. The distribution of outcrop in this area suggests the presence of a southwesterly elongate intrusion that cuts marine sedimentary rocks assigned to the Nilkitkwa Formation. Locally, groundmass feldspar is clay altered and on weathered surfaces the clay is recessive, producing a distinctive, strongly pitted surface with prominent protruding quartz phenocrysts. Previous workers have referred to this intrusive phase as a quartz porphyry but the writer believes porphyritic quartz monzonite is a more appropriate classification. Regardless, this rock type is not common in the Tahtsa Lake district and appears to be restricted to the Seel property. This intrusive phase probably represents differentiated granitic magma that was emplaced after initial crystallization of quartz diorite and granodiorite.

7.2.9 QUARTZ-FELDSPAR PORPHYRY (LKBQFP)

Granodiorite and porphyritic quartz monzonite phases appear to be cut by younger quartz-feldspar porphyry at the Lean-To showing. This rock is sparsely porphyritic with 5 to 10% 1-2 mm quartz and feldspar phenocrysts in a very fine-grained quartz-feldspar groundmass. Compositionally the rock is a dacite or rhyodacite. It is often strongly quartz-sericite-pyrite altered with scattered quartz "eyes" the only identifiable primary mineral. Similar quartz phyric dacitic and rhyodacitic intrusions occur at the Coles Creek and Whiting Creek porphyry copper prospects (MacIntyre, 1985) and postdate early granitoid phases but pre-date the emplacement of porphyritic granodiorite and formation of associated porphyry copper mineralization.

7.2.10 PORPHYRITIC GRANODIORITE (LKBPGD)

Porphyritic granodiorite is exposed in three trenches that are on or near the quad trail just southwest of the Lean-To showing (Figure 7.1). This rock is a crowded porphyry with 40 to 60%, 2-6 mm equant feldspar phenocrysts in a finer-grained quartz-feldspar groundmass. In places 2-4 mm remnant biotite phenocrysts are present but for the most part the rock is altered to quartz-sericite-pyrite and primary mafic minerals have been pseudomorphed by sericite. Unaltered porphyritic granodiorite crops out near the junction of the base line and line 49N and contains fresh hornblende as well as biotite. The lack of alteration suggests this rock is a post-mineral phase of the porphyritic granodiorite intrusion. The porphyritic granodiorite on the Seel property is lithologically similar to intrusions at the Coles Creek, Ox Lake, Whiting Creek, Bergette and Huckleberry porphyry copper deposits. Mineralization at these properties is spatially and temporally related to emplacement of porphyritic granodiorite and it is likely the same relationship is true at the Seel property.

A fine-grained crowded feldspar porphyry with 40-60% 1-2 mm feldspar phenocrysts in a finer-grained quartz-feldspar groundmass is exposed in trenches and outcrops in the vicinity of the Lean-To breccia and has also been intersected in drilling. This intrusive phase, which is typically quartz-sericite-pyrite or clay altered, appears to be inter-fingered with quartz-feldspar porphyry along the north side of the porphyritic granodiorite stock. The feldspar porphyry is interpreted to represent finer-grained offshoots or dykes emanating from this stock. Locally the feldspar porphyry has small chloritic patches which may have formed after primary mafic minerals.

7.2.11 OTSA LAKE GROUP

The southern boundary of the Seel Property overlaps the northern edge of the Whitesail Range. At higher elevations tilted and folded fault blocks of Hazelton Group rocks are uncomfortably overlain by gently dipping feldspar phyric basalt and lapilli tuff of the Eocene Ootsa Lake Group. Blackwell (1985) reports small outliers of these rocks in Poison Creek west of the Damascus vein. These rocks were not examined as part of this project.

A fresh dyke with 5-10% 1-2 mm quartz and k-feldspar phenocrysts crops out just east of Poison Creek near the Damascus vein (LKTqfp). Two small stocks, one comprised of coarse feldspar porphyry, the other biotite-feldspar porphyry intrude Eocene Ootsa Lake

Group rocks south of the Seel property (Ti). These high level intrusions were probably feeders for Eocene flows that cap the Whitesail range.

7.2.12 BRECCIA ZONE

A zone of brecciation is recognized at the Lean-To showing. This breccia is probably related to release of over-pressured hydrothermal fluids resulting in hydraulic brecciation and subsequent healing with quartz and sulphides. An annular zone of high grade copper-silver-gold mineralization has been defined by drilling. The sub-circular nature of this zone suggests brecciation was related to a ring and radial fracture system developed above a buried intrusive body. The brecciated and pervasively altered rocks are quartz-feldspar porphyry, feldspar porphyry and hornfels suggesting brecciation was superimposed on the contact zone of an intrusive body, possibly the porphyritic granodiorite that crops out to the west.

8.0 DEPOSIT TYPES

The following section is compiled from two earlier geological reports prepared by Ogryzlo (2004) and MacIntyre (2005).

Historical exploration and field evidence indicates that the Seel Mineral Claims may cover a mineral deposit of the porphyry copper+gold, or porphyry copper+molybdenum style. There is one well-exposed occurrence of a clast supported breccia (the Seel Breccia) with dolomite, chalcopyrite and lesser galena and sphalerite cementing the clasts. There is also a well-exposed Ag-Pb-Zn vein (the Damascus Vein).

Porphyry copper deposits are large, relatively low grade deposits that occur in orogenic settings. They are commonly accompanied by extensive envelopes of hydrothermal alteration that can affect several cubic kilometres of rock, and by sulphide envelopes commonly referred to as pyrite haloes. The mineralization tends to be introduced into the country rocks as fine disseminations and as fracture fillings. The extensive circulation of hot hydrothermal brines can cause local dissolution of the host rocks, and subsequent caving and formation of clast supported breccias. These breccias often occur in the shape of a pipe or cylinder, the long axis being vertical. The deposits tend to be zoned, both in sulphide and alteration mineralogy with the primary controls on mineralization being pressure, temperature, structure, and the chemical composition of the enclosing rock. This zoning of elements such as Pb and Zn peripheral to the more centrally located Cu, Au and Mo rich core zones frequently leads to the development of Ag –Pb- Zn bearing precious metal veins around porphyry centres. Breccia pipes may form relatively higher grade deposits within porphyry systems, and are frequently mined out early in the history of a mining district.

The possibility for the existence of a porphyry style deposit on the Seel Claims is supported by the presence in the district of the nearby Ox Lake porphyry Cu-Mo deposit, and the presence of the Huckleberry Cu-Ag-Mo deposit, which was in production at the time of preparation of this report.

The development of hydrothermal alteration and pyrite haloes makes this type of deposit amenable to geochemical and geophysical surveying. The distribution of elements in a soil survey can frequently point to a centre of porphyry mineralization. The disseminated nature of the sulphides responds well to Induced Polarization geophysical surveys, where an electrical charge is induced into the ground, and the decay of this charge at sulphide grain boundaries can be measured.

It is proposed that soil geochemical and Induced Polarization geophysical techniques be employed to ascertain the presence and location of a centre of porphyry style mineralization and any associated breccia occurrences for testing with a diamond drill.

9.0 MINERALIZATION

The following section is compiled from two earlier geological reports prepared by Ogryzlo (2004) and MacIntyre (2005).

Three styles of mineralization have been reported or observed on the Seel Mineral Claims. These are a dolomite-chalcopyrite cemented breccia (Seel or Lean-To Breccia); a structurally controlled precious and base metal vein (Damascus Vein); and an extensive system of hydrothermal alteration and pyritization.

9.1 SEEL PORPHYRY DEPOSITS

At Seel there are three or more phases of mineralized late Cretaceous (Bulkley) intrusive activity, hosting altering phases of Feldspar Porphyry (Cu-Mo enriched FSP), Quartz Feldspar Porphyry (Cu-Au enriched QFP) and the Seel breccias (Cu-Ag-Zn enriched hydrothermal Seel BX). The Bulkley intrusive suite intrudes Jurassic 'Hazelton Group" andesitic pyroclastics. Little mineralization has been seen in the volcanic 'wall rocks' except local zones confined to the nearby contacts in S05-18, S06-32, S04-01 however a 100 m section of 'hanging wall' volcanics is mineralized in S05-19. Generalized from oldest to youngest the intrusive phases are:

Phase 1 (Cu-Mo) Feldspar Porphyry(FSP): Hosts low grade Cu-Mo in a horseshoe shaped zone surrounding an un-mineralized but weak to strong 'pyritized' core of CFP (crowded feldspar porphyry). The mineral zone is outlined in black as "Cu-Mo" along the west southwest area on the "Damascus comp" map. Mineralization commonly hugs the transition between a moderate to high IP chargeability and low to weak magnetic signature.

Pyrite, chalcopyrite and molybdenite are the main sulphides, with very little magnetite. Smaller mineralized zones are gradational into CFP as in S06-35. This zone remains open for infill along its northwest and southeast arms.

Phase 2 (Cu-Au) Quartz Feldspar Porphyry (QFP): Host Cu-Au mineralization in a 350 m x 100m plug intruding the southeast arm of the Phase 1 intrusive. The zone is outlined in red as "Cu-Au" on the Damascus Comp map. There is likely a lot of mixing and overprinting of lithologies (CFP and FSP) here however one can see a distinct change from Cu-Mo system to Cu-Au system particularly from the assays. The zone occurs with a moderate chargeability and is directly associated with a magnetic high. Minerals are pyrite, chalcopyrite, and magnetite.

Phase 3 (Cu-Ag-Zn) Seel Breccia (Seel Bx): Occurs as a late stage circular to oblong hydrothermal breccia located 250m north of the Phase 2 Cu-Au plug. It measures roughly 250 m x 200 m, with highly brecciated varieties of QFP and FSP. It seems to plunge steep to the south and intrudes the Cu-Au zone +200m below surface. Only the outside rim of the breccia is mineralized with Cu-Ag, reaching widths from 2 m to 15 m.

Chalcopyrite, pyrite, tetrahedrite, and sphalerite are common with silica, gypsum, and calcite as infill cement. The interior of the Seel Bx is highly brecciated but not mineralized.

9.2 DAMASCUS (OX C) VEIN

The Damascus (OX C) Vein has been traced by diamond drilling and trenching over a strike length of approximately 400 m. The vein is exposed on a north facing hillside on the Seel #5 Mineral Claim. The vein is structurally controlled. Mineralization is associated with a shear zone trending 170 degrees azimuth with a dip of 80 to 85 degrees to the west. Galena, sphalerite, chalcopyrite, arsenopyrite, and pyrite occur in the shear zone. The width of the mineralized zone is approximately 1.5 m. Two other similar occurrences, the K Vein and the Hilltop Vein have been reported. Chalcopyrite has also been reported in sandstone accompanied by tourmaline, and has been observed in float as a tourmaline-chalcopyrite cemented breccia.

9.3 ALTERATION

Extending eastward from the Seel Breccia, fieldwork in 2003 identified an extensive zone of quartz sericite-pyrite flooding on the property that had not been described by previous operators. There are numerous excellent bedrock exposures in the creeks that dissect the property for which there is little recorded mapping or sampling. Sulphide contents can be high, reaching 30% of the rock mass, and averaging 3-5%. The zone extends westward from the Seel breccia, and has been observed over an area 1700 m E-W by 750 m N-S. The levels of sulphidization are more than adequate to explain the IP response observed in earlier surveys. Alteration is penetrative: all lithologies within the area of quartz-sericite-pyrite flooding are similarly affected, and appear as a uniform bright white altered siliceous pyritic rock, with relict textures giving hints as to original lithology.

Previous diamond drilling and trenching at the Lean-To showing has defined an area of brecciated feldspar porphyry, quartz-feldspar porphyry, porphyritic granodiorite, and hornfelsed volcanic rocks with strong, locally high grade copper ± silver ± gold mineralization southwest of the granodiorite stock. Rocks in the vicinity of this breccia zone are pervasively altered to quartz-sericite-pyrite ± clay alteration assemblages. Low grade copper and locally molybdenum in the form of disseminated and vein controlled chalcopyrite and molybdenite occurs within altered porphyritic granodiorite and feldspar porphyry southwest of the breccia zone. Outcrops in creeks approximately 1.2 km southwest of the Lean-To breccia are also pervasively altered to quartz-sericite-pyrite and clay.

Locally the rocks are hornfels with strong disseminated pyrite suggesting proximity to an intrusive contact. Highly altered volcanic and intrusive rocks are exposed sporadically over a minimum distance of 2 km. If alteration and associated sulphide mineralization is contiguous over this distance then the presence of a very large hydrothermal system is indicated. This system is probably centered on a porphyritic granodiorite stock or stocks. This conclusion is supported by previous IP surveys which have defined a large IP anomaly more or less centered on the porphyritic granodiorite phase of the Lean-To plutonic center.

Characteristic alterations of the Cu-Au porphyry type of deposits are sericite-clay-carbonate-pyrite. Ore zones, particularly those with high Au content, are frequently found in association with magnetite-rich rocks and can be located by magnetic surveys. Pyritic haloes surrounding cupriferous rocks respond well to induced polarization surveys. Cu-Mo type of deposits is with characteristic alterations: quartz, sericite, biotite, K-feldspar, albite, anhydrite/gypsum, magnetite, actinolite, chlorite, epidote, calcite, clay minerals, and tourmaline.

10.0 EXPLORATION

Previous exploration on the Seel property is described in the History section of this report. The most recent work on the property took place in December 2004 and January 2005 when 3,370 metres of diamond drilling in 17 holes was competed. The results of this work are discussed in the drilling section of this report. Prior to this drill program, a new cut line grid was established and combined 2D/3D IP and magnetometer surveys. Grid cutting was done by CJL Enterprises Ltd. of Smithers B.C. and the geophysical surveys were done by SJ Geophysics Ltd., Delta, B.C. The IP Survey was done between September 27 and October 10, 2004 while the magnetic survey took place October 26-29, 2004. The results of this work are discussed in a previous technical report (MacIntyre, 2005) but are included in this report for continuity.

The geophysical surveys were done on a single grid consisting of 10 lines. Lines 4600N through to line 5200N were used during the 3D-IP recording phase; while Line 4000N, 4200N and 4400N were recorded with a modified pole-dipole configuration in 2D mode. The 3D-IP lines had a separation of 100 m, with pickets placed every 50 m. The three 2D lines were spaced at 200 m intervals, with pickets also placed every 50 m. All lines had a length of 2000 m with pickets labelled from station 4000E through to 6000E.

The following discussion of results is extracted and modified from a report prepared by SJV Consultants Ltd. for Grayd Resource Corporation dated November 2004 (Rastad, 2004).

Figure 10.1 Total Field Magnetic Contour Map

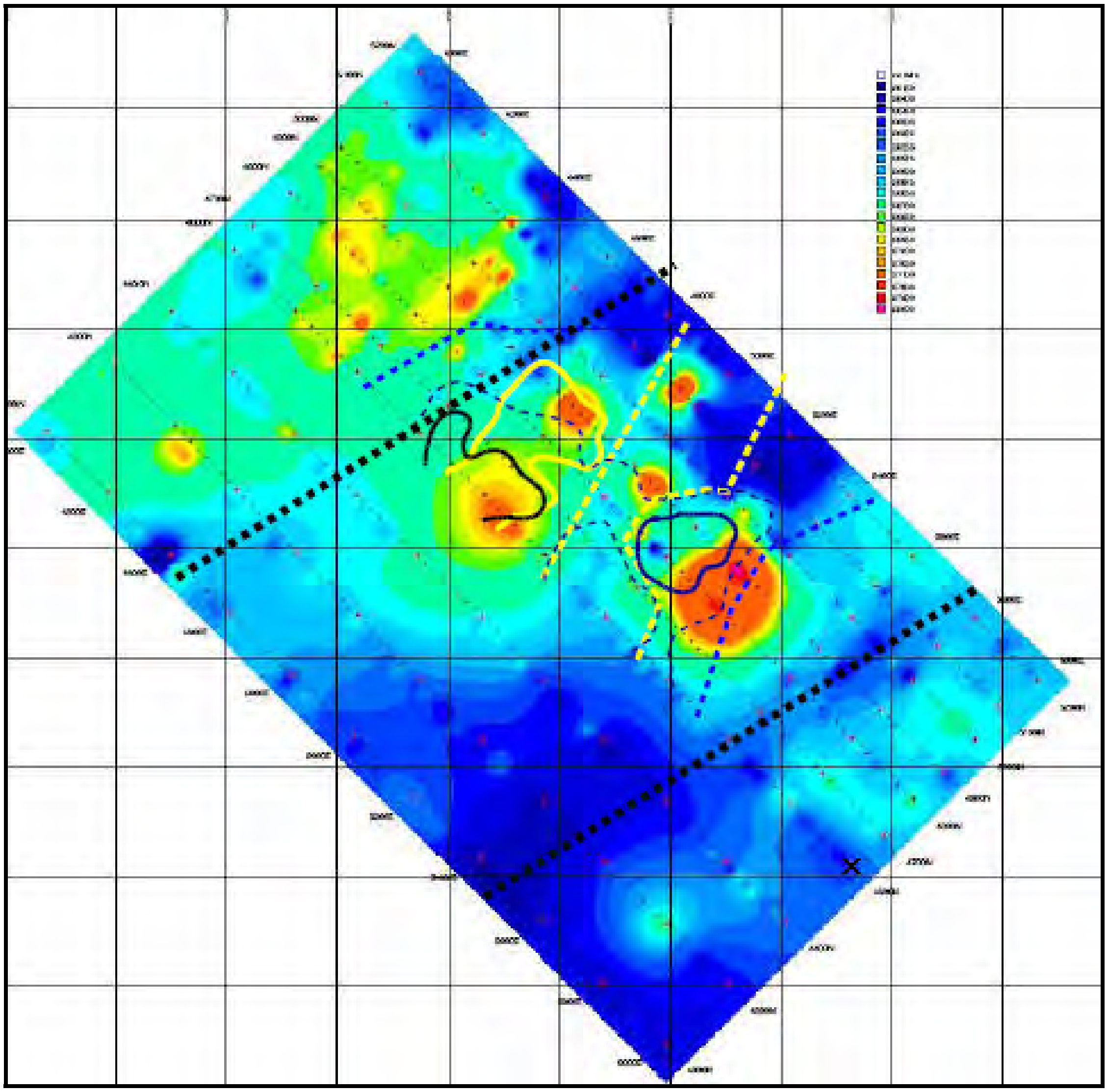


Figure from a report prepared by SJV Consultants Ltd. for Grayd Resource Corporation dated November, 2004 (Rastad, 2004).

10.1 MAGNETIC SURVEY

The data collected from the magnetic survey was analyzed by plotting the total magnetic field strength as a false colour contour plan map (Figure 10.1). The annotated black dashed lines show two NNE trending linear features as distinguished by the magnetic data. Discussion of the individual magnetic anomalies is discussed within the interpretation of the 3D-IP data set. Also annotated on Figure 10.1 is the IP interpretation.

Figure 10.2 Chargeability at 100 Metres Depth

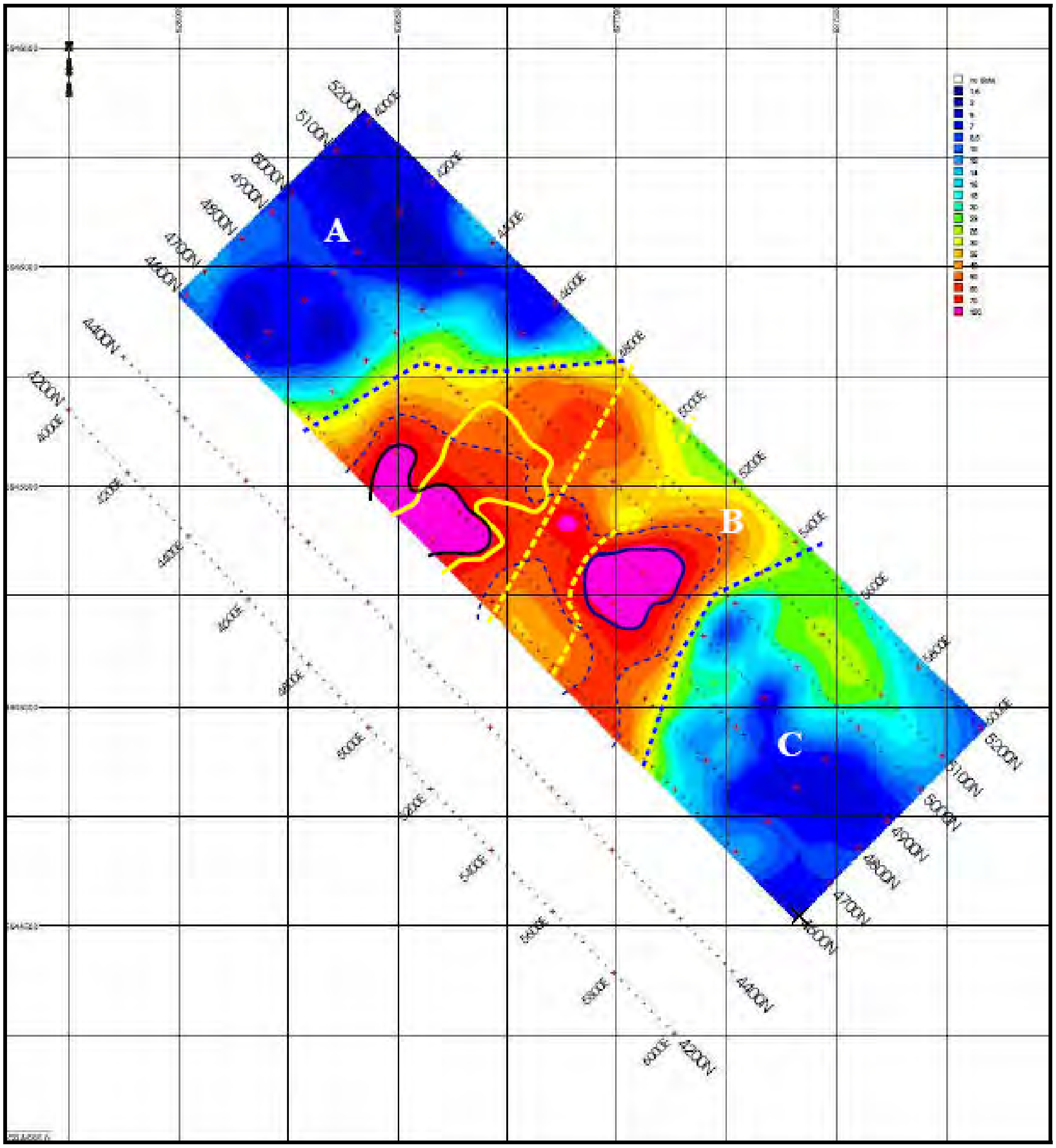


Figure from a report prepared by SJV Consultants for Grayd Resource Corporation, dated November, 2004 (Rastad, 2004).

10.2 3D Induced Polarization Survey

The IP survey provides both resistivity and chargeability values which are then inverted to provide an interpreted 3D block model of the subsurface.

shows the plan map for chargeability at 100 m depth and Figure 10.3 shows the plan map for resistivity at 100m. In addition, the interpretation of the data has been annotated onto and Figure 10.3 and the magnetic plot above (Figure 10.1). The chargeability high anomalies are outlined in blue. Two levels have been introduced - very high chargeability anomalies are indicated by the solid lines and moderate chargeability anomalies are outlined by a dashed line. Low resistivity regions are indicated by a solid yellow line and a region of scattered moderate resistivity values has been outlined by dashed yellow lines.

Figure 10.3 Resistivity at 100 Metres Depth

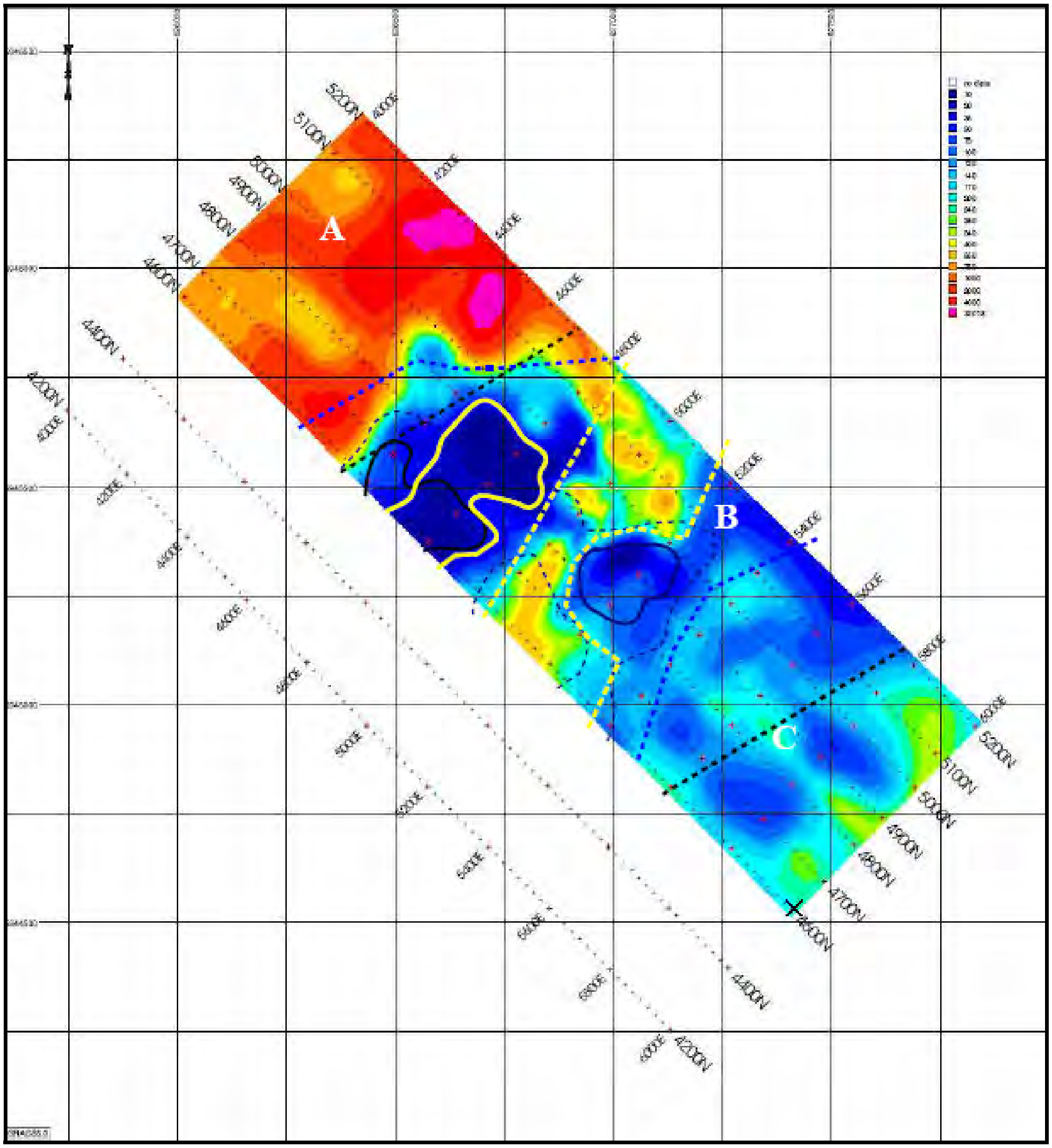


Figure from a report prepared by SJV Consultants Ltd. For Grayd Resource Corporation, dated November, 2004 (Rastad, 2004).

Figure 10.4 Line 4800- 3D Cross Section – Interpreted Resistivity and Chargeability

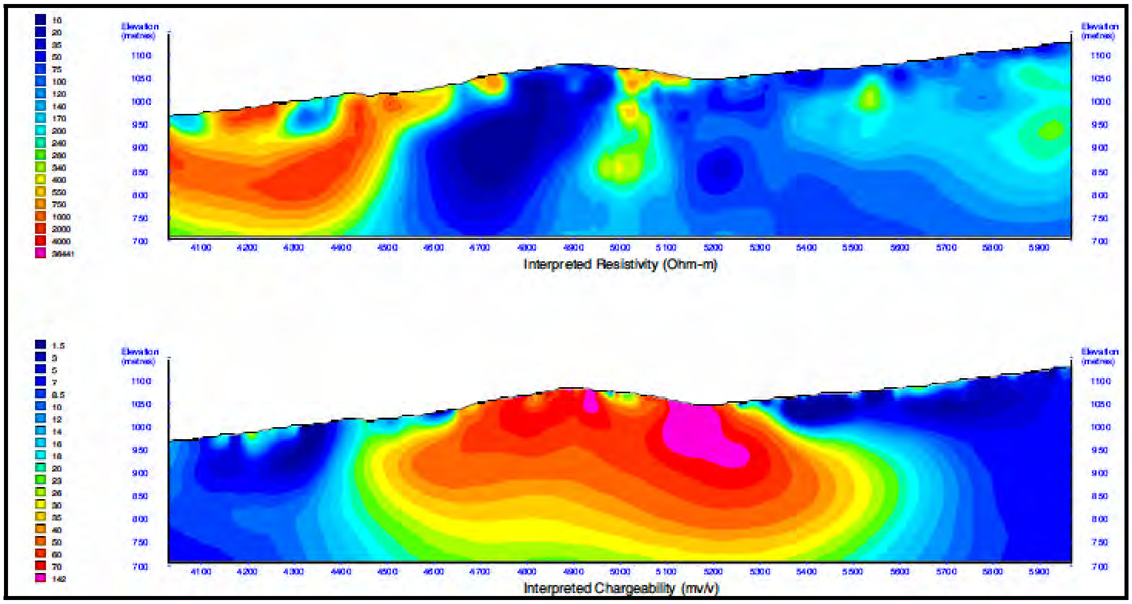


Figure from a report prepared by SJV Consultants Ltd. for Grayd Resource Corporation, dated November, 2004 (Rastad, 2004).

Two distinguishing linear features running NNE are outlined by the chargeability. The first is along the north-western flank of a very high chargeability zone and correlates nicely with a very resistive unit to its northwest. This may indicate a geological contact. The second is on the south-eastern flank of the chargeable body. There is no strong correlation with the resistivity as was seen on the north-western flank; however, a gentle trough of lower resistivity values can be seen. These linear features are annotated with black dashed lines that separate the 3D grid into 3 regions - A, B, and C (Figure 10.2 and Figure 10.3).

Regions A and C are characterized by similar relatively low chargeability values. However, the corresponding resistivity values have distinct characteristics indicating that the regions are distinct units. Region A has high resistive values and is associated with moderate Total Field magnetic values with scattered small magnetic anomalies throughout. By comparison, region C has moderate resistivity values and relatively low magnetic values. Subtle anomalies may exist within these two regions; however, they are not examined within the scope of this report.

Region B demonstrates a more complex system as indicated by the annotated interpretation in Figure 10.2 and Figure 10.3. This region is dominated by a zone of high chargeability values which appear to be separated into two zones by a NNE trend of broken up resistivity features. In addition, this region contains the majority of the anomalous magnetic features. Closer examination reveals this resistivity trend also correlates nicely with the chargeability model. Separated by this trend are two very high chargeability features, labelled as Features 1 and 2. The south-eastern anomalous feature, Feature 1, is located between stations 5100E and 5250E and is bounded between lines 4700N and 5000N. This anomaly is associated with a low resistivity zone and appears to cut into the NNE resistive trend mentioned earlier. Additionally, the largest magnetic anomaly is situated directly to the southeast of the outlined chargeability feature and coincidently is of similar size. The largest magnetic anomaly is also coincidently of similar size and is situated immediately to the southeast of the outlined very high chargeability feature.

The second chargeability feature, Feature 2, is situated approximately between stations 4600E and 4900E, and is bounded to the northeast by line 4800N. The south-western edge is open and has not been delineated by the 3D inversion. Similarly to the anomalous Feature 1, this feature is associated with a very pronounced zone of very low resistivity values. In addition, there are two magnetic anomalies associated with this low resistive zone. The low resistivity anomaly appears to be dipping below the higher resistive unit in region A. This is illustrated in both Figure 10.4 and Figure 10.5.

Figure 10.5 Line 4600- 3D Cross Section – Interpreted Resistivity and Chargeability

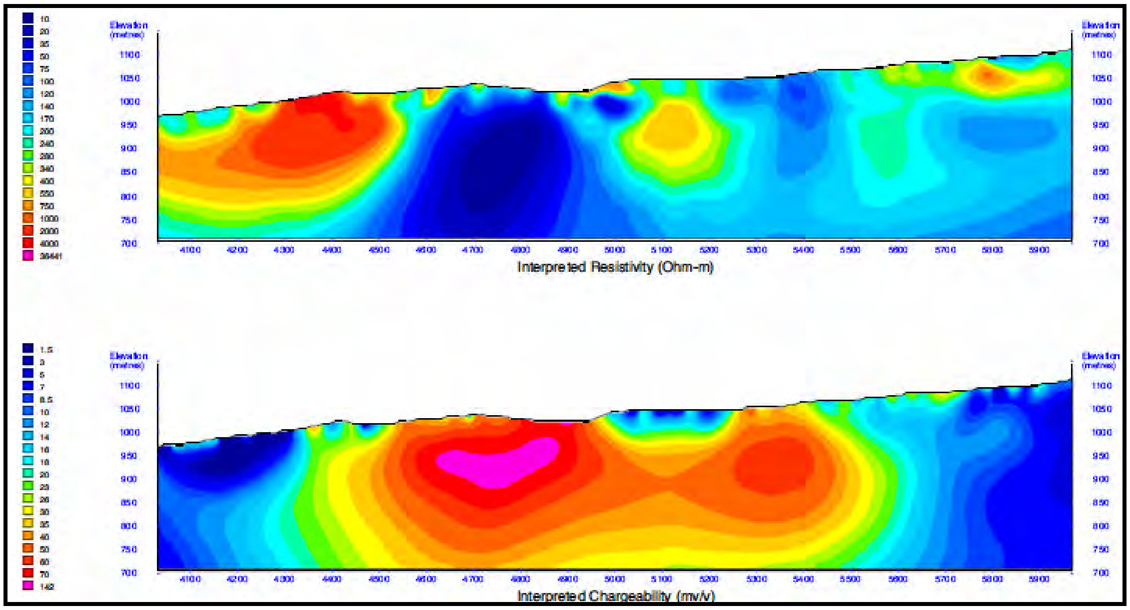


Figure from a report prepared by SJV Consultants Ltd. for Grayd Resource Corporation dated November, 2004 (Rastad, 2004).

With the use of a visualization program, the 3D model of the chargeability and resistivity can be sliced along any arbitrary surface. Snapshots of the resistivity and chargeability models are shown below as Figure 10.6 and Figure 10.7. Both models have been set to arbitrary isosurfaces to help one visualize the anomalous feature. For the resistivity, the green-blue surface is set at resistivity level below 60 ohms, and the orange-red surface has been set at levels greater than 225 ohms. As for the chargeability model, the blue surface has been set to levels less than 18 milliseconds (ms), and the orange-red surface has been set to values greater than 65ms. In the chargeability model, the two features are clearly shown; however, manipulating the isosurface cut-off values can drastically affect the size and shape of an anomaly.

The three 2D lines will be examined briefly while trying to associate trends noticed in 3D to the 2D inversion. Figure 10.8 shows the inverted results for line 4200N. With the 2D methodology, there is no inherent control on the location of an anomaly. A chargeable feature 100m off to the side will have a similar effect as to one located directly below the line. The combined effect of data below and to the sides may add structure to the 2D inversions; whereas, you may see a smoother one in the 3D inverted results.

For the 2D-IP lines, the general trend discovered in the 3D inverted results are also evident in each of the three lines. All have a resistive body to the northwest with a chargeable body immediately to the southeast of the resistive body. This suggests the existence of a geological contact that trends NNE.

Figure 10.6 3D Resistivity Model Facing North

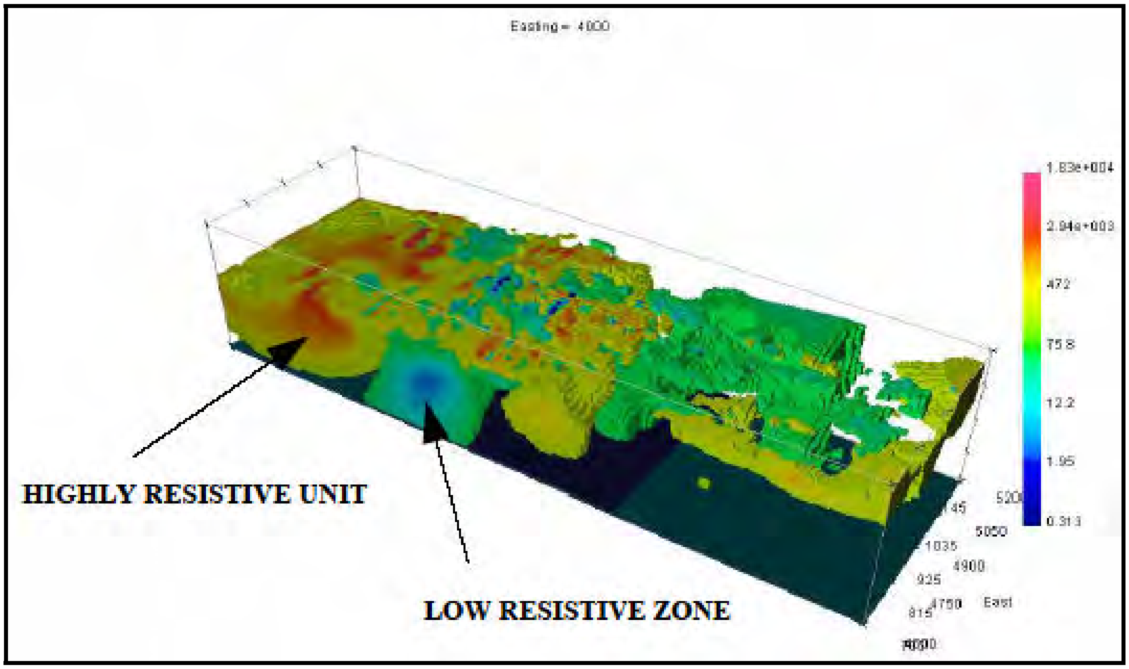


Figure from a report prepared by SJV Consultants Ltd. for Grayd Resource Corporation dated November, 2004 (Rastad, 2004).

Figure 10.7 3D Chargeability Model Facing North

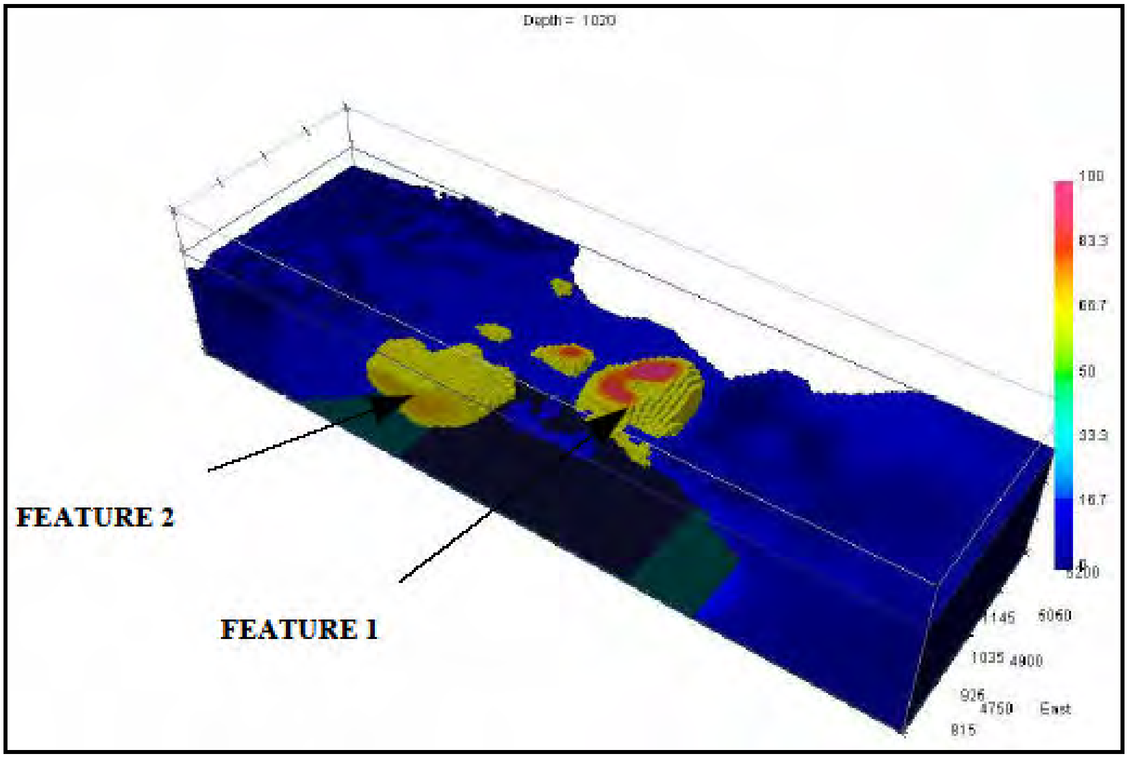


Figure from a report prepared by SJV Consultants Ltd. for Grayd Resource Corporation dated November, 2004 (Rastad, 2004).

In all three lines, the central portion that contains the chargeable material demonstrates a more complex structure of chargeability features. This may be an effect of the inversion; however, the main trend follows that of the 3D inversion by showing two distinct very high chargeable features being separated by a resistive body.

Figure 10.8 Line 4200n Interpreted Resistivity and Chargeability

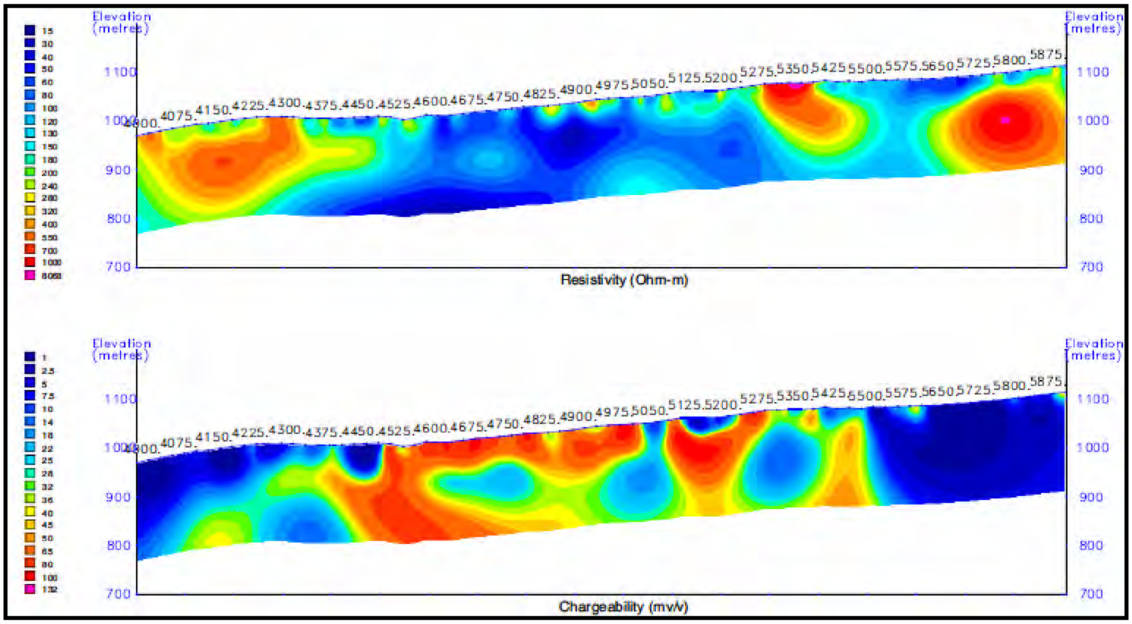


Figure from a report prepared by SJV Consultants Ltd. for Grayd Resource Corporation, dated November, 2004 (Rastad, 2004).

Region B demonstrates a more complex system as indicated by the annotated interpretation in Figure 10.3 and Figure 10.4. This region is dominated by a zone of high chargeability values which appear to be separated into two zones by a NNE trend of broken up resistivity features. In addition, this region contains the majority of the anomalous magnetic features. Closer examination reveals this resistivity trend also correlates nicely with the chargeability model. Separated by this trend are two very high chargeability features, labelled as Features 1 and 2. The south-eastern anomalous feature, Feature 1, is located between stations 5100E and 5250E and is bounded between lines 4700N and 5000N. This anomaly is associated with a low resistivity zone and appears to cut into the NNE resistive trend mentioned earlier. Additionally, the largest magnetic anomaly is situated directly to the southeast of the outlined chargeability feature and coincidently is of similar size.

The second chargeability feature, Feature 2, is situated approximately between stations 4600E and 4900E, and is bounded to the northeast by line 4800N. The south-western edge is open and has not been delineated by the 3D inversion. Similarly to the anomalous Feature 1, this feature is associated with a very pronounced zone of very low resistivity values. In addition, there are two magnetic anomalies associated with this low resistive zone. The low resistivity anomaly appears to be dipping below the higher resistive unit in region A. This is illustrated in Figure 10.5.

With the use of a visualization program, the 3D model of the chargeability and resistivity can be sliced along any arbitrary surface. Snapshots of the resistivity and chargeability models are shown below as Figure 10.6 and Figure 10.7. Both models have been set to arbitrary isosurfaces to help one visualize the anomalous feature. For the resistivity, the green-blue surface is set at resistivity level below 60 ohms, and the orange-red surface has been set at levels greater than 225 ohms.

As for the chargeability model, the blue surface has been set to levels less than 18 milliseconds (ms), and the orange-red surface has been set to values greater than 65 ms. In the chargeability model, the two features are clearly shown; however, manipulating the isosurface cut-off values can drastically affect the size and shape of an anomaly.

10.3 2005 EXPLORATION

Reconnaissance exploration was undertaken on the Seel Property during the summer of 2003. This work included geologic mapping, prospecting, rock and stream sediment sampling. A description of this program and the results obtained are included in an assessment report titled “Report on Diamond Drilling on the Seel Mineral Claims Tahtsa Reach, Omineca Mining Division” dated July 2005.

Don MacIntyre PhD conducted geologic mapping over a nine-day period in late September 2004. Field data gathered during this program was combined with the results of geological mapping done on and in the vicinity of the property by previous operators, and the federal and provincial governments to produce a geological compilation map. The purpose of this work was to better define the location of intrusive bodies and major structures on the property, particularly faults that could have an influence on the distribution and tenor of subsurface mineralization. The results from this work are included in an assessment report titled “Report on Diamond Drilling on the Seel Mineral Claims Tahtsa Reach, Omineca Mining Division” dated July 2005.

A ground geophysical exploration program was undertaken on the Seel Property between September 27 and October 29, 2004. A combined 2D/3D Induced Polarization survey was conducted by SJ Geophysics Ltd. from September 27 through to October 10, 2004, while a magnetic survey took place from October 26 to October 29, 2004. The two surveys were conducted to determine the potential for a sulphide rich porphyry system on the property and were undertaken on a 20 line km grid comprised of 10 lines spaced either 100 or 200 meters apart. The IP survey was successful in confirming the results of previous surveys and this combined with data obtained from portions of the property not previously surveyed defined a NE-SW striking, 1.0 x 1.2 km greater than 30 millisecond chargeability anomaly. The results from this survey are include in a report entitled “3D Induced Polarization and Magnetic Survey on the Seel Property for Grayd Resource Corporation and Gold Reach Resources Ltd.” dated July 2005 (see Section 18.0 References).

The diamond drill program conducted during the winter of 2004-05 was designed to test the Seel breccia and various IP and magnetic anomalies outlined by the geophysical surveys. The drill program commenced in December 2004 and nine drill holes were completed between December 7 and January 20, 2005. A phase II drill program, consisting of eight holes designed to further explore Cu-Au-Mo mineralization intersected in the phase I program, was conducted between February 20 and March 20, 2005. The expenditures these diamond drill programs were filed for assessment credit and the results from this work are reported in an assessment report entitled “Report on Diamond Drilling on the Seel Mineral Claims Tahtsa Reach, Omineca Mining Division” dated July 2005.

The summer 2005 geophysical program was based out of Tahtsa Timber Company's Whitesail logging camp located approximately 14 km by all weather logging road from the western boundary of the Seel claims. The December 2005 to February 2006 drilling program was based out of a trailer camp located at the barge landing on the north shore of Tahtsa Reach. The 2005 and 2006 exploration program on the Seel property comprised access trail construction, line cutting, IP and magnetometer geophysical surveys, and diamond drilling.

Ground geophysical exploration programs covered by this report took place between June 12th and July 12th, 2005. During the summer of 2005, Gold Reach conducted 51.4 line km of 3D/2D Induced Polarization and magnetometer surveying on a 5 km long, 2 to 4 km wide, and 29-line grid. The 2005 survey consisted of northeast and southwest extensions to a similar survey undertaken in 2004 and together these two surveys defined a 2.3 x 1.3-km strong IP response underlying the SW portion of the grid and a "peripheral" IP feature underlying the NE portion.

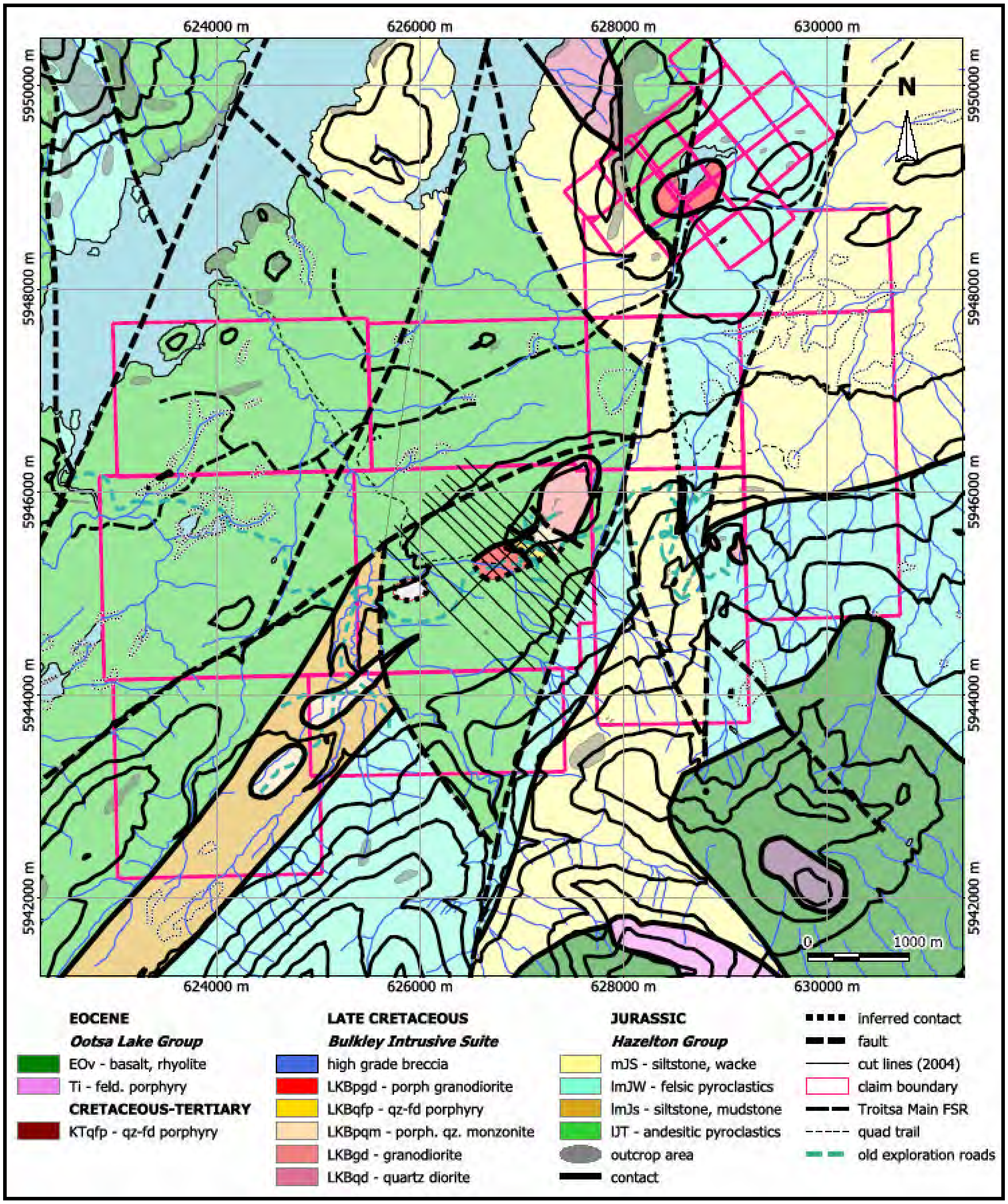
The diamond drill program conducted during the winter of 2005-06 was designed to further test the extent of potentially economic porphyry copper-molybdenum-gold mineralization first intersected in the 2003-2004 drill program and to test IP and magnetic anomalies defined in the 2004-2005 geophysical programs. The geophysical and diamond drill program expenditures were filed for assessment credit, and the results of this work form the basis of this report. The work completed and results are presented in the following section.

10.4 2006 EXPLORATION

The diamond drill program commenced in December 2005 and 15 drill holes were completed between December 5 and February 1st, 2006. The total drilled was 3,242.8 m from which 2,902.5 m of core were recovered, the remainder being overburden. All drill holes were drilled "NQ".

In 2006 A 15 hole, 3,638-m diamond drill program was carried out from August 30 to September 26, 2006. The drilling was designed to expand on the known porphyry-style mineralization intersected during the 2004-2006 drill programs, and to test the area adjoining the Seel breccia, a higher-grade sulphide breccia drilled during the early 1980s by Landsdowne Oil & Gas. In addition to a 10.5 line km of 3D Induced Polarization and magnetometer surveying were carried out on a 1.5 km long by 1.2 km wide (7 lines) grid, located in an area adjacent to two earlier surveys.

Figure 10.9 Bedrock Geology, Seel Property



Map prepared by the writer based on nine days of geological mapping done on the Seel property in late September, 2004. UTM Projection, Zone 9.

A stream sediment survey was conducted to test the south-eastern portion of the property, which has no recorded sampling or ground geophysical surveying. Six orientation samples were collected, three regional samples and three samples from "mineralized" drainages. Six conventional silt samples were also collected at the same sites. Approximately 5 kg of samples were collected over 50 m of stream bed at each site. The sample was field sieved down to –20 mesh, with the collection of approximately

300 g of sieved sample. The orientation samples were further sieved to –80 mesh in the lab, and the –80 mesh fraction and the +80-20 mesh fraction were both analyzed by ICP-MS on a 30 g split for base and precious metals. These results were compared with analyses of the conventional silt samples. The rationale for the detailed analysis results from the initial property visit, and the identification of erratic gold distribution from the trenches and the drill core. The stream sediment survey was designed to test the distribution of gold in the size fractions collected. Thirty eight stream sediment samples were collected in total. Access was good for most streams, but was hampered to some extent by snow in the ravines above 1500 m. One drainage remains inadequately sampled.

Despite a small sample population, some anomalous areas were indicated by the stream sediment survey. The lower reaches of the stream 250 m south of the Radio Creek breccia prospect was anomalous in copper, gold, silver and zinc. The upper reaches of a branch of the same stream draining the slopes of Troitsa Peak were also anomalous in copper and zinc. This area lies outside the area of historical geochemical and geophysical coverage. The stream that drains the upper part of the Damascus vein was likewise anomalous in copper and zinc.

The work completed in the 2003 program was followed up in 2004 by the cutting of a new grid, IP, and magnetometer surveys and geological mapping. This work is described in a previous technical report by the writer MacIntyre, D.G. entitled “Diamond Drilling Report on the Seel Property; NI43-101 Technical report prepared for Gold Reach Resources and Grayd Resource Corporation”, (2005). The IP survey defined a large chargeability anomaly which was tested by 3370 m of diamond drilling in late 2004 and early 2005. The results of this drilling are discussed in this report.

11.0 DRILLING

The early exploration of the Seel property, prior to its acquisition by Gold Reach Resources, is described in Section 6.0 (History). No data from this period has been used to generate the current resource estimate described in this report.

Gold Reach Resources began exploration of Seel in 2003 and the first diamond drill holes were drilled in 2004. Since then, Gold Reach has drilled 80 diamond drill holes on the Seel property totalling 17,896.69 and returning 16,192.15 m of core (see Table 11.1).

Table 11.1 Total Drilling

Year	Holes Drilled	Overburden (m)	Core (m)	Total Drilled (m)
2004	6	83.82	1,011.88	1,095.70
2005	16	410.98	3,113.51	3,524.49
2006	25	499.46	5,138.47	5,637.93
2007	12	153.94	3,077.61	3,231.55
2008	21	556.34	3,850.68	4,407.02
Total	**80**	**1,704.54**	**16,192.15**	**17,896.69**

Seventeen diamond drill holes were either lost or tested satellite targets which are not the subject of this estimate. In total, 63 holes totalling 14,424.62 m and 13,064.5 m of core were used in the Seel Mineral Resource Estimate as summarized in Table 11.2.

Table 11.2 Total Drilling used in Mineral Resource Estimate

Year	Holes Drilled	Overburden (m)	Core (m)	Total Drilled (m)
2004	6	104.47	991.23	1,095.70
2005	15	390.61	2,933.63	3,324.24
2006	23	475.69	4,760.79	5,236.48
2007	6	50.91	1,324.04	1,374.95
2008	13	338.44	3,054.81	3,393.25
Total	**63**	**1,360.12**	**13,064.50**	**14,424.62**

12.0 SAMPLING METHOD AND APPROACH

A total of 6,805 intervals representing 13,491.55 m of core (average 2m) were split and sent for analysis at Acme or Assayers labs for multi-element ICP suite of determinations and Geochemical Analysis of Gold. Three of the four metals of economic interest to the Seel project; Cu, Mo and Ag were initially reported in parts per million (ppm), while Au was reported in parts per billion (ppb). A number of the samples were re-assayed to generate Cu data in percent and Au data in grams/tonne (g/t). The remaining Cu and Au data were converted arithmetically; see Table 12.1 below for details. All Mo (%) data have been calculated from the Mo (ppm) ICP analyses.

Table 12.1 Number of Assayed Samples

	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)
Assayed	1,571	1,292	0	0
Calc from: ICP or Geochemical Analysis (Au only)	5,234	5,513	6,805	6,803
Total	**6,805**	**6,805**	**6,805**	**6,803**

Occasionally the analytical results for different metals were below the minimal detection limit of the applied analytical technique. In these cases the laboratory assigned the value: “<Min. detection limit” (e.g. <1). For the purpose of processing these values mathematically they were given a value of half the minimum detection limit (e.g. if the assay was <1 then a value of 0.5 was assigned). See Table 12.2 for a summary of the samples which had undetectable quantities of metal.

Table 12.2 Summary of Minimum Detection Limit Values

	Au (ppb)	Ag (ppm)	Cu (ppm)	Mo (ppm)
< Min. Detection Value	<1	<2	<1	<2
Number of Occurrences	32	933	37	322
Assigned Value	0.5	0.1	0.5	1

There were also cases where a sample’s metal content was greater than the maximum detection limit. In these cases the laboratory assigned the value: “> Max. detection limit” (e.g. > 10000). For the purpose of processing these values mathematically they were given a value equal to the maximal detection limit. Please see Table 12.3 for a summary of these samples.

Table 12.3 Summary of Maximal Detection Limit Values

	Au (ppb)	Ag (ppm)	Cu (ppm)	Mo (ppm)
> Max. detection value	n/a	n/a	> 10000	n/a
Number of occurrences			10	
Assigned value			10000	

To standardize the units of concentration for the metals of interest at Seel, the following arithmetic conversions were applied to the assay data.

- 1 g/t = 1 ppm
- 1 g/t = 1,000 ppb
- 1% = 10,000 ppm

13.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

13.1 SAMPLE PREPARATION, ANALYSIS & SECURITY

Data for this evaluation of the Seel property consists entirely of diamond drill core from holes drilled by Gold Reach between 2004 and 2008. Drill core from the drill program was logged and split in the facilities set up at the Tahtsa camp, which is located approximately 18 km from the property.

The core from the 2008 drilling campaign is being temporarily stored at Tahtsa camp and will soon be moved onto the Seel claims where the core from previous programs is stored. Samples of drill core were split using two hydraulic core splitters. Half of the split core was placed in individual sealed polyurethane bags and half was returned to the original core box for permanent storage. In 2008, 1,625 samples were submitted to the lab, including 83 standard reference materials (blanks, duplicates, and standards), a ratio of one QA/QC sample per twenty core samples.

The 2007/2008 sampling and shipping procedure was handled in a secure manner. The sampling procedure was set-up by Barbara Walsh, P.Geo. and all shipments were brought to Assayers Canada (Assayers) in Telkwa, BC for crushing and pulverizing. The samples were crushed with a jaw crusher and then put through a secondary crusher so that they were 60% less than 10 mesh in size. The sample was then mixed, and a 250 g sub-sample split was collected. The sub-sample was then pulverized in a ring pulverizer until 90% of the sample measured less than 150 mesh. Assayers, was responsible for shipping the pulps to their Vancouver laboratory for analysis.

In Vancouver, samples were processed using Assayers procedure for Multi-Element ICP-AES Analysis using Aqua Regia Digestion. A 0.5 g sample was digested with 5 ml at a 3:1 $HCl:HNO_3$ solution at 95°C for 2 hours and diluted to 25 ml. A lower detection limit for Cu of 1 ppm and Mo of 2 ppm is stated in the procedure. Gold was analyzed using Assayers Fire Geochem Gold procedure. A 15 g sample is fire assayed with an AA/ICP finish. A lower detection limit of 1 ppb and an upper limit of 10,000 ppb is stated in the procedure.

All samples were subjected to a quality control procedure that ensured best practices in the handling, sampling, analysis and storage of the drill core. In this case, the procedures consisted of inserting blanks, duplicates and prepared standards (supplied by Assayers Canada) at a rate of one for every 20 samples, on a randomized basis. Individual samples were 2.5 meters in length, and sampled 100% of the drill core.

The samples collected at the Seel property during the 2004 to 2008 drilling seasons were assayed at one of two laboratories:

1. ACME Analytical Laboratories Ltd. (Acme) was used until February 2006 to analyze the core from the 2004 and 2005 programs. Acme is a well-respected analytical laboratory located at 852 E. Hastings Street, Vancouver, B.C. According to information on the Acme website (www.acmelab.com), Acme has achieved ISO 9001:2000 accreditation.
2. Assayers Canada has analyzed the samples from the 2006, 2007 and 2008 programs, their laboratory is located at 8282 Sherbrooke Street, Vancouver, B.C. Assayers operate according to the guidelines set out in ISO9001/2000 and maintains a quality assurance system that is compliant with the ISO9001/2000 model.

13.2 Quality Assurance and Quality Control

For drilling season 2008 an independently monitored quality control system was established at the Seel property consisting of the routine insertion of blanks, standards and duplicates at an approximate rate of 1 of each in every 20 samples submitted.

In addition, standards and "blanks" of approximately 8% of sample pulps in Geochem analysis were analyzed at Assayers Laboratories as an independent check of relative bias.

1625 samples were submitted to the lab, including 83 standard reference materials (blanks, duplicates, and standards), or one in twenty samples.

Gold Reach used three standards purchased from Assayers laboratory. These samples were inserted regularly with the samples from drilling program:

- Gold Geochem Standard 02-11
- Gold Geochem Standard 02-18
- Multi-element ICP Standard ICP 05

See Figure 13.1 through to Figure 13.4 for standard samples graphs. Also, see Appendix A for tables with Standards' Data.

Figure 13.1 Standard 02-11

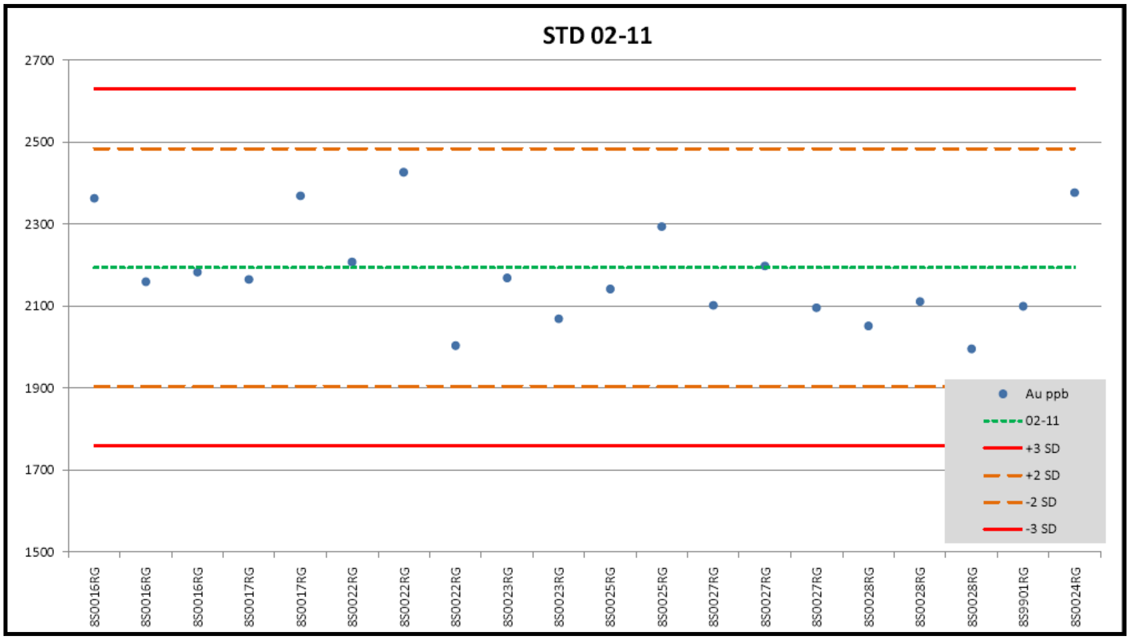


Figure 13.2 Standard 02-18

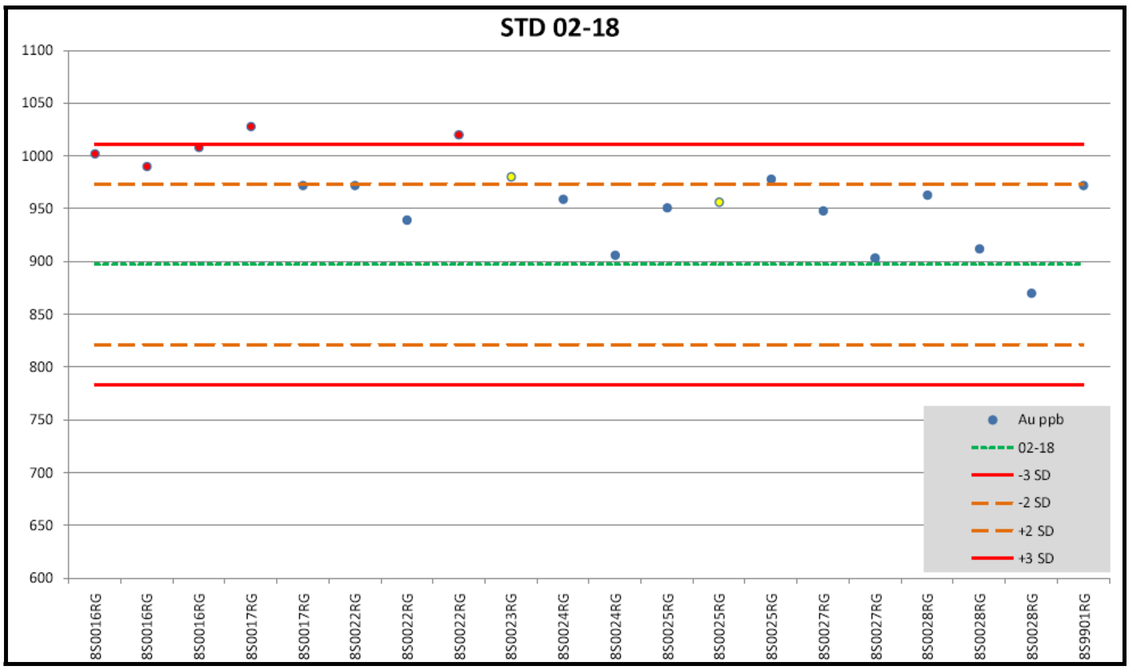


Figure 13.3 STD ICP-05(Cu)

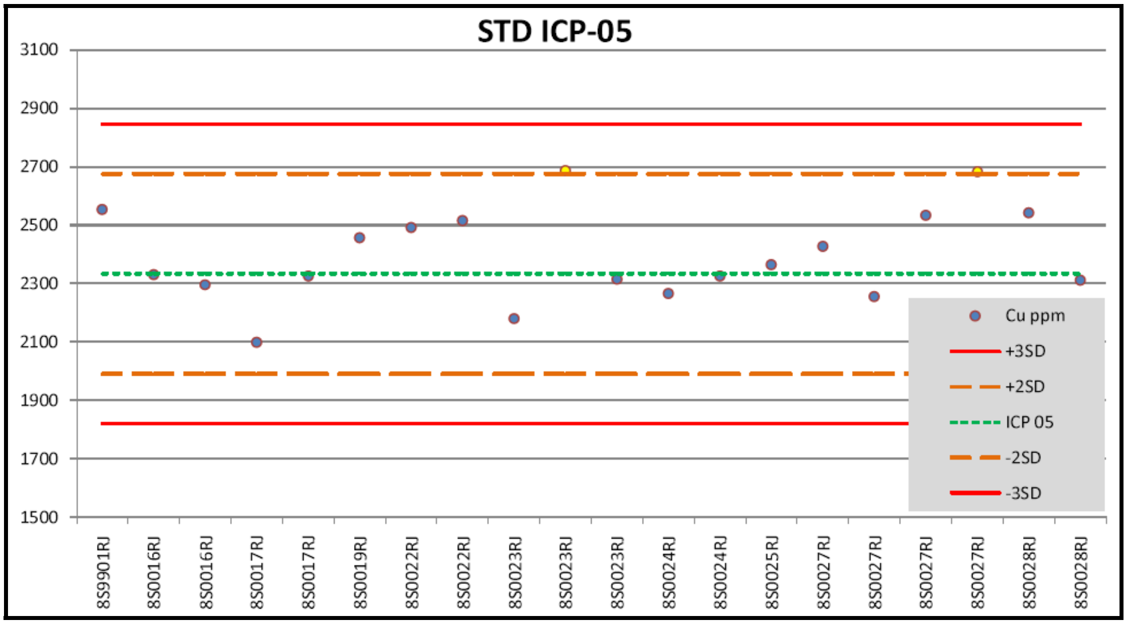
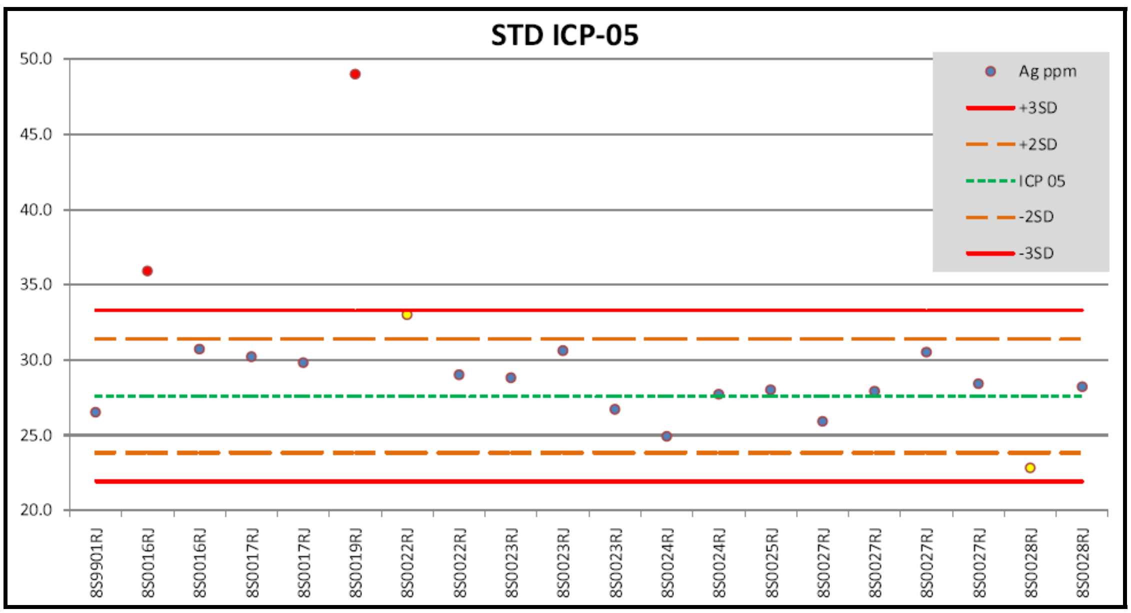


Figure 13.4 STD ICP-05 (Ag)



Standard testing had satisfactory results with several exceptions. The assay results of Gold in Standard 02-18 (see Figure 13.2), all seem to show a high bias compared to the expected value. As a result most of the data are grouped along the; +2 standard deviation value. Gold assay results of standard 02-11 however show no bias. Since all of the lots represented by the high STD 02-18 results also contain satisfactory analyses of STD 02-11, it is the opinion of Wardrop the problem lies with STD 02-18. A review of the round-robin certification data for STD 02-18 confirms that the expected value and tolerances provided by Assayers, the source of the standard are correct. This leads to the conclusion that there is likely a problem with the homogeneity of standard 02-18 which the round robin analyses did not detect. Gold Reach and Assayers Canada are working together to resolve the issues with STD 02-18. These results are not yet available, but a resolution is strongly recommended before this standard is used again. In the case of the Multi-element ICP Standard, ICP 05, there are two high values of Ag testing. Cu results for this standard were also good; furthermore, other standards within the same lots were fine. The conclusion is that these high analyses are the, result of poor handling or mislabelling rather than analytical problems.

Gold Reach inserted 22 samples which were duplicates of the preceeding sample. The analysis of these data is shown as Relative Difference/Average and Scatter plots for Au, Ag, Cu and Mo in Figures 13.6 to 13.9. The red line on the Scatter plots is the normal linear reggression line and R^2 , the correlation coefficient.

In general all 22 duplicates /original pairs showing good corelation for tested elements Cu, Mo, Ag. The correlation coefficient (R^2) ranged between values of 0.843 and 0.968.

In three cases of Au duplicates/original pairs assays were outside the acceptable range, thus the Au Scatter plot showed a correlation of 0.691. When these three pairs were removed, (29539/29540, 29059/29060, 13299/13300) see Table 13.1. the remaining 19 pairs showed a good corelation (Figure 13.5).

Table 13.1 Au Duplicates/Original Pairs Assays Showing Poor Correlation

Sample ID	Certificate	Type	Certificate	Geochem Au (ppb)
29539	8S0022RG	ORIG	8S0022RG	519
29540	8S0022RG	Duplicate	8S0022RG	262
29059	8S9901RG	ORIG	8S9901RG	160
29060	8S9901RG	Duplicate	8S9901RG	27
13299	8S0024RG		8S0024RG	46
13300	8S0024RG		8S0024RG	135

Type of the sample13300 is initially recorded as a Standard 02-18: this sample is a QA/QC duplicate sample: 1. There is no “from – to” values in the drill log; 2. Au standard values are much higher range 900 – 8000 ppm; 3. None of the assayed metal values it is corresponding to the other standards; 4. Cu, Ag and Mo assayed values are within ranges of a duplicate.

The duplicate/original pairs of the same lots: 8S0022RG and 8S0024RG are showing a good correlation. In addition, the standard samples of all lots in question tested are fine. There is no doubt that the analytical technique was correct. Conclusion is that the poor sample handling: cross contamination, facilities cleanliness or labelling contributed that three duplicate/original pairs assay results were outside the acceptable range.

Figure 13.5 Au Duplicates/Original Scatter Plot

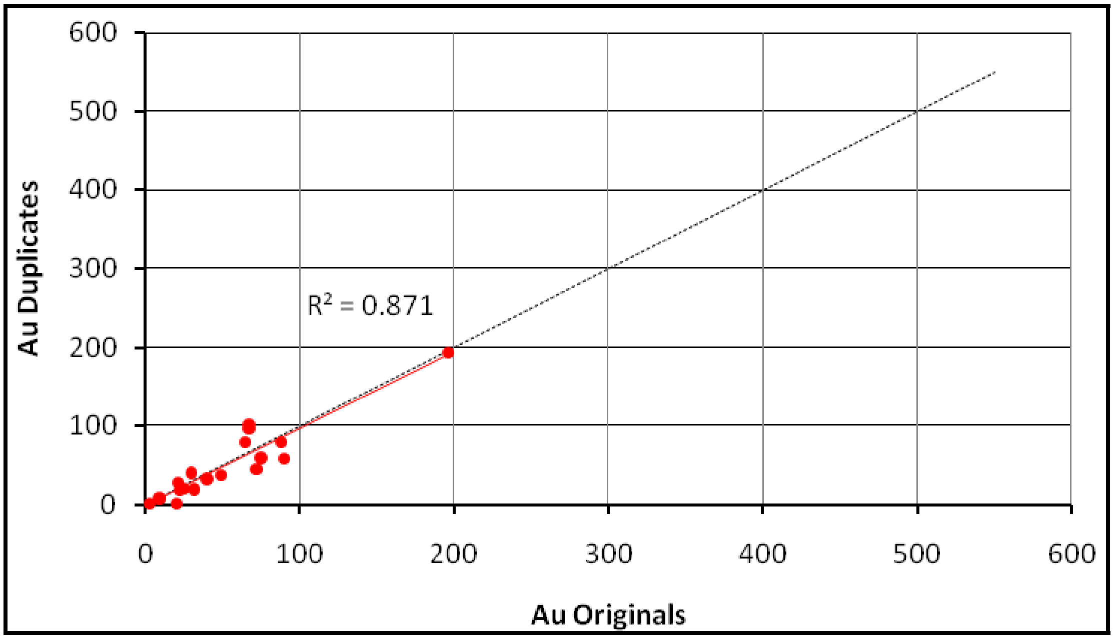
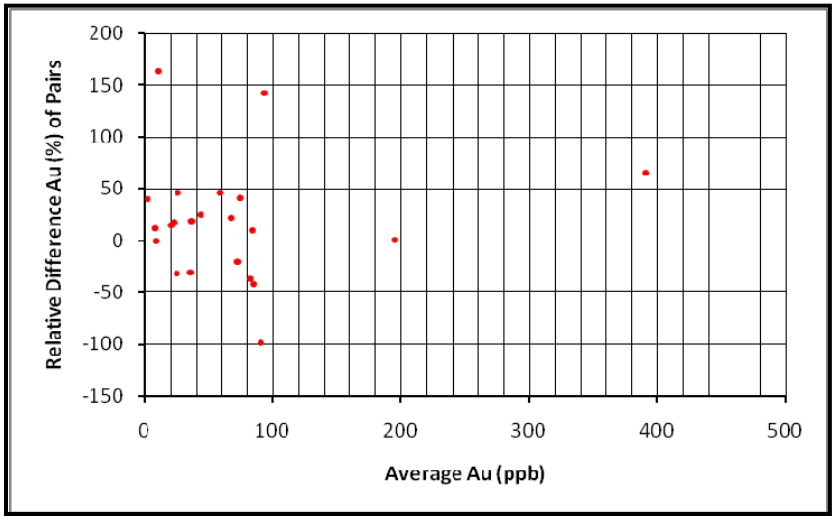


Figure 13.6 Au Relative Difference/Average and Scatter Plots



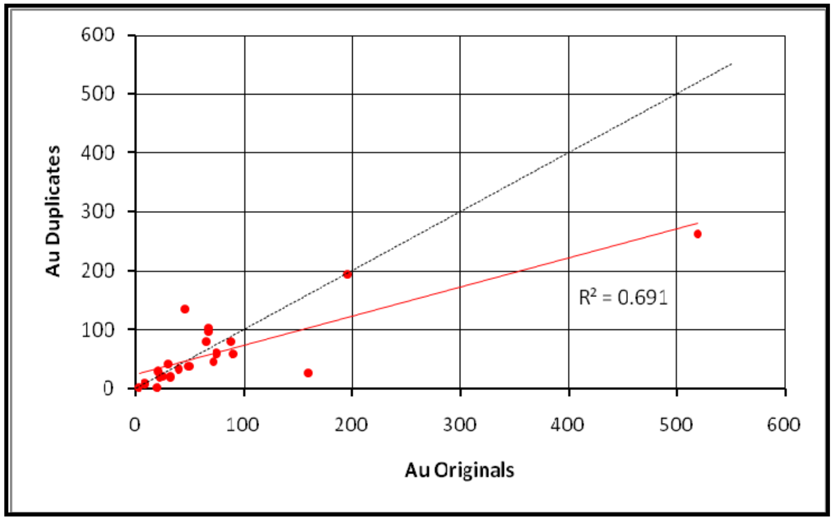


Figure 13.7 Ag Relative Difference/Average and Scatter Plots

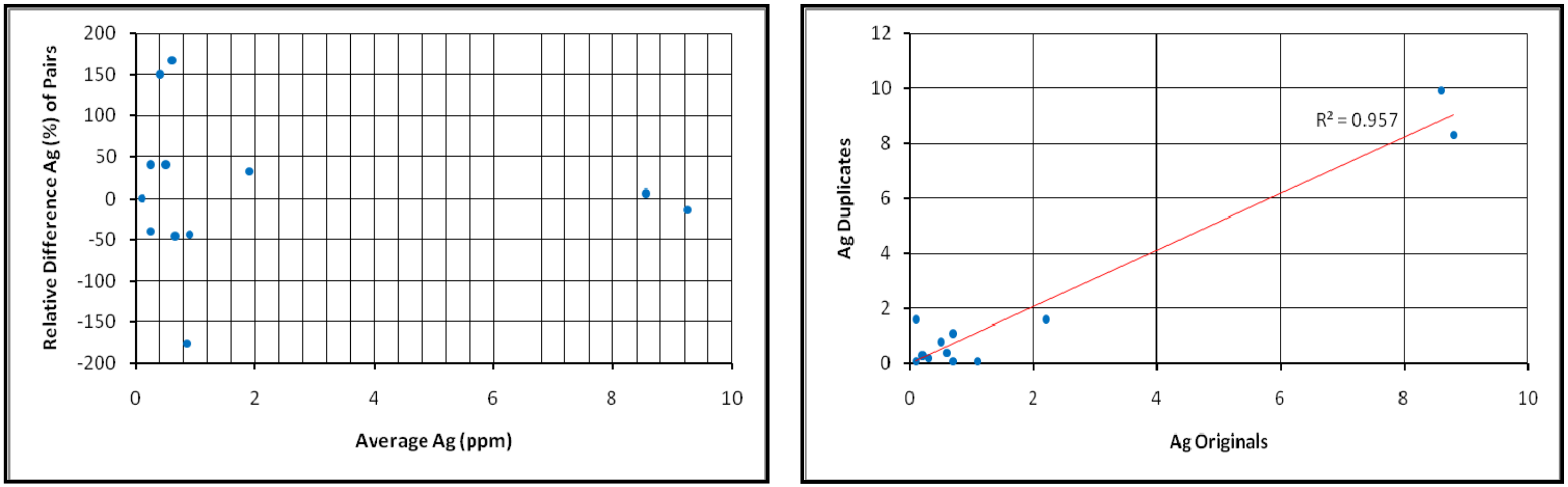
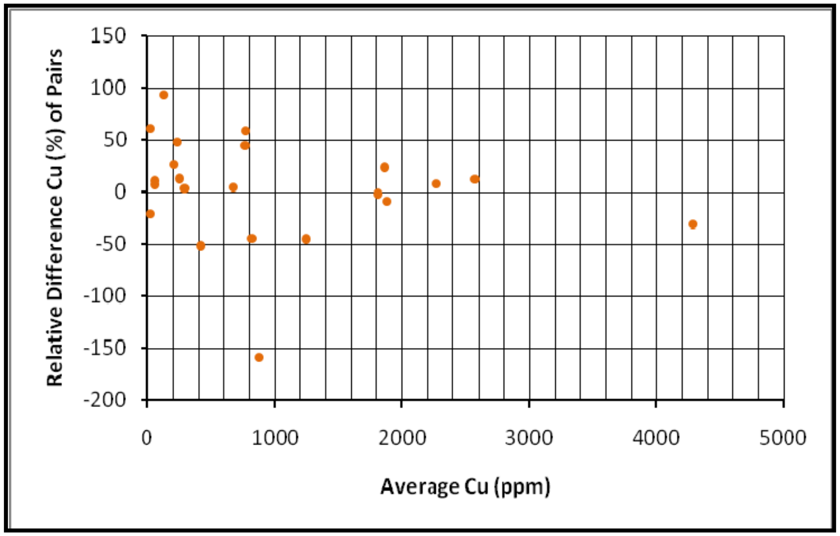


Figure 13.8 Cu Relative Difference/Average and Scatter Plots



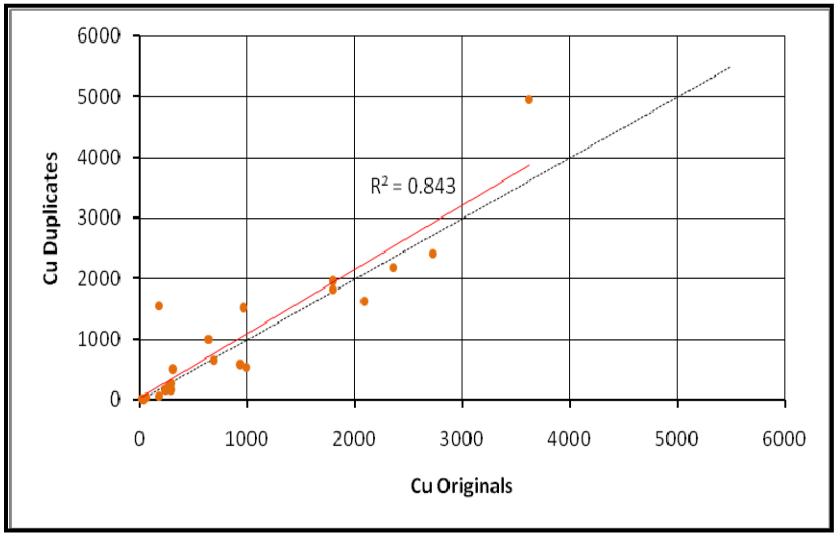
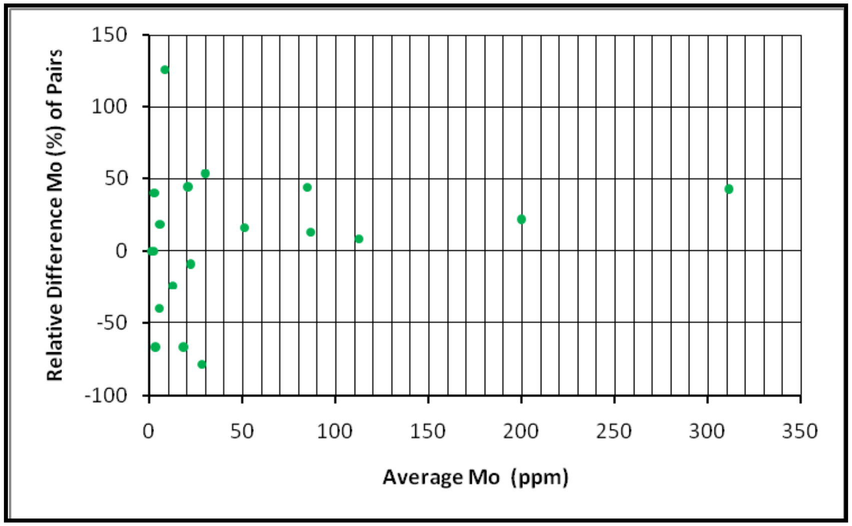
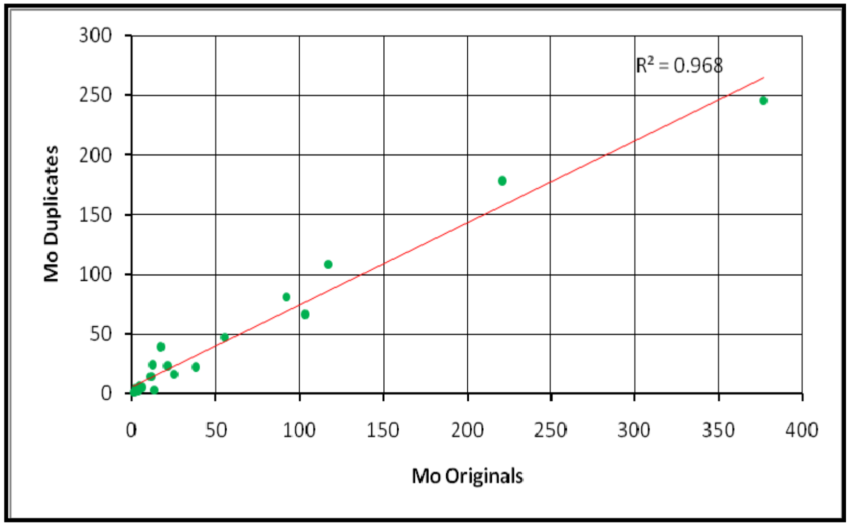


Figure 13.9 Mo Relative Difference/Average and Scatter Plots





Wardrop concludes that Gold Reach followed industry standard QA/QC procedures with regard to the insertion of Blanks, Standards and duplicates into the stream of samples coming from the Seel property. Wardop also concludes that, since the beginning of drilling in 2003, the Gold Reach has been remiss in not monitoring the results of this program. As a result, there are numerous questions and anomalies, as described above, which have only become known at the end of the program when Gold Reach personnel provided the QA/QC results and some of the Standard sample certification data.

In Wardrop's opinion, the QA/QC problems discovered to date are an indication of lack of attention to detail on the part of Gold Reach's geologists rather than significant problems with the assay database. Nevertheless, it is strongly recommended that this oversight be dealt with and all issues revealed by the QA/QC program be addressed before any further modelling or resource estimation work is carried out on the Seel property. It is also recommended that procedures be put into place to insure that the QA/QC results are monitored and acted upon in a timely manner should any further work be carried out on the Seel property.

14.0 DATA VERIFICATION

Gold Reach, in the drilling process, was using a drill log with the following enters included: BoreHoleID, From (m), To (m), Sample Number. For inserted QA/QC samples type description (Standard, Duplicate or Blank) with Sample numbers.

Through the drill log record it was possible to track each assayed sample's position within drillhole by checking From and To depths. Subtraction of To and From inputs was giving the length of the sample.

The data checks we performed:

- If the beginning (From) of one sample is same as the end (To) of the sample before
- Checking that every sample has unique number in the whole dataset.

For Drilling season 08 all data assays were received directly from the Assayers lab as electronic files. Assayed data were processed, organized and saved by the Sample numbers (Samp_ID) assigned in the drill log.

In general data were perfect match between the drillhole log and assays. Few discovered minor discordances were corrected with help of Geologist Derrick Strickland of Gold Reach Resources Ltd

Another Drillhole file we received is a Drillhole data file. The file has Drilhole name, Dip, Azimuth, Length, Drillhole Collar: coordinates and elevation.

By entering the Drillhole data in to the Datamine software, we were able to check and correct the received collars data, particularly elevation against the topographic data file of much higher precision.

Gilles Arseneau of Wardrop carried out a site visit on August 22 and 23 of 2007. During the site visit several drill sites were visited and nine drill hole collars were verified with hand held GPS. Core was examined as well as sampling and logging procedures. In addition four samples were collected from mineralized intervals to test the general tenor of the mineralization. Results are represented in Table 14.1 below.

Table 14.1 General Tenor of the Mineralization

Sample	Description	Au (ppm)	Ag (ppm)	Cu (%)	Mo (ppm)
C048027	Seel Breccia, grab from trench	0.038	41.5	1.65	1
C048028	DDH S06-37 from 230 to 232	0.022	4.1	0.107	22
C048029	DDH S05-08 168 to 171	0.508	2.2	0.418	8
C048030	DDH S06-39 From 70 to 72	0.865	3.2	0.667	4

15.0 ADJACENT PROPERTIES

There are no immediate adjacent properties to the Seel Property. The Huckleberry Mine is situated 8 km west of the Seel property and commencing in 1997 the mill has processed 19,000 t of ore per day. Production in 2007 was 55.1 million pounds copper and 304,224 pounds molybdenum. The Main Zone Extension is the only pit actively operating at Huckleberry. On December 31, 2007 the mineral reserve of the Main Zone Extension pit was calculated at a cut-off grade of 0.200%. Proven and Probable Reserves were 16,6 million tonnes ore grading 0.352 % copper and 0.005% molybdenum.(Imperial Metals Corp. Annual Information Form – March 20, 2008)

Wardrop has not verified the mineral reserves for the Huckleberry mine and the information is stated here for reference only and is not an indication of the mineralization to be found on the Seel Property.

16.0 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

16.1 GEOLOGICAL INTERPRETATION

Three-dimensional wireframe models of the three mineralization types found at Seel were built in Datamine software. The following three distinctive zones were modelled:

- Cu-Au zone
- Cu-Mo zone
- SBX (Seel breccia zone)

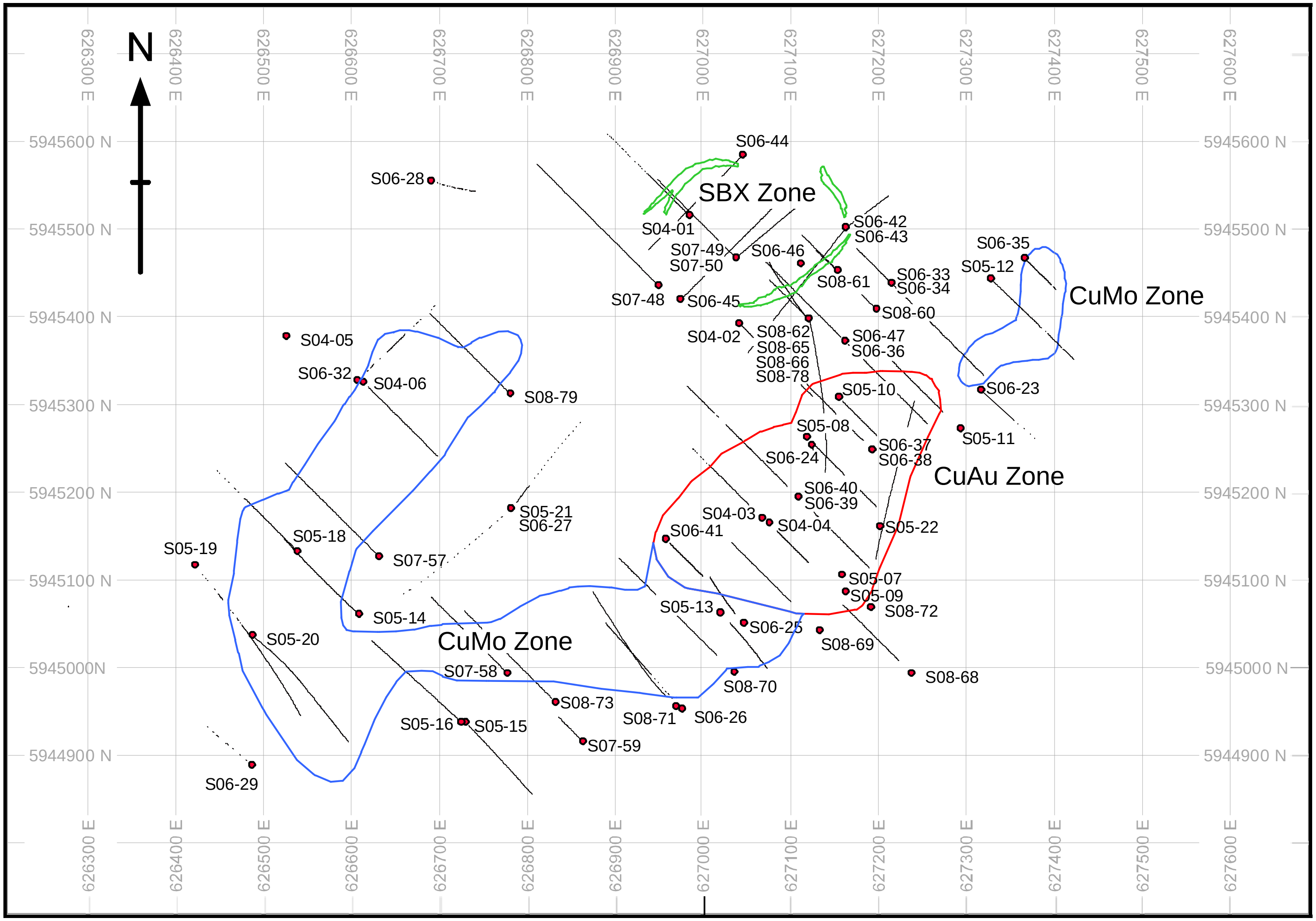
Using these wireframes, a geological model of the Seel property was built. A block size of 5 m was selected for the Seel model and sub-celled, where necessary, into 2.5 m cubes to better honour geological contacts. The block model parameters are shown below in Table 16.1.

Table 16.1 Block Model Parameters

	X	Y	Z
Maximum	627,550	5,945,625	1,200
Origin	626,250	5,944,700	750
Block Size	5	5	5
Blocks	260	185	90
Sub-cell size	2.5	2.5	2.5

The majority of the drillholes on the project are drilled at an angle of about -60°, positioned to provide lateral-in depth intersections with mineralization (see Figure 16.1). The drillholes provide data to about the 800 m elevation, approximately 260 -270 m below surface in the Cu-Au and Cu-Mo zones of porphyry mineralization: Seel breccia (SBX) zone is located in an area of higher elevation and has been drilled to a depth of 230 m below surface (900 m elev.). The relative locations of the three zones of mineralization on the Seel property and the diamond drill holes drilled by Gold Reach are shown in Figure 16.1.

Figure 16.1 Seel Drilling Plan and Zones of Mineralization



16.2 EXPLORATORY DATA ANALYSIS

16.2.1 ASSAYS

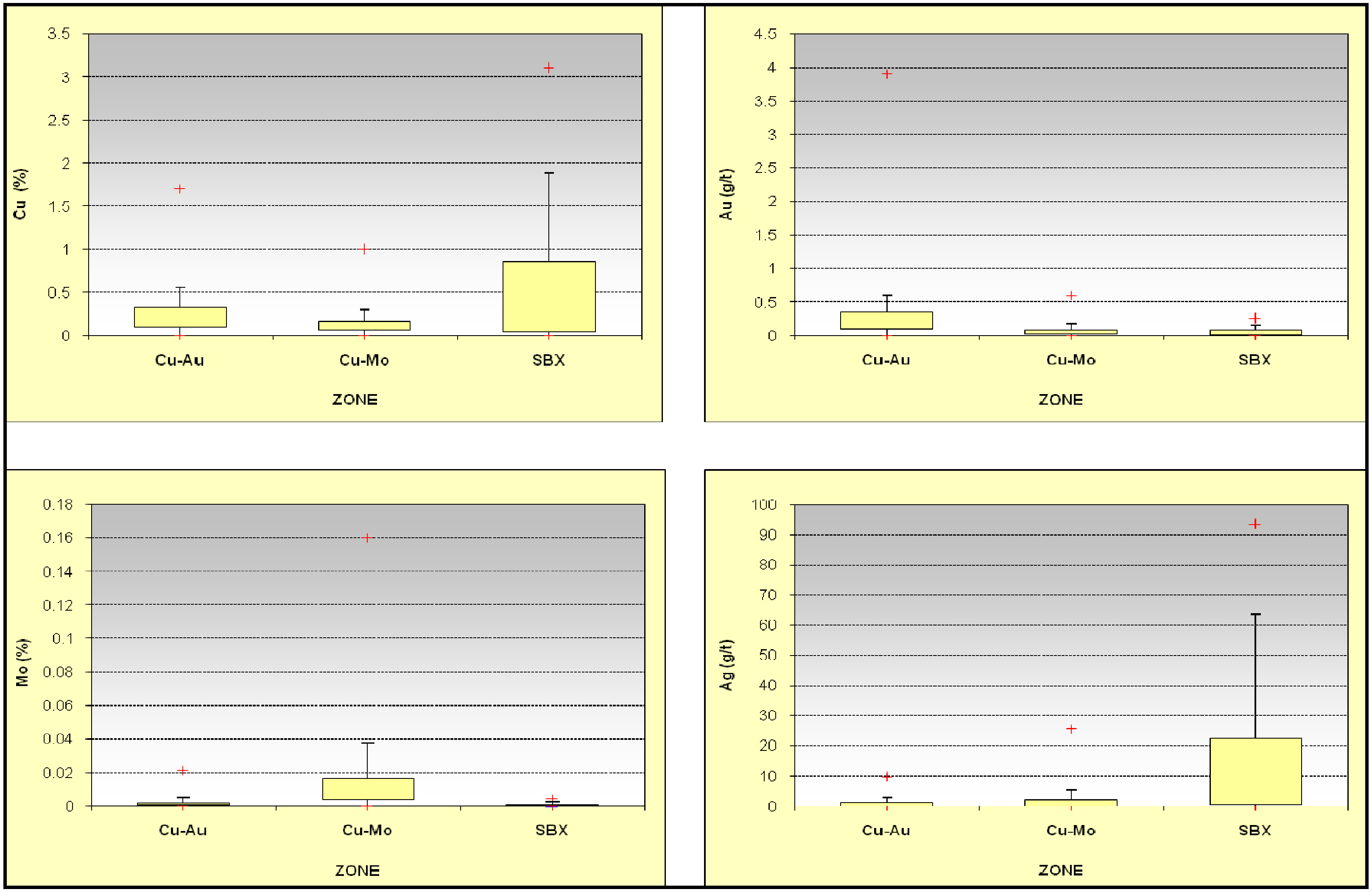
An overview of total length sampled, number of samples, sample length, statistical facts of assayed commodities is given in Table 16.2.

Table 16.2 Assayed Elements

	Length (m)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)
Mean	1.98	0.118	0.090	0.0042	1.4
Max	7.1	3.1	3.899	0.4360	93.3
q3	2.5	0.145	0.091	0.0035	1.2
Med	2.0	0.057	0.037	0.0011	0.4
q1	1.5	0.018	0.013	0.0003	0.2
Min	0.2	0	0	0	0.1
Number	6,805	6,805	6,805	6,805	6,803
Total	**13,491.55**				

Figure 16.2 shows the distribution of Cu, Au, Mo and Ag in different zones graphically as a set of “box and whiskers” plots.

Figure 16.2 Distribution of Cu, Au, Mo and Ag in Different Zones



16.2.2 CAPPING

Often in geological assay data sets, particularly those displaying a positively skewed log-normal distribution, there are high grade data which, although small in number, account for a large proportion of the contained metal in a deposit. These data may represent a different style of mineralization or an anomalous concentration. If these outliers are not given special treatment, they can lead to an over-estimation of the grade in their immediate vicinity.

Most of the methods, such as modeling the high grade population as a separate geological, limiting the sphere of influence of these data and Multiple-Indicator Kriging, require a good understanding of the geological controls of the mineralization and closely-spaced data. Failing that, the simplest way to deal with high outliers is to cap them to a level determined by decile analysis.

To exclude the influence “the Nugget effect” (erratic) of a few very high values on the overall calculation the decile analysis study was used. To determine if the cutting of the higher-grade samples was appropriate the following procedure has been applied:

Cutting of the high assays is considered necessary if any of the following conditions are true:

- The last decile has more than 40% of the total metal content or
- The last decile has more than 2.3 times the metal quantity contained in the one before the last, or
- The last centile contains more than 10% of metal, or
- The last centile contains more than 1.75 times the metal quantity contained in the one before last.

The capping threshold selected is the maximum value that brings the metal distribution into compliance with the above conditions. These thresholds are listed in Table 16.3, below:

Table 16.3 Capping Thresholds

	Cu-Au	Cu-Mo	SBX
Cu (%)	-	-	-
Au (g/t)	-	0.6	-
Mo (%)	-	0.16	-
Ag (g/t)	9.8	-	-

Detailed results of the decile analysis are found in Appendix B.

Table 16.4 shows the drill sample statistics for the various metals in each zone (Cu-Au, Cu-Mo and SBX).

Table 16.4 Drill Sample / Capping Statistics

Cu-Au Zone	Length	Cu u	Cu	Au u	Au	Mo u	Mo	Ag u	Ag
Mean	1.81	0.23	0.23	0.24	0.24	0.002	0.002	1.17	1.01
Max	3.04	1.70	1.70	3.899	3.899	0.021	0.021	63.0	9.8
Q3	2.0	0.33	0.33	0.340	0.340	0.002	0.002	1.3	1.3
Median	1.6	0.21	0.21	0.195	0.195	0.001	0.001	0.7	0.7
Q1	1.5	0.09	0.09	0.090	0.090	0.001	0.001	0.2	0.2
Min	0.35	0.001	0.001	0.001	0.001	0	0	0.1	0.1
CV	0.21	0.80	0.80	0.988	0.988	1.243	1.243	2.539	1.338
IQR	0.50	0.24	0.24	0.250	0.250	0.001	0.001	1.100	1.100
Valid cases	1551	1551	1551	1551	1551	1551	1551	1551	1551
# Capped									**18**
Cu-Mo Zone									
Mean	1.81	0.12	0.12	0.07	0.07	0.013	0.013	1.57	1.57
Max	3.73	1.00	1.00	1.91	0.60	0.436	0.160	25.6	25.6
Q3	2.5	0.16	0.16	0.08	0.08	0.016	0.016	2.0	2.0
Median	1.5	0.10	0.10	0.05	0.05	0.008	0.008	0.7	0.7
Q1	1.5	0.06	0.06	0.03	0.03	0.004	0.004	0.2	0.2
Min	0.45	0	0	0.001	0.001	0	0	0.1	0.1
CV	0.26	0.818	0.818	1.408	1.059	1.497	1.261	1.518	1.518
IQR	1.00	0.099	0.099	0.051	0.051	0.013	0.013	1.800	1.800
Valid cases	1671	1671	1671	1671	1671	1671	1671	1671	1671
# Capped					**10**		**5**		
SBX Zone									
Mean	1.96	0.53	0.53	0.05	0.05	0.001	0.001	15.79	15.79
Max	2.50	3.10	3.10	0.25	0.25	0.005	0.005	93.3	93.3
Q3	2.0	0.86	0.86	0.08	0.08	0.001	0.001	22.7	22.7
Median	2.0	0.36	0.36	0.02	0.02	0	0	10.5	10.5
Q1	2.0	0.05	0.05	0.01	0.01	0	0	0.6	0.5
Min	1.00	0.01	0.01	0	0	0	0	0.1	0.1
CV	0.22	1.208	1.208	1.074	1.079	1.251	1.249	1.253	1.253
IQR	0.00	0.814	0.814	0.070	0.070	0.001	0.001	22.100	22.200
Valid cases	115	115	115	115	115	115	115	115	115
# Capped									
All Zones									
Mean	1.82	0.19	0.19	0.01	0.15	0.151	0.007	1.87	1.80
Max	3.73	3.10	3.10	0.44	3.90	3.899	0.160	93.3	93.3
Q3	2.0	0.25	0.25	0.01	0.20	0.200	0.009	1.6	1.6
Median	1.5	0.13	0.13	0.003	0.08	0.080	0.003	0.7	0.7
Q1	1.5	0.07	0.07	0.001	0.04	0.040	0.001	0.2	0.2
Min	0.35	0	0	0	0.001	0.001	0.000	0.1	0.1
CV	0.24	1.094	1.094	2.065	1.297	1.323	1.791	2.789	2.733
IQR	0.50	0.181	0.181	0.008	0.160	0.160	0.008	1.400	1.400
Valid cases	3337	3337	3337	3337	3337	3337	3337	3337	3337
# Capped					**10**		**5**		**18**

16.2.3 COMPOSITES

The capped sample data were composited to a maximum down-hole length of 2 m. This length was selected since the vast majority of the core was sampled at 2 m intervals. Composites were broken at domain boundaries and composites less than 0.25 m in length were discarded. This resulted in the generation of 6857 composites, only 59 of which were less than 2 m in length. See Table 16.5 for the statistics of the composites.

Table 16.5 Composite Statistics

Cu-Au Zone	Length	Cu	Au	Mo	Ag
Mean	1.98	0.23	0.24	0.00	0.99
Max	2	1.7	3.899	0.019	9.8
Q3	2	0.328	0.330	0.002	1.3
Median	2	0.205	0.196	0.001	0.6
Q1	2	0.090	0.092	0.0005	0.2
Min	0.38	0.001	0.0005	0.0001	0.1
CV	0.07	0.79	0.98	1.10	1.37
IQR	0.00	0.24	0.24	0.00	1.10
Valid cases	1419	1419	1419	1419	1419
<2m #	**27**				
Cu-Mo Zone					
Mean	1.98	0.12	0.07	0.01	1.33
Max	2	1	0.6	0.134	9.8
Q3	2	0.155	0.083	0.017	1.3
Median	2	0.102	0.054	0.009	0.6
Q1	2	0.062	0.032	0.0045	0.2
Min	0.28	0	0.001	0.0001	0.1
CV	0.07	0.75	0.95	1.04	1.52
IQR	0.00	0.09	0.05	0.01	1.63
Valid cases	1527	1527	1527	1527	1527
<2m #	**27**				
SBX Zone					
Mean	1.97	0.54	0.05	0.00	16.50
Max	2	3.1	0.25	0.005	81.6
Q3	2	0.861	0.080	0.001	23.7
Median	2	0.382	0.022	0.000	10.5
Q1	2	0.061	0.010	0.0001	0.8
Min	0.50	0.009	0.0005	0.0000	0.1
CV	0.08	1.17	1.08	1.27	1.21
IQR	0.00	0.80	0.07	0.00	22.88
Valid cases	117	117	117	117	117
<2m #	**5**				

16.3 Bulk Density

A specific gravity of 2.6 (t/m^3) was used as the density of bedrock in this model. A specific gravity of 1.5 was used for overburden.

16.4 Spatial Analysis

A preliminary variographic analysis was carried out on the Seel Cu, Au and Mo composite data. It showed that the continuity is isotropic with a range of approximately 150 m in the Cu-Au and Cu-Mo zones. In the Seel Breccia, it was not possible to generate meaningful semi-variograms. This knowledge was used to generate the search parameters used to guide the ID2 grade estimates.

16.5 Resource Block Model

The ID2 method was used to estimate the grades of Au, Cu, Mo, and Ag on the Seel property.

The Assumptions used to estimate Indicated and Inferred resources are summarized in Table 16.6.

Table 16.6 Assumptions Used for Estimate

Estimations Parameters		ID2	
		Ind	Inf
Search		75 m	150 m
Samples	Min.	4	3
	Max.	10	10
	Max/hole	3	3

Due to the poly-metallic nature of the mineralization in the Seel deposit, a Copper-Equivalent (CuEq) cut-off has been used for the reporting of Mineral Resources. The CuEq value of each block model cell has been calculated using four year moving average metal prices and metallurgical recoveries based on those achieved at the nearby Huckleberry mine. These parameters are summarized below in Table 16.7.

Table 16.7 Economic Parameters

CuEq Assumptions			
Metal Prices: (4 year Avg)	Recovery	Unit Value	
Cu 2.67 ($US/lb)	87%	51.18	$/%
Au 614.00 ($US/oz)	80%	15.77	$/(g/t)
Mo 29.20 ($US/lb)	80%	514.85	$/%
Ag 11.35 ($US/oz)	80%	0.29	$/(g/t)

Maps at different elevations (900, 950 and 1000m) showing CuEq distribution in Seel mineralization in Appendix B.

16.6 MINERAL RESOURCE TABULATION

The Seel Mineral Resource Estimate at a series of CuEq cut-offs is shown below in Table 16.8.

Table 16.8 Seel Mineral Resource Estimate – ID2

CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
Cu/Au Zone - Indicated						
0.25	13,740	0.32	0.33	0.002	1.14	0.39
0.30	10,522	0.35	0.37	0.002	1.18	0.42
0.35	7,634	0.38	0.40	0.001	1.24	0.46
0.40	4,870	0.42	0.45	0.001	1.32	0.50
0.50	1,714	0.52	0.59	0.001	1.56	0.62
0.70	335	0.69	0.83	0.001	1.59	0.84
Cu/Mo Zone - Indicated						
0.25	6,750	0.13	0.08	0.021	0.58	0.32
0.30	3,342	0.15	0.10	0.025	0.57	0.37
0.35	1,751	0.15	0.10	0.029	0.57	0.42
0.40	716	0.15	0.09	0.036	0.57	0.48
0.50	208	0.11	0.06	0.055	0.31	0.60
0.70	14	0.11	0.05	0.072	0.28	0.74
Seel Breccia - Indicated						
0.25						
0.30						
0.35						
0.40						
0.50						
0.70						
Total Indicated						
0.25	20,491	0.26	0.25	0.008	0.95	0.37
0.30	13,864	0.30	0.30	0.007	1.04	0.41
0.35	9,385	0.34	0.34	0.007	1.11	0.45
0.40	5,586	0.39	0.41	0.006	1.22	0.50
0.50	1,922	0.47	0.53	0.007	1.42	0.62
0.70	349	0.67	0.80	0.004	1.54	0.84

CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
Cu/Au Zone - Inferred						
0.25	1,088	0.25	0.25	0.002	0.59	0.31
0.30	482	0.29	0.29	0.003	0.71	0.36
0.35	189	0.34	0.33	0.002	0.90	0.41
0.40	72	0.40	0.40	0.002	1.01	0.47
0.50	21	0.46	0.49	0.001	1.08	0.55
0.70	-	0.00	0.00	0.0000	0.00	
Cu/Mo Zone - Inferred						
0.25	21,889	0.17	0.09	0.017	2.52	0.33
0.30	12,091	0.18	0.10	0.020	2.97	0.38
0.35	5,664	0.21	0.12	0.024	3.68	0.44
0.40	2,792	0.25	0.14	0.027	4.67	0.51
0.50	1,005	0.28	0.16	0.036	5.68	0.63
0.70	198	0.30	0.24	0.057	7.20	0.86
Seel Breccia - Inferred						
0.25	407	0.63	0.05	0.001	18.15	0.65
0.30	372	0.66	0.05	0.001	19.13	0.69
0.35	325	0.71	0.05	0.001	20.67	0.74
0.40	291	0.76	0.05	0.001	21.90	0.79
0.50	233	0.84	0.06	0.000	24.28	0.87
0.70	150	0.98	0.08	0.000	28.70	1.02
Total Inferred						
0.25	23,384	0.18	0.10	0.016	2.71	0.33
0.30	12,945	0.20	0.11	0.019	3.35	0.38
0.35	6,178	0.24	0.12	0.022	4.49	0.45
0.40	3,154	0.30	0.14	0.024	6.17	0.53
0.50	1,259	0.39	0.15	0.029	9.04	0.67
0.70	348	0.59	0.17	0.033	16.47	0.93

16.7 BLOCK MODEL VALIDATION

The resource model was validated by running a nearest-neighbour estimate in parallel with the ID2 model. The resources, at a zero cut-off, compared very well indicating that the ID2 model was not over-smoothed or biased. The resource was also calculated using uncut data to examine the effect cutting high grade outliers has on the resource estimate. The impact on the global estimate is negligible while effectively controlling the smearing of high grade estimates.

A visual inspection of the model was made in plan and in cross-section to ensure that the modeling parameters behaved as planned and that all geological boundaries were honoured. Furthermore, the model was also checked to ensure that the resource classification parameters were reasonable.

17.0 RECOMMENDATIONS AND CONCLUSIONS

17.1 CONCLUSIONS

Wardrop concludes that only the current drilling database of holes drilled between 2004 and the present are of sufficient quality for the purpose of resource estimation. Although Gold Reach followed industry standard QA/QC procedures of inserting Standard Reference Samples, Blanks and Duplicates into the stream of core samples sent for analysis, monitoring the results of the program and acting upon out of tolerance results in a timely manner could have been carried out in a more diligent manner.

Mineral resources at the Seel Project were estimated with the use of 3D geological modelling software, Studio 3 provided by Datamine. A total of 3,064 composited grades were used to estimate mineral resources into a block model. Wardrop estimates that the Seel mineral resources, at a 0.3% Copper-equivalent cut-off, contain approximately 13.8 million tonnes (Mt) of Indicated Mineral Resource averaging 0.3% Cu, 0.007% Mo, 0.3 g/t Au and 1.04 g/t Ag. The Inferred Mineral Resource, at the same cut-off, is estimated to contain approximately 12.95 Mt grading 0.2% Cu, 0.019% Mo, 0.11 g/t Au and 3.35 g/t Ag.

The potential to expand the Cu-Mo zone remains to the West and to the North-East, towards the Seel Breccia.

17.2 RECOMMENDATIONS

Wardrop recommends drilling be completed to determine the north-easterly extent of Cu-Mo mineralization on the northern arm of the deposit. A second hole is recommended in the western region of the property to determine the westerly extent of Cu-Mo mineralization.

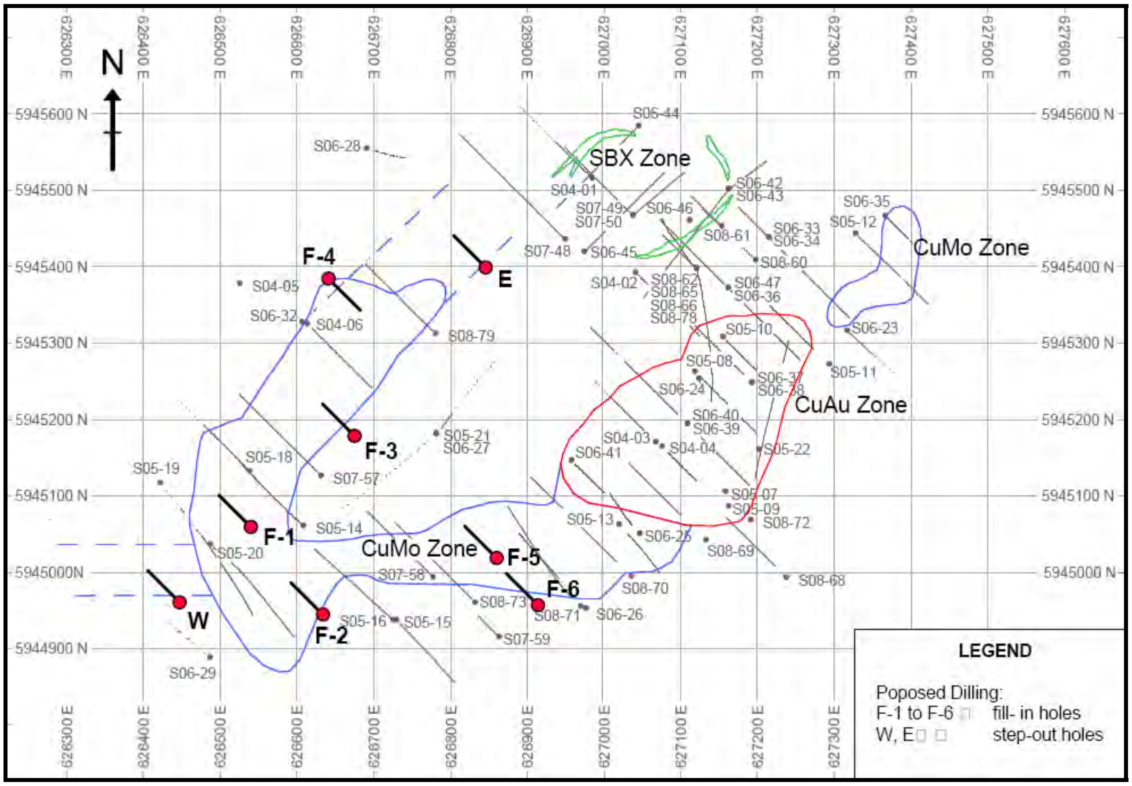
Wardrop also recommends 6 fill-in holes to increase the drill hole density in the Cu-Mo Zone thereby increasing confidence and understanding of the Zone. The proposed drilling is shown in Figure 17.1.

A preliminary cost of approximately $550,000 should be considered for completing the recommendations described above.

Table 17.1 Cost Estimate

Item	Estimated Cost
8 holes (2,200 m)	$550,000

Figure 17.1 Proposed Drilling



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19.0 CERTIFICATES OF QUALIFIED PERSONS

19.1 GILLES ARSENEAU, P.GEO.

I, Gilles Arseneau of North Vancouver, British Columbia, do hereby certify that as an author of this Technical Report "Seel Copper Project Mineral Resource Estimate", dated November 10th, 2008, I hereby make the following statements:

- I am Manager of Geology with Wardrop Engineering Inc. with a business address at 800-555 West Hastings Street, Vancouver, BC, V6B 1M1.
- I have a B.Sc. in Geology from the University of New Brunswick, 1979; a M.Sc. in Geology from the University of Western Ontario, 1984 and a Ph.D. in Geology from the Colorado School of Mines, 1995.
- I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia, License #25474.
- I have practiced my profession in mineral exploration continuously since graduation. I have over twenty years of experience in mineral exploration and I have seven years experience preparing mineral resource estimates using block modelling software.
- I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that, by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purpose of NI 43-101.
- I visited the Property during the period of August 22-23, 2007.
- I am responsible for Section 14 of this Technical Report titled "Seel Copper Project Mineral Resource Estimate, ", dated November 10th, 2008.
- I have no prior involvement with the Property that is the subject of the Technical Report.
- As of the date of this Certificate, to my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.
- I am independent of the Issuer as described in Section 1.4 of National Instrument 43-101.
- I have read National Instrument 43-101 and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1

Signed and dated this 10th day of November 2008 at Vancouver, British Columbia.

"Original Document, Revision 01 signed and sealed by Gilles Arseneau, Ph.D & P.Geo."

Gilles Arseneau, Ph.D., P.Geo.
Manager of Geology
Wardrop Engineering Inc.

19.2 THOMAS STUBENS, P.ENG.

I, Thomas C. Stubens, of Vancouver, British Columbia, do hereby certify that as the author of this Technical Report "Seel Copper Project Mineral Resource Estimate", dated November 10th, 2008, I hereby make the following statements:

- I am a Senior Geologist with Wardrop Engineering Inc. with a business address at 800-555 West Hastings St., Vancouver, British Columbia, V6B 1M1.
- I am a graduate of the Universities of Toronto and British Columbia, (B.A.Sc, 1978 and M.A.Sc., 1989 respectively).
- I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia (License #28367).
- I have practiced my profession continuously since graduation.
- I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that, by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purpose of NI 43-101.
- My relevant experience with respect to the Seel Copper Project Mineral Resource Estimate includes _______.
- I am responsible for all sections except Section 14 of this Technical Report titled "Seel Copper Project Mineral Resource Estimate, ", dated November 10th, 2008.
- I have no prior involvement with the Property that is the subject of the Technical Report.
- As of the date of this Certificate, to my knowledge, information, and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.
- I am independent of the Issuer as defined by Section 1.4 of the Instrument.
- I have read National Instrument 43-101 and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.

Signed and dated this 10th day of November 2008 at Vancouver, British Columbia.

"Original Document, Revision 01 signed and sealed by Thomas C. Stubens, M.A.Sc., P. Eng."

Thomas C. Stubens, M.A.Sc., P.Eng.
Senior Geologist
Wardrop Engineering Inc.

APPENDIX A

TABLES WITH STANDARDS' DATA

Standard	BHID	Samp_ID	Certificate	Au ppb	+3 SD	+2 SD	02-11	-2 SD	-3 SD	diff	rel diff
02-11	S08-61	29082	**8S0016RG**	**2364**	2630	2485	**2195**	1905	1760	169	7.7%
02-11	S08-62	29136	8S0016RG	**2160**	2630	2485	**2195**	1905	1760	-35	-1.6%
02-11	S08-65	29220	8S0016RG	**2184**	2630	2485	**2195**	1905	1760	-11	-0.5%
02-11	S08-65	29300	**8S0017RG**	**2166**	2630	2485	**2195**	1905	1760	-29	-1.3%
02-11	S08-66	29380	8S0017RG	**2370**	2630	2485	**2195**	1905	1760	175	8.0%
02-11	S08-69	29500	**8S0022RG**	**2208**	2630	2485	**2195**	1905	1760	13	0.6%
02-11	S08-69	29580	8S0022RG	**2427**	2630	2485	**2195**	1905	1760	232	10.6%
02-11	S08-70	29660	8S0022RG	**2004**	2630	2485	**2195**	1905	1760	-191	-8.7%
02-11	S08-76	13180	**8S0023RG**	**2169**	2630	2485	**2195**	1905	1760	-26	-1.2%
02-11	S08-71	29760	8S0023RG	**2070**	2630	2485	**2195**	1905	1760	-125	-5.7%
02-11	S08-77	13340	8S0025RG	**2142**	2630	2485	**2195**	1905	1760	-53	-2.4%
02-11	S08-78	13440	8S0025RG	**2295**	2630	2485	**2195**	1905	1760	100	4.6%
02-11	S08-78	13620	8S0027RG	**2103**	2630	2485	**2195**	1905	1760	-92	-4.2%
02-11	S08-72	29880	8S0027RG	**2199**	2630	2485	**2195**	1905	1760	4	0.2%
02-11	S08-72	29960	8S0027RG	**2097**	2630	2485	**2195**	1905	1760	-98	-4.5%
02-11	S08-75	13700	8S0028RG	**2052**	2630	2485	**2195**	1905	1760	-143	-6.5%
02-11	S08-79	13780	8S0028RG	**2112**	2630	2485	**2195**	1905	1760	-83	-3.8%
02-11	S08-73	62040	8S0028RG	**1996**	2630	2485	**2195**	1905	1760	-199	-9.1%
02-11	S08-60	29021	8S9901RG	**2100**	2630	2485	**2195**	1905	1760	-95	-4.3%
02-11	S08-76	13260	8S0024RG	**2378**	2630	2485	**2195**	1905	1760	183	8.3%
Mean				**2179.8**			**2195**			-15.20	-0.7%
Std. Dev							**145**				

Standard	BHID	Samp_ID	Certificate	Au ppb	+3 SD	+2 SD	02-18	-2 SD	-3 SD	diff	rel diff
02-18	S08-61	29096	**8S0016RG**	**1002**	1011	973	**897**	821	783	105	11.7%
02-18	S08-65	29161	8S0016RG	**990**	1011	973	**897**	821	783	93	10.4%
02-18	S08-65	29240	8S0016RG	**1008**	1011	973	**897**	821	783	111	12.4%
02-18	S08-65	29320	**8S0017RG**	**1028**	1011	973	**897**	821	783	131	14.6%
02-18	S08-66	29400	8S0017RG	972	1011	973	**897**	821	783	75	8.4%
02-18	S08-69	29520	8S0022RG	972	1011	973	**897**	821	783	75	8.4%
02-18	S08-69	29600	8S0022RG	939	1011	973	**897**	821	783	42	4.7%
02-18	S08-70	29680	**8S0022RG**	**1020**	1011	973	**897**	821	783	123	13.7%
02-18	S08-76	13200	**8S0023RG**	**980**	1011	973	**897**	821	783	83	9.3%
02-18	S08-71	29780	8S0024RG	959	1011	973	**897**	821	783	62	6.9%
02-18	S08-76	13280	8S0024RG	906	1011	973	**897**	821	783	9	1.0%
02-18	S08-77	13360	8S0025RG	951	1011	973	**897**	821	783	54	6.0%
02-18	S08-77	13380	8S0025RG	956	1011	973	**897**	821	783	59	6.6%
02-18	S08-78	13560	**8S0025RG**	**978**	1011	973	**897**	821	783	81	9.0%
02-18	S08-72	29900	8S0027RG	948	1011	973	**897**	821	783	51	5.7%
02-18	S08-72	29980	8S0027RG	903	1011	973	**897**	821	783	6	0.7%
02-18	S08-75	13640	8S0028RG	963	1011	973	**897**	821	783	66	7.4%
02-18	S08-79	13720	8S0028RG	912	1011	973	**897**	821	783	15	1.7%
02-18	S08-79	13800	8S0028RG	870	1011	973	**897**	821	783	-27	-3.0%
02-18	S08-60	29042	8S9901RG	972	1011	973	**897**	821	783	75	8.4%
Mean				**961**			**897**			**64**	**7.2%**
StDev							38				

Standard	BHID	**Certificate**	**Sample**	**Ag ppm**	+3SD	+2SD	**ICP 05**	-2SD	-3SD	Diff	Rel. Diff.
ICP 05	S08-60	8S9901RJ	29061	26.5	33.3	31.4	**27.6**	23.8	21.9	-1.1	-4.0%
ICP 05	S08-62	8S0016RJ	29116	***35.9***	33.3	31.4	**27.6**	23.8	21.9	8.3	30.1%
ICP 05	S08-65	8S0016RJ	29200	30.7	33.3	31.4	**27.6**	23.8	21.9	3.1	11.2%
ICP 05	S08-65	8S0017RJ	29280	30.2	33.3	31.4	**27.6**	23.8	21.9	2.6	9.4%
ICP 05	S08-66	8S0017RJ	29360	29.8	33.3	31.4	**27.6**	23.8	21.9	2.2	8.0%
ICP 05	S08-68	8S0019RJ	29440	***49.0***	33.3	31.4	**27.6**	23.8	21.9	21.4	77.5%
ICP 05	S08-69	8S0022RJ	29560	***33.0***	33.3	31.4	**27.6**	23.8	21.9	5.4	19.6%
ICP 05	S08-70	8S0022RJ	29640	29.0	33.3	31.4	**27.6**	23.8	21.9	1.4	5.1%
ICP 05	S08-76	8S0023RJ	13160	28.8	33.3	31.4	**27.6**	23.8	21.9	1.2	4.3%
ICP 05	S08-76	8S0023RJ	13240	30.6	33.3	31.4	**27.6**	23.8	21.9	3	10.9%
ICP 05	S08-71	8S0023RJ	29740	26.7	33.3	31.4	**27.6**	23.8	21.9	-0.9	-3.3%
ICP 05	S08-77	8S0024RJ	13320	24.9	33.3	31.4	**27.6**	23.8	21.9	-2.7	-9.8%
ICP 05	S08-71	8S0024RJ	29820	27.7	33.3	31.4	**27.6**	23.8	21.9	0.1	0.4%
ICP 05	S08-78	8S0025RJ	13420	28.0	33.3	31.4	**27.6**	23.8	21.9	0.4	1.4%
ICP 05	S08-78	8S0027RJ	13600	25.9	33.3	31.4	**27.6**	23.8	21.9	-1.7	-6.2%
ICP 05	S08-72	8S0027RJ	29860	27.9	33.3	31.4	**27.6**	23.8	21.9	0.3	1.1%
ICP 05	S08-73	8S0027RJ	29940	30.5	33.3	31.4	**27.6**	23.8	21.9	2.9	10.5%
ICP 05	S08-73	8S0027RJ	62020	28.4	33.3	31.4	**27.6**	23.8	21.9	0.8	2.9%
ICP 05	S08-75	8S0028RJ	13680	***22.8***	33.3	31.4	**27.6**	23.8	21.9	-4.8	-17.4%
ICP 05	S08-79	8S0028RJ	13760	28.2	33.3	31.4	**27.6**	23.8	21.9	0.6	2.2%
Average				**29.7**			**27.6**			2.125	7.7%
Std Dev.							1.9				

Standard	BHID	**Certificate**	**Sample**	**Cu ppm**	+3SD	+2SD	**ICP 05**	-2SD	-3SD	Diff	Rel. Diff.
ICP 05	S08-60	8S9901RJ	29061	2553	2846	2675	**2332.8**	1990	1819	220.2	9.4%
ICP 05	S08-62	8S0016RJ	29116	2330	2846	2675	**2332.8**	1990	1819	-2.8	-0.1%
ICP 05	S08-65	8S0016RJ	29200	2296	2846	2675	**2332.8**	1990	1819	-36.8	-1.6%
ICP 05	S08-65	8S0017RJ	29280	2098	2846	2675	**2332.8**	1990	1819	-234.8	-10.1%
ICP 05	S08-66	8S0017RJ	29360	2325	2846	2675	**2332.8**	1990	1819	-7.8	-0.3%
ICP 05	S08-68	8S0019RJ	29440	2456	2846	2675	**2332.8**	1990	1819	123.2	5.3%
ICP 05	S08-69	8S0022RJ	29560	2491	2846	2675	**2332.8**	1990	1819	158.2	6.8%
ICP 05	S08-70	8S0022RJ	29640	2515	2846	2675	**2332.8**	1990	1819	182.2	7.8%
ICP 05	S08-76	8S0023RJ	13160	2180	2846	2675	**2332.8**	1990	1819	-152.8	-6.6%
ICP 05	S08-76	8S0023RJ	13240	***2686***	2846	2675	**2332.8**	1990	1819	353.2	15.1%
ICP 05	S08-71	8S0023RJ	29740	2315	2846	2675	**2332.8**	1990	1819	-17.8	-0.8%
ICP 05	S08-77	8S0024RJ	13320	2265	2846	2675	**2332.8**	1990	1819	-67.8	-2.9%
ICP 05	S08-71	8S0024RJ	29820	2325	2846	2675	**2332.8**	1990	1819	-7.8	-0.3%
ICP 05	S08-78	8S0025RJ	13420	2364	2846	2675	**2332.8**	1990	1819	31.2	1.3%
ICP 05	S08-78	8S0027RJ	13600	2427	2846	2675	**2332.8**	1990	1819	94.2	4.0%
ICP 05	S08-72	8S0027RJ	29860	2255	2846	2675	**2332.8**	1990	1819	-77.8	-3.3%
ICP 05	S08-73	8S0027RJ	29940	2533	2846	2675	**2332.8**	1990	1819	200.2	8.6%
ICP 05	S08-73	8S0027RJ	62020	***2682***	2846	2675	**2332.8**	1990	1819	349.2	15.0%
ICP 05	S08-75	8S0028RJ	13680	2542	2846	2675	**2332.8**	1990	1819	209.2	9.0%
ICP 05	S08-79	8S0028RJ	13760	2311	2846	2675	**2332.8**	1990	1819	-21.8	-0.9%
Average				**2397**			**2332.8**			64.65	2.8%
Std Dev.							171.2				

APPENDIX B

DECILE ANALYSIS

Table 1

Gold Reach - Seel								
	No. of	Cu-Au	Ag(g/t)		Contained Metal			
Decile	Samples	Average	Min	Max	Metal	% Total		
0-10	138	0.20	0.200	0.200	28	1.53		
10-20	138	0.20	0.200	0.200	28	1.53		
20-30	138	0.27	0.200	0.400	37	2.04		
30-40	138	0.47	0.400	0.600	65	3.63		
40-50	138	0.69	0.600	0.800	95	5.29		
50-60	138	0.92	0.800	1.000	127	7.04		
60-70	138	1.12	1.000	1.200	155	8.61		
70-80	138	1.39	1.200	1.500	192	10.65		
80-90	138	1.82	1.600	2.200	251	13.93	3.28	<2.3
90-100	138	5.97	2.200	63.000	823	45.74	<40%	
90-91	13	2.23	2.200	2.300	29	1.61		
91-92	14	2.34	2.300	2.400	33	1.82		
92-93	14	2.48	2.400	2.600	35	1.93		
93-94	14	2.64	2.600	2.700	37	2.06		
94-95	14	2.91	2.800	3.000	41	2.27		
95-96	13	3.14	3.000	3.300	41	2.27		
96-97	14	3.63	3.300	4.100	51	2.82		
97-98	14	4.70	4.200	5.300	66	3.66		
98-99	14	8.02	5.500	11.900	112	6.24	3.38	<1.75
99-100	14	27.09	14.800	63.000	379	21.07	<10%	
Total	138				823	45.74		
Total	1380	1.30	0.2	63	1,800	100.00		

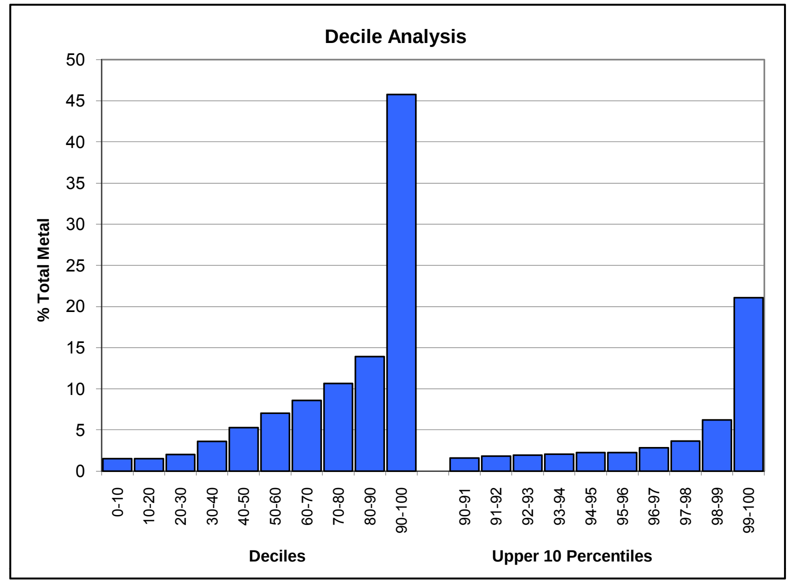


Table 2

Ag (g/t)			
Threshold	Percentile	Cut Mean	C.V.
0.20	10%	0.20	0.00
0.40	30%	0.35	0.25
0.60	40%	0.47	0.36
0.80	50%	0.58	0.44
1.00	60%	0.67	0.50
1.20	70%	0.75	0.55
1.60	80%	0.85	0.63
2.20	90%	0.93	0.72
2.40	92%	0.95	0.75
2.80	94%	0.97	0.79
3.30	96%	1.00	0.83
4.20	97%	1.03	0.90
5.50	98%	1.06	0.99
9.80		1.12	1.23
14.80	99%	1.18	1.50
38.90		1.28	2.16
63.63		1.30	2.39

Table 3

Ag	Ag_Cut	Ag	Ag_Cut	
5.5	5.5	14.8	9.8	99%
5.5	5.5	17	9.8	
5.9	5.9	17.3	9.8	
6	6.0	17.6	9.8	
6.1	6.1	18.9	9.8	
6.3	6.3	19.4	9.8	
7	7.0	21.5	9.8	
7.8	7.8	22.5	9.8	
7.8	7.8	26.2	9.8	
9.2	9.2	31.2	9.8	
10.5	9.8	32.3	9.8	
11	9.8	33	9.8	
11.8	9.8	44.6	9.8	
11.9	9.8	63	9.8	100%

Threshold 9.8

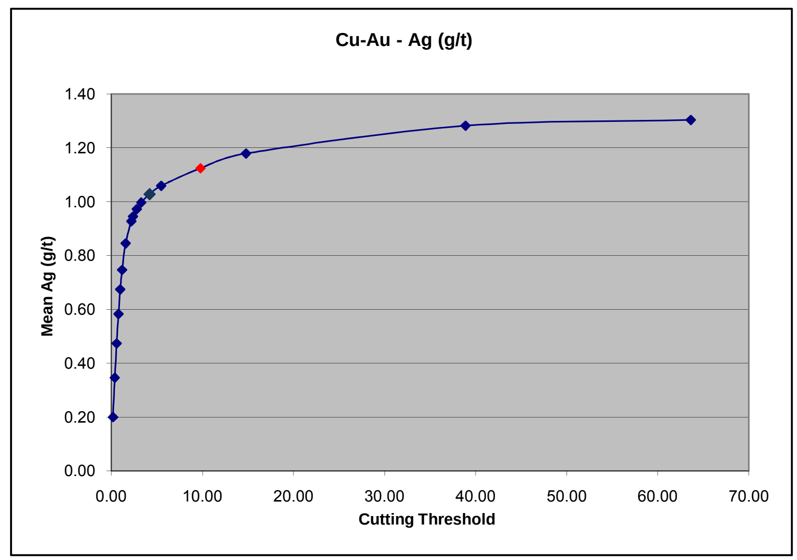


Table 1

Gold Reach - Seel						
Decile	No. of Samples	Cu-Au Average	Au(g/t) Min	Max	Contained Metal Metal	% Total
0-10	156	0.02	0.002	0.035	2.8	0.75
10-20	156	0.05	0.035	0.070	8.3	2.19
20-30	156	0.09	0.070	0.107	13.5	3.57
30-40	156	0.12	0.107	0.140	19.3	5.10
40-50	156	0.17	0.144	0.191	26.4	6.98
50-60	156	0.22	0.193	0.244	34.4	9.09
60-70	156	0.27	0.244	0.300	41.9	11.08
70-80	156	0.33	0.300	0.370	52.2	13.78
80-90	156	0.42	0.370	0.480	65.6	17.33
90-100	156	0.73	0.480	3.899	114.0	30.13
90-91	15	0.49	0.480	0.500	7.4	1.95
91-92	16	0.51	0.500	0.519	8.2	2.16
92-93	15	0.54	0.520	0.549	8.1	2.13
93-94	16	0.56	0.550	0.571	8.9	2.36
94-95	16	0.59	0.573	0.600	9.4	2.48
95-96	15	0.62	0.603	0.648	9.3	2.46
96-97	16	0.68	0.649	0.737	10.9	2.88
97-98	15	0.77	0.740	0.810	11.6	3.06
98-99	16	0.90	0.810	1.000	14.3	3.79
99-100	16	1.62	1.020	3.899	26.0	6.87
Total	156				114.0	30.13
Total	1560	0.24	0.002	3.899	378.4	100.00

1.74 **<2.3**
<40%

1.81 **<1.75**
<10%

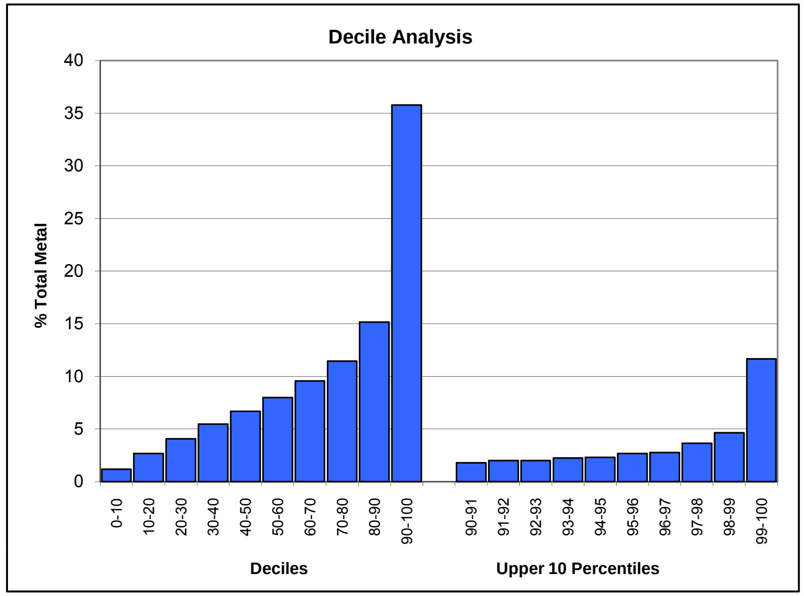


Table 2

Au (g/t)			
Threshold	Percentile	Cut Mean	C.V.
0.01		0.010	0.07
0.05		0.046	0.22
0.10		0.086	0.32
0.20		0.145	0.46
0.40		0.207	0.64
0.48	90%	0.217	0.69
0.52	92%	0.221	0.71
0.57	94%	0.224	0.73
0.65	96%	0.228	0.76
0.74	97%	0.231	0.78
0.81	98%	0.233	0.80
1.00	99%	0.236	0.83
1.50		0.239	0.88
3.00		0.242	0.96
4.00		0.242	0.99

Table 3

	Au	Au_Cut
99%	1.02	1.02
	1.02	1.02
	1.02	1.02
	1.03	1.03
	1.06	1.06
	1.13	1.13
	1.14	1.14
	1.15	1.15
	1.47	1.47
	1.53	1.53
	1.73	1.73
	1.80	1.80
	1.88	1.88
	2.42	2.42
	2.69	2.69
100%	3.90	3.00

Threshold **3**

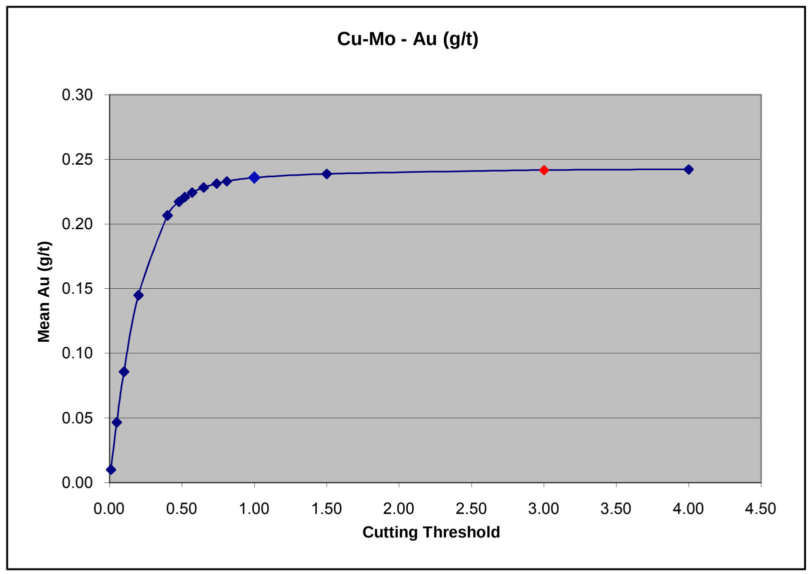


Table 1

Decile	No. of Samples	Cu-Mo Average	Au(g/t) Min	Au(g/t) Max	Contained Metal: Metal	Contained Metal: % Total		
Gold Reach - Seel								
0-10	164	0.01	0.002	0.014	1	1.18		
10-20	165	0.02	0.014	0.024	3	2.67		
20-30	164	0.03	0.024	0.034	5	4.06		
30-40	165	0.04	0.034	0.043	6	5.45		
40-50	165	0.05	0.043	0.052	8	6.68		
50-60	164	0.06	0.052	0.062	9	8.00		
60-70	165	0.07	0.062	0.074	11	9.56		
70-80	164	0.08	0.074	0.091	13	11.46		
80-90	165	0.11	0.091	0.130	18	15.16	2.36	<2.3
90-100	165	0.26	0.130	1.910	42	35.77	<40%	
90-91	16	0.13	0.130	0.137	2	1.80		
91-92	17	0.14	0.137	0.142	2	2.01		
92-93	16	0.15	0.142	0.150	2	1.99		
93-94	17	0.16	0.150	0.160	3	2.25		
94-95	16	0.17	0.160	0.179	3	2.31		
95-96	17	0.19	0.180	0.194	3	2.67		
96-97	16	0.20	0.195	0.213	3	2.77		
97-98	17	0.25	0.229	0.290	4	3.65		
98-99	16	0.34	0.290	0.412	5	4.64	2.51	<1.75
99-100	17	0.81	0.430	1.910	14	11.67	<10%	
Total	165				42	35.77		
Total	1646	0.07	0.002	1.91	118	100.00		

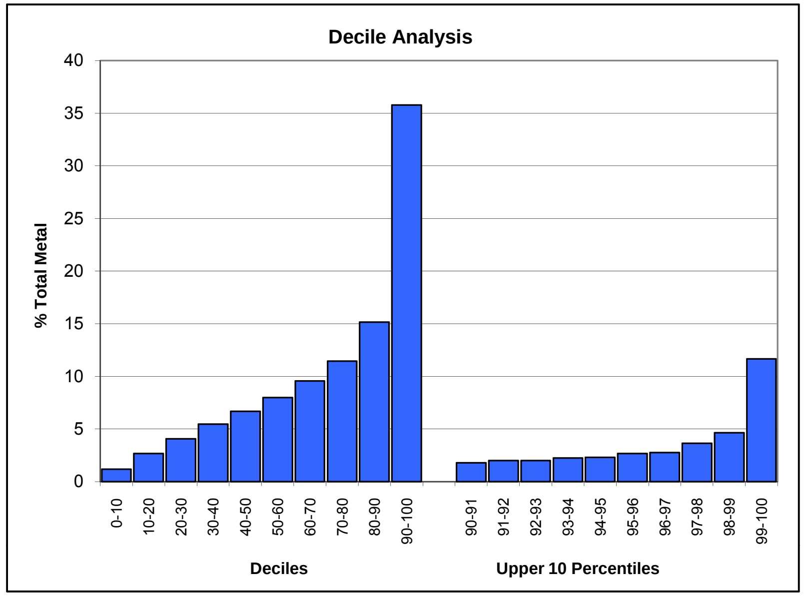


Table 2

Threshold	Percentile	Cut Mean	C.V.
Au (g/t)			
0.01		0.010	0.11
0.02		0.019	0.20
0.04		0.033	0.32
0.09		0.053	0.53
0.13	90%	0.059	0.63
0.14	92%	0.060	0.65
0.16	94%	0.061	0.69
0.19	96%	0.063	0.74
0.22	97%	0.064	0.77
0.29	98%	0.066	0.85
0.43	99%	0.068	0.96
0.60		0.069	1.06
0.75		0.070	1.13
1.00		0.070	1.24
2.00		0.071	1.41

Table 3

	Au	Au_Cut
99%	0.430	0.43
	0.442	0.44
	0.450	0.45
	0.461	0.46
	0.463	0.46
	0.520	0.52
	0.569	0.57
	0.644	0.60
	0.677	0.60
	0.710	0.60
	0.780	0.60
	0.970	0.60
	0.990	0.60
	1.133	0.60
	1.230	0.60
	1.360	0.60
100%	1.910	0.60

Threshold **0.6**

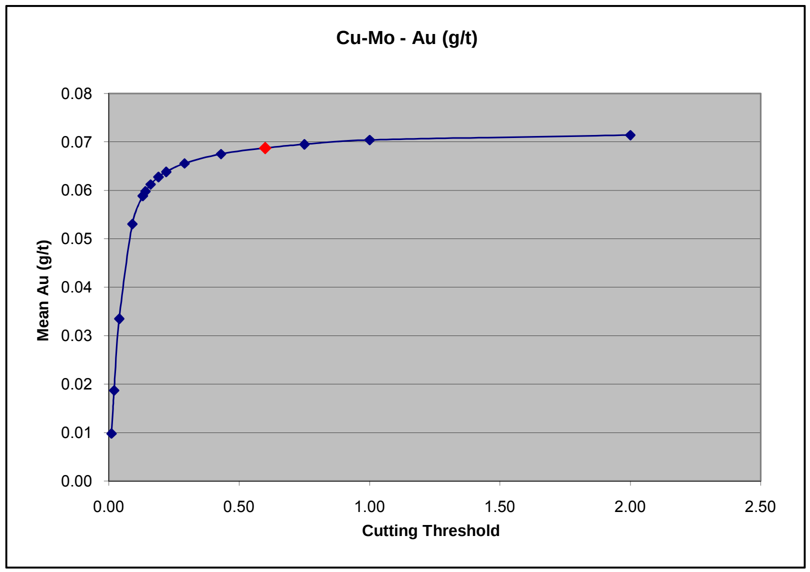


Table 1

Gold Reach - Seel									
Decile	No. of Samples	Cu-Mo Average	Mo(%) Min	Max	Contained Metal Metal	% Total			
0-10	164	0.00	0.0002	0.0015	0.12	0.56			
10-20	165	0.00	0.0015	0.0030	0.38	1.83			
20-30	164	0.00	0.0030	0.0046	0.62	2.99			
30-40	165	0.01	0.0046	0.0064	0.90	4.32			
40-50	164	0.01	0.0064	0.0084	1.20	5.79			
50-60	165	0.01	0.0084	0.0109	1.59	7.64			
60-70	164	0.01	0.0109	0.0138	2.03	9.78			
70-80	165	0.02	0.0138	0.0182	2.67	12.83			
80-90	164	0.02	0.0183	0.0264	3.57	17.20		2.15	<2.3
90-100	165	0.05	0.0265	0.2000	7.70	37.06	<40%		
90-91	16	0.03	0.0265	0.0280	0.44	2.10			
91-92	17	0.03	0.0280	0.0292	0.49	2.34			
92-93	16	0.03	0.0292	0.0306	0.48	2.30			
93-94	17	0.03	0.0307	0.0328	0.54	2.61			
94-95	16	0.03	0.0329	0.0360	0.55	2.64			
95-96	17	0.04	0.0362	0.0394	0.65	3.12			
96-97	16	0.04	0.0395	0.0454	0.68	3.27			
97-98	17	0.05	0.0469	0.0583	0.90	4.34			
98-99	16	0.07	0.0584	0.0731	1.04	5.03		1.85	<1.75
99-100	17	0.11	0.0746	0.2000	1.94	9.32	<10%		
Total	165				7.70	37.06			
Total	1645	0.01	0.0002	0.2	20.77	100.00			

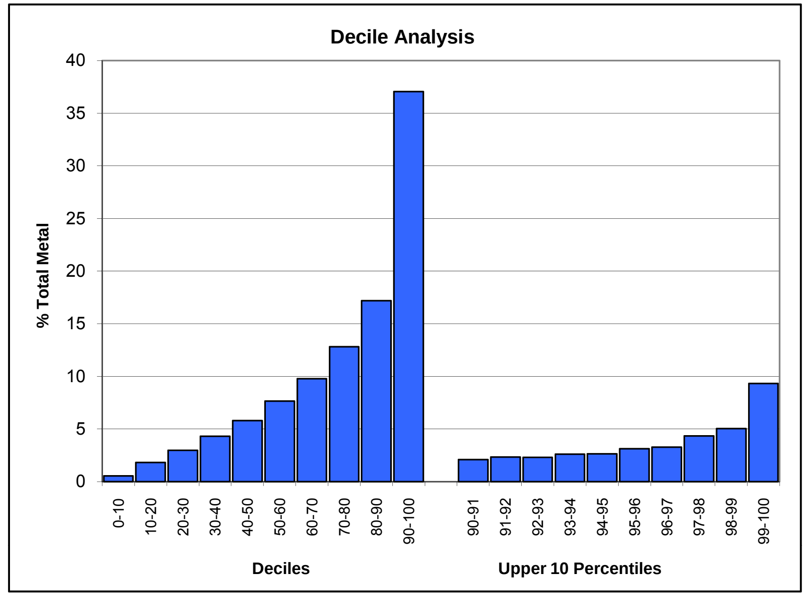


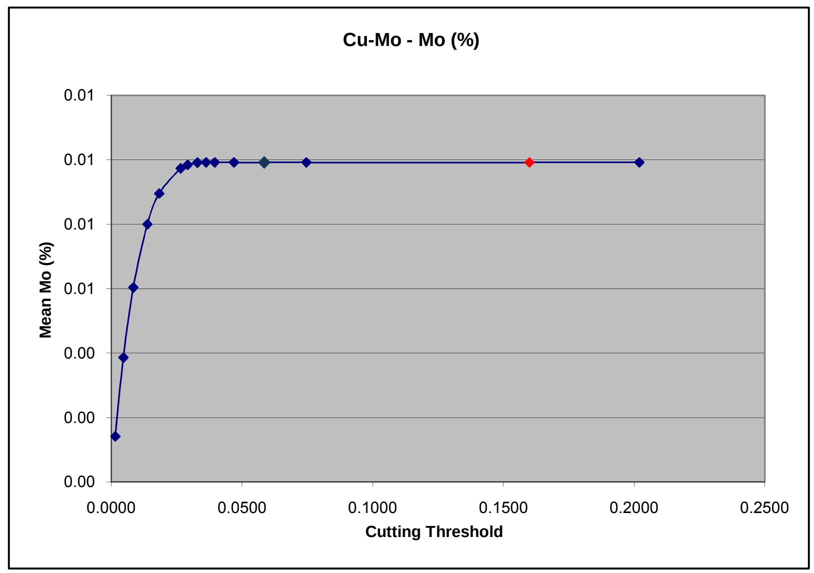
Table 2

Mo (%)			
Threshold	Percentile	Cut Mean	C.V.
0.0015	10%	0.0014	0.20
0.0046	30%	0.0039	0.34
0.0084	50%	0.0060	0.47
0.0138	70%	0.0080	0.60
0.0183	80%	0.0089	0.68
0.0265	90%	0.0097	0.77
0.0292	92%	0.0098	0.79
0.0329	94%	0.0099	0.80
0.0362	95%	0.0099	0.80
0.0395	96%	0.0099	0.80
0.0469	97%	0.0099	0.80
0.0584	98%	0.0099	0.80
0.0746	99%	0.0099	0.80
0.1600		0.0099	0.80
0.2020		0.0099	0.80

Table 3

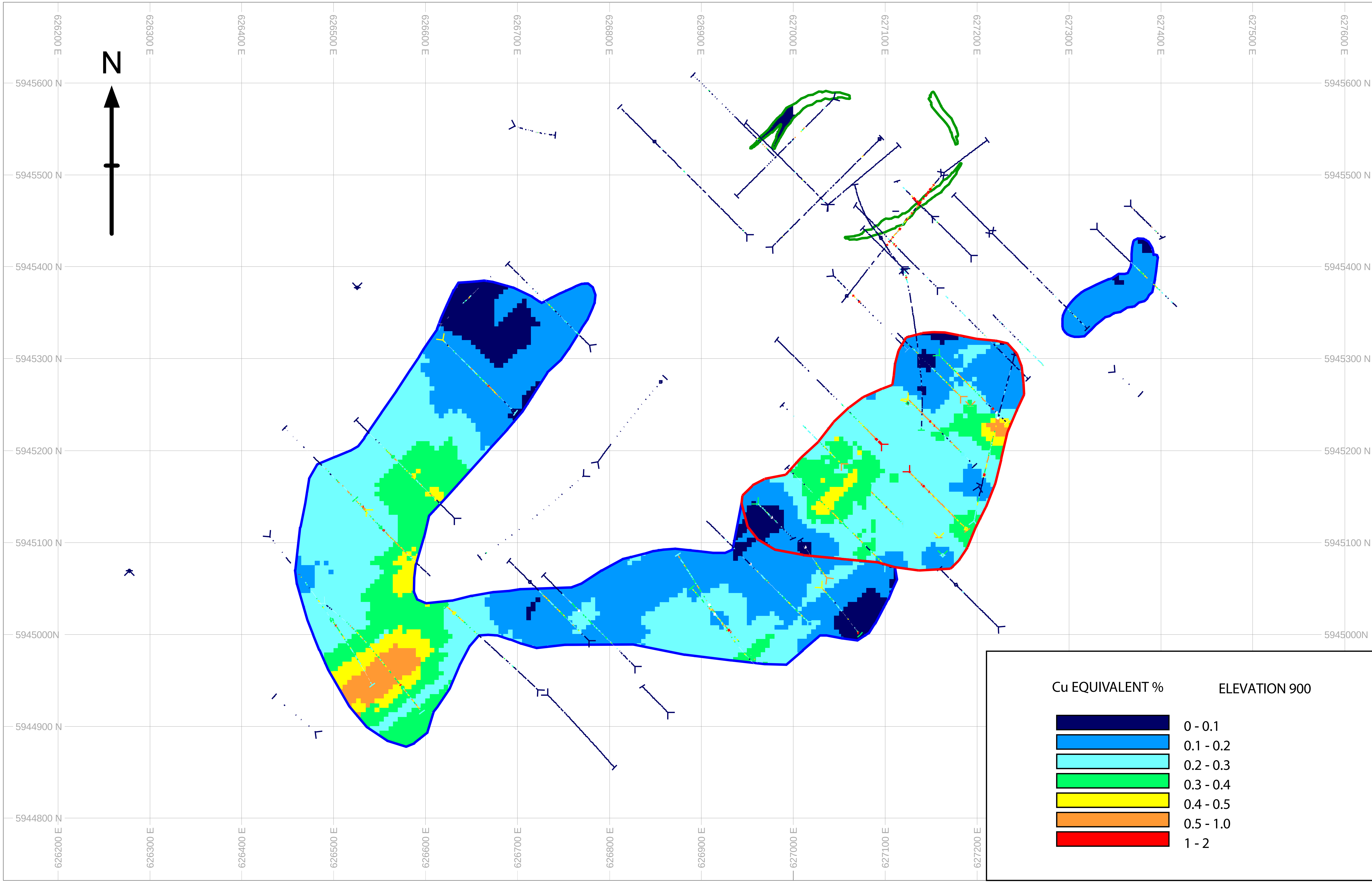
	Mo	Mo_Cut
99%	0.0746	0.0746
	0.0748	0.0748
	0.076	0.0760
	0.0801	0.0801
	0.0812	0.0812
	0.0837	0.0837
	0.0844	0.0844
	0.0852	0.0852
	0.0903	0.0903
	0.0926	0.0926
	0.0989	0.0989
	0.1075	0.1075
	0.1411	0.1411
	0.1662	0.1600
	0.2000	0.1600
	0.2000	0.1600
100%	0.2000	0.1600

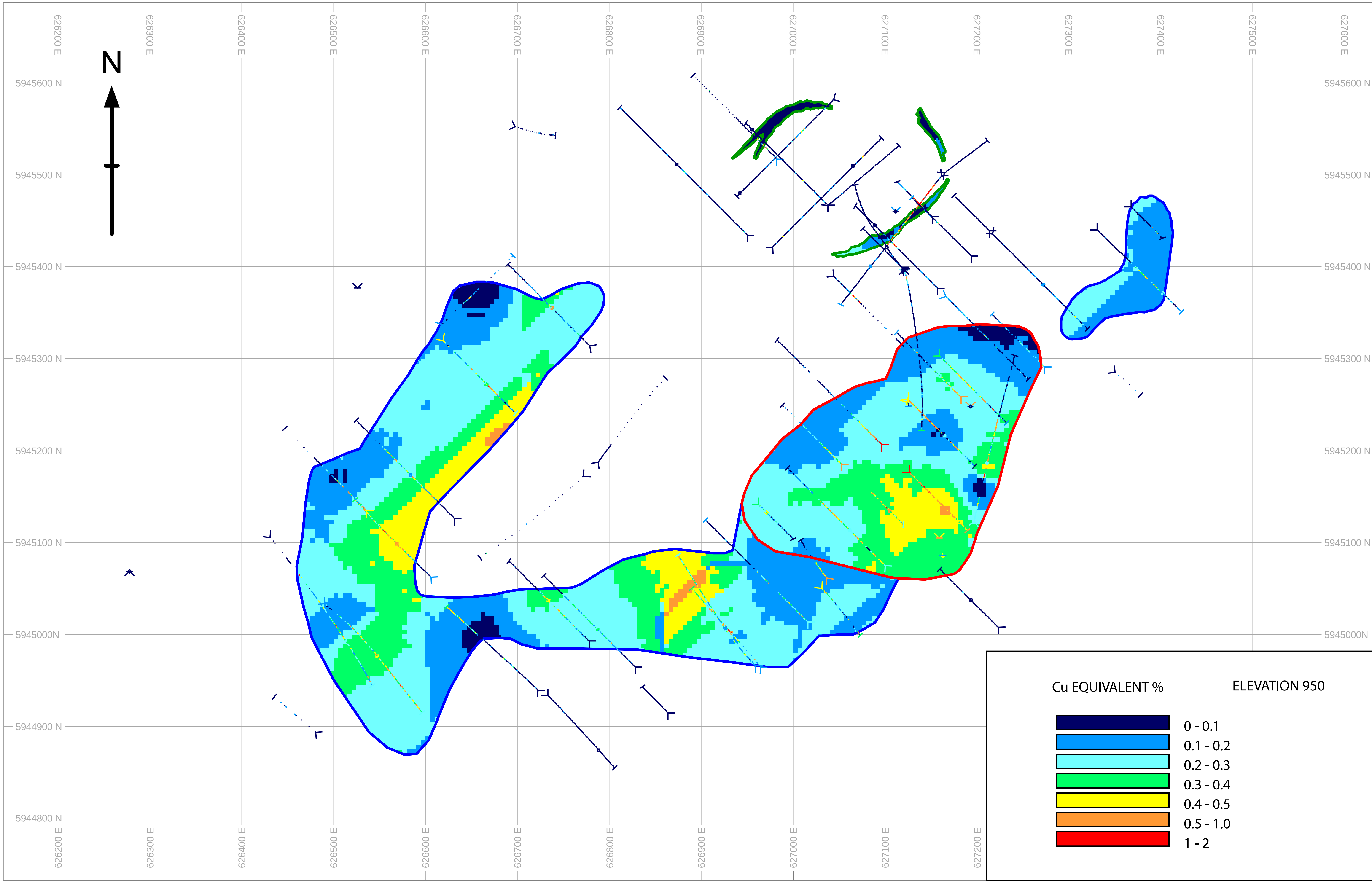
Threshold **0.16**



APPENDIX C

RESOURCE BLOCK MODEL


N
Cu EQUIVALENT %
ELEVATION 900
0 - 0.1
0.1 - 0.2
0.2 - 0.3
0.3 - 0.4
0.4 - 0.5
0.5 - 1.0
1 - 2
626200 E
626300 E
626400 E
626500 E
626600 E
626700 E
626800 E
626900 E
627000 E
627100 E
627200 E
627300 E
627400 E
627500 E
627600 E
5945600 N
5945500 N
5945400 N
5945300 N
5945200 N
5945100 N
5945000N
5944900 N
5944800 N


N
Cu EQUIVALENT %
ELEVATION 950
0 - 0.1
0.1 - 0.2
0.2 - 0.3
0.3 - 0.4
0.4 - 0.5
0.5 - 1.0
1 - 2
5945600 N
5945500 N
5945400 N
5945300 N
5945200 N
5945100 N
5945000N
5944900 N
5944800 N
626200 E
626300 E
626400 E
626500 E
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626800 E
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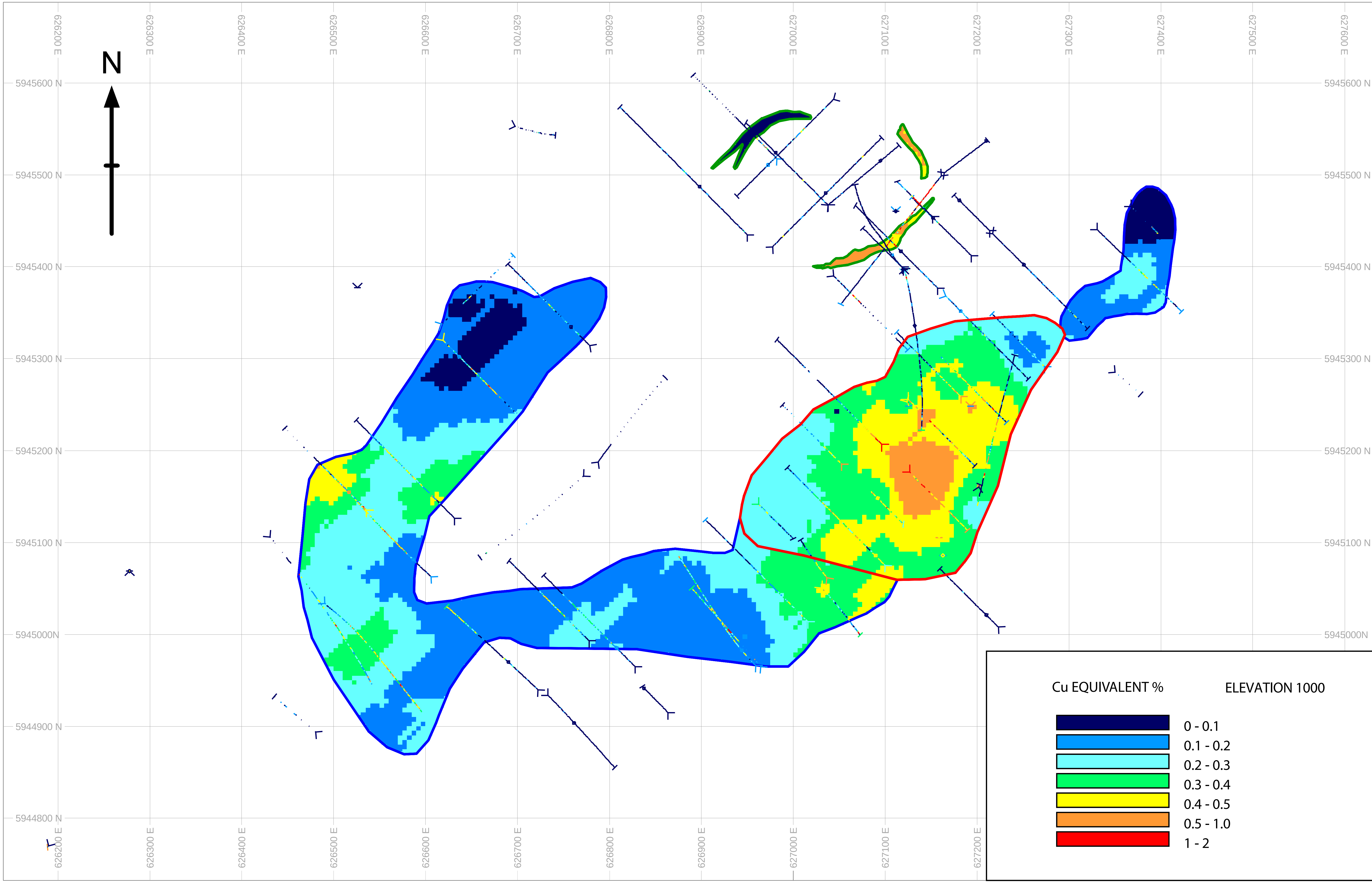
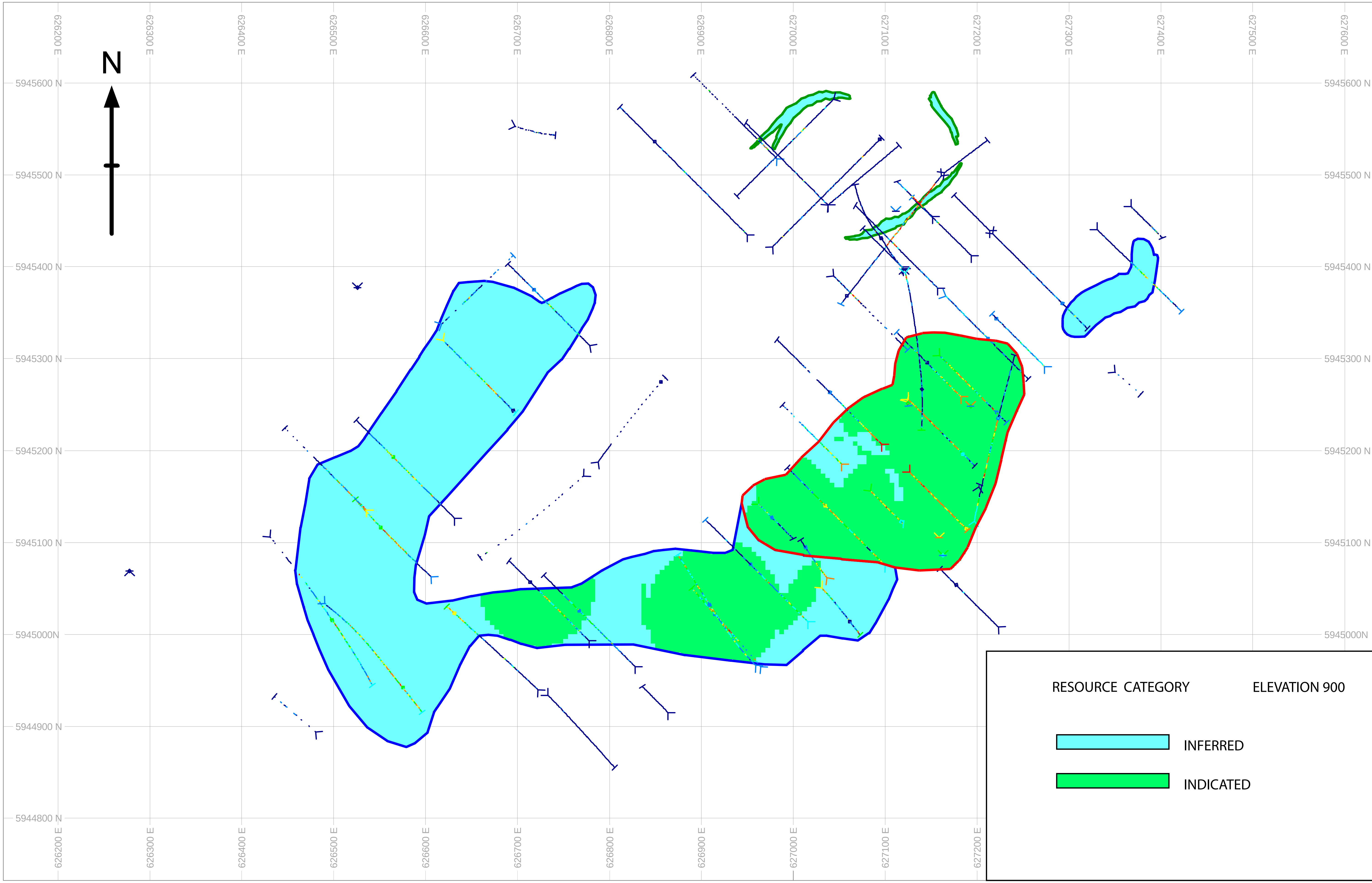
627300 E
627400 E
627500 E
627600 E



N
626200 E
626300 E
626400 E
626500 E
626600 E
626700 E
626800 E
626900 E
627000 E
627100 E
627200 E
627300 E
627400 E
627500 E
627600 E
5945600 N
5945500 N
5945400 N
5945300 N
5945200 N
5945100 N
5945000N
5944900 N
5944800 N
Cu EQUIVALENT %
ELEVATION 1000
0 - 0.1
0.1 - 0.2
0.2 - 0.3
0.3 - 0.4
0.4 - 0.5
0.5 - 1.0
1 - 2

APPENDIX D

RESOURCE CLASSIFICATION


N
RESOURCE CATEGORY
ELEVATION 900
INFERRED
INDICATED
626200 E
626300 E
626400 E
626500 E
626600 E
626700 E
626800 E
626900 E
627000 E
627100 E
627200 E
627300 E
627400 E
627500 E
627600 E
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5945500 N
5945400 N
5945300 N
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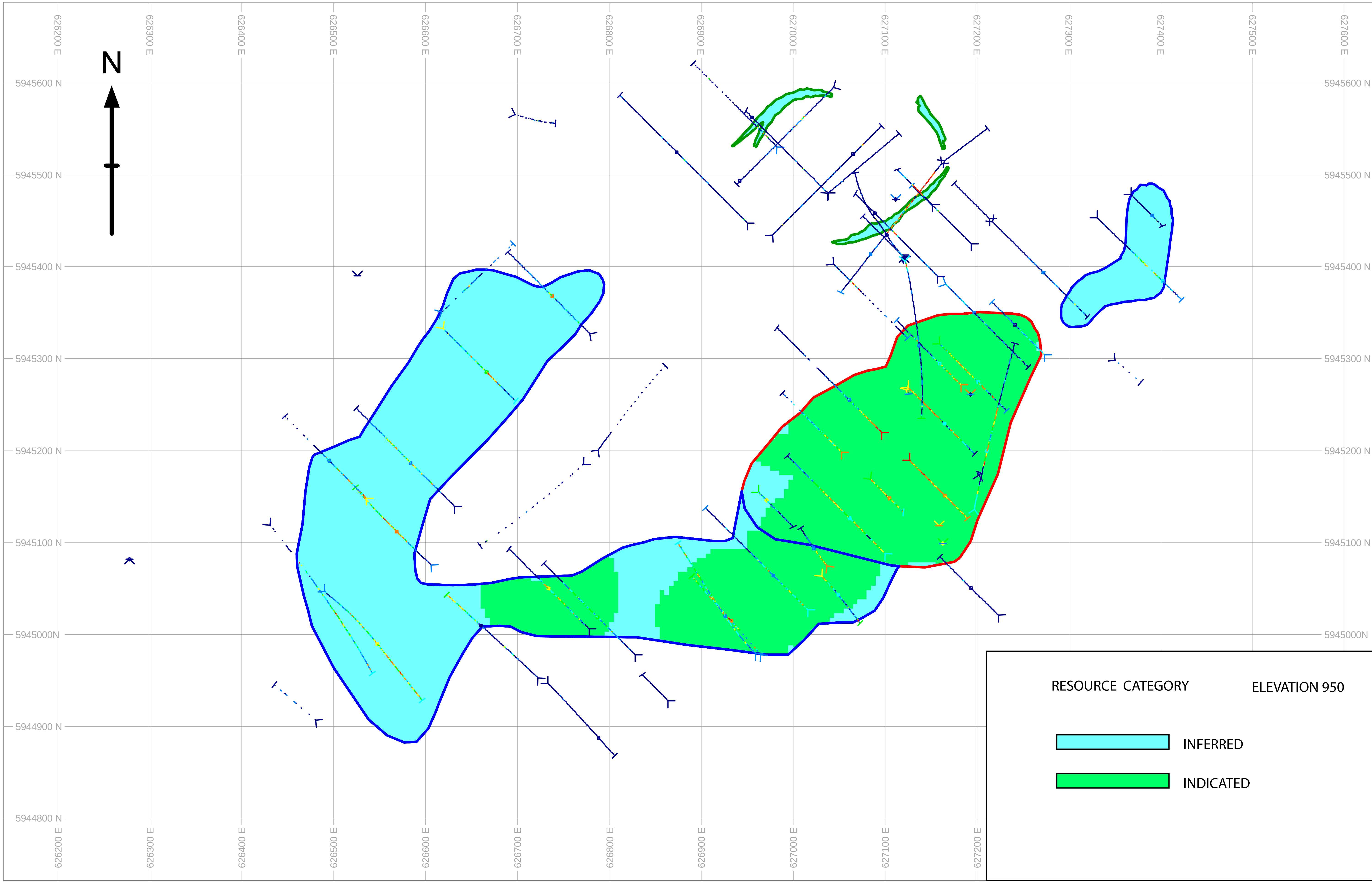
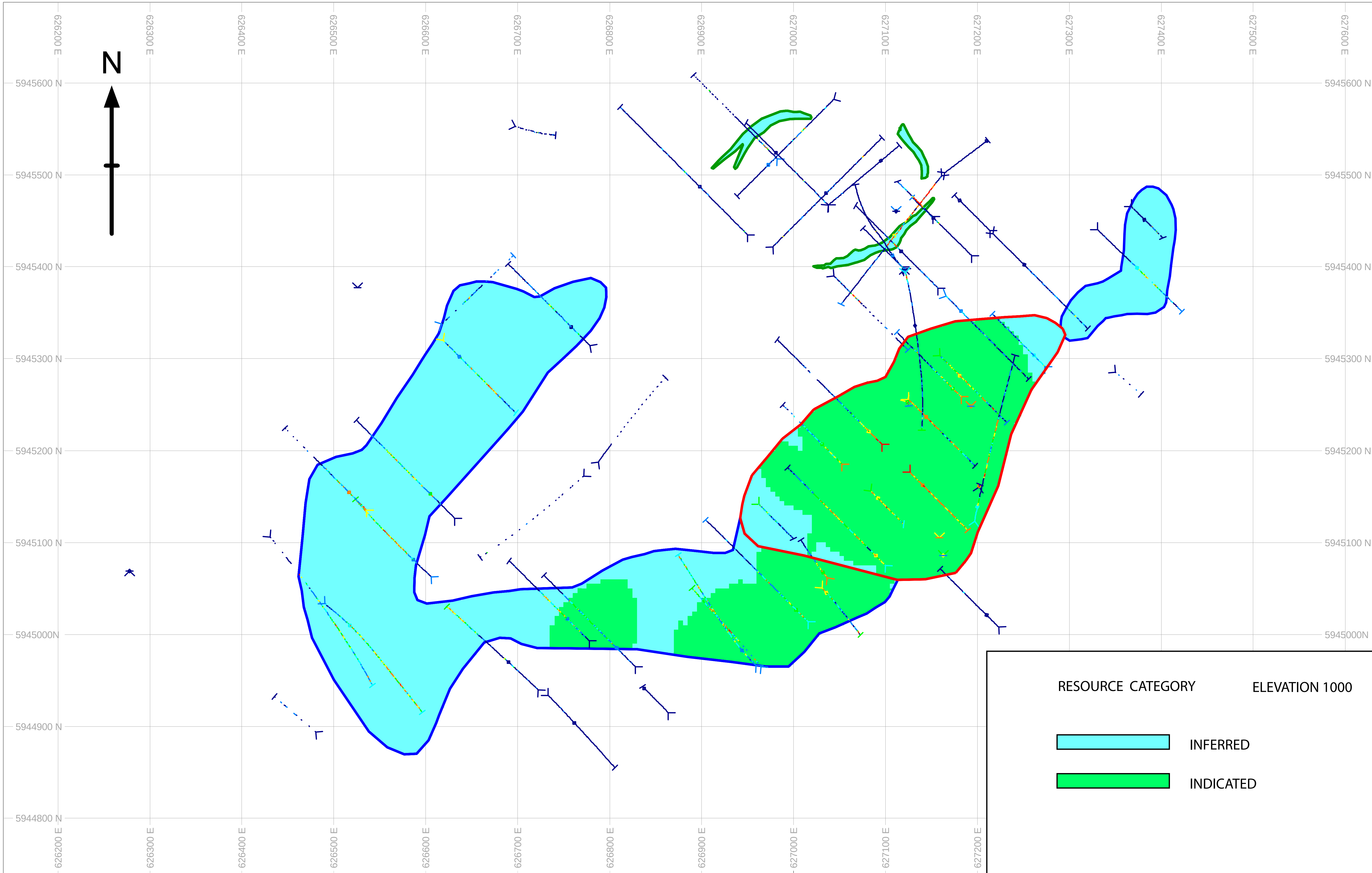
5945000N
5944900 N
5944800 N



N
626200 E
626300 E
626400 E
626500 E
626600 E
626700 E
626800 E
626900 E
627000 E
627100 E
627200 E
627300 E
627400 E
627500 E
627600 E
5945600 N
5945500 N
5945400 N
5945300 N
5945200 N
5945100 N
5945000N
5944900 N
5944800 N
RESOURCE CATEGORY
ELEVATION 950
INFERRED
INDICATED


N
RESOURCE CATEGORY
ELEVATION 1000
INFERRED
INDICATED

APPENDIX E

RESOURCE TABULATION

Seel Resource Estimate - ID2
Cu/Au Zone - Indicated — 28-Aug-08

Cu (%) Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	20,984	0.26	0.27	0.002	1.02	0.32
0.15	17,221	0.29	0.30	0.002	1.09	0.35
0.20	**13,854**	**0.32**	**0.33**	**0.002**	**1.14**	**0.39**
0.25	**10,194**	**0.35**	**0.37**	**0.001**	**1.20**	**0.42**
0.30	**6,986**	**0.39**	**0.41**	**0.001**	**1.28**	**0.47**
0.35	3,976	0.44	0.47	0.001	1.40	0.52
0.40	2,061	0.50	0.55	0.001	1.55	0.60
0.50	693	0.62	0.67	0.001	1.77	0.73

Seel Resource Estimate - ID2
Cu/Mo Zone - Indicated — 28-Aug-08

Cu (%) Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	7,706	0.13	0.08	0.017	0.59	0.30
0.15	1,785	0.18	0.11	0.018	0.71	0.34
0.20	**285**	**0.22**	**0.13**	**0.019**	**0.99**	**0.40**
0.25	**21**	**0.26**	**0.14**	**0.018**	**1.45**	**0.43**
0.30	**-**					
0.35	-					
0.40	-					
0.50	-					

Seel Resource Estimate - ID2
Seel Breccia - Indicated — 28-Aug-08

Cu (%) Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10						
0.15						
0.20						
0.25						
0.30						
0.35						
0.40						
0.50						

Seel Resource Estimate - ID2
Total Indicated — 28-Aug-08

Cu (%) Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	28,691	0.23	0.22	0.006	0.90	0.31
0.15	19,006	0.28	0.28	0.003	1.05	0.35
0.20	**14,139**	**0.32**	**0.33**	**0.002**	**1.14**	**0.39**
0.25	**10,215**	**0.35**	**0.37**	**0.002**	**1.20**	**0.42**
0.30	**6,986**	**0.39**	**0.41**	**0.001**	**1.28**	**0.47**
0.35	3,976	0.44	0.47	0.001	1.40	0.52
0.40	2,061	0.50	0.55	0.001	1.55	0.60
0.50	693	0.62	0.67	0.001	1.77	0.73

Seel Resource Estimate - ID2
Cu/Au Zone - Inferred — 28-Aug-08

Cu (%) Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	3,777	0.18	0.19	0.002	0.59	0.23
0.15	2,372	0.21	0.21	0.002	0.58	0.26
0.20	**1,205**	**0.25**	**0.24**	**0.002**	**0.58**	**0.30**
0.25	**408**	**0.30**	**0.30**	**0.002**	**0.79**	**0.36**
0.30	**146**	**0.35**	**0.35**	**0.002**	**0.97**	**0.42**
0.35	55	0.41	0.43	0.001	1.04	0.49
0.40	34	0.44	0.47	0.001	1.07	0.53
0.50	2	0.51	0.56	0.0012	1.10	0.61

Seel Resource Estimate - ID2
Cu/Mo Zone - Inferred — 28-Aug-08

Cu (%) Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	34,496	0.16	0.08	0.012	2.39	0.27
0.15	15,866	0.20	0.09	0.012	3.23	0.32
0.20	**5,335**	**0.26**	**0.12**	**0.013**	**4.26**	**0.39**
0.25	**2,069**	**0.32**	**0.15**	**0.014**	**5.40**	**0.46**
0.30	**968**	**0.37**	**0.17**	**0.016**	**6.66**	**0.54**
0.35	451	0.42	0.19	0.018	8.10	0.62
0.40	231	0.46	0.20	0.019	9.22	0.67
0.50	35	0.57	0.21	0.014	10.43	0.72

Seel Resource Estimate - ID2
Seel Breccia - Inferred — 28-Aug-08

Cu (%) Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	622	0.47	0.04	0.001	13.82	0.49
0.15	570	0.50	0.04	0.001	14.70	0.53
0.20	**441**	**0.60**	**0.04**	**0.001**	**17.16**	**0.62**
0.25	**390**	**0.65**	**0.05**	**0.001**	**18.59**	**0.67**
0.30	**358**	**0.68**	**0.05**	**0.001**	**19.55**	**0.70**
0.35	308	0.74	0.05	0.001	21.23	0.76
0.40	283	0.77	0.06	0.001	22.17	0.80
0.50	224	0.85	0.06	0.000	24.63	0.88

Seel Resource Estimate - ID2
Total Inferred — 28-Aug-08

Cu (%) Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	38,895	0.17	0.09	0.010	2.40	0.27
0.15	18,808	0.21	0.10	0.011	3.24	0.32
0.20	**6,981**	**0.28**	**0.14**	**0.011**	**4.44**	**0.39**
0.25	**2,866**	**0.36**	**0.16**	**0.010**	**6.54**	**0.48**
0.30	**1,471**	**0.44**	**0.16**	**0.011**	**9.22**	**0.57**
0.35	814	0.54	0.16	0.010	12.60	0.66
0.40	548	0.62	0.14	0.009	15.39	0.73
0.50	262	0.81	0.09	0.002	22.52	0.86

Seel Resource Estimate - ID2 Cu/Au Zone - Indicated						25-Aug-08
CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	22,858	0.25	0.26	0.002	0.98	0.30
0.20	16,682	0.29	0.31	0.002	1.09	0.36
0.25	**13,740**	**0.32**	**0.33**	**0.002**	**1.14**	**0.39**
0.30	**10,522**	**0.35**	**0.37**	**0.002**	**1.18**	**0.42**
0.35	**7,634**	**0.38**	**0.40**	**0.001**	**1.24**	**0.46**
0.40	4,870	0.42	0.45	0.001	1.32	0.50
0.50	1,714	0.52	0.59	0.001	1.56	0.62
0.70	335	0.69	0.83	0.001	1.59	0.84

Seel Resource Estimate - ID2 Cu/Mo Zone - Indicated						25-Aug-08
CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	12,277	0.11	0.08	0.016	0.57	0.26
0.20	9,340	0.12	0.08	0.019	0.57	0.30
0.25	**6,750**	**0.13**	**0.08**	**0.021**	**0.58**	**0.32**
0.30	**3,342**	**0.15**	**0.10**	**0.025**	**0.57**	**0.37**
0.35	**1,751**	**0.15**	**0.10**	**0.029**	**0.57**	**0.42**
0.40	716	0.15	0.09	0.036	0.57	0.48
0.50	208	0.11	0.06	0.055	0.31	0.60
0.70	14	0.11	0.05	0.072	0.28	0.74

Seel Resource Estimate - ID2 Seel Breccia - Indicated						25-Aug-08
CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10						
0.20						
0.25						
0.30						
0.35						
0.40						
0.50						
0.70						

Seel Resource Estimate - ID2 Total Indicated						25-Aug-08
CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	35,135	0.20	0.20	0.007	0.84	0.29
0.20	26,022	0.23	0.23	0.008	0.90	0.34
0.25	**20,491**	**0.26**	**0.25**	**0.008**	**0.95**	**0.37**
0.30	**13,864**	**0.30**	**0.30**	**0.007**	**1.04**	**0.41**
0.35	**9,385**	**0.34**	**0.34**	**0.007**	**1.11**	**0.45**
0.40	5,586	0.39	0.41	0.006	1.22	0.50
0.50	1,922	0.47	0.53	0.007	1.42	0.62
0.70	349	0.67	0.80	0.004	1.54	0.84

Seel Resource Estimate - ID2 Cu/Au Zone - Inferred						25-Aug-08
CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	4,390	0.17	0.18	0.002	0.57	0.21
0.20	2,138	0.22	0.22	0.002	0.60	0.27
0.25	**1,088**	**0.25**	**0.25**	**0.002**	**0.59**	**0.31**
0.30	**482**	**0.29**	**0.29**	**0.003**	**0.71**	**0.36**
0.35	**189**	**0.34**	**0.33**	**0.002**	**0.90**	**0.41**
0.40	72	0.40	0.40	0.002	1.01	0.47
0.50	21	0.46	0.49	0.001	1.08	0.55
0.70	-	0.00	0.00	0.0000	0.00	

Seel Resource Estimate - ID2 Cu/Mo Zone - Inferred						25-Aug-08
CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	53,399	0.13	0.07	0.012	1.84	0.24
0.20	32,347	0.15	0.08	0.015	2.24	0.30
0.25	**21,889**	**0.17**	**0.09**	**0.017**	**2.52**	**0.33**
0.30	**12,091**	**0.18**	**0.10**	**0.020**	**2.97**	**0.38**
0.35	**5,664**	**0.21**	**0.12**	**0.024**	**3.68**	**0.44**
0.40	2,792	0.25	0.14	0.027	4.67	0.51
0.50	1,005	0.28	0.16	0.036	5.68	0.63
0.70	198	0.30	0.24	0.057	7.20	0.86

Seel Resource Estimate - ID2 Seel Breccia - Inferred						25-Aug-08
CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	644	0.46	0.04	0.001	13.49	0.48
0.20	503	0.55	0.04	0.001	15.92	0.57
0.25	**407**	**0.63**	**0.05**	**0.001**	**18.15**	**0.65**
0.30	**372**	**0.66**	**0.05**	**0.001**	**19.13**	**0.69**
0.35	**325**	**0.71**	**0.05**	**0.001**	**20.67**	**0.74**
0.40	291	0.76	0.05	0.001	21.90	0.79
0.50	233	0.84	0.06	0.000	24.28	0.87
0.70	150	0.98	0.08	0.000	28.70	1.02

Seel Resource Estimate - ID2 Total Inferred						25-Aug-08
CuEq Cut-off	Tonnes (x1000)	Cu (%)	Au (g/t)	Mo (%)	Ag (g/t)	CuEq (%)
0.10	58,433	0.13	0.07	0.011	1.87	0.24
0.20	34,988	0.16	0.09	0.014	2.34	0.30
0.25	**23,384**	**0.18**	**0.10**	**0.016**	**2.71**	**0.33**
0.30	**12,945**	**0.20**	**0.11**	**0.019**	**3.35**	**0.38**
0.35	**6,178**	**0.24**	**0.12**	**0.022**	**4.49**	**0.45**
0.40	3,154	0.30	0.14	0.024	6.17	0.53
0.50	1,259	0.39	0.15	0.029	9.04	0.67
0.70	348	0.59	0.17	0.033	16.47	0.93

Seel Resource Estimate - ID2
Cu/Au Zone - Indicated 25-Aug-08

CuEq_uc Cut-off	Tonnes (x1000)	Cu_uc (%)	Au_uc (g/t)	Mo_uc (%)	Ag_uc (g/t)	CuEq_uc (%)
0.10	22,859	0.25	0.26	0.002	1.10	0.30
0.20	16,720	0.29	0.31	0.002	1.24	0.36
0.25	**13,764**	**0.32**	**0.33**	**0.002**	**1.30**	**0.39**
0.30	**10,557**	**0.35**	**0.36**	**0.002**	**1.37**	**0.42**
0.35	**7,676**	**0.38**	**0.40**	**0.001**	**1.45**	**0.46**
0.40	4,894	0.42	0.45	0.001	1.55	0.50
0.50	1,735	0.51	0.58	0.001	1.93	0.62
0.70	339	0.69	0.82	0.001	1.83	0.84

Seel Resource Estimate - ID2
Cu/Mo Zone - Indicated 25-Aug-08

CuEq_uc Cut-off	Tonnes (x1000)	Cu_uc (%)	Au_uc (g/t)	Mo_uc (%)	Ag_uc (g/t)	CuEq_uc (%)
0.10	12,278	0.11	0.08	0.016	0.57	0.26
0.20	9,349	0.12	0.08	0.019	0.57	0.30
0.25	**6,763**	**0.13**	**0.09**	**0.021**	**0.58**	**0.32**
0.30	**3,372**	**0.15**	**0.10**	**0.025**	**0.57**	**0.37**
0.35	**1,784**	**0.15**	**0.10**	**0.029**	**0.57**	**0.42**
0.40	728	0.15	0.09	0.037	0.57	0.48
0.50	231	0.11	0.06	0.057	0.31	0.61
0.70	30	0.12	0.06	0.072	0.29	0.75

Seel Resource Estimate - ID2
Seel Breccia - Indicated 25-Aug-08

CuEq_uc Cut-off	Tonnes (x1000)	Cu_uc (%)	Au_uc (g/t)	Mo_uc (%)	Ag_uc (g/t)	CuEq_uc (%)
0.10						
0.20						
0.25						
0.30						
0.35						
0.40						
0.50						
0.70						

Seel Resource Estimate - ID2
Total Indicated 25-Aug-08

CuEq_uc Cut-off	Tonnes (x1000)	Cu_uc (%)	Au_uc (g/t)	Mo_uc (%)	Ag_uc (g/t)	CuEq_uc (%)
0.10	35,137	0.20	0.20	0.007	0.91	0.29
0.20	26,069	0.23	0.23	0.008	1.00	0.34
0.25	**20,527**	**0.26**	**0.25**	**0.008**	**1.06**	**0.37**
0.30	**13,929**	**0.30**	**0.30**	**0.007**	**1.18**	**0.41**
0.35	**9,460**	**0.34**	**0.34**	**0.007**	**1.28**	**0.45**
0.40	5,622	0.38	0.41	0.006	1.42	0.50
0.50	1,966	0.47	0.52	0.008	1.74	0.62
0.70	368	0.64	0.76	0.007	1.70	0.83

Seel Resource Estimate - ID2
Cu/Au Zone - Inferred 25-Aug-08

CuEq_uc Cut-off	Tonnes (x1000)	Cu_uc (%)	Au_uc (g/t)	Mo_uc (%)	Ag_uc (g/t)	CuEq_uc (%)
0.10	4,390	0.17	0.18	0.002	0.58	0.21
0.20	2,138	0.22	0.22	0.002	0.62	0.27
0.25	**1,089**	**0.25**	**0.25**	**0.002**	**0.62**	**0.31**
0.30	**484**	**0.29**	**0.29**	**0.003**	**0.77**	**0.36**
0.35	**190**	**0.34**	**0.33**	**0.002**	**0.93**	**0.41**
0.40	72	0.39	0.40	0.002	1.02	0.47
0.50	21	0.46	0.49	0.001	1.08	0.55
0.70	-	0.00	0.00	0.000	0.00	

Seel Resource Estimate - ID2
Cu/Mo Zone - Inferred 25-Aug-08

CuEq_uc Cut-off	Tonnes (x1000)	Cu_uc (%)	Au_uc (g/t)	Mo_uc (%)	Ag_uc (g/t)	CuEq_uc (%)
0.10	53,434	0.13	0.07	0.013	1.84	0.25
0.20	32,403	0.15	0.08	0.017	2.24	0.31
0.25	**22,178**	**0.16**	**0.09**	**0.019**	**2.50**	**0.35**
0.30	**12,912**	**0.18**	**0.11**	**0.024**	**2.84**	**0.40**
0.35	**6,692**	**0.19**	**0.13**	**0.031**	**3.24**	**0.48**
0.40	4,091	0.18	0.14	0.039	3.42	0.55
0.50	2,008	0.16	0.14	0.054	3.23	0.67
0.70	823	0.10	0.13	0.075	2.28	0.80

Seel Resource Estimate - ID2
Seel Breccia - Inferred 25-Aug-08

CuEq_uc Cut-off	Tonnes (x1000)	Cu_uc (%)	Au_uc (g/t)	Mo_uc (%)	Ag_uc (g/t)	CuEq_uc (%)
0.10	644	0.46	0.04	0.001	13.49	0.48
0.20	503	0.55	0.04	0.001	15.92	0.57
0.25	**407**	**0.63**	**0.05**	**0.001**	**18.15**	**0.65**
0.30	**372**	**0.66**	**0.05**	**0.001**	**19.13**	**0.69**
0.35	**325**	**0.71**	**0.05**	**0.001**	**20.67**	**0.74**
0.40	291	0.76	0.05	0.001	21.90	0.79
0.50	233	0.84	0.06	0.000	24.28	0.87
0.70	150	0.98	0.08	0.000	28.70	1.02

Seel Resource Estimate - ID2
Total Inferred 25-Aug-08

CuEq_uc Cut-off	Tonnes (x1000)	Cu_uc (%)	Au_uc (g/t)	Mo_uc (%)	Ag_uc (g/t)	CuEq_uc (%)
0.10	58,468	0.13	0.08	0.012	1.87	0.25
0.20	35,044	0.16	0.09	0.015	2.34	0.31
0.25	**23,673**	**0.18**	**0.10**	**0.018**	**2.69**	**0.35**
0.30	**13,767**	**0.19**	**0.11**	**0.022**	**3.20**	**0.41**
0.35	**7,206**	**0.21**	**0.13**	**0.029**	**3.97**	**0.49**
0.40	4,454	0.23	0.14	0.036	4.59	0.57
0.50	2,262	0.23	0.14	0.048	5.37	0.69
0.70	973	0.24	0.13	0.064	6.36	0.83