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Report on the 2006 Diamond Drilling Program (TD-06-03)

Wilson Lake and Latchford Diamond Project

Temagami-New Liskeard Area, Ontario

Larder Lake Mining Division, Ontario
NTS 31M/05

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1.0 Introduction

From July 17 to August 9, 2006, Temex Resources Corp. ("Temex") conducted a program to drill test for potentially diamond-bearing rock in the Temagami and New Liskeard regions of northeastern Ontario (Figure 1). All drill holes were supervised by Temex and Teck Cominco Limited ("Teck Cominco") field personnel from Temex's field office located in the community of Temagami North, Ontario. All samples collected from recovered drill core were processed by Mineral Processing Laboratory of Kennecott Canada Exploration Inc. in Thunder Bay, Ontario.

This report documents one drill hole TD-06-03, part of a drill program performed on claims subject to the Participation Agreement (the "Agreement") with Teck Cominco signed on November 30, 2005. This work was part of the $750,000 Initial Program which was funded by Teck Cominco; Temex was the operator during this phase. In accordance with the Agreement, Teck Cominco had the option, on completion of the Initial Program, to elect to earn an initial 55% interest by expending $3 million (inclusive of the initial program) over three years and an additional 10% by expending a further $3 million over the next three years for a total of $6 million. In early March 2007, Teck Cominco elected to not exercise their option to earn-in on the property. Drill holes TD-06-01 to TD-06-06 (excluding TD-06-03) were previously filed for assessment.

2.0 Property Description, Location and Access

Temex's land-holdings in northeastern Ontario cover in excess of 123,000 acres. Those claims that were subject to the Agreement with Teck Cominco included 18 property blocks for 277 claims and 102,240 acres.

The 2006 drill program occurred on claims subject to the Agreement with Teck Cominco on portions of NTS map 31M/04 and 31M/05 (see Figure 1 and 2). The claims occur in the Sudbury and Larder Lake Mining Divisions and are recorded in the name of Temex Resources Corp. (Client #303055).

The Municipality of Temagami is centred approximately 100 km north of the city of North Bay, which is in turn located 350 km north of Toronto. New Liskeard is located a further 60 km north of Temagami on the northwestern shore of Lake Timiskaming.

The region encompassing the Wilson Lake Diamond Project is accessed via Trans Canada Highway 11, the major paved highway running north from North Bay through Temagami, New Liskeard and on to the Kirkland Lake area. The individual claim blocks are, for the most part, accessed via well-established secondary gravel roads traversing east or west from Highway 11 and various logging roads and trails with walking distances to drill sites ranging from 0.5 to 4 km.

3.0 Climate, Local Resources, Infrastructure and Physiography

The climate of the property is continental in nature, with cold winters (-10°C to -35°C) and warm summers (+10°C to +40°C).

The communities of Sudbury, Timmins, Kirkland Lake and Cobalt are close to the property areas; these communities all have the equipment and trained personnel to support exploration and mining activities. The property has excellent access to all infrastructure required for mining. A major hydro line, gas pipeline and railway traverse or are close to the properties, water is abundant, and the property area spans Highway 11. The mineral rights held by Temex provide the prerogative to mine ore discovered on their properties, subject to a 400' surface rights reservation around all lakes and rivers, and a 300' surface reservation around major roads (this may be waived by the Crown).

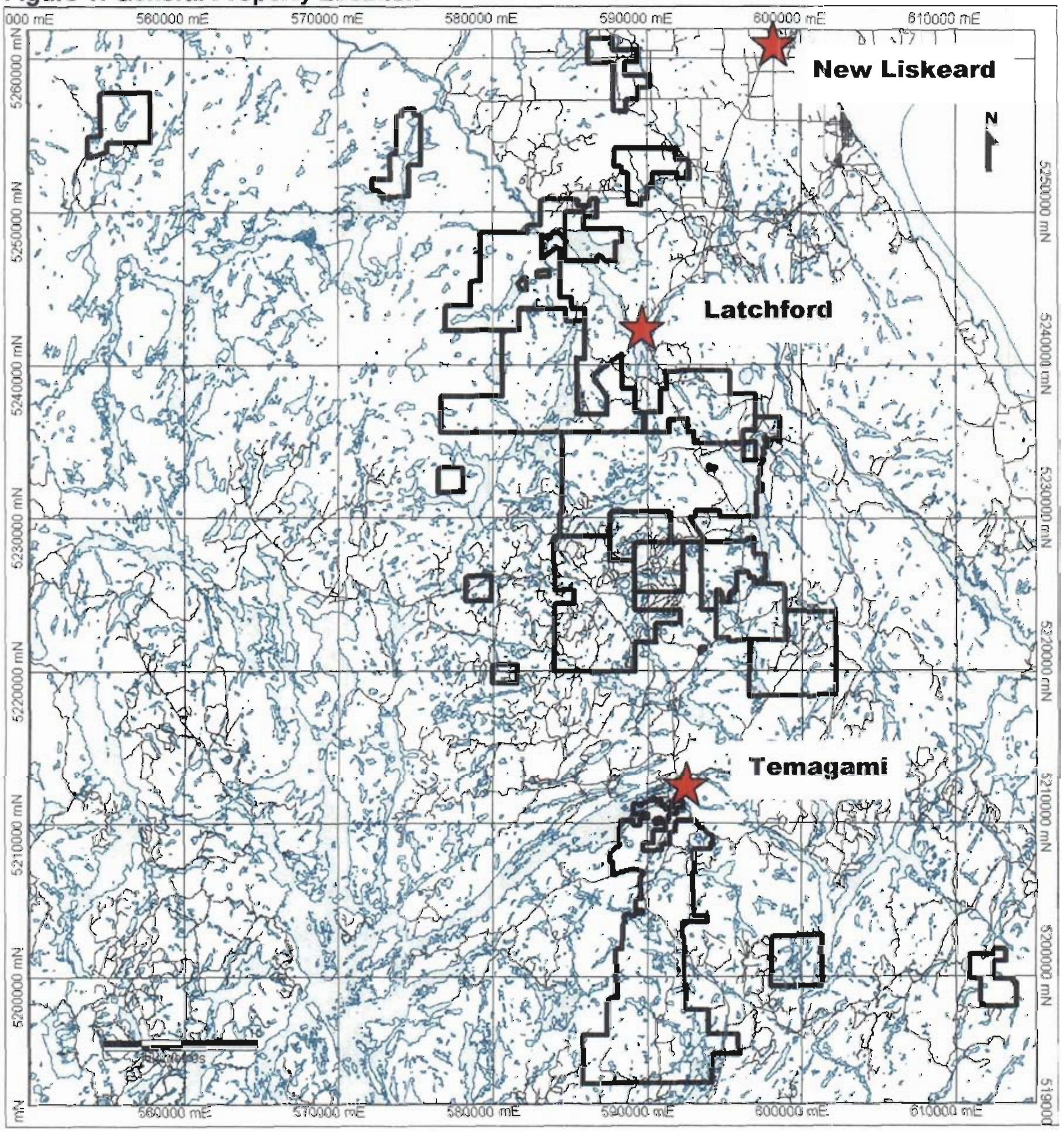
The properties have a gently rolling to locally rugged topography with maximum relief on the order of 100-200 m. Much of the region has been logged so present-day forests typically are second growth mixtures of jack pine, spruce, birch and poplar. In the Cobalt-New Liskeard area, large tracts of land have been cleared for dairy and beef cattle farms or the growth of cash crops. Gravel resources are abundant in the area as evidenced by numerous sand and gravel pits developed on glaciofluvial deposits.

4.0 Regional Geology

The Temagami-New Liskeard region occurs within and adjacent to the Cobalt Embayment of the Southern Province, which occurs at the boundary between the Superior Province to the northwest and the Grenville Province to the southeast. The Archean Superior Province, represented in this area by the Abitibi sub province, is dominated by orthogneisses and large intrusions, but also contains ultramafic to felsic volcanic and sedimentary rocks comprising so-called greenstone belts. The Grenville Province contains rocks that were complexly deformed and metamorphosed during a series of orogenic events that culminated at approximately 1.1 Ga, probably as a result of northwest-directed thrusting and imbrication (Easton, 1992). The Grenville Front Tectonic Zone (GFTZ) is accepted as the surface expression of the northwest boundary of the Grenville Province. The Southern Province in this area consists of the 2.5 to 2.2 Ga Huronian Supergroup comprised of the Elliot Lake, Hough Lake, Quirke Lake and Cobalt Groups, all of which are predominantly sedimentary packages intruded by dykes and sills of 2219 Ma Nipissing diabase (Bennett et al., 1991). The Huronian Supergroup unconformably overlies the Superior province, with windows of Superior Province greenstone belts exposed within the Cobalt Embayment and these have been proved to be high potential targets for base and precious metal exploration. Phanerozoic-aged clastic sediments are found to the north and northwest of New Liskeard in fault-bounded basins that also are the sites of thick sequences of Quaternary-aged glacial sediments.

The Elliot Lake, Hough Lake and Quirke Lake Groups are not well represented in the project area; the Cobalt Group is subdivided primarily into the Gowganda Formation, dominated by a distinctive coarse basal conglomerate and the Lorrain Formation consisting predominantly of sandstone and finely laminated highly indurated siltstone. Nipissing diabase is the term given to a voluminous suite of gabbro/diabase sills and dykes, which intrude the Huronian from Cobalt to Sault Ste Marie. Bedrock geology in the area is not critical to the emplacement of kimberlite except for near-surface control by local structures on pipe form and deep seated structures, which may have been active from the Archean to the present and controlled the emplacement of Nipissing Diabase, that form the Lake Timiskaming Graben and Phanerozoic and younger alkaline rocks.

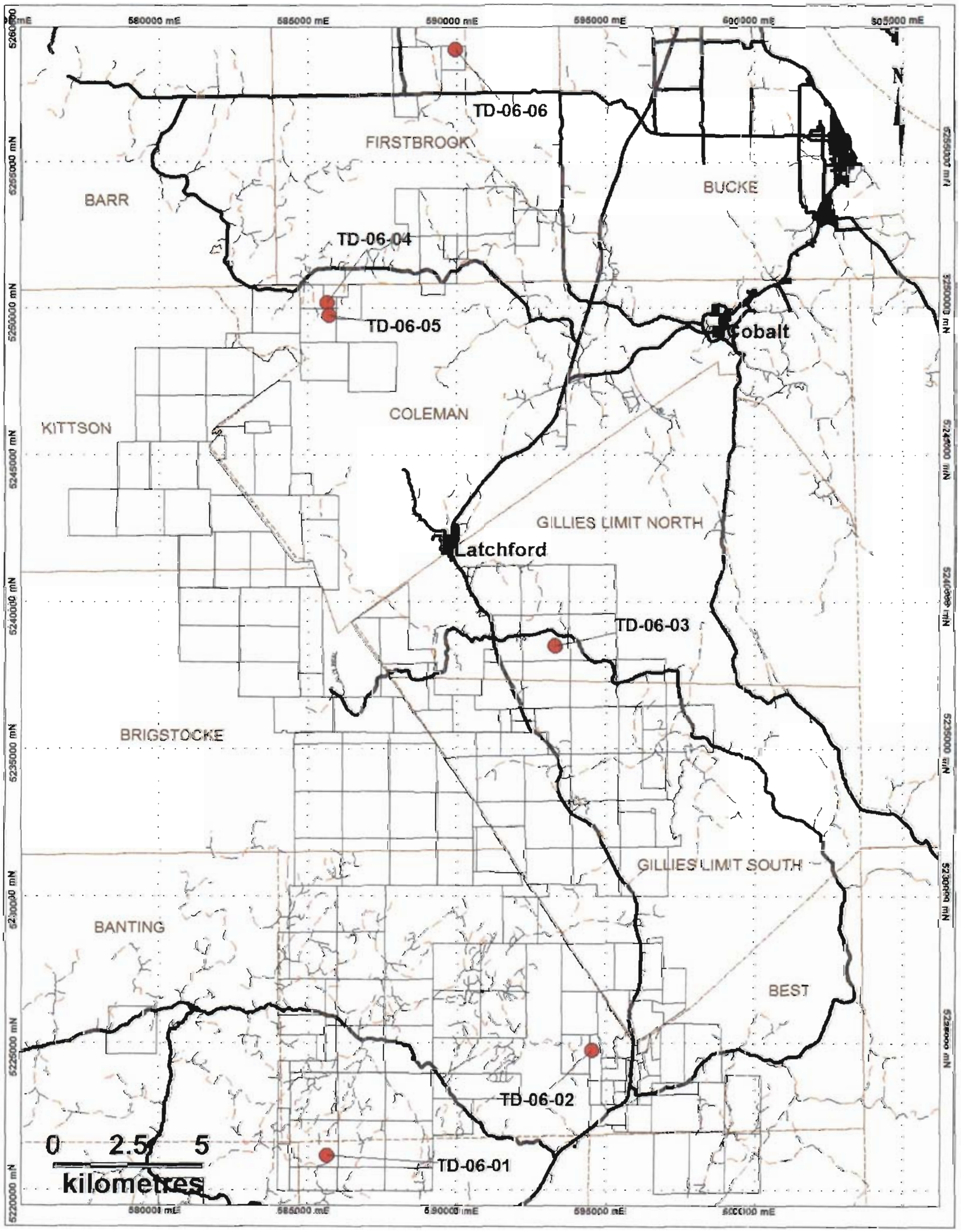
Figure 1: General Property Location



The area subject to the 2006 drill program is underlain by Archean mafic to intermediate volcanics and related volcaniclastic and epiclastic sediments, which have been intruded by late Archean granite and overlain in the eastern, central and northern parts of the area by Huronian sediments of the Gowganda and Lorrain Formations. Five ages of diabase dykes cross-cut Archean-and Proterozoic-aged rocks; Proterozoic-aged diabase sills are common throughout the area, particularly in the Cobalt-New Liskeard districts where they are spatially and temporally related to Ag-rich vein mineralization.

The rationale of searching for diamonds in the Temagami region is the diamond-bearing kimberlite pipes and dykes that have been known in the Kirkland Lake area for almost 50 years. Schulze (1996) described two main kimberlite clusters totalling 29 bodies, including 23 bodies in the Kirkland Lake area, and six bodies in the Lake Timiskaming area. Kimberlites of the Kirkland Lake cluster intrude Archean rocks, whereas the Lake Timiskaming cluster is hosted at the present erosional level largely by sedimentary rocks and diabase dykes and sills of the Huronian Supergroup. Pipe dimensions are typically 100-300 m in diameter, with the largest in the New Liskeard area being 220 x 350 m in size and measuring up to 10-12 ha on surface (e.g. Contact Diamond Corporation MR-6, KL-1 and KL-22). The Tres-Or Resources' "Lapointe" kimberlite, located ~36 km southwest of Kirkland Lake may be up to 23 ha, distinguishing it as the largest kimberlite discovered to date in Ontario.

Figure 2: General Location of Drill Holes



Preserved crater facies material (tuffs) have been found in Contact Diamond's MR-6 pipe and Tres-Or's Lapointe body. Kimberlites in the Lake Temiskaming cluster range in age from 155 to 134 Ma (Sage, 2000). The diamond potential of this region is considered to be related to the kimberlite magmas exploiting deep seated faults related to the present-day Lake Timiskaming Rift Valley (Morris and Kaszycki, 1995; Sage, 1996 and 2000). The Lake Timiskaming Rift Valley is expressed as large-scale normal movement along northwest-trending faults, including the Montreal River and Cross Lake fault systems. Nipissing diabase and gabbro intrusives likely were funnelled through conduits created by this rifting event and kimberlite magmatism is likely to have exploited these same features.

The surficial geology of the southern portion of the project area is dominated by lodgment and ablation till with significantly lesser amounts of glaciofluvial/glaciolacustrine sediments and organic deposits (Veillette, 1986), the latter occurring on the surface in narrow valleys between prominent roche moutonnée. In contrast, glaciofluvial/glaciolacustrine deposits dominate the area west, north and northwest of New Liskeard. Ice flow indicators such as striations are biased south-southeast, the last direction of ice movement during deglaciation in the late Wisconsin (23,000 to 10,000 years before present; Veillette and McClenaghan, 1996). However, surficial mapping and dispersal train studies completed over the past decade indicate that glacial ice initially flowed to the southwest, and it is postulated that this phase was the dominant ice flow direction in terms of bedrock molding and mineral dispersal (Veillette, 1989). Averill and McClenaghan (1994) agree with the theory that south-southeast flow is less influential in terms of mineral dispersal, however they suggest that dispersal in this direction is important in regions where a thin blanket of till mantles abundant outcrops and where glaciofluvial sediments such as eskers are oriented south-southeast. These conditions appear to be the case in the area investigated by Temex, so the dominant ice flow direction is likely to have been south-southeast, but the possibility of southwest movement should also be considered.

5.0 Diamond Drilling Program

From July 17 to August 9, 2006, a drill program was conducted as part of a regional investigation to test kimberlite indicator mineral ("KIM") dispersal trains and geophysical anomalies from airborne magnetometer surveying (Fugro Airborne Surveys Corp., 2006). Till sampling completed by Temex and processed under the Agreement and the Initial Program was previously reported (Jago, 2006). Data review prior to drilling created a list of 35-50 prioritized targets that were then ranked and ground truthed prior to the arrival of the drill rig. The top ten targets identified were slated for drill testing with five targets in six holes tested. As drill holes TD-06-01 to TD-06-06 (excluding TD-06-03) were previously filed for assessment, the sections below relate only to TD-06-03.

5.1 Procedures

Drilling locations are shown on Figures 2 and 3, in relation to Temex' claims. UTM coordinates (NAD 27, UTM Zone 17) of drilling locations are listed in Table 1.

Table 1: 2006 Drilling Statistics

Drill hole	UTM East	UTM North	Azimuth	Dip	Length (m)	Claim	Target
TD-06-03	593,278	5,238,498	134	-45	353	3007432	2006-13

Each drill target tested was selected from interpretation of airborne magnetic data after utilization of till sampling data for the identification of areas of interest. Drill collars were located utilizing the Garmin Handheld GPS units and checking/chaining from known topographic feature locations. Azimuth was established utilizing compass measurements and both back and fore sites.

Core boxes were individually secured with fiber tape and transported by truck to the Temex field office where core processing was executed in the secure facility. Each box of drill core was photographed for permanent record with a digital camera, core recovery calculated. Representative samples of each phase were collected during splitting (done with a manual splitter) for petrologic studies. The samples collected were split core that was bagged, weighed and placed in secured and labeled rice bags and shipped by truck to Mineral Processing Laboratory of Kennecott Canada Exploration Inc. in Thunder Bay, Ontario for microdiamond analysis. The trays containing the split half from the sampled core were sealed with screwed-on covers and metal numbered tags and stored in a locked Temex facility near the project area.

Upon removal of the drill from each site, the site was cleaned of debris and a digital photo taken. The drill collar was marked with a wooden picket placed at the collar location; the area of the drill's footing was also seeded with wild grass to aid in the reclamation process.

A general location plan, hole location plan, and drill hole log, including lithological log, sampling log and core recovery log, are presented in Appendix 1. Microdiamond analysis is included in Appendix 2.

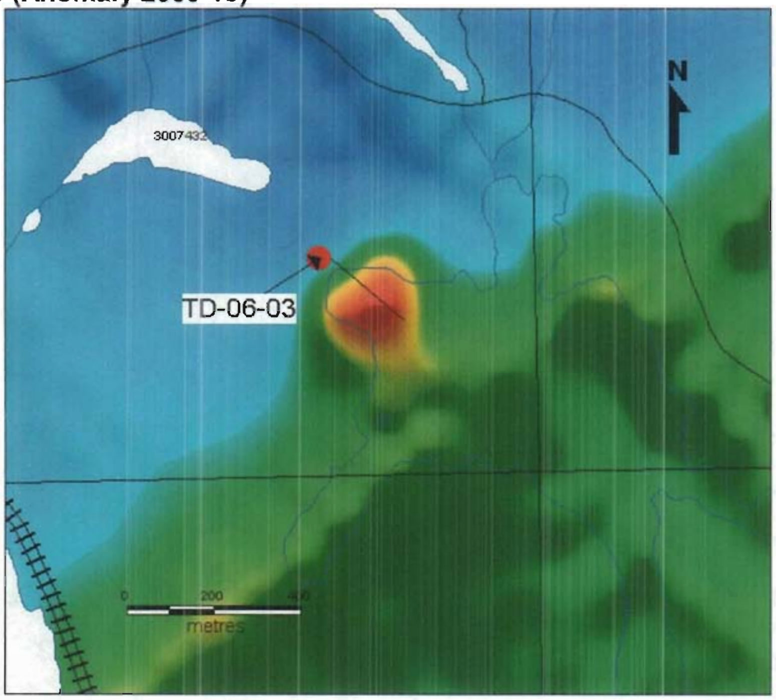
5.2 Work Performed

Six holes, totalling 947 metres were completed from July 17 to August 9, 2006. Drill hole TD-06-03 was 353 metres long (Table 1). The diamond drilling was performed by Bradley Bros. Limited of Rouyn-Noranda, Quebec and Timmins, Ontario, with the drill mobilized via tractor trailer equipment. The equipment used consisted of a tractor-pulled diamond drill equipped with NQ2 drill rods which recovered 49 mm diameter core. The drill crew, consisting of two drillers, two helpers and a foreman, were housed in a local cottage resort for the duration of the program.

5.3 Drill hole Discussion

TD-06-03 (target 2006-13, see Figure 3), the deepest hole of the drilling campaign, targeted a heart-shaped magnetic anomaly under a locally deep bay of a lake. The anomaly is slightly off-set from two dyke intersections.

Figure 3: TD-06-03 (Anomaly 2006-13)



The drill hole intersected a heterogeneous volcanic breccia with a magnetic character that was interpreted in the field to be a kimberlite-like rock. Upon completion of the drill hole, the target was named the KRVY target. The matrix of the breccia was a fine-grained pale greenish colour with both angular and rounded fragments within it (see Figure 5). No kimberlite indicator minerals beyond phlogopite (mica) were visually noted in the rock. Two intervals of kimberlite-like volcanic material were encountered in the hole (see Figure 4). Both intervals of kimberlite-like material had a magnetic signature while the metasediment (argillite) between them was magnetically quiet. Physical properties, such as magnetic susceptibility were measured from representative core samples from the drill hole (see Table 2). Detailed magnetic susceptibility readings and profiles are presented following the drill log for TD-06-03 in Appendix 1.

Figure 4: TD-06-03 Cross Section

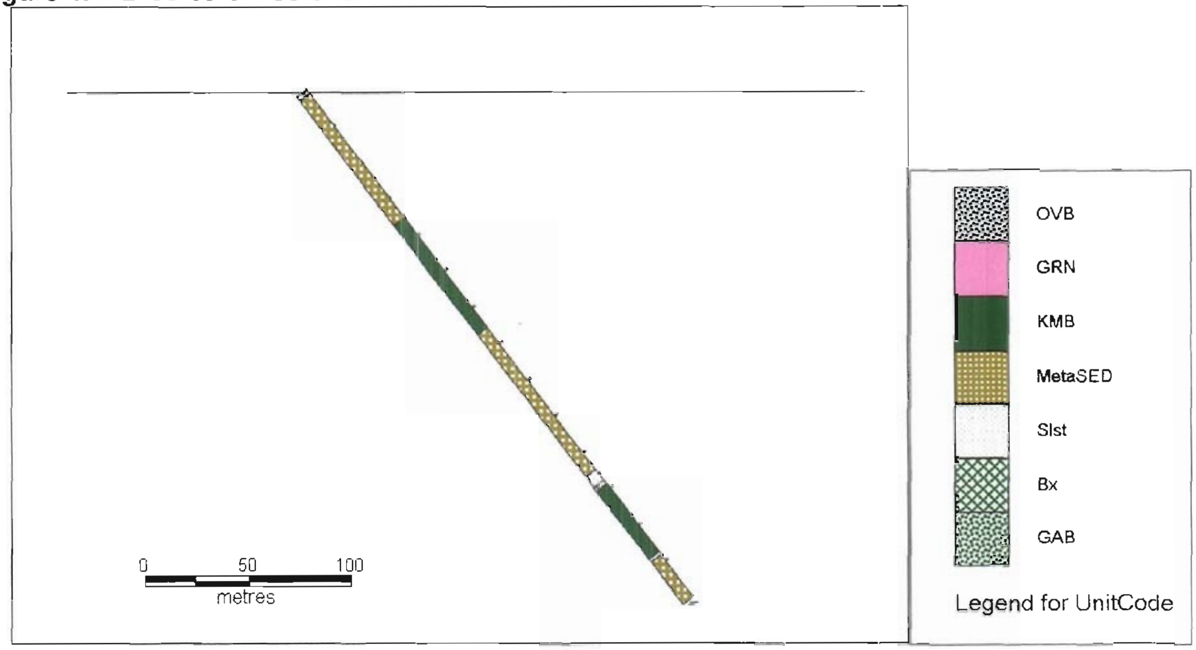


Figure 5: Nature of Kimberlite-like Intersection

Table 2: Physical Properties from Drill holes

Drill Hole	Depth (metres)	DENSITY gm/cc	SUSCEPTIBILITY *10-3 SI units	COMMENTS	CHARGEABILITY PFE %	RESISTIVITY ohm-m
TD-06-03	179.1-179.2	2.82	0.64	Argillite	1.1	6960
TD-06-03	188.8-188.9	2.87	0.74	Argillite	1.6	2782
TD-06-03	339.4-339.5	2.70	7.00	Kimberlite-like	1.3	15556

6.0 Microdiamond Analysis (MiDA)

6.1 Introduction

During the exploration and delineation stages of kimberlite examination, it is industry practice to process kimberlite via caustic fusion for microdiamond recovery in increasing sample size. Selected kimberlite-like rock/core material collected in 2006 was examined for microdiamonds via the caustic fusion process. This processing can give an indication of diamond presence but should not be interpreted as a determination of grade. Results are considered more statistically relevant in samples that are greater than 100 kgs in mass.

6.2 Procedures

Sample processing for microdiamonds from the 2006 kimberlite recovered from drill core was completed at the Mineral Processing Laboratory of Kennecott Canada Exploration Inc. in Thunder Bay, Ontario and consisted of wet chemical processes including fusion with NaOH, dissolving in KNO_3, neutralization with HCl, sieving and classifying (see Appendix 2 for detailed description and processing flow sheet). This procedure reduces individual sample segments from 10 kilograms to a concentrate of approximately 15 grams.

After samples are received at the Kennecott facility, they are logged in (recorded) and stored outdoors before processing, as samples are in zip-tied plastic bags inside sealed rice-bags weather does not impact samples. Processing commences with samples being placed into stainless steel pots with NaOH and heated for several hours in a process called Caustic Fusion. The sample material is then dissolved using KNO_3 and more heat applied. The slurry of sample and dissolved reagents is then poured through a sieve of 0.106 mm square aperture screen. Material retained on the screen is subsequently neutralized with HCl. Further sieving with a 1 mm square aperture screen results in the removal of any larger diamonds from the sample. These stones are placed in a drop safe for security reasons and described as soon as possible.

The remaining sample material moves through subsequent cycles of caustic fusion, (sometimes referred to as "burns") dissolution and neutralization until all potentially diamondiferous rock fragments are digested. The resulting resistive mineral concentrate is sent to the microscopy laboratory for observation and collection of microdiamonds when present.

6.3 Results from Samples Submitted

A total of seven samples were submitted to Kennecott in 2006. These seven samples were identified and separated out of drill hole TD-06-03 by meterage that identify visually distinct phases of kimberlitic breccia material (colour/texture etc.) (see Appendix 1 for log of TD-06-03). The seven samples were sent in two separate shipments, contained in rice bags of sample material; each rice bag can hold approximately 25 kg of rock sample. The rice bags submitted totalled nearly 285 kg of material; individual sample weights are included in Appendix 2. Table 3 details the samples submitted for caustic fusion and microdiamond analysis.

Table 3: Samples submitted for Caustic Fusion

Sample #	From (m)	To (m)	Width (m)	Weight (kg)	# of Rice Bags
TS-01	88.5	106.7	18.2	36.50	3
TS-02	106.7	131.0	25.7	57.50	4
TS-03	131.0	155.0	24.0	60.20	4
TS-04	155.0	164.1	9.1	22.10	1
TS-05	284.0	303.3	19.3	42.60	3
TS-06	269.0	284.0	15.0	33.50	3
TS-07	303.3	320.0	16.7	33.10	3

A common presentation of the microdiamonds recovered is a table with sieve sizes versus number of stones to demonstrate the distribution of microdiamonds. Table 4 shows the breakdown of the diamond recovery by sample number and sieve size. The full documentation with signed certificates from the caustic fusion processing can be found in Appendix 2 in printed form.

Table 4: Microdiamonds Recovered per Sample by Sieve Size

Sample #	+0.106 mm	+0.150 mm	Total
TS-01	0	Fragment Irregular	1
TS-02	Intact Octahedroid	Fragment Irregular	2
TS-03	0	0	0
TS-04	0	Intact Cuboid	1
TS-05	Intact Cuboid	0	1
TS-06	0	Fragment Irregular	1
TS-07	0	0	0

7.0 Conclusions and Recommendations

The 2006 drill program consisted of six drill holes totaling 947 metres. Five out of 13 priority targets were tested. The program was successful in the discovery of a diamondiferous kimberlitic breccia body at target 2006-13, subsequently named the KRVY target, which was intersected by drill hole TD-06-03.

Six micro-diamonds were recovered by caustic fusion analyses of 285.55 kilograms of fragment-rich breccia material. The largest of the recovered stones sat on the 0.150 millimetre screen and is a fragment of a transparent white diamond measuring 0.48 millimetres in one dimension; a second large stone, also recovered on the 0.150 millimetre screen, measures 0.35 millimetres in one dimension and is also a fragment of a transparent white diamond. These two diamond fragments indicate the probability that larger stones exist at KRVY. The other three micro-diamonds recovered had octahedroid and cuboid crystal shapes.

Preliminary petrographic work on the drill core from which the samples were taken indicates a body of heterolithic igneous breccia with kimberlitic affinity consistent with a peripheral or marginal phase of a kimberlitic pipe or sill-like body. The airborne geophysical anomaly remains largely unexplained and this is confirmed by geophysical modeling of the airborne data combined with detailed magnetic susceptibility measurements made on the drill core.

Additional diamond drilling is required to define the full extent of the diamondiferous KRVY target and to evaluate its economic potential. It is recommended that the KRVY target be surveyed with detailed ground magnetometer at 5-metre spaced stations and 25-metre spaced lines in order to better resolve the geophysical expression prior to drilling.

The discovery of the KRVY diamondiferous body has expanded the Timiskaming Field 20 kilometres southward and demonstrates the high discovery potential of the area and in particular the Wilson Lake and Latchford Projects.

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Statement of Qualifications

I, Karen Joanne Rees, do hereby certify that:

1. I am employed as General Manager, Exploration for Temex Resources Corp. with offices at 141 Adelaide Street West, Suite 901, Toronto, Ontario M5H 3L5. 416-862-2246 phone.

2. I attended the University of Saskatchewan and graduated in 1984 with a Bachelor of Science (Honours) degree in Geology.

3. I have worked in the mineral exploration industry since 1987.

4. I participated in the field supervision and collection of the data in this report.

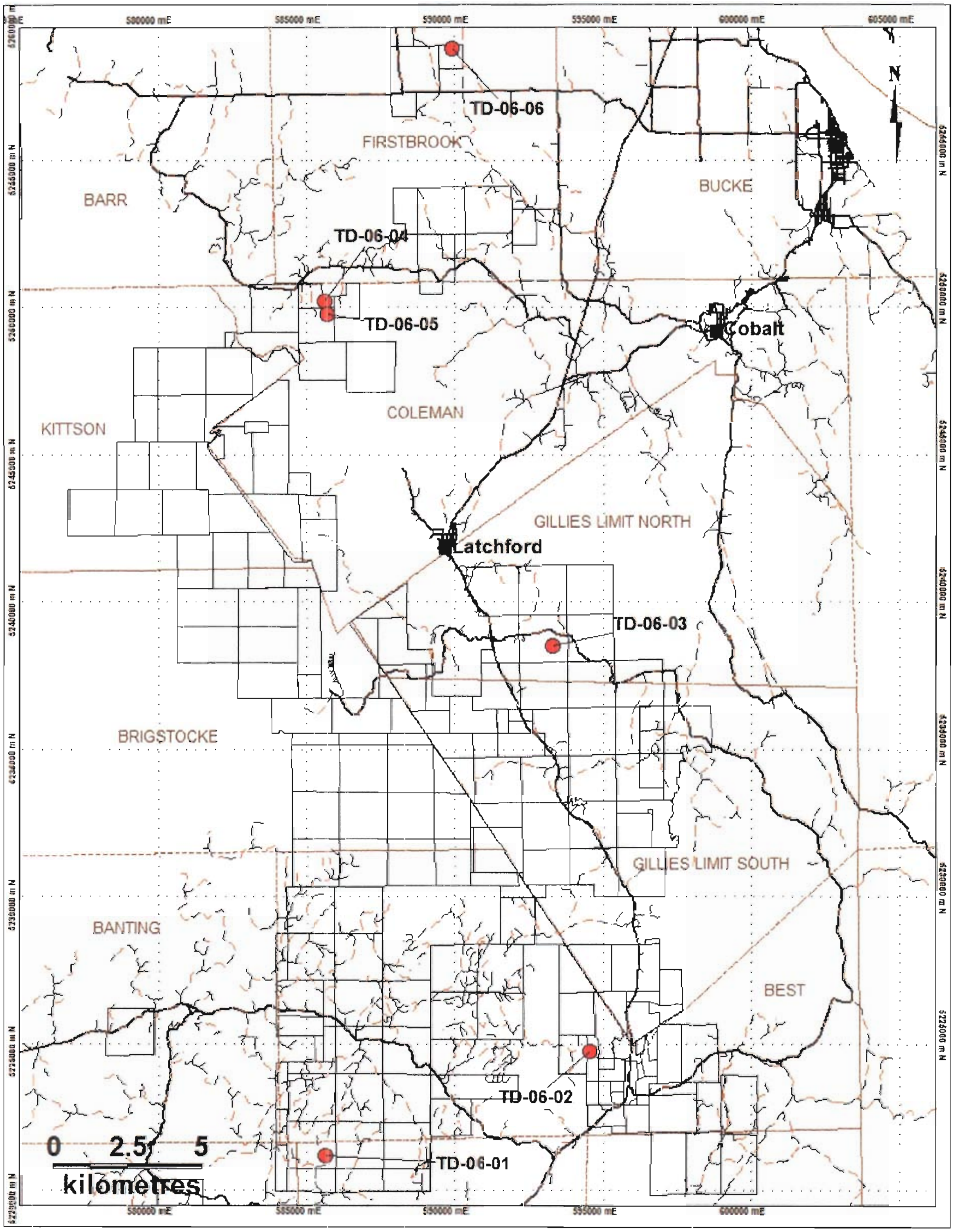
5. I am a practicing Professional Geoscientist (P. Geo.) in good standing (2002) with the Association of Professional Geologists of Ontario (APGO).

6. I am a core member of the Prospectors and Developers Association of Canada (1997).

Karen Rees, B.Sc., P. Geo.
General Manager, Exploration
Temex Resources Corp.

Appendix 1

General Location Plan, Claim Location Plan, Drill Log and Section



General Location Plan 2006 Drill Holes

Hole_ID	**TD-06-03**	**Hole_Type**	DDH	***Purpose/Comments***	
x	593278	**Survey_Type**	Acid	Hearst Lake	
y	5238498	**Drill_Type**	17A	Magnetic high occurs in bay off Hearst Lake; surrounding rocks are of non-magnetic siltstone and sandstone; boulder of igneous brecia found along SW shore of bay; Samples RB-011 (sedimentary units); RB-012 (igneous breccia boulder); visited by Richard	
z	0	**Hole_Diameter**	NQ		
Azimuth	134	**Drill_Operator**	Bradley Bros.		
Dip	-45				
Total Length	353.0				
Location	Temagami	**StartDate**	27-Jul-06		
Grid		**EndDate**	01-Aug-06		
Project	WL	**Loggedby**	VLY		
Claim	3007432	**Sampledby**	VLY & GC		
MapSheet	**031 M 05**	**Reloggedby**			

Survey Data

Depth	*Azimuth*	*Dip*
4.0	134	-45.0
80.0	134	-45.0
122.0	134	-44.0
230.0	134	-44.0
305.0	134	-42.0
350.0	134	-42.0

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From (m)	*To (m)*	*Geological Description* / *Formation Name / Unit Name*

0.0 3.0 **OVB** **Overburden**

Unrecovered

3.0 81.0 **Arg** **Argillite**

Argillite -- green siltstone and reddish sandstone all silicified. Competent core. Minor reddish (hematization) stain in fractures and seams. No sulphides visible.

47.8 74.0

More fractured and broken into 20 cm intervals (at best) with light-med green clay seams and partings.

81.0 88.5 **Slst** **Siltstone**

Red and green siltstone (argillaceous) badly broken.

80.0 88.5

Rubble, material loss, upper contact with kimberlite breccia

88.5 164.1 **KMB** **Kimberlite**

Volcanic Breccia / Brecciated Kimberlite. The matrix is the kimberlitic portion of the bodies and contains heterolithic fragments and the body varies from fragment supported to matrix supported and back again. Fragments are ~ 1-3 cm and up to 10 cm both angular (sharp) and rounded. There are corroded fragments -- appear rusted out, possibly mantle nodules? With iron leaching from olivine? Rounded fragments apper to be double rimmed (again a rusty red colour) and some may be "jacketed" autoliths of kimberlite. Rare ilmenite or magnetite in the matrix but otherwise no KIMs. Matrix is very fine grained light green with some (up to 1 cm) phlogopite mica and serpentinized "microbits"; the matrix is magnetic. Irregular white carbonate veining with rare calcite crystals sealing fractures (up to 3 cm wide). One would expect the brecciation to decrease toward the centre of the magnetic anomaly -- the heart of this pipe. Suggesting a contact breccia or perhaps the top portion of a diatreme facies of a pipe. A crater facies would likely appear more tuffaceous.

Lab #	*FROM*	*TO*	*INT. (m)*
TS-01	88.50	106.70	18.20
TS-02	106.70	131.00	25.70
TS-03	131.00	155.00	24.00
TS-04	155.00	164.10	9.10

88.5 105.0

Rock (core) is broken into 10-20 cm pieces; fragment/clast supported with fragments that can be plucked out.

105.0 125.0

Rock (core) is more competent; more matrix supported -- fragments are up to 5cm smaller than first interval.

125.0 164.1

Darker matrix with reddish (hematization or corrosion of Fe), with medium brown/ochre sandy bottom contact to KMB unit.

163.5 164.1

Sandy ochre/brown bottom contact

164.1 262.0 **Arg** **Argillite**

Green/Black fine grained to medium grained argillite. Non-magnetic at 185 m and down the interval the unit is more fractured with carbonate seal.

185.0 263.0

more fractured with carbonated seams between remnant bedding surfaces

179.1 179.2

Rep Sample for Physical Properties

164.1 187.5 Argillite

uniform medium green (siltstone)

187.5 215.3 Argillite

more of a sandstone (or arkose?) with white carbonate partings and veinlets. Non-magnetic, remains medium green.

215.3 215.6 Rubble

Fracture or fault not really gouge but some clay in tiny sub-rounded pieces

215.6 262.0 Argillite

Medium to dark green argillite with granitoid pieces & quartz "clots" -- appears similar to the basal conglomerate as seen on Highway 11. Some irregular carbonate partings. Non magnetic

262.0 269.0 **Slst** **Siltstone**

Red mud/siltstone with granite pieces -- again looks similar to basal conglomerate save for the red. The bottom of the interval is greenish and the alteration is suggestive of redox beds. This is the contact with the bottom kimberlite.

269.0 272.0 **VBX** **Volcanic Breccia**

Reddish Volcanic Breccia similar to the kimberlite as seen higher up the hole. Matrix supported (>75%) magnetic. Smaller fragments that previous, no 10+ cm; heterolithics (no granite pieces though); fragments are both angular and rounded.

Lab #	FROM		INT. (m)
TS-06	269.00	284.00	0.00

272.0 318.8 **KMB** **Kimberlite**

Volcanic Breccia -- Kimberlite. Matrix supported, dark green to black; heterolithic - both angular and rounded - up to 10 cm; some layered/bedded clasts. Magnetic. No KIM's observed. Unit and fragments within are heavily corroded and eaten away in several places -- suggestive of a hypabyssal facies.

Lab #	FROM		INT. (m)
TS-05	284.00	303.30	19.30
TS-07	303.00	320.00	0.00

277.0 283.0

black finely crystalline

283.0 288.0

dk green matrix, highly magnetic

290.0 290.4

Sandy interval ochre/dk green

291.8 292.7

Entirely sandy rubble. Material loss of core.

292.7 296.0

Black Matrix, fragment abundance increased but still matrix supported

296.0 299.4

Green equivalent of previous; magnetic still

299.4 318.8

Back to the mixed green/black matrix

298.9 299.0

Rep Sample

316.9 317.0

Rep Sample

318.8 321.0 **Slst** **Siltstone**

Red mud/siltstone with green argillite segments lower contact of the 2nd kimberlite interval.

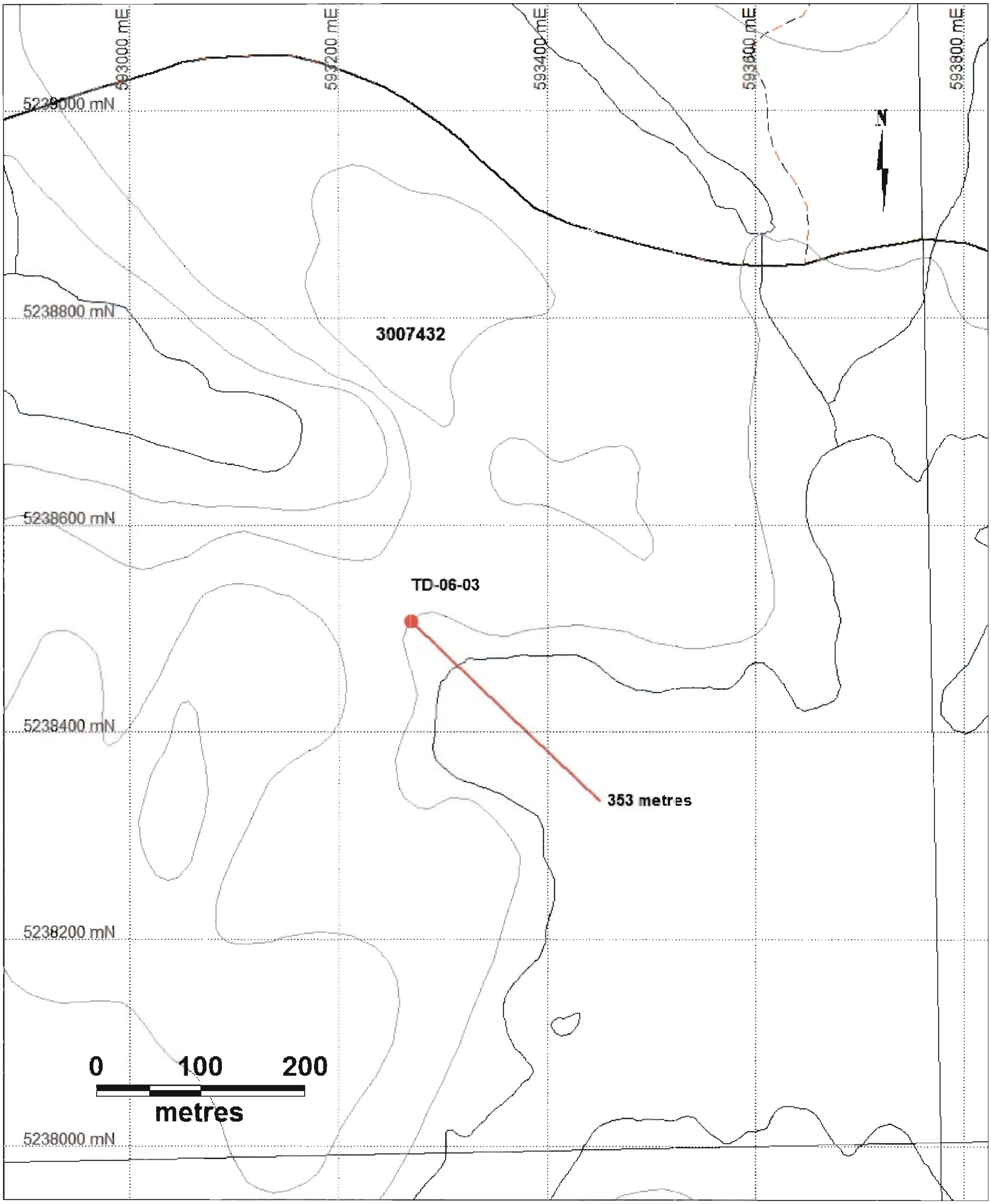
321.0 353.0 **Arg** **Argillite**

Green argillite with granite clasts -- non-magnetic. Basal Conglomerate? (again). Very broken.

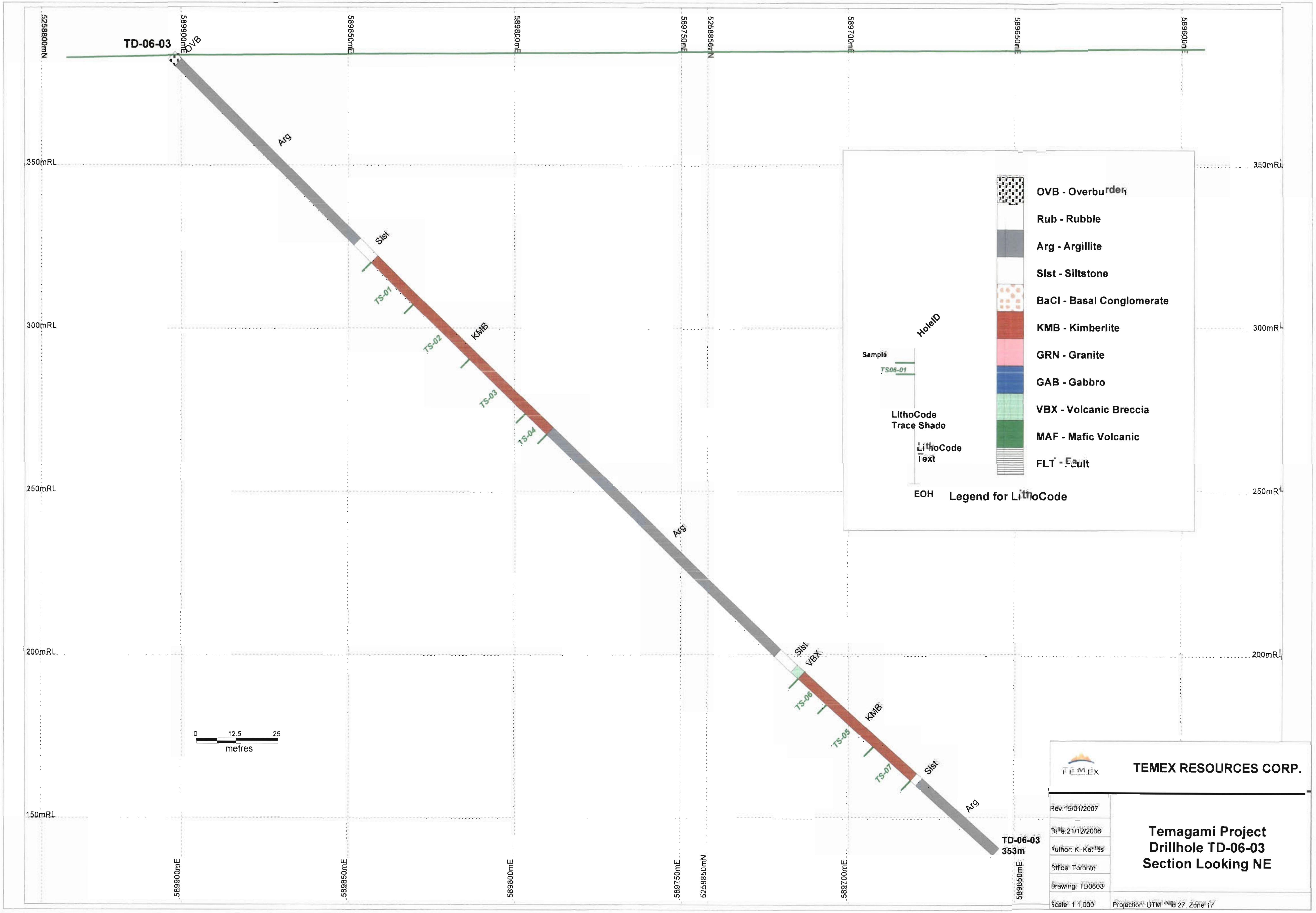
339.4 339.5

Rep Sample for Physical Properties

From (m)	T[redacted]	Geological Description Formation Name / Unit Name		Lab #	FROM	[redacted]	INT. (m)
353.0	0.0	**EOH**	**End of Hole**				



TD-06-03: Claim Location Plan with roads, lakes, wetlands, 10 metre topo contours
Scale 1 cm = 50 m


TD-06-03
OVB
Arg
Slst
TS-01
TS-02
KMB
TS-03
TS-04
Arg
Slst
VBX
TS-06
KMB
TS-05
TS-07
Slst
Arg
TD-06-03
353m
5258800mN
589900mE
589850mE
589800mE
589750mE
5258850mN
589700mE
589650mE
589600mE
350mRL
300mRL
250mRL
200mRL
150mRL
0
12.5
25
metres
OVB - Overburden
Rub - Rubble
Arg - Argillite
Slst - Siltstone
BaCl - Basal Conglomerate
KMB - Kimberlite
GRN - Granite
GAB - Gabbro
VBX - Volcanic Breccia
MAF - Mafic Volcanic
FLT - Fault
HoleID
Sample
TS06-01
LithoCode
Trace Shade
LithoCode
Text
EOH
Legend for LithoCode
TEMEX RESOURCES CORP.
Rev. 15/01/2007
Date: 21/12/2006
Author: K. Kerris
Office: Toronto
Drawing: TD0603
Scale: 1:1,000
Temagami Project
Drillhole TD-06-03
Section Looking NE
Projection: UTM Nad 27, Zone 17

TD06-03 Magnetic Susceptibility Readings

Depth (m)	Reading	Depth (m)	Reading	Depth (m)	Reading
0.0	Overburden	31.0	0.10	62.0	0.16
0.5	Overburden	31.5	0.09	62.5	0.20
1.0	Overburden	32.0	0.03	63.0	0.25
1.5	Overburden	32.5	0.03	63.5	0.21
2.0	Overburden	33.0	0.09	64.0	0.21
2.5	Overburden	33.5	0.09	64.5	0.34
3.0	0.00	34.0	0.12	65.0	0.16
3.5	0.00	34.5	0.12	65.5	0.20
4.0	-0.01	35.0	0.03	66.0	0.20
4.5	0.00	35.5	0.07	66.5	0.16
5.0	-0.01	36.0	0.03	67.0	0.21
5.5	0.14	36.5	0.03	67.5	0.23
6.0	9.00	37.0	0.12	68.0	0.21
6.5	0.01	37.5	0.12	68.5	0.20
7.0	-0.01	38.0	0.09	69.0	0.25
7.5	0.00	38.5	0.07	69.5	0.21
8.0	0.00	39.0	0.16	70.0	0.21
8.5	0.00	39.5	0.07	70.5	0.21
9.0	-0.01	40.0	0.07	71.0	0.21
9.5	0.03	40.5	0.05	71.5	0.21
10.0	0.14	41.0	0.12	72.0	0.23
10.5	0.03	41.5	0.05	72.5	0.27
11.0	0.00	42.0	0.09	73.0	0.31
11.5	0.00	42.5	0.10	73.5	0.25
12.0	0.03	43.0	0.07	74.0	0.25
12.5	0.07	43.5	0.12	74.5	0.21
13.0	0.05	44.0	0.10	75.0	0.34
13.5	0.09	44.5	0.18	75.5	0.31
14.0	0.07	45.0	0.14	76.0	0.27
14.5	0.05	45.5	0.16	76.5	0.31
15.0	0.10	46.0	0.20	77.0	0.23
15.5	0.03	46.5	0.09	77.5	0.21
16.0	0.10	47.0	0.16	78.0	0.47
16.5	0.10	47.5	0.21	78.5	0.31
17.0	0.07	48.0	0.10	79.0	0.25
17.5	0.07	48.5	0.07	79.5	0.49
18.0	0.09	49.0	0.10	80.0	0.36
18.5	0.01	49.5	0.10	80.5	0.27
19.0	0.07	50.0	0.14	81.0	0.20
19.5	0.16	50.5	0.21	81.5	0.29
20.0	0.03	51.0	0.25	82.0	0.25
20.5	0.16	51.5	0.27	82.5	0.25
21.0	0.07	52.0	0.21	83.0	0.27
21.5	0.16	52.5	0.25	83.5	0.23
22.0	0.14	53.0	0.23	84.0	2.56
22.5	0.05	53.5	0.25	84.5	2.01
23.0	0.07	54.0	0.23	85.0	0.38
23.5	0.01	54.5	0.23	85.5	0.29
24.0	0.05	55.0	0.27	86.0	4.39
24.5	0.21	55.5	0.73	86.5	8.67
25.0	0.20	56.0	0.18	87.0	0.23
25.5	0.12	56.5	0.20	87.5	3.55
26.0	0.12	57.0	0.27	88.0	0.62
26.5	0.01	57.5	0.23	88.5	3.49
27.0	0.00	58.0	0.21	89.0	3.55
27.5	0.01	58.5	0.36	89.5	6.71
28.0	0.05	59.0	0.31	90.0	7.55
28.5	0.07	59.5	0.14	90.5	3.12
29.0	0.12	60.0	0.21	91.0	2.48
29.5	0.12	60.5	0.16	91.5	1.28
30.0	0.07	61.0	0.16	92.0	0.51
30.5	0.01	61.5	0.21	92.5	4.09

Depth (m)	Reading	Depth (m)	Reading	Depth (m)	Reading
93.0	3.75	125.0	2.72	157.0	1.24
93.5	4.68	125.5	4.04	157.5	8.78
94.0	2.70	126.0	9.71	158.0	1.44
94.5	0.64	126.5	2.65	158.5	1.40
95.0	0.38	127.0	2.39	159.0	1.07
95.5	0.25	127.5	1.18	159.5	0.71
96.0	0.25	128.0	3.05	160.0	0.31
96.5	4.08	128.5	2.79	160.5	0.29
97.0	3.45	129.0	3.95	161.0	0.49
97.5	3.09	129.5	1.97	161.5	0.21
98.0	2.54	130.0	1.26	162.0	0.09
98.5	1.44	130.5	2.85	162.5	0.29
99.0	0.76	131.0	2.96	163.0	0.14
99.5	1.20	131.5	4.17	163.5	0.29
100.0	4.70	132.0	4.84	164.0	5.05
100.5	3.14	132.5	3.89	164.5	0.27
101.0	2.70	133.0	0.95	165.0	0.36
101.5	3.09	133.5	0.51	165.5	0.25
102.0	2.70	134.0	2.08	166.0	0.16
102.5	7.57	134.5	missing	166.5	0.29
103.0	1.93	135.0	missing	167.0	0.23
103.5	3.78	135.5	missing	167.5	0.27
104.0	7.21	136.0	0.98	168.0	0.25
104.5	4.99	136.5	2.30	168.5	0.21
105.0	8.78	137.0	3.25	169.0	0.31
105.5	4.42	137.5	2.39	169.5	0.27
106.0	3.60	138.0	1.73	170.0	0.23
106.5	3.87	138.5	4.81	170.5	0.27
107.0	2.87	139.0	1.79	171.0	0.25
107.5	3.20	139.5	0.82	171.5	0.23
108.0	7.59	140.0	0.34	172.0	0.21
108.5	4.13	140.5	1.02	172.5	0.23
109.0	4.86	141.0	2.06	173.0	0.20
109.5	9.42	141.5	2.06	173.5	0.23
110.0	2.26	142.0	22.30	174.0	0.25
110.5	6.78	142.5	2.59	174.5	0.25
111.0	3.97	143.0	3.78	175.0	0.27
111.5	0.82	143.5	1.51	175.5	0.27
112.0	4.32	144.0	2.36	176.0	0.21
112.5	1.73	144.5	1.44	176.5	0.23
113.0	14.20	145.0	2.15	177.0	0.27
113.5	5.43	145.5	0.96	177.5	0.18
114.0	4.37	146.0	2.01	178.0	0.21
114.5	6.05	146.5	0.80	178.5	0.23
115.0	6.69	147.0	3.27	179.0	0.42
115.5	5.28	147.5	1.72	179.5	0.29
116.0	1.84	148.0	2.79	180.0	0.25
116.5	9.36	148.5	1.31	180.5	0.34
117.0	8.54	149.0	3.23	181.0	0.29
117.5	9.24	149.5	2.32	181.5	0.20
118.0	5.67	150.0	0.49	182.0	0.20
118.5	5.47	150.5	4.53	182.5	0.36
119.0	11.30	151.0	3.80	183.0	0.27
119.5	6.99	151.5	2.48	183.5	0.25
120.0	2.92	152.0	1.20	184.0	0.27
120.5	63.70	152.5	1.90	184.5	0.34
121.0	3.98	153.0	2.30	185.0	0.21
121.5	1.44	153.5	0.56	185.5	0.31
122.0	1.86	154.0	1.61	186.0	0.34
122.5	3.60	154.5	4.70	186.5	0.31
123.0	2.17	155.0	0.16	187.0	0.32
123.5	3.51	155.5	1.92	187.5	0.36
124.0	2.06	156.0	2.76	188.0	0.32
124.5	5.75	156.5	2.90	188.5	0.32

Depth (m)	Reading	Depth (m)	Reading	Depth (m)	Reading
189.0	0.36	221.0	0.12	253.0	0.16
189.5	0.34	221.5	0.12	253.5	0.21
190.0	0.42	222.0	0.12	254.0	0.32
190.5	0.32	222.5	0.10	254.5	0.64
191.0	0.42	223.0	0.10	255.0	0.69
191.5	0.42	223.5	0.18	255.5	0.60
192.0	0.40	224.0	0.10	256.0	0.86
192.5	0.36	224.5	0.14	256.5	0.95
193.0	0.32	225.0	0.14	257.0	0.98
193.5	0.31	225.5	0.14	257.5	0.49
194.0	0.32	226.0	0.14	258.0	1.13
194.5	0.25	226.5	0.16	258.5	1.04
195.0	0.32	227.0	0.14	259.0	0.58
195.5	0.29	227.5	0.12	259.5	1.13
196.0	0.38	228.0	0.18	260.0	0.12
196.5	0.31	228.5	0.18	260.5	0.95
197.0	0.31	229.0	0.20	261.0	1.70
197.5	0.29	229.5	0.18	261.5	0.42
198.0	0.29	230.0	0.14	262.0	0.27
198.5	0.29	230.5	0.18	262.5	0.20
199.0	0.29	231.0	12.00	263.0	0.21
199.5	0.42	231.5	0.12	263.5	0.21
200.0	0.36	232.0	0.14	264.0	0.29
200.5	0.38	232.5	0.10	264.5	0.31
201.0	0.38	233.0	0.14	265.0	0.25
201.5	0.36	233.5	0.16	265.5	0.14
202.0	0.34	234.0	0.16	266.0	0.32
202.5	0.34	234.5	0.16	266.5	0.34
203.0	0.40	235.0	0.16	267.0	0.38
203.5	0.43	235.5	0.16	267.5	0.60
204.0	0.43	236.0	0.18	268.0	1.51
204.5	0.38	236.5	0.20	268.5	1.53
205.0	0.45	237.0	0.18	269.0	1.99
205.5	0.36	237.5	0.20	269.5	38.70
206.0	0.38	238.0	0.23	270.0	43.30
206.5	0.31	238.5	0.20	270.5	35.00
207.0	0.36	239.0	0.20	271.0	53.50
207.5	0.40	239.5	0.18	271.5	23.10
208.0	0.42	240.0	0.20	272.0	27.70
208.5	0.38	240.5	0.21	272.5	7.02
209.0	0.40	241.0	0.20	273.0	50.70
209.5	0.40	241.5	0.20	273.5	42.80
210.0	0.29	242.0	0.18	274.0	5.09
210.5	0.42	242.5	0.20	274.5	49.20
211.0	0.43	243.0	0.20	275.0	34.00
211.5	0.64	243.5	0.18	275.5	50.90
212.0	1.13	244.0	0.21	276.0	9.49
212.5	0.43	244.5	0.21	276.5	55.10
213.0	0.34	245.0	0.45	277.0	3.55
213.5	0.40	245.5	0.34	277.5	22.40
214.0	0.34	246.0	0.31	278.0	48.10
214.5	0.40	246.5	1.00	278.5	40.70
215.0	0.31	247.0	0.87	279.0	52.50
215.5	0.05	247.5	0.75	279.5	30.80
216.0	0.14	248.0	0.43	280.0	47.20
216.5	0.12	248.5	0.32	280.5	58.10
217.0	0.09	249.0	0.23	281.0	48.60
217.5	0.12	249.5	0.32	281.5	67.70
218.0	0.12	250.0	0.96	282.0	66.80
218.5	0.10	250.5	0.21	282.5	27.90
219.0	0.10	251.0	0.82	283.0	34.90
219.5	0.12	251.5	0.14	283.5	2.58
220.0	0.14	252.0	0.20	284.0	37.90
220.5	0.12	252.5	0.21	284.5	30.60

Depth (m)	Reading	Depth (m)	Reading	Depth (m)	Reading
285.0	28.30	317.0	45.90	349.0	1.33
285.5	22.50	317.5	42.50	349.5	3.09
286.0	16.80	318.0	33.80	350.0	1.75
286.5	18.40	318.5	28.70	350.5	2.28
287.0	14.90	319.0	0.49	351.0	1.26
287.5	6.11	319.5	5.36	351.5	2.89
288.0	1.27	320.0	1.20	352.0	2.74
288.5	14.90	320.5	0.12	352.5	3.18
289.0	37.00	321.0	0.20	353.0	3.27
289.5	7.94	321.5	0.31		
290.0	20.30	322.0	0.69		
290.5	19.50	322.5	0.43		
291.0	30.00	323.0	0.65		
291.5	10.60	323.5	0.91		
292.0	16.90	324.0	0.78		
292.5	12.90	324.5	0.98		
293.0	15.40	325.0	0.20		
293.5	20.00	325.5	0.16		
294.0	19.60	326.0	0.32		
294.5	24.20	326.5	0.23		
295.0	22.70	327.0	0.23		
295.5	14.60	327.5	0.54		
296.0	20.80	328.0	0.12		
296.5	20.50	328.5	0.14		
297.0	23.70	329.0	0.18		
297.5	26.80	329.5	0.14		
298.0	9.57	330.0	0.18		
298.5	12.00	330.5	0.09		
299.0	11.40	331.0	0.14		
299.5	19.60	331.5	1.07		
300.0	25.30	332.0	0.12		
300.5	10.00	332.5	5.25		
301.0	19.50	333.0	0.16		
301.5	11.40	333.5	0.12		
302.0	18.20	334.0	0.21		
302.5	16.00	334.5	0.12		
303.0	22.30	335.0	0.16		
303.5	26.60	335.5	0.09		
304.0	27.70	336.0	0.18		
304.5	34.30	336.5	0.20		
305.0	18.50	337.0	0.71		
305.5	6.49	337.5	0.21		
306.0	16.40	338.0	0.05		
306.5	3.48	338.5	0.54		
307.0	30.70	339.0	0.29		
307.5	22.80	339.5	4.28		
308.0	6.07	340.0	0.36		
308.5	43.10	340.5	0.25		
309.0	39.00	341.0	0.60		
309.5	43.10	341.5	1.61		
310.0	51.00	342.0	2.83		
310.5	44.70	342.5	0.32		
311.0	31.60	343.0	3.62		
311.5	28.70	343.5	1.29		
312.0	19.20	344.0	1.51		
312.5	53.30	344.5	1.51		
313.0	39.80	345.0	3.09		
313.5	39.70	345.5	0.36		
314.0	45.20	346.0	0.49		
314.5	19.00	346.5	0.38		
315.0	46.20	347.0	0.38		
315.5	52.00	347.5	1.90		
316.0	49.30	348.0	3.89		
316.5	36.70	348.5	2.34		

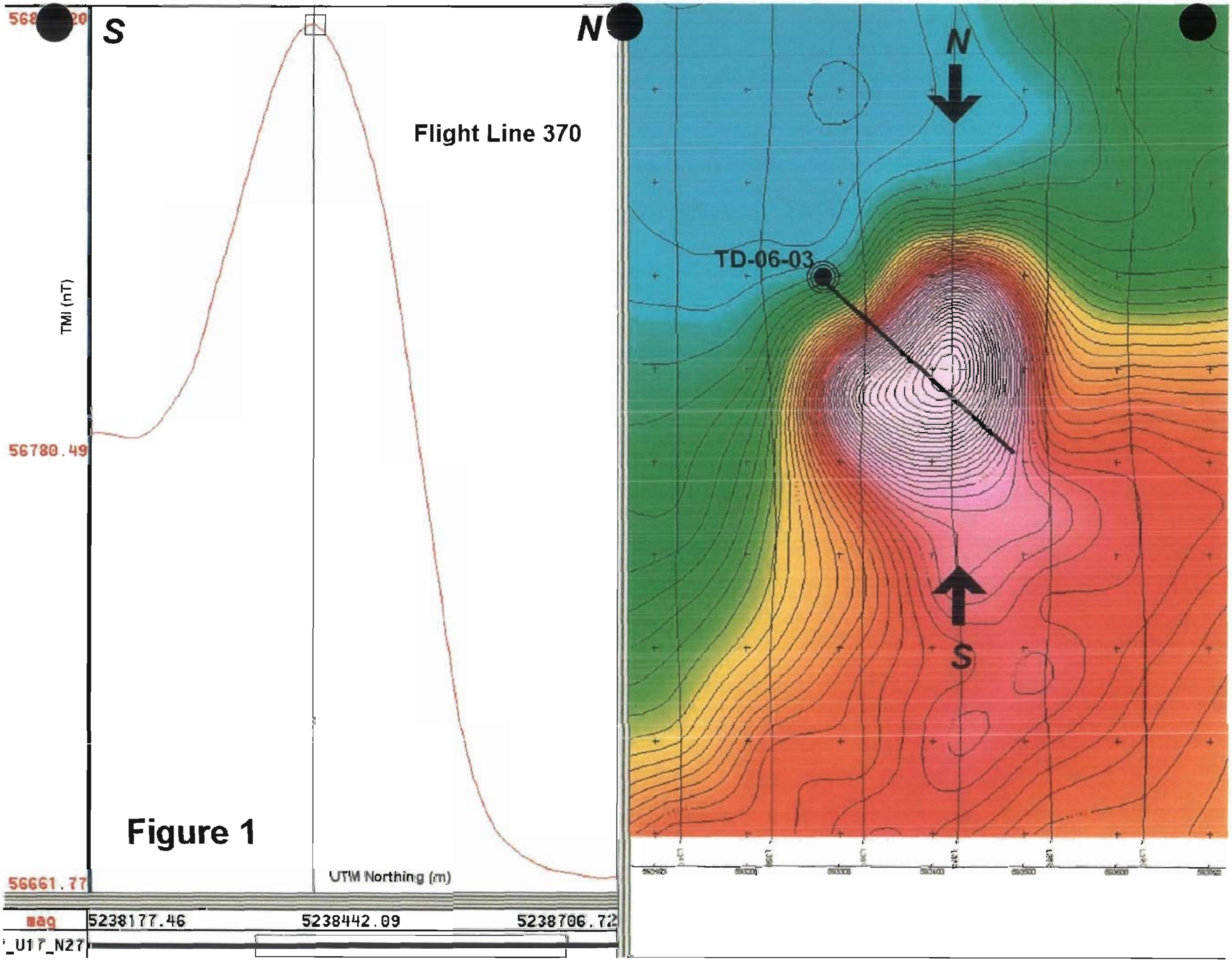
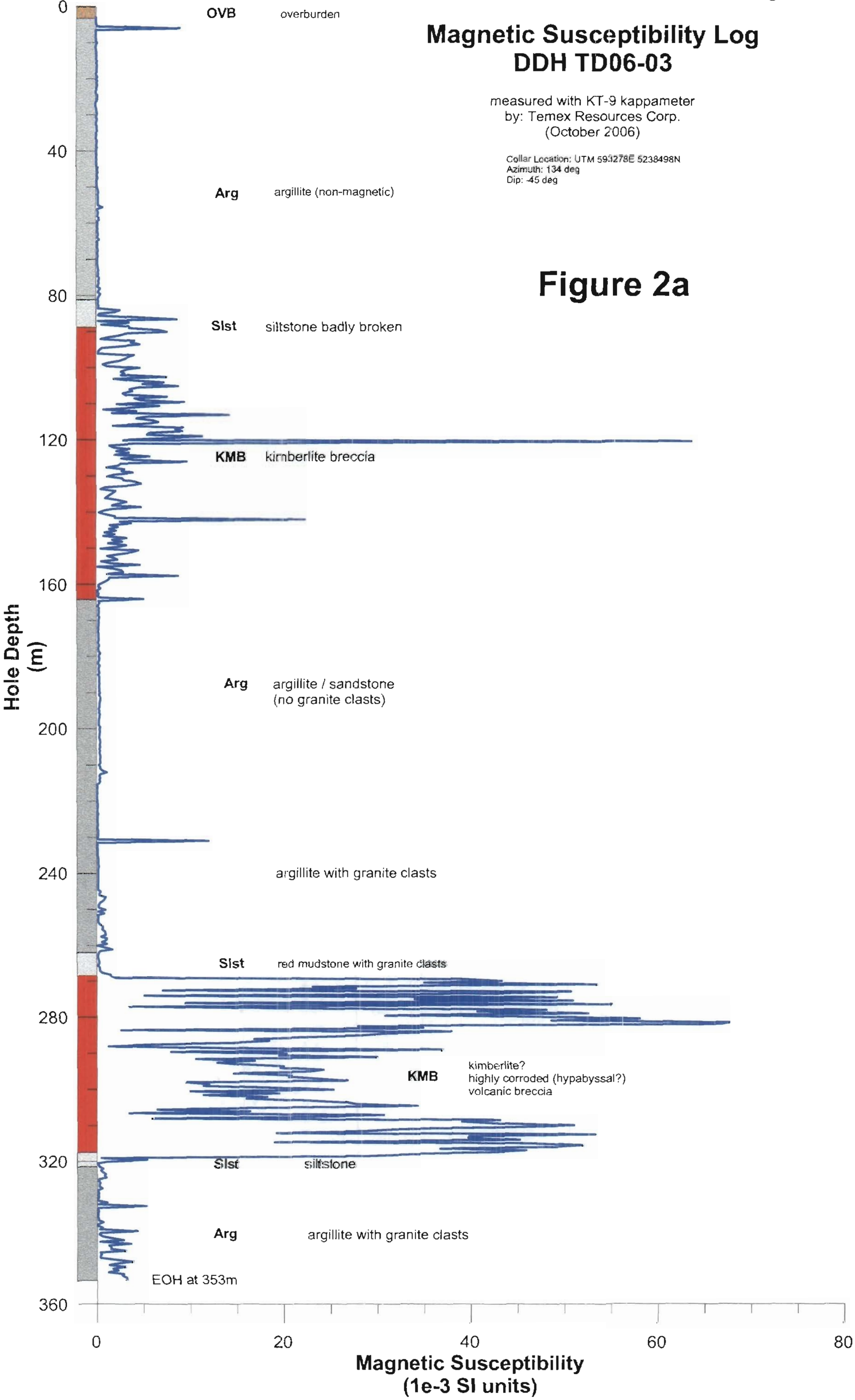
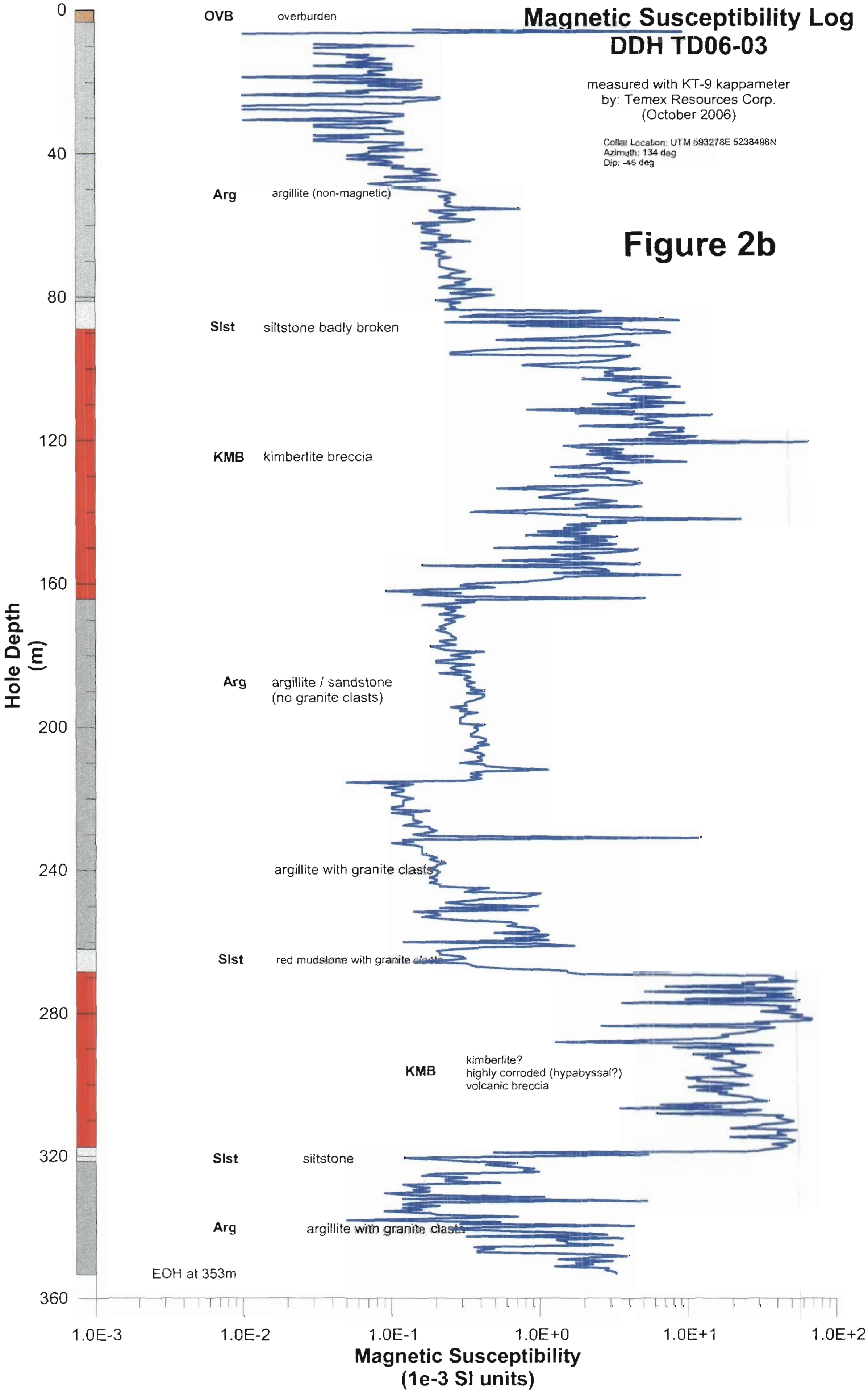

S
N
Flight Line 370
TMI (nT)
56780.49
56661.77
UTM Northing (m)
mag
5238177.46
5238442.09
5238706.72
N
TD-06-03
S

Figure 1

Wilson Lake Diamond Project



Wilson Lake Diamond Project



Appendix 2

Microdiamond Analysis Test Reports
Mineral Processing Laboratory
Kennecott Canada Exploration Inc.

KENNECOTT CANADA EXPLORATION INC.

MICRODIAMOND ANALYSIS
TEST REPORT
06MD022
Temex Corporation

For: Temex Corporation

Mauricio Coutinho
Laboratory Manager

November 22, 2006

Accredited to ISO/IEC 17025 for specific registered tests.

Mineral Processing Laboratory

1300 West Walsh St. Thunder Bay, Ontario, Canada P7E 4X4

Telephone (807) 473-5558 Facsimile (807) 473-5660

This report refers to samples processed as-received.

KENNECOTT CANADA EXPLORATION INC.
Mineral Processing Laboratory
1300 West Walsh Street, Thunder Bay, Ontario, Canada P7E 4X4 Telephone (807) 473-5558 Facsimile (807) 473-5660

METHOD DESCRIPTION
Accredited to ISO/IEC 17025 for specific registered tests.

5 samples were submitted for caustic fusion processing and microdiamond recovery. The as-received samples were processed according to registered methods and standard operating procedures. The results are summarized in the Certificates of Analysis.Standard operating procedures are listed below, sample abnormalities and possible damage caused during shipping are noted on the Certificate.

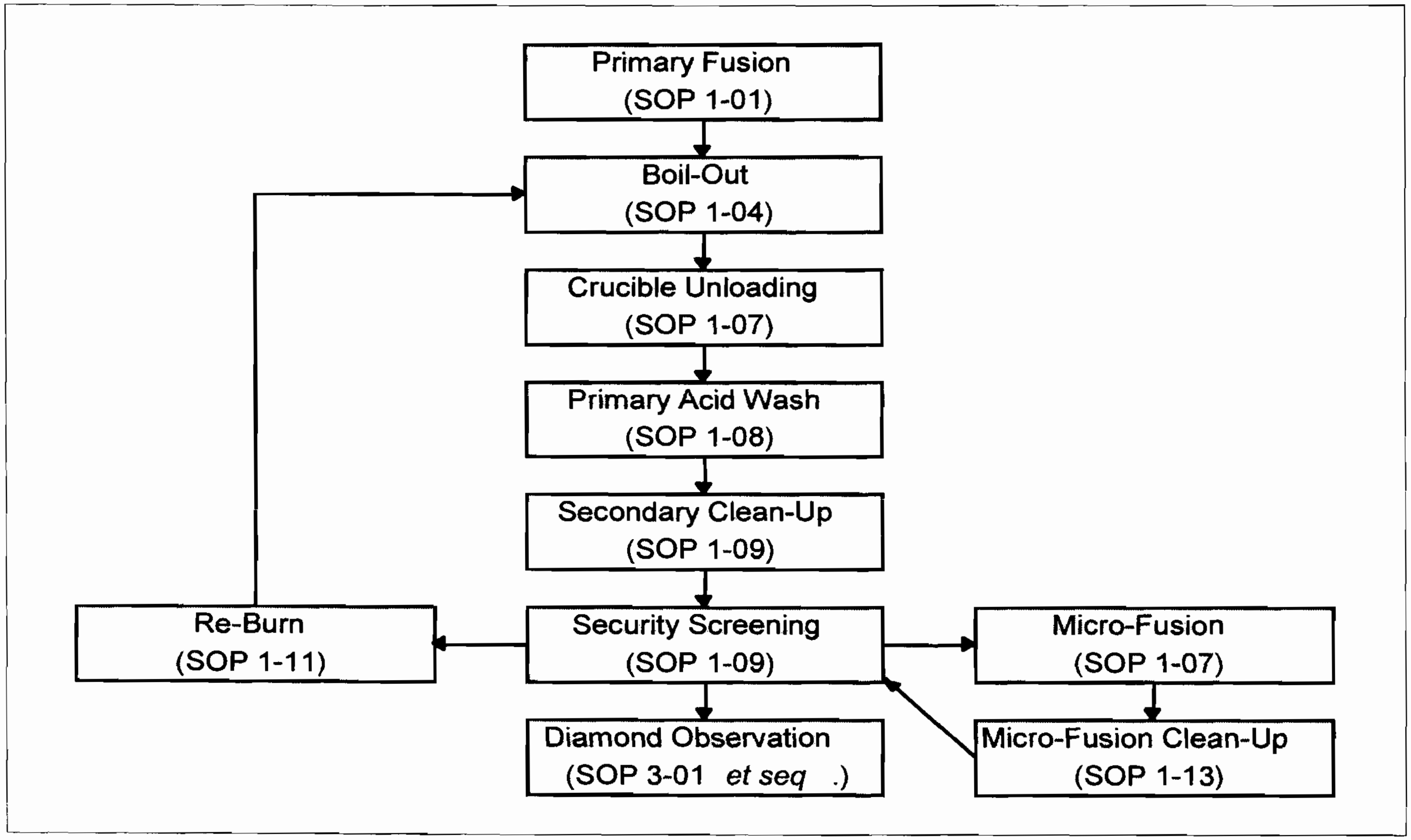
Microdiamond Sample Processing

Sample processing at Kennecott Canada Exploration Inc. Processing Laboratory in Thunder Bay, Ontario consists of wet chemical processes including fusion with NaOH, dissolving in KNO_3, neutralization with HCL, sieving and classifying (See Figure 1 for the summary flow sheet). This procedure reduces the sample size from 10 kilograms to a concentrate of approximately 15 grams.

After samples are received, they are logged in and stored outdoors before processing. Processing commences with samples being placed into stainless steel pots with NaOH and heated for several hours in a process called Caustic Fusion. The sample material is then dissolved using KNO_3 and more heat. Depending on client requests, the slurry of sample and dissolved reagents is poured through a sieve of 0.075mm, 0.125mm or 0.15mm square aperture screen. Material retained on the screen is neutralized with HCL. Further sieving with a 1mm square aperture screen results in the removal of any larger microdiamonds from the sample. These stones are placed in a drop safe for security reasons and described as soon as possible, following the flow sheet in Figure 2.

The remaining sample material moves through subsequent cycles of caustic fusion, dissolution and neutralization until all potentially diamondiferous rock fragments are digested. The resulting resistate mineral concentrate is sent to the microscopy laboratory for observation.

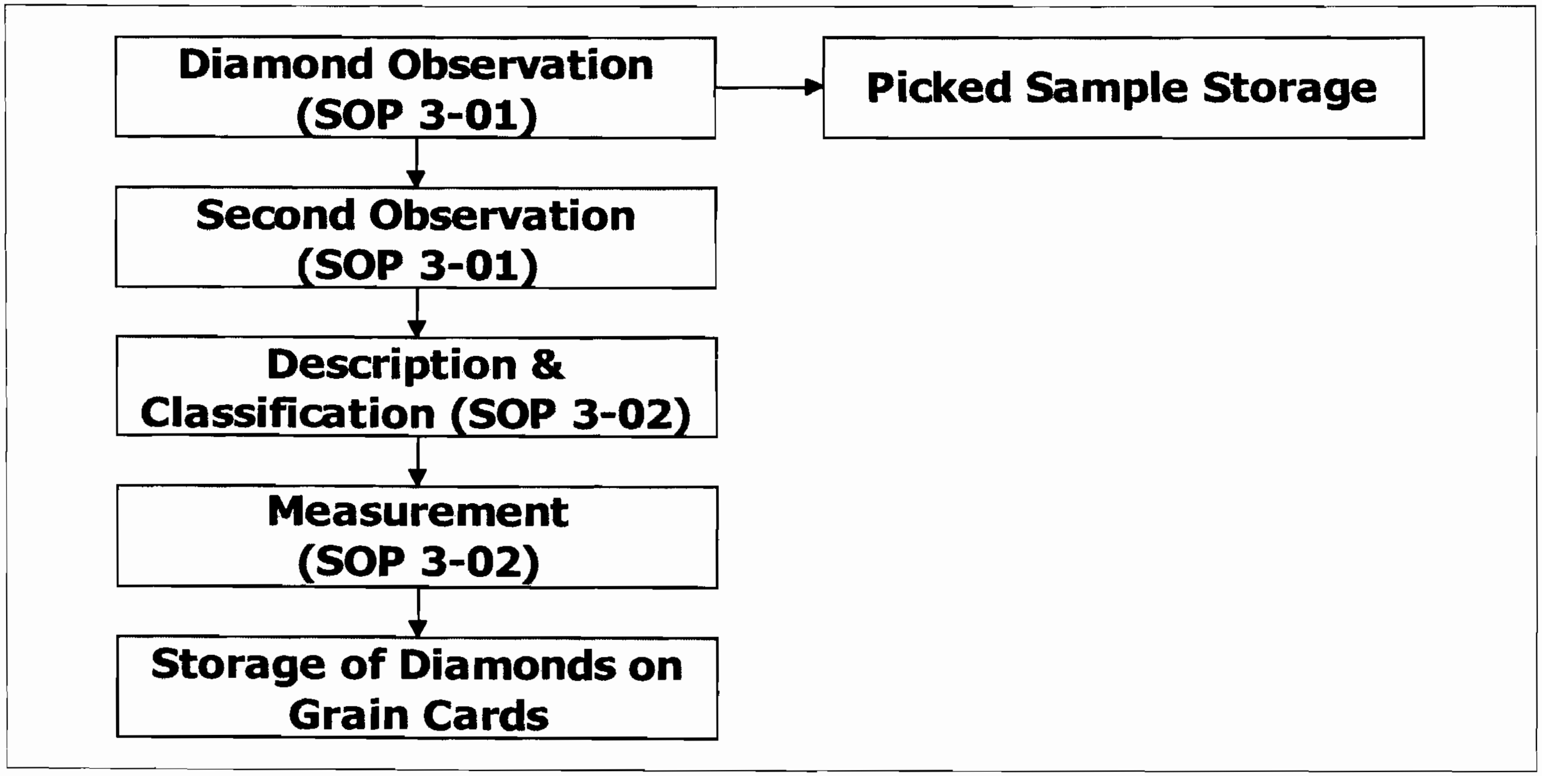
FIGURE. 1: MICRODIAMOND FLOW SHEET
(*) Denotes deviations from standard operating procedures.



Microdiamond Concentrate Microscope Examination

Observation of microdiamond concentrates are performed in Kennecott Canada Exploration Inc. Mineral Processing Laboratory in Thunder Bay, Ontario (See Figure 2 for observation/classification flow sheet). Trained mineral technicians examine each grain using binocular microscopes equiped with fibre-optic lights. Mineral technicians remove all suspected microdiamonds from the concentrates, record the stone counts on the observation log sheet, and later transfer the data into the Laboratory Information Management System (LIMS). Following observation, suspected microdiamonds are examined by a mineralogist, who confirms the grain identifications. All stones are then described and classified.

FIGURE. 2: OBSERVATION & CLASSIFICATION FLOW SHEET
(*) Denotes deviations from standard operating procedures.



MD Method 1 and 3 Quality Control Measures

Samples received are divided into sets or batches of one to twenty five samples. At minimum, 10% of samples within the batch are randomly selected for spiking with laser-etched diamonds. A random number between 1 and 5 diamond spikes are added to each sample selected for spiking. Samples selected for spiking are spiked after the sample has been loaded into a crucible and placed in a kiln ready to begin processing. Once the sample has been reduced to an observable concentrate, it is submitted to the observation lab. Identified spikes are returned to the QA/QC specialist and recovery is calculated as a percentage. Lab recovery is calculated as a 12-month rolling average, with lower limit being 3 standard deviations below the average. If recovery of one or more samples falls below the lower limit, the batch is deemed non-conforming.

Data Verification

For every batch, once all mineral processing is complete, all relevant data is compiled and a final report or Certificate of Analysis is generated. At minimum, 10 percent of all reports are verified in their entirety and all other reports are spot-checked. Verification involves tracing data back to original handwritten test results recorded in process flow sheets, logs or tables. The reports are then signed by Team Leaders, Laboratory Manager and the QA/QC Specialist and issued to the client.

KENNECOTT CANADA EXPLORATION INC.

Mineral Processing Laboratory

1300 West Walsh St. Thunder Bay, Ontario, Canada P7E 4X4 Telephone (807) 473-5558 Facsimile (807) 473-5660

Standards Council of Canada Accredited Laboratory Scope of Accreditation 335
Conseil canadien des normes Laboratoire accredité Portée d'accréditation 335 TM

CERTIFICATE OF ANALYSIS
METHOD 1: MICRODIAMOND PROCESSING

Date Received: 10-Aug-06
Waybill: Temex August 10 2006
Work Order #: 06MD022
Project: Temex

Lab Billing Code: 113100-RE260

Company: Temex Corporation

Attention: Karen Rees
Telephone: (450) 621-7478

#	CLIENT SAMPLE REFERENCE	DATE STARTED	SAMPLE WT (kg.)	CONC. WT (gm)	PRIMARY FUSION	SECONDARY FUSION	MICRO FUSIONS	DATE COMPLETED
1	TS-01	10/11/2006	36.50	793.42	4	1	4	11/2/2006
2	TS-02	10/12/2006	57.55	1416.53	6	2	2	11/13/2006
3	TS-03	10/13/2006	60.20	1429.01	6	2	2	11/13/2006
4	TS-04	10/13/2006	22.10	0.19	3	2	3	11/6/2006
5	TS-05	10/16/2006	42.60	52.78	5	2	2	11/13/2006
			218.95	3691.9	24	9	13	

Accredited to ISO/IEC 17025 for specific registered tests.

Dan Dysievick
MD Processing Team Leader

Mauricio Coutinho
Laboratory Manager

Treena Pinksen
QA/QC Specialist

The quality of microdiamond extraction and selection from rock samples (Methods 1 and 3) is subject to monitoring through a rigorous internal quality assurance/quality control (QA/QC) scheme. Microdiamond recovery is calculated for at least one sample in every batch. One batch consists of up to 25 samples, depending on individual sample weights. Therefore, at least 10% of samples are quality control samples.

Processing and selection at the laboratory extracts, on average, equals 97.50% (±4.90% expanded uncertainty at the 95% confidence limit) of all contained microdiamonds.

This report refers to samples processed as-received.

KENNECOTT CANADA EXPLORATION INC.

Mineral Processing Laboratory
1300 West Walsh St. Thunder Bay, Ontario, Canada P7E 4X4 Telephone (807) 473-5558 Facsimile (807) 473-5660

CERTIFICATE OF ANALYSIS
METHOD 3: MICRODIAMOND OBSERVATION

Date Received: 10-Aug-06
Waybill: Temex August 10 2006
Work Order #: 06MD022
Project: Temex

Company: Temex Corporation

Attention: Karen Rees
Telephone: (450) 621-7478

Lab Billing Code: 113100-RE260

#	Client Sample Reference	+0.5 mm SIEVE DIAMOND COUNT	-0.5 mm SIEVE DIAMOND COUNT	TOTAL DIAMOND COUNT	SYNTHETICS	DATE
1	TS-01	0	1	1	5	21-Nov-06
2	TS-02	0	2	2	6	21-Nov-06
3	TS-03	0	0	0	14	21-Nov-06
4	TS-04	0	1	1	0	21-Nov-06
5	TS-05	0	1	1	6	21-Nov-06
		0	**5**	**5**	**31**	

Accredited to ISO/IEC 17025 for specific registered tests.

Juanita Bellinger
Observation Team Leader

Mauricio Coutinho
Laboratory Manager

Treena Pinksen
QA/QC Specialist

The quality of microdiamond extraction and selection from rock samples (Methods 1 and 3) is subject to monitoring through a rigorous internal quality assurance/quality control (QA/QC) scheme. Microdiamond recovery is calculated for at least one sample in every batch. One batch consists of up to 25 samples, depending on individual sample weights. Therefore, at least 10% of samples are quality control samples.

Processing and selection at the laboratory extracts, on average, equals 97.50% (±4.90% expanded uncertainty at the 95% confidence limit) of all contained microdiamonds.

KENNECOTT CANADA EXPLORATION INC.

Mineral Processing Laboratory

1300 West Walsh St. Thunder Bay, Ontario, Canada P7E 4X4 Telephone (807) 473-5558 Facsimile (807) 473-5660

Standards Council of Canada
Accredited Laboratory
Scope of Accreditation 335
Conseil canadien des normes
Laboratoire accrédité
Portée d'accréditation 335
TM

CERTIFICATE OF ANALYSIS
METHOD 3: MICRODIAMOND CLASSIFICATION

Date Received: 10-Aug-06
Waybill: Temex August 10 2006
Work Order #: 06MD022
Project: Temex

Lab Billing Code: 113100-RE260

Company: Temex Corporation

Attention: Karen Rees
Telephone: (450) 621-7478

CLIENT SAMPLE REFERENCE	STONE #	SIEVE SIZE (mm)	STOCK EX SIEVE (mm)	X mm	Y mm	Z mm	WEIGHT IN CARATS	OCTACARAT WEIGHTS	FRAGMENT / INTACT	MORPHOLOGY	COLOUR	CLARITY	COLOUR INTENSITY	INCLUSIONS /CLEAVAGES	RESORPTION	SURFACE FEATURES	COMMENTS	DATE
TS-01	1	0.150	<0.500	0.35	0.20	0.15		18480.00	Fragment	Irregular	White	Transparent	0	1				11/21/2006
TS-02	1	0 150	<0.500	0.48	0.17	0.16		22978.56	Fragment	Irregular	White	Transparent	0	2				11/21/2006
TS-02	2	0.106	<0.500	0.14	0.12	0 15		4435.20	Intact	Octahedroid	White	Transparent	0	0	6	Stepped		11/21/2006
TS-04	1	0 150	<0 500	0.21	0 19	0.08		5617.92	Intact	Cuboid	Grey	Translucent	4		4	Frost		11/21/2006
TS-05	1	0 106	<0.500	0 18	0.17	0.18		9694.08	Intact	Cuboid	White	Transparent	0	0	4	Quadrons		11/21/2006

Accredited to ISO/IEC 17025 for specific registered tests.

Octacarat weights calculated using the following formula: X(mm) x Y(mm) x Z(mm) x Specific Gravity of 3.52 / 200 mg

1 carat = 1 x 10^8 octacarats

Weight in carats for stones sieved at 0.85 or greater

Intensity of Colour - scale of 0 - 5 with 5 being the most intense

Cleavages and Inclusions - scale of 0 - 5 with 5 having the most cleavages and inclusions

Resorption - scale of 1 - 6 with 1 having most resorption

Juanita Bellinger
Observation Team Leader

Mauricio Coutinho
Laboratory Manager

Treena Pinksen
QA/QC Specialist

The quality of microdiamond extraction and selection from rock samples (Methods 1 and 3) is subject to monitoring through a rigorous internal quality assurance/quality control (QA/QC) scheme. Microdiamond recovery is calculated for at least one sample in every batch. One batch consists of up to 25 samples, depending on individual sample weights. Therefore, at least 10% of samples are quality control samples.

Processing and selection at the laboratory extracts, on average, equals 97.50% (±4.90% expanded uncertainty at the 95% confidence limit) of all contained microdiamonds.

KENNECOTT CANADA EXPLORATION INC.

MICRODIAMOND ANALYSIS
TEST REPORT
07MD000A - Supercedes 07MD000
Temex Corporation

For: Temex Corporation

Mauricio Coutinho
Laboratory Manager

February 20, 2007

Standards Council of Canada Accredited Laboratory Scope of Accreditation 335
Conseil canadien des normes Laboratoire accrédité Portée d'accréditation 335 ™

Accredited to ISO/IEC 17025 for specific registered tests.

Mineral Processing Laboratory
1300 West Walsh St. Thunder Bay, Ontario, Canada P7E 4X4
Telephone (807) 473-5558 Facsimile (807) 473-5660

KENNECOTT CANADA EXPLORATION INC.

Mineral Processing Laboratory

1300 West Walsh Street, Thunder Bay, Ontario, Canada P7E 4X4 Telephone (807) 473-5558 Facsimile (807) 473-5660

METHOD DESCRIPTION

Accredited to ISO/IEC 17025 for specific registered tests.

2 samples were submitted for caustic fusion processing and microdiamond recovery. The as-received samples were processed according to registered methods and standard operating procedures. The results are summarized in the Certificates of Analysis.Standard operating procedures are listed below, sample abnormalities and possible damage caused during shipping are noted on the Certificate.

Microdiamond Sample Processing

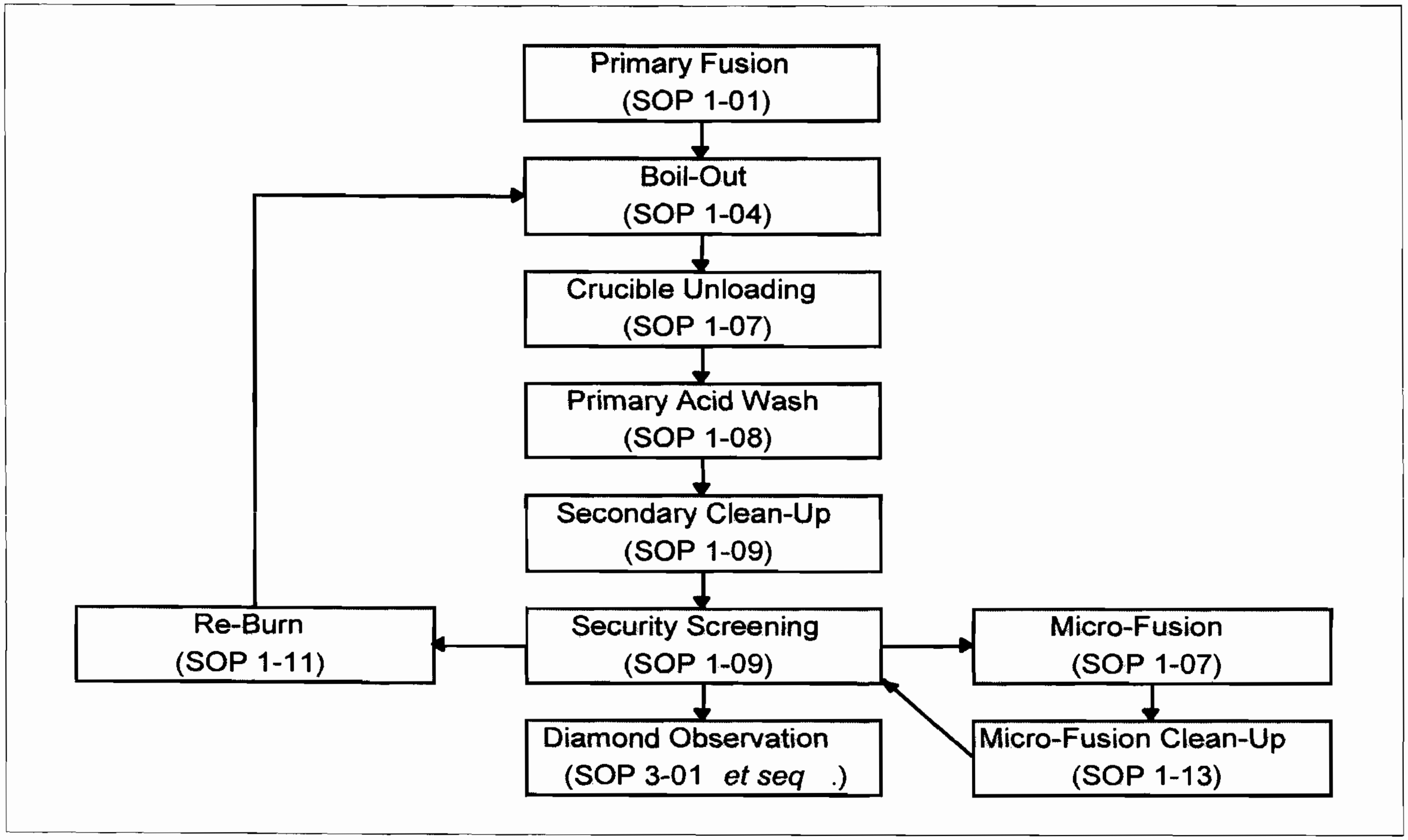
Sample processing at Kennecott Canada Exploration Inc. Processing Laboratory in Thunder Bay, Ontario consists of wet chemical processes including fusion with NaOH, dissolving in KNO_3, neutralization with HCL, sieving and classifying (See Figure 1 for the summary flow sheet). This procedure reduces the sample size from 10 kilograms to a concentrate of approximately 15 grams.

After samples are received, they are logged in and stored outdoors before processing. Processing commences with samples being placed into stainless steel pots with NaOH and heated for several hours in a process called Caustic Fusion. The sample material is then dissolved using KNO_3 and more heat. Depending on client requests, the slurry of sample and dissolved reagents is poured through a sieve of 0.075mm, 0.125mm or 0.15mm square aperture screen. Material retained on the screen is neutralized with HCL. Further sieving with a 1mm square aperture screen results in the removal of any larger microdiamonds from the sample. These stones are placed in a drop safe for security reasons and described as soon as possible, following the flow sheet in Figure 2.

The remaining sample material moves through subsequent cycles of caustic fusion, dissolution and neutralization until all potentially diamondiferous rock fragments are digested. The resulting resistate mineral concentrate is sent to the microscopy laboratory for observation.

FIGURE. 1: MICRODIAMOND FLOW SHEET

(*) Denotes deviations from standard operating procedures.

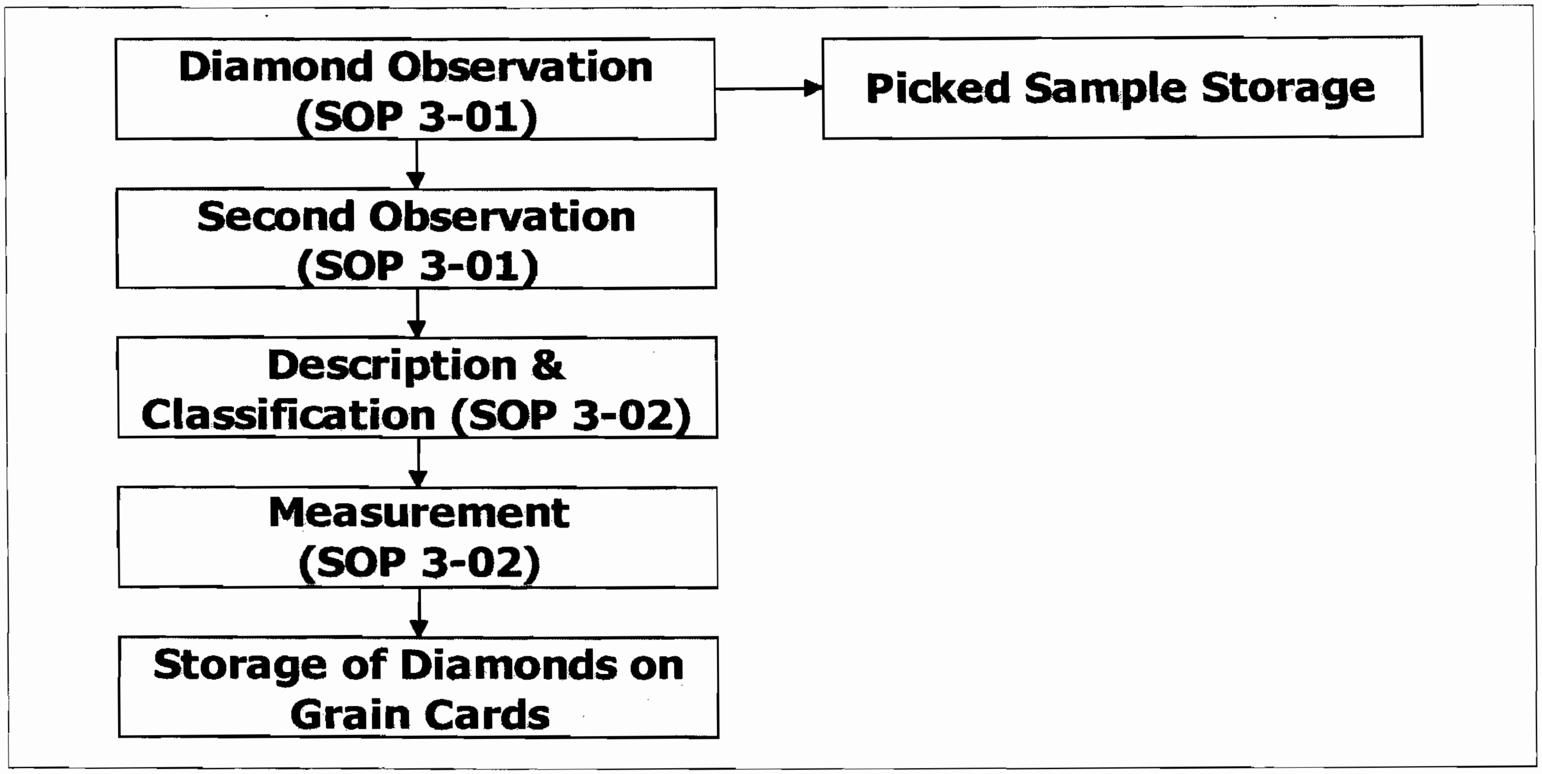


Microdiamond Concentrate Microscope Examination

Observation of microdiamond concentrates are performed in Kennecott Canada Exploration Inc. Mineral Processing Laboratory in Thunder Bay, Ontario (See Figure 2 for observation/classification flow sheet). Trained mineral technicians examine each grain using binocular microscopes equiped with fibre-optic lights. Mineral technicians remove all suspected microdiamonds from the concentrates, record the stone counts on the observation log sheet, and later transfer the data into the Laboratory Information Management System (LIMS). Following observation, suspected microdiamonds are examined by a mineralogist, who confirms the grain identifications. All stones are then described and classified.

FIGURE. 2: OBSERVATION & CLASSIFICATION FLOW SHEET

(*) Denotes deviations from standard operating procedures.



MD Method 1 and 3 Quality Control Measures

Samples received are divided into sets or batches of one to twenty five samples. At minimum, 10% of samples within the batch are randomly selected for spiking with laser-etched diamonds. A random number between 1 and 5 diamond spikes are added to each sample selected for spiking. Samples selected for spiking are spiked after the sample has been loaded into a crucible and placed in a kiln ready to begin processing. Once the sample has been reduced to an observable concentrate, it is submitted to the observation lab. Identified spikes are returned to the QA/QC specialist and recovery is calculated as a percentage. Lab recovery is calculated as a 12-month rolling average, with lower limit being 3 standard deviations below the average. If recovery of one or more samples falls below the lower limit, the batch is deemed non-conforming.

Data Verification

For every batch, once all mineral processing is complete, all relevant data is compiled and a final report or Certificate of Analysis is generated. At minimum, 10 percent of all reports are verified in their entirety and all other reports are spot-checked. Verification involves tracing data back to original handwritten test results recorded in process flow sheets, logs or tables. The reports are then signed by Team Leaders, Laboratory Manager and the QA/QC Specialist and issued to the client.

KENNECOTT CANADA EXPLORATION INC.

Mineral Processing Laboratory

1300 West Walsh St. Thunder Bay, Ontario, Canada P7E 4X4 Telephone (807) 473-5558 Facsimile (807) 473-5660

Standards Council of Canada Accredited Laboratory Scope of Accreditation 335
Conseil canadien des normes Laboratoire accredité Portee d'accréditation 335 TM

CERTIFICATE OF ANALYSIS
METHOD 1: MICRODIAMOND PROCESSING

Date Received: 10-Jan-07 7MD000A - Supercedes 07MD000
Waybill: TemexJan2007
Work Order #: 07MD000
Project: Temex

Lab Billing Code: 113100-RE260

Company: Temex Corporation

Attention: Karen Rees
Telephone: (450) 621-7478

#	CLIENT SAMPLE REFERENCE	DATE STARTED	SAMPLE WT (kg.)	CONC. WT (gm)	PRIMARY FUSION	SECONDARY FUSION	MICRO FUSIONS	DATE COMPLETED
1	TS-06	1/15/2007	33.50	60.36	4	3	1	2/6/2007
2	TS-07	1/16/2007	33.10	1.65	4	3	1	2/5/2007
			66.60	62.0	8	6	2	

Accredited to ISO/IEC 17025 for specific registered tests.

Dan Dysievick
MD Processing Team Leader

Mauricio Coutinho
Laboratory Manager

Treena Pinksen
QA/QC Specialist

The quality of microdiamond extraction and selection from rock samples (Methods 1 and 3) is subject to monitoring through a rigorous internal quality assurance/quality control (QA/QC) scheme. Microdiamond recovery is calculated for at least one sample in every batch. One batch consists of up to 25 samples, depending on individual sample weights. Therefore, at least 10% of samples are quality control samples.

Processing and selection at the laboratory extracts, on average, equals 99.40% (±1.17 expanded uncertainty at the 95% confidence limit) of all contained microdiamonds.

KENNECOTT CANADA EXPLORATION INC.

Mineral Processing Laboratory
1300 West Walsh St. Thunder Bay, Ontario, Canada P7E 4X4 Telephone (807) 473-5558 Facsimile (807) 473-5660

CERTIFICATE OF ANALYSIS
METHOD 3: MICRODIAMOND OBSERVATION

Date Received: 10-Jan-07   07MD000A - Supercedes (Company: Temex Corporation
Waybill: TemexJan2007
Work Order #: 07MD000
Project: Temex   Attention: Karen Rees
Telephone: (450) 621-7478

Lab Billing Code: 113100-RE260

#	Client Sample Reference	+0.5 mm SIEVE DIAMOND COUNT	-0.5 mm SIEVE DIAMOND COUNT	TOTAL DIAMOND COUNT	SYNTHETICS	DATE
1	TS-06	0	1	1	3	19-Feb-07
2	TS-07	0	0	0	1	19-Feb-07
		0	1	1	4	

Accredited to ISO/IEC 17025 for specific registered tests.

Juanita Bellinger
Observation Team Leader

Mauricio Coutinho
Laboratory Manager

Treena Pinksen
QA/QC Specialist

The quality of microdiamond extraction and selection from rock samples (Methods 1 and 3) is subject to monitoring through a rigorous internal quality assurance/quality control (QA/QC) scheme Microdiamond recovery is calculated for at least one sample in every batch One batch consists of up to 25 samples, depending on individual sample weights Therefore, at least 10% of samples are quality control samples.

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Standards Council of Canada
Accredited Laboratory
Scope of Accreditation 335
Conseil canadien des normes
Laboratoire accrédité
Portée d'accréditation 335
TM

CERTIFICATE OF ANALYSIS
METHOD 3: MICRODIAMOND CLASSIFICATION

Date Received: 07MD000A - Supercedes 07MD000
Waybill: TemexJan2007
Work Order #: 07MD000
Project: Temex

Lab Billing Code: 113100-RE260

Company: Temex Corporation

Attention: Karen Rees
Telephone: (450) 621-7478

CLIENT SAMPLE REFERENCE	STONE #	SIEVE SIZE (mm)	STOCK EX SIEVE (mm)	X mm	Y mm	Z mm	WEIGHT IN CARATS	OCTACARAT WEIGHTS	FRAGMENT / INTACT	MORPHOLOGY	COLOUR	CLARITY	COLOUR INTENSITY	INCLUSIONS /CLEAVAGES	RESORPTION	SURFACE FEATURES	COMMENTS	DATE
TS-06	1	0.150	<0 500	0 31	0.19	0.19		19696.16	Fragment	Irregular	Grey	Transparent	2	3				2/19/2007

Accredited to ISO/IEC 17025 for specific registered tests.

Octacarat weights calculated using the following formula: X(mm) x Y(mm) x Z(mm) x Specific Gravity of 3.52 / 200 mg

1 carat = 1 x 10^8 octacarats

Weight in carats for stones sieved at 0.85 or greater

Intensity of Colour - scale of 0 - 5 with 5 being the most intense

Cleavages and Inclusions - scale of 0 - 5 with 5 having the most cleavages and inclusions

Resorption - scale of 1 - 6 with 1 having most resorption

Juanita Bellinger
Observation Team Leader

Mauricio Coutinho
Laboratory Manager

Treena Pinksen
QA/QC Specialist

The quality of microdiamond extraction and selection from rock samples (Methods 1 and 3) is subject to monitoring through a rigorous internal quality assurance/quality control (QA/QC) scheme. Microdiamond recovery is calculated for at least one sample in every batch. One batch consists of up to 25 samples, depending on individual sample weights. Therefore, at least 10% of samples are quality control samples.

Processing and selection at the laboratory extracts, on average, equals 99.40% (±1.17 expanded uncertainty at the 95% confidence limit) of all contained microdiamonds.