CONQUEST
Resources Limited

KING BAY PROJECT

ASSESSMENT REPORT ON

WINTER 2005
DIAMOND DRILL PROGRAM

NTS 52J2
FOURBAY LAKE AREA (G-2543)

THURDER BAY MINING DIVISION
NORTHWESTERN ONTARIO

Prepared by
Conquest Resources Limited
Erick H. Chavez, M.Sc.
KBG Minerals Corporation
John L. Wahl Ph.D., P. Geo (NB)

June 20, 2005

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TABLE OF CONTENTS

List of Appendix

LIST OF FIGURES

LIST OF TABLES

REPORT ON
KING BAY PROJECT
WINTER 2005 DIAMOND DRILL PROGRAM

1. INTRODUCTION

The following report details the results of the diamond drill program completed in winter 2005 carried out in the King Bay project by Conquest Resources Limited ("Conquest") between January 16th and February 22nd of 2005.

Previous work completed until early 2004 defined six ground magnetic anomalies believed to represent Au mineralization in breccia pipes developed within a quartz-feldspar porphyry unit. The winter 2005 program has the objective to test the magnetic anomalies defined previously.

Conquest has entered into an option and joint venture agreement with KBG Minerals Corp. ("KBG") pursuant to which Conquest may earn a 60% working interest in KBG's King Bay Gold Project by expending $600,000 on exploration prior to April 30, 2008, of which $200,000 is a firm commitment to be expended prior to April 30, 2006. Upon Conquest acquiring its interest, a joint venture will be constituted with Conquest, the Operator of the venture and KBG having an initial working interest of 60% and 40% respectively. If either party's working interest is reduced below 10%, the interest will be converted to a 10% net profits royalty (refer Appendix I for Option Agreement).

1.1. Location and Access

The King Bay property is located at the southern shore of the King Bay, an inlet on the western shore of the Sturgeon Lake, approximately 24Kms south from Savant Lake and 91Kms NE from Ignace in Ontario, NTS 52J2, Fourbay Lake Area (G-2543), Thunder Bay Mining Division (Fig 1).

The access to the property is through 102Kms of paved road (HWY 599) from Ignace to the Six-Mile Road turn-off and 14.2Kms through an all-weather gravel road to the camp (tend frame). From this point the access to the drill area is through a snowmobile/ATV road of approximately 700m to the access to the lake. A network of secondary access roads connects this point with the rest of the area.

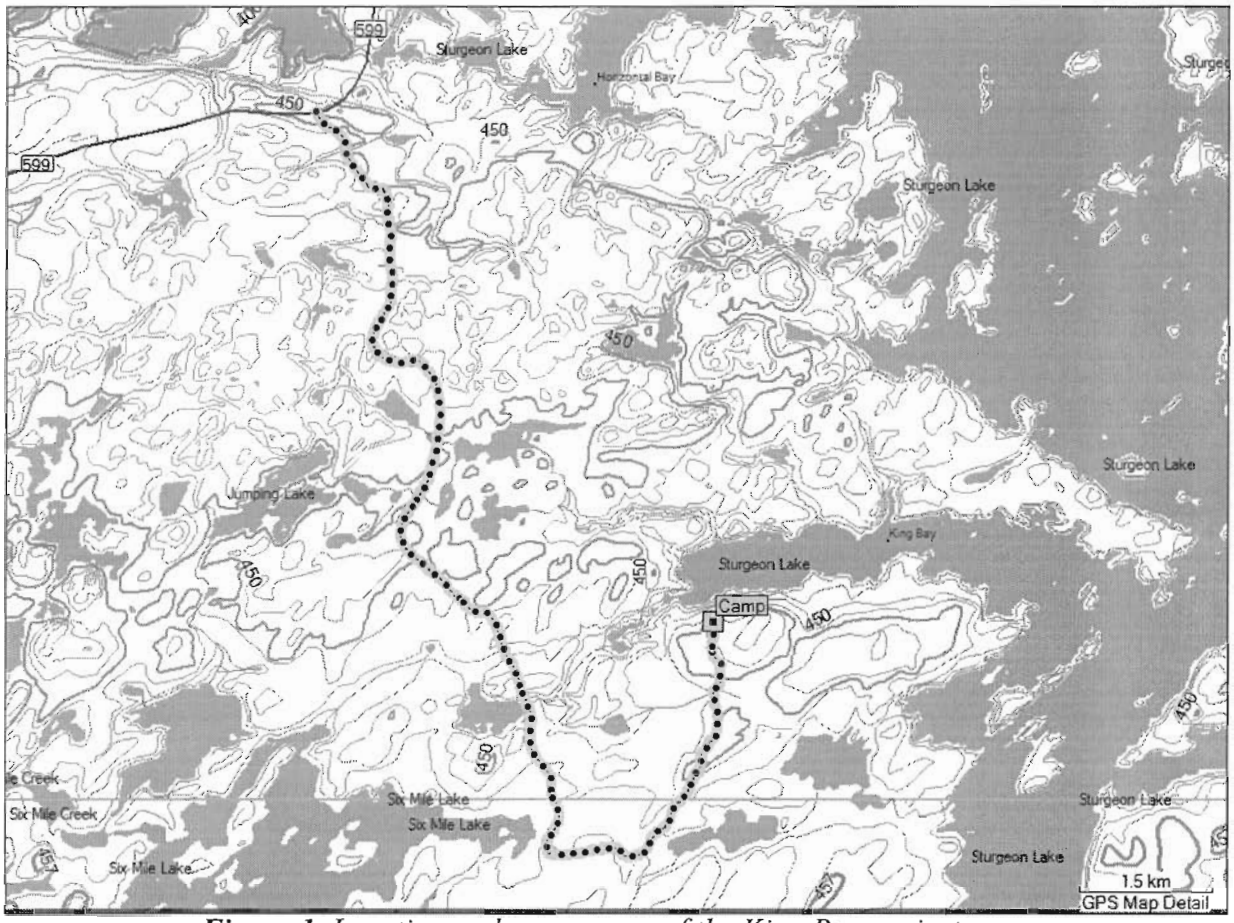


Figure 1. *Location and access map of the King Bay project*

1.2. Property

The King Bay property comprises 5 active mining claims with a total of 1030.36 Has and 14 leases/patents with a total of 763.10 Has, which comes to a total of 1793.46 Has of coverage in the King Bay area. The Winter 2005 drill program was carried on claims AL368 and AL369. Details are shown in Tables 1 and 2.

Property map, Figure 2, was prepared using the Claimap Polygon Data (ArcView polygon shape file format *.shp) provided by The Ministry of Northern Development and Mines and available online and imported into MapInfo updated as of June 16, 2005

Table 1 - Active Mining Claims

Claim No.	Area (Has)	Perimeter (Kms)	Date Comp	Time Stamp
1248341	258.26	6.42	11/07/2002	07/17/2002 03:48:23 PM
1248342	260.66	7.79	11/07/2002	08/09/2002 9:23:56 AM
1248343	189.32	7.55	11/07/2002	07/02/2004 4:27:41 PM
1248344	256.34	6.41	11/07/2002	07/17/2002 11:43:08 AM
1248345	65.78	5.02	11/07/2002	07/17/2002 11:38:09 AM
TOTAL	**1030.36**			

Table 2 - Active dispositions (Leases/patents)			
Disposition No.	**Area (Has)**	**Perimeter (Kms)**	**Date Comp**
AL367	15.96	1.60	January 1, 2001
AL368	16.23	1.61	January 1, 2001
AL369	16.23	1.61	January 1, 2001
AL370	15.93	1.60	January 1, 2001
AL371	16.94	1.77	January 1, 2001
AL372	24.13	2.29	January 1, 2001
AL373	27.01	2.51	January 1, 2001
BG128	15.76	1.59	January 1, 2001
BG129	14.36	1.57	January 1, 2001
BG134	15.89	1.65	January 1, 2001
BG135	21.57	2.60	January 1, 2001
BG136	12.37	2.19	January 1, 2001
BG149	17.12	1.88	January 1, 2001
CLM307	533.60	9.91	January 1, 2001
TOTAL	**763.10**		

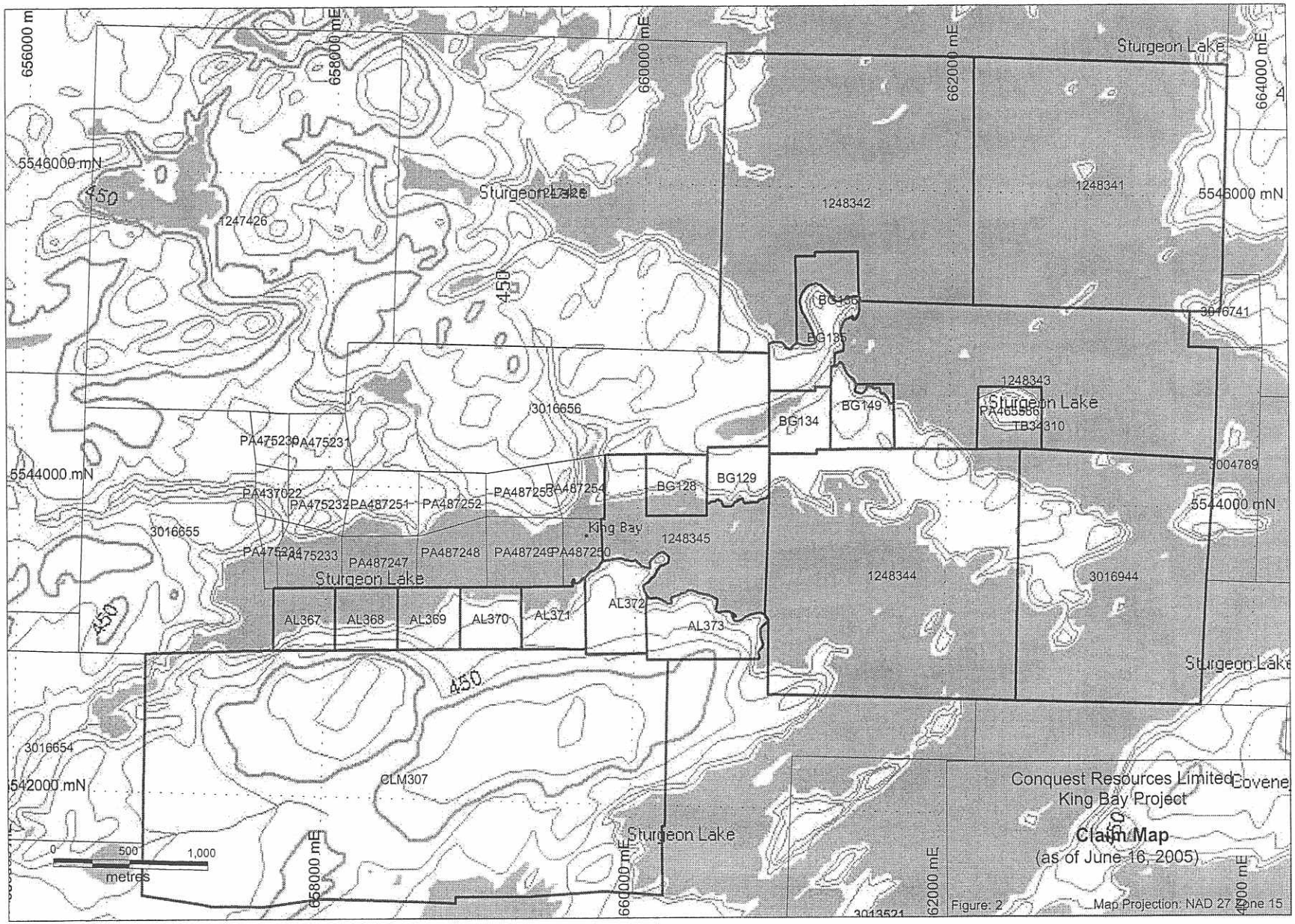
1.3. Physiography, Climate and Vegetation

The topography of the area is irregular with elevations ranging between 408m and 480m above sea level on the hill tops. The main landscape features are the steep slope of the southern shore of the King Bay area and the King Bay inlet with depths of water close to 20m. The climate is characterized by freezing temperatures during winter and warm (<30°C) temperatures during summer with abundant precipitation year round. The vegetation is typical for a northern boreal forest dominated by coniferous trees such as white and black spruce and broadleaf trees such as white birch.

2. GEOLOGICAL SETTING

The geology of the Sturgeon Lake area comprises three major lithological sequences. The oldest rocks are mainly mafic metavolcanics (basalts) with a minor component of metasediments (siltstones, mudstones with disseminated pyrrhotite and pyrite. A coarse-grained felsic unit intrudes the previous one, commonly described as plagioclase feldspar +/- quartz porphyry (QFP). These intrusives appear as stocks, bosses and dykes. The youngest rock unit is also a felsic intrusive, described as a tonalite to granodiorite, the Lewis Lake Batholith.

The main regional structural trend has a direction N40°-46°E coincident topographic features such as scarps and shape of lakes. At the King Bay, the local structural settings show the same trend with the addition to N-S and E-W trends revealed by the E-W trending King Bay inlet.


Conquest Resources Limited
King Bay Project
Claim Map
(as of June 16, 2005)
Figure: 2
Map Projection: NAD 27 Zone 15
Sturgeon Lake
King Bay
CLM307
1247426
1248342
1248341
1248343
1248344
1248345
3016656
3016655
3016654
3016741
3004789
3016944
3013521
BG135
BG136
BG134
BG149
BG128
BG129
PA465566
TB34310
PA475230
PA475231
PA437022
PA475232
PA487251
PA487252
PA487253
PA487254
PA475233
PA487247
PA487248
PA487249
PA487250
AL367
AL368
AL369
AL370
AL371
AL372
AL373
5546000 mN
5544000 mN
542000 mN
656000 mE
658000 mE
660000 mE
662000 mE
664000 mE
450
0
500
1,000
metres

3. MINERALIZATION

Mineralization in the King Bay area is characterized by fine grained Au associated with pyrrhotite ± pyrite in blue-black quartz found in boulders grouped in three trains oriented approximately N40°E. The Au contain in boulders is as high as 521.1 gr/t (15.2 opt) with an average grade of the Central train of 18.2 gm/t gold (0.53 opt), while the Eastern train averages 18.9 gm/t gold (0.55 opt) and the Western train averages 5.14 gm/t gold (0.15 opt).

4. EXPLORATION

There were several previous exploration campaigns involving soil geochemistry, prospecting and ground magnetometric survey, which defined current drill target area. The present diamond drill program was fine tuned with the aid of the detailed ground magnetometric survey carried out by Quantec Geoscience Inc. in January.

5. DRILLING

5.1. Winter 2005 Drill Program

Diamond drilling was performed by Major Dominic Drilling (Major) of Val d'Or, Quebec, between February 8 and February 22, 2005. The drill rig was a Major 37 and the drill core size used was BQ.

The area of the West Ground Magnetic anomalies (W series) was not drilled from ice because of safety reasons due to depths of water greater than 15m (average) and poor ice conditions; instead, it was drilled from shore (holes KB-05-W3-03 and KB-05-W3-04).

The area of the East Ground Magnetic anomaly (EC-1) was drilled from the ice. Although the thickness was in the order of the 18 to 20 inches, shallow water (approximately 5m) enabled the area to drill on ice.

The program consisted of 7 drill holes with a total of 869m drilled and only anomalies W3 and EC-1 were tested. Refer to Table No.3 for details regarding to completed drill holes. Holes drilled on ice were respectively cemented and drill holes on shore were left with casing on. Drill collars were surveyed with a Garmin VistaC GPS with accuracies <5m. Descriptive drill logs and assay results are presented in Appendix II.

5.2. Results of Diamond Drill Program

Tables No.3 and 4 summarize the location and significant Au intersections of the drill holes completed during the winter 2005 drill program.

The highest Au value obtained was 13.5g/t in 0.14m included within and averaged interval of 0.65m with 3.6g/t Au. It was recorded in hole KB-05-W3-03, it consisted of a blue black quartz vein containing approximately 7% pyrrhotite ± chalcopyrite hosted in a fine grained diabase dyke at the contact with a coarse grained quartz-feldspar porphyry.

Figures 3 and 4 show the results of the drill program indicating the location of the most significant intersection and strong magnetic intervals in the Western and Eastern magnetic anomalies.

Table No. 3 – Summary of the Drill Holes Completed Winter 2005 Diamond Drill Program

Hole ID	Grid-E	Grid-N	Easting	Northing	Elev (m)	Length (m)	Azimuth	Dip	Started	Finished	Comments
KB-05-W3-03			658251	5543064	417	284.0	357°	-45°	08-Feb-05	12-Feb-05	Drilled from shore
KB-05-EC1-02	768	508	658665	5543231	408	104.0	330°	-45°	13-Feb-05	15-Feb-05	Drilled on ice
KB-05-EC1-01	725	543	658620	5543263	408	71.0	61°	-45°	15-Feb-05	16-Feb-05	Drilled on ice
KB-05-W3-04			658155	5543058	410	287.0	36°	-45°	17-Feb-05	20-Feb-05	Drilled from shore
KB-05-EC1-04	750	551	658644	5543274	408	41.0	315°	-62°	21-Feb-05	22-Feb-05	Drilled on ice
KB-05-EC1-03	750	551	658644	5543274	408	41.0	0°	-90°	21-Feb-05	21-Feb-05	Drilled on ice
KB-05-EC1-05	750	551	658644	5543274	408	41.0	165°	-62°	22-Feb-05	22-Feb-05	Drilled on ice
				Total (m)		**869.0**					

Table No. 4 - Significant Au Intersections

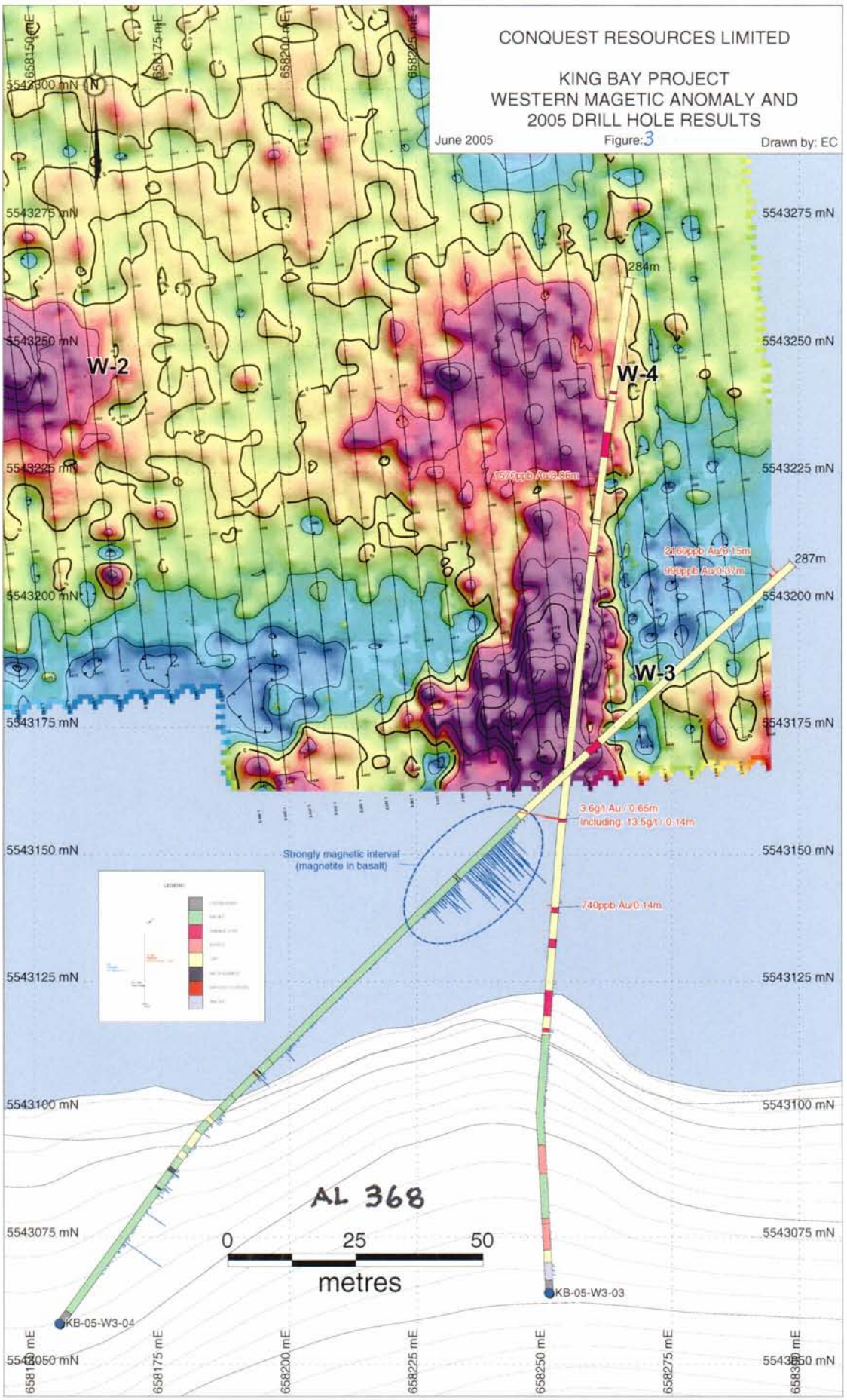
Hole ID	Sample	From (m)	To (m)	Len (m)	Au (ppb)	Average	Remarks
KB-05-EC1-04	21309	4.95	5.13	0.18	4180	-	Blue black quartz (BBQ)
KB-05-W3-03	20352	106.82	106.96	0.14	740	-	Blue black quartz (BBQ)
KB-05-W3-03	20364	130.65	130.72	0.07	2910	**3552 ppb Au/ 0.65m**	Blue black quartz (BBQ)
KB-05-W3-03	20365	130.72	130.96	0.24	410		Alteration Halo around BBQ
KB-05-W3-03	20367	130.96	131.10	0.14	13450		Blue black quartz (BBQ)
KB-05-W3-03	20368	131.10	131.24	0.14	300		Alteration Halo around BBQ
KB-05-W3-03	20369	131.24	131.30	0.06	1360		Blue black quartz (BBQ)
KB-05-W3-03	20373	227.41	227.47	0.06	1570	-	Shear Zone with BBQ veins
KB-05-W3-04	20439	280.21	280.58	0.37	990	-	Intense silicification in QFP, and BBQ veins
KB-05-W3-04	20444	282.03	282.18	0.15	2160	-	Blue black quartz vein

5.2.1 Description of Drill Holes

Western Ground Magnetic Anomalies

Hole KB-05-W3-03

Hole KB-05-W3-03 was drilled to test the W-3 and W-4 magnetic anomalies. This hole was drilled from shore intended to replace the proposed holes KB-05-W3-02 and KB-05-W4-02. It was collared on UTM coordinates 658,251E - 5,543,064N (no reefed to the local grid). Drilling started on Feb 8 and finished on Feb 12. This hole was significantly deviated from its planned azimuth of 357° that made miss completely the target in W-4 anomaly.


CONQUEST RESOURCES LIMITED
KING BAY PROJECT
WESTERN MAGETIC ANOMALY AND
2005 DRILL HOLE RESULTS
June 2005
Figure: 3
Drawn by: EC
658150 mE
658175 mE
658200 mE
658225 mE
5543300 mN
N
5543275 mN
5543250 mN
5543225 mN
5543200 mN
5543175 mN
5543150 mN
5543125 mN
5543100 mN
5543075 mN
5543050 mN
W-2
W-4
W-3
284m
287m
1570ppb Au/0.55m
2160ppb Au/0.15m
990ppb Au/0.37m
3.6g/t Au / 0.65m
including 13.5g/t / 0.14m
Strongly magnetic interval
(magnetite in basalt)
740ppb Au/0.14m
AL 368
0
25
50
metres
KB-05-W3-04
KB-05-W3-03

It recorded a metasediment interval on top followed by several intervals of basalt, diorite (coarse grained basalt?) and QFP to a depth of 71.47m. The presence of QFP is more consistent from this point and frequently crosscut by narrow intervals of diabase dykes to the bottom of the hole at 284m. The most notorious alteration observed was in the QFP sections with medium/strong intensities usually enclosing BBQ veins. Pyrrhotite and pyrite with traces amount to 7% was mostly associated to BBQ veins. The highest Au value obtained was 13.5g/t over 0.14m included within and averaged interval of 0.65m with 3.6g/t Au. There were 2 other minor Au intersections, one of 740ppb Au over 0.14m between 106.82 and 106.96m and other of 1570ppb AU over 0.06m between 131.24 and 131.30m all of them also associated with BBQ veins and silicification halo.

Hole KB-05-W3-04

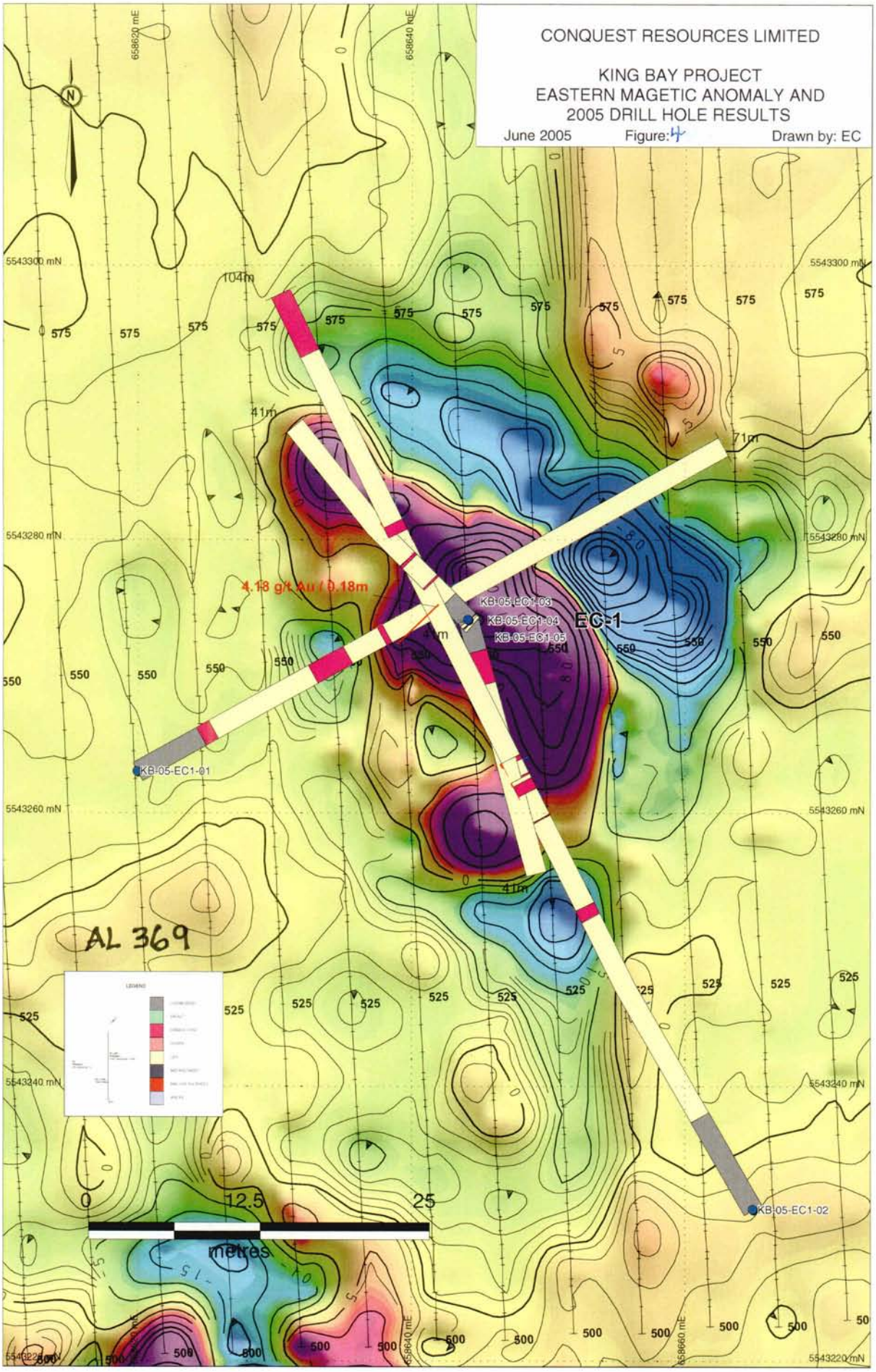
Hole KB-05-W3-04 was drilled to test the W-3 magnetic anomaly. This hole was drilled from shore intended to replace the proposed hole KB-05-W3-02 and complementary to hole KB-05-W3-03. It was collared on UTM coordinates 658,155E – 5,543,058N (no reefed to the local grid). Drilling started on Feb 17 and finished on Feb 20. As in case of hole KB-05-W3-03, this hole was significantly deviated from its planned azimuth of 36° making miss the surveyed portion of the W-3 anomaly. Despite the deviation of the hole, there was possible to test the southern extension of the W-3 anomaly which consisted to strongly magnetic basalt apparently unaltered. The strongly magnetic characteristic with an average susceptibility reading of 14 units is given by the presence of disseminated magnetite grains in the bottom part of the basaltic unit between 163.10m and 183.0m.

The rock units recorded consisted of basaltic intervals occasionally crosscut by QFP dykes and 2 massive sulphide intervals between 87.15mand 87.63m with 30% pyrrhotite +/- pyrite and between 88.38m and 88.54m with 20% pyrrhotite +/- pyrite without important Au values (80ppb and 20ppb respectively). The contact between basalt and QFP was determined at 185.95m. The QFP unit consisted predominantly of coarse grained quartz-feldspar phyric intrusive rock intersected by a 4.2-metre thick medium grained diabase dyke. The 2 highest Au values were obtained from strongly silicified QFP associated with BBQ veins. These were: 990ppb Au over 0.37m, 2160ppb Au over 0.15m both close to the bottom of the hole. There was no apparent relationship between Au mineralization and the magnetic anomaly in W-3.

Eastern Ground Magnetic Anomaly (EC-1)

Hole KB-05-EC1-01

Hole KB-05-EC1-01 was drilled to test the EC-1 anomaly. This hole was drilled on ice. It was collared with coordinates 658,620E – 5,543,263N approximately 8m NW from its original proposed location. Drilling started on Feb 15 and finished on Feb 16.


CONQUEST RESOURCES LIMITED
KING BAY PROJECT
EASTERN MAGETIC ANOMALY AND
2005 DRILL HOLE RESULTS
June 2005
Figure: 4
Drawn by: EC
N
658620 mE
658640 mE
658660 mE
5543300 mN
5543280 mN
5543260 mN
5543240 mN
5543220 mN
104m
41m
71m
41m
41m
4.18 g/t Au / 0.18m
KB-05-EC1-03
KB-05-EC1-04
KB-05-EC1-05
EC-1
KB-05-EC1-01
KB-05-EC1-02
AL 369
0
12.5
25
metres

The hole cored a coarse grained QFP unit crosscut by several diabase dykes. No significant silicification was observed in the QFP unit except insipient silicification towards the contacts with the diabase dykes. Plagioclase crystals of the QFP showed moderate to strong k-feldspar alteration associated to <1mm thick qtz veinlets giving a reddish tint to rock. No evident mineralization was intersected with this hole.

Hole KB-05-EC1-02

Hole KB-05-EC1-02 was drilled was drilled on ice and intended to test lengthwise the EC-1 anomaly. It was collared with coordinates 658,665E – 5,543,231N approximately 25m south from its original proposed location. Drilling started on Feb 13 and finished on Feb 15.

The hole cored a moderately silicified, locally strongly silicified and fractured coarse grained QFP crosscut by several fine to medium grained diabase dykes. There were identified several barren narrow BBQ veins. Despite the alteration affected in the QFP there were no significant Au values in the hole.

Holes KB-05-EC1-03, KB-05-EC1-04 and KB-05-EC1-05

Holes KB-05-EC1-03, KB-05-EC1-04 and KB-05-EC1-05 were drilled on ice and intended to test directly above the EC-1 anomaly. They were collared in the same site with coordinates 658,644E – 5,543,274N which was the original proposed site for KB-05-EC1-03. Drilling started on Feb 21 and finished on Feb 22.

The intersected lithology consisted mainly of the QFP unit crosscut by several diabase dykes. The QFP unit is locally affected by moderate to strong silicification commonly associated with narrow BBQ veins and quartz-carbonate veinlets.

The analyses of samples taken from these holes returned only one single sample with significant Au value from hole KB-05-EC1-04 of 4.2g/t over 0.18m from 4.95m to 5.13m obtained from a BBQ vein in a moderate to strongly silicified QFP interval also affected by minor chlorite alteration containing 3% of disseminated pyrrhotite.

5.2.2 Drill Core Recovery

Core recovery was in general very good, the average recovery obtained during the 2005 drilling program was 99.5% influenced by moderate to intense fracturing of rock along small intervals.

5.2.3 Core Sampling and Analyses

There were taken 167 core samples selected from intervals with obvious alteration including presence of blue black quartz (BBQ) and intervals of silicified QFP. Additionally there were taken samples from diabase dykes in order to verify the

background Au content in this rock type. Sample size was as small as 5cms in length to up to 1.5m. This sampling procedure would not be suitable for narrow intervals with no obvious mineralization; eventually small rich intervals might have been included and diluted in longer intervals or perhaps not sampled. Marked samples were sent to the core cutting facilities installed in the Whiskey Jack Lodge. Marked core was cut with saw in half, one half was bagged and the remaining half left in the core tray for reference. Samples remained at the lodge until the end of the drill program. Once sampling was finished, sampled core trays were taken to the site (tend frame) for storage.

Samples taken were dropped-off at ALS Chemex Lab located in Thunder Bay where samples were prepared then sent to ALS Chemex Lab in Mississauga for analyses. All the samples were analyzed only for Au using the Au-AA25 method (Gold assay 0.01-100 ppm by 30g fire assay – AA analyses).

5.2.4 Duplicates and Standards

Duplicate and standard samples were taken every 40 samples approximately. There wee collected in total 4 duplicates and 4 standards.

Results of duplicate samples returned values bellow detection limit consistent with each other; however results were not appropriated for comparison. Table No. 5 shows results of the original and duplicate samples.

Table No. 5 – Control Samples (Duplicates)

Sample	Duplicate	Au (ppb)
21298	21299	<10
21299	21298	<10
21274	21275	<10
21275	21274	<10
21256	21257	<10
21257	21256	<10
20382	21253	<10
21253	20382	<10

CDN-GS-5 (20.77 ± 0.91 g/tonne) standards used were purchased from Canadian Resource Laboratories Ltd. (CRL) of Delta, B.C and inserted every 40 samples. Results of the analyses of the standard samples shown in Table No. 6 indicate a satisfactory accuracy of the results.

Table No. 6 – Control Samples (Standards)

Sample	Au (ppb)	Au – Standard	Comment
20392	20800	20.77 ± 0.91 g/tonne	CDN-GS-5 standard
21272	20900	20.77 ± 0.91 g/tonne	CDN-GS-5 standard

21300	21200	20.77 ± 0.91 g/tonne	CDN-GS-5 standard
21254	20100	20.77 ± 0.91 g/tonne	CDN-GS-5 standard

6 DISCUSSION OF RESULTS

The drilling completed provided important information for further exploration programs.

Mineralization found in drilled holes in this campaign is narrow, in the order of tens on centimetres, with Au values up to 13.5g/t. The mineralized intervals seem not to be the sources of the boulders scattered on surface in the southern shore of the King Bay containing Au values as high as 15.2 opt (average 0.5 opt). Perhaps wider BBQ veins remain untested.

The results of drilling shows that mineralized intervals do not show obvious spatial relationship with the ground magnetic anomalies defined in the western and eastern areas. It was confirmed with the magnetic susceptibility readings done in all holes. Hole KB-05-W3-04 verified that the W-3 anomaly is associated with basaltic rocks containing fine-grained disseminated magnetite. Further drilling targeted to test the untested anomalies will be needed to verify the sources of the magnetic anomalies and whether or not they are associated with Au mineralization. In order to achieve the desired goal, a drill program off ice is imperative.

APPENDIX I

Option Agreement KBG Minerals Corporation & Conquest Resources Ltd.

KBG Minerals Corporation
174 Carrington Lane
Fredericton, NB E3A 5R6

August 18, 2004

Conquest Resources Limited
Suite 201
347 Bay Street
Toronto, Ontario M5H 2R7
Attention: Mr. Terance N. McKillen
President & CEO

Dear Sirs:

Re. King Bay Project

This will confirm our understanding of the arrangements between our corporation ("KBG") and you ("Conquest") relating to the acquisition by Conquest of a sixty (60%) interest in all right, title and interest of KBG in and to the King Bay Project which currently consists of the option agreement (the "Tribute Agreement") between Tribute Minerals Inc. ("Tribute") and John L. Wahl Consulting Ltd. ("Wahl Consulting") on behalf of a corporation to be incorporated and having a term to June 1, 2006, the Tribute Agreement having been accepted by Tribute in May, 2003. A copy of the Tribute Agreement is attached hereto as Schedule "I".

KBG represents and warrants to Conquest as follows:

(a) the Tribute Agreement is in good standing, unamended, save that KBG returned part of the properties therein referred and set forth in Schedule "A" to the Tribute Agreement to Tribute, such properties that are currently subject to the Tribute Agreement are as set forth in Schedule II attached hereto and are herein referred to as the "Property";

(b) KBG is not aware of any event or circumstance that would constitute an event of default under the Tribute Agreement;

(c) the right, title and interest of KBG under the Tribute Agreement and in and to the Property is free and clear of any lien, mortgage, agreement, encumbrance or adverse claim and no third party, other than Tribute, has any interest therein;

(d) KBG has expended approximately $75,000 in carrying out work as contemplated in the Tribute Agreement and has reported on the same to Tribute in accordance with the provisions of the Tribute Agreement and Tribute has not to date disputed any such expenditures;

(e) KBG is not aware of any hazardous or other situations or circumstances on the Property or any work that has been carried out thereon that may give rise to any environmental claims, penalties or liability;

(f) KBG has not received any notice, order or other communication from any governmental ministry or instrumentality relating to any actual or alleged unacceptable environmental circumstance or situation with respect to the Property;

(g) KBG has the right to deal with the Tribute Agreement as herein contemplated;

(h) the status of each part of the Property is as set forth in Schedule II attached hereto;

(i) to the best of KBG's knowledge and belief, each of the unpatented mining claims forming part of the Property has been duly staked and recorded in accordance with the laws of the Province of Ontario.

For convenience, certain words have been defined in the text of this letter. In addition, those words or phrases defined in Schedule "III" annexed hereto shall have the respective meanings therein set forth, it being agreed that all schedules annexed hereto form part of this letter.

Upon acceptance hereof, the foregoing representations and warranties of KBG shall continue for a period of twelve (12) months and the following provisions shall be applicable:

1 Due Diligence/TSE Approval

1.01 If, in the opinion of Conquest, it is necessary for Conquest to obtain approval hereof from the TSX Venture Exchange, this agreement and the obligations of Conquest hereunder shall be conditional upon the obtaining of such approval. If Conquest does not advise KBG of such necessity within ten (10) days after accepting this agreement, Conquest shall for all purposes of this agreement be considered to have decided that the obtaining of such approval is not necessary. If such notice is so given and such approval is not given or waived within thirty (30) days after the giving thereof, KGB may by notice given at any time thereafter and before such approval or waiver is so given terminate this agreement.

1.02 Conquest shall have a period of twenty (20) days after its acceptance hereof to carry out such due diligence as Conquest considers appropriate and KBG shall cooperate with Conquest with respect thereto. Conquest may by notice to KBG terminate this agreement within said period in which event Conquest shall have no right, title, interest or liability hereunder. If such notice is not so given within such period this agreement and the obligations of Conquest hereunder shall be in full force and effect.

2. Acquisition of Interest

2.01 Conquest shall prior to April 30, 2006 expend at least $200,000 in doing work hereunder (such expenditure being referred to as "Phase I"), of which at least $100,000 shall be expended prior to April 30. 2005. In consideration for such firm commitment,

KBG hereby grants to Conquest the exclusive option (the "Option") to acquire during the Acquisition Period a sixty percent (60%) interest in the Tribute Agreement and any interests to the Property acquired thereunder through the exercise of the option therein contained. It is agreed that if Conquest fails to complete Phase I, this agreement shall, subject to the provisions hereof, immediately terminate and Conquest shall have no right, title, interest, obligations or liabilities hereunder, save for the obligation to pay to KBG the difference between $200,000 and the actual amount expended in doing work hereunder with respect to Phase I, which liability shall continue.

2.02 Notwithstanding anything to the contrary herein contained, expenditures made in doing work hereunder during Phase I shall be direct expenditures incurred for doing such work and Conquest shall not be entitled to charge or receive any administration or overhead allowance with respect thereto. This paragraph 2.02 shall terminate upon completion of Phase I.

2.03 Upon completion of Phase I the Option shall continue in full force and effect up to and including April 30, 2008. If prior to April 30, 2008 Conquest expends an aggregate of $600,000 in doing work hereunder (including amounts expended for Phase I), Conquest may give notice accordingly to KBG together with a detailed listing of such expenditures not previously given to KBG and, subject to the right of KBG to dispute any or all of such expenditures, Conquest shall be considered to have exercised the Option, shall acquire a sixty percent (60%) interest in and to the Property (an "Ownership Interest") and shall assume its *pro rata* portion of the obligations under the Tribute Agreement, including, without limitation, the obligation to pay the royalty (the "Tribute Royalty") to Tribute thereunder; it being agreed that if Conquest has not exercised the Option or has not expended said aggregate $600,000 on or before April 30, 2008, this agreement shall immediately terminate and Conquest shall have no right, title, interest, obligations or liabilities in or with respect to the Property, save only as specifically provided to the contrary hereunder.

2.04 It is acknowledged that the expenditures required under Phase I will, with amounts previously expended by KBG, exceed those required under the Tribute Agreement to exercise the option contained therein. KBG agrees that, as soon as practicable after an aggregate of $200,000 has been expended in doing work as contemplated in the Tribute Agreement and not disputed by Tribute, KBG will exercise the said option. Upon such exercise, the Property so acquired shall be held subject to the provisions of this agreement and the rights of Conquest hereunder, subject always to the Tribute Royalty.

2.05 The Acquisition Period and the Option shall terminate upon the acquisition by Conquest of its Ownership Interest or as otherwise herein provided.

2.06 Any Ownership Interest acquired by Conquest hereunder shall vest automatically in Conquest without any further act required to be done on the part of Conquest or

KBG, save only that KBG shall do such acts as may reasonably be required in order to evidence such acquisition.

2.07 Conquest may at any time and from time to time during the Acquisition Period without notice to KBG pay to KBG any amounts contemplated to be expended in doing work hereunder pursuant to this Article 2, and upon the making of any such payment the amount thereof shall be considered to have been expended in doing work hereunder as at the date of the making of such payment.

2.08 Subject to the provisions of paragraph 2.01 hereof, Conquest may at any time during the Acquisition Period terminate this agreement with respect to all or any part of the Property by delivering a notice accordingly to KBG, provided that at the time of the giving of such notice such part or parts of the Property shall be in good standing for at least a period of one hundred and twenty (120) days. Upon the giving of such notice, this agreement shall terminate immediately with respect to the part or parts of the Property set forth in said notice and Conquest shall retain no right, title, interest or obligations in and to such part or parts of the Property.

2.09 During the Acquisition Period, the Property shall continue to be registered in the name of KBG and shall be held by KBG as bare trustee to be dealt with in accordance with the provisions hereof. If Conquest acquires an Ownership Interest the Property shall be transferred to the then Operator to be held pursuant to the provisions hereof and KBG shall deliver duly executed transfers transferring title to the Property to the Operator. During the Acquisition Period Conquest shall deliver to KBG in a timely manner such reports and documentation relating to work carried out by Conquest relating to the Property as may be reasonably required in order to maintain the Property in good standing.

In order to protect its interests hereunder, KBG and/or Conquest may register such notice or other document against title to the Property as it considers advisable and the other party hereto shall co-operate in effecting such registration.

3. Work During Acquisition Period

3.01 Subject to the provisions of paragraph 3.04 hereof, during the Acquisition Period KBG shall not be required to contribute to any costs of any Programme or to any amounts expended in doing work hereunder provided, however, that such work shall be carried out by Conquest as Operator hereunder and the provisions of paragraph 7.01 hereof shall be applicable thereto.

3.02 During the Acquisition Period, to the extent that the provisions of this Article 3 or of Article 2 hereof conflict with any other provisions of this agreement, the provisions of this Article 3 or said Article 2, as the case may be, shall prevail.

3.03 During the Acquisition Period the nature, extent and timing of work to be carried out hereunder shall be in the sole discretion of Conquest, save that Conquest shall carry

out such work under Programmes that have been discussed with KBG with respect to their formulation and execution. Conquest agrees that it will consider using the services of Wahl Consulting in doing work hereunder.

3.04 Upon the expenditure of an aggregate of $600,000 as referred to in paragraph 2.03 hereof, Conquest, as Operator, may continue the then current Programme to completion or may terminate such Programme in an orderly fashion, as Conquest considers advisable, provided, however, that the costs of such Programme to a maximum of $25,000 that are in excess of said $600,000 shall, automatically and without reference thereto, be included as part of the first Programme proposed hereunder following termination of the Acquisition Period.

4. Joint Venture; Conquest Operator

4.01 The joint venture constituted hereunder is hereby formed for the purpose of exercising the option contained in the Tribute Agreement and carrying out work related to the Property with a view to determining if a viable orebody exists thereon and, if such an orebody does so exist, to develop the same to production and thereafter operate the same, all as herein contemplated.

4.02 Conquest is hereby appointed Operator of the joint venture constituted hereunder and shall have the right to remain as Operator hereunder during the Acquisition Period and thereafter for so long as Conquest has an Ownership Interest of at least sixty percent (60%) hereunder.

4.03 As at the date of termination of the Acquisition Period, the respective Ownership Interests of Conquest and KBG shall be sixty percent (60%) and forty percent (40%), respectively, and, subject always to the provisions hereof specifically to the contrary, Conquest and KBG shall share in all rights, titles, interests, benefits, costs and liabilities under the Tribute Agreement and which may arise hereunder *pro rata* to their respective Ownership Interests as determined from time to time hereunder.

5. Programmes and Participation

5.01 After the Acquisition Period and for so long as each of Conquest and KBG is a Participant, work performed hereunder shall be performed under Programmes which shall be of such extent, timing and estimated costs as is therein set forth. Save in the case of a Programme contemplating the preparation of a Feasibility Study or a Development Programme, Programmes shall contemplate work to be carried out during a period of not more than twelve (12) calendar months, provided, however, that during any such period supplemental Programmes may, with the consent of the Non-Operator, be proposed to supplement work contemplated in the Programme then being carried out.

5.02 After the Acquisition Period the Operator shall, prior to initiating any Programme and at such time or times as the Operator considers advisable for the orderly carrying out

of work hereunder and after consultation with the Non-Operator, submit to the Non-Operator a proposed Programme which has been prepared after consultation with the Non-Operator.

Within thirty (30) days after receipt of such a proposed Programme, the Non-Operator may by notice to the Operator elect:

(a) to participate in such Programme; or

(b) not to participate in such Programme.

The Operator shall be deemed to have elected to participate in such Programme and failure so to indicate by the Non-Operator, as aforesaid, shall be deemed to be an indication of intention not to participate therein.

5.03 If the Non-Operator elects to participate in a Programme, the Operator and the Non-Operator shall each be bound to contribute to the full cost of carrying out such Programme as therein set forth.

5.04 If the Non-Operator indicates or is deemed to have indicated that it does not wish to participate in a Programme (the "Proposed Programme"), then the Non-Operator shall immediately become an inactive Participant and, subject only to the provisions of this paragraph 5.04, shall forfeit the right to contribute to the Proposed Programme. For convenience, the date of the making or deemed making of such indication is herein referred to as the "Indication Date". The Operator may revise the Proposed Programme by reducing the aggregate estimated costs therein set forth by not more than twenty-five (25%), provided, however, that such revisions shall be made so as to preserve the objective proposed under the Proposed Programme. If the Proposed Programme or Proposed Programme as so revised, as the case may be:

(a) is not proceeded with; or

(b) is commenced but not carried out within the time period set forth in the Proposed Programme; or

(c) is not carried out at an actual aggregate cost of amounts expended in doing work thereunder of at least eighty (80%) of the aggregate estimated costs as set forth in the Proposed Programme or Proposed Programme as so revised;

then in any such case the Non-Participant may, within thirty (30) days:

(i) after receipt of the report relating to said revised Programme (or the portion thereof carried out),or

(ii) the end of said time period set forth in the Proposed Programme,

whichever last occurs, elect by notice delivered to the Operator to pay its proportionate part of the amounts expended in doing work hereunder since the Indication Date and, provided that the inactive Participant does so pay such proportionate part within thirty (30) days after being notified of the amount thereof, it shall again become an active Participant with an Ownership Interest equal to its Ownership Interest as at the Indication Date and shall continue hereunder as if it had never so become an inactive Participant and its interest hereunder shall not be reduced as a result of its non-participation in such Programme. If the such inactive Participant does not so elect within said thirty (30) days, or, having so elected, fails to pay said proportionate part

within said second-mentioned thirty (30) days, such inactive Participant shall continue as such or, if such inactive Participant has exercised its rights to re-enter under paragraph 5.06 hereof, it shall continue hereunder as a Non-Participant.

5.05 An inactive Participant shall forfeit to the other party hereto all rights to be Operator hereunder, and, subject only to the provisions of paragraph 5.04 hereof, as at the date that a Participant became an inactive Participant hereunder, its Ownership Interest shall reduce (and the Ownership Interest of the other party hereto increase accordingly) as the other party hereto continues to expend amounts in doing work hereunder. The respective Ownership Interests of the parties hereto shall thereafter be that percentage of the aggregate actual and deemed amounts expended in doing work hereunder after the Acquisition Period that were so expended or deemed expended by the party whose Ownership Interest is being calculated, it being agreed that Conquest and KBG shall for the purposes of such calculation and as at the termination of the Acquisition Period be deemed to have so expended an aggregate of $1,000,000 as to $600,000 and $400,000, respectively. Subject to the provisions of this paragraph 5.05 to the contrary, if the Ownership Interest of a party is reduced to ten percent (10%), such ten percent (10%) Ownership Interest shall be immediately converted into a right to receive a royalty (the "Royalty") equal to ten percent (10%) of the net profit realized from operations carried out on the Property. The Royalty shall be determined and payable as set forth in Schedule "IV" attached hereto and shall not be considered to be an interest in the Property. Upon the arising of the right to receive the Royalty, this agreement shall terminate save for the provisions of Article 11 hereof, said Schedule "IV" and such other provisions hereof that relate to the determination and payment of the Royalty.

5.06 Until such time as the Ownership Interest of an inactive Participant has been reduced to ten percent (10%), as set forth in paragraph 5.05 hereof, work carried out hereunder with respect thereto shall continue to be carried out under Programmes (save that the Operator shall not be required to consult with such Participant as contemplated in paragraph 5.02 hereof) and a copy of each proposed Programme shall be delivered to such inactive Participant. Such inactive Participant may, within the thirty (30) days set forth in said paragraph 5.04, elect to participate in any such Programme to the extent of its Ownership Interest as at the commencement of such Programme. If such inactive Participant elects not to participate or fails to indicate its election to the Operator, the provisions of this paragraph shall continue until the earlier of such time as such Participant does elect to participate in a proposed Programme as contemplated above or its Ownership Interest has been so reduced to ten percent (10%), whereupon the said right of such Participant so to elect shall immediately terminate. If within said thirty (30) days, such Participant does so elect to participate in a proposed Programme, it shall do so as a Participant having an Ownership Interest equal to its Ownership Interest as at the date of commencement of such Programme and the right of such Participant to elect under this paragraph shall immediately terminate.

5.07 During the course of a Programme, the Operator may render periodic invoices for amounts previously expended in doing work thereunder or amounts anticipated by the

Operator to be so expended within a period not exceeding sixty (60) days from date of such invoice. All undisputed amounts set forth in an invoice shall be paid within thirty (30) days from receipt thereof. Any dispute relating to an invoice shall be referred to the auditors of the Operator (or if such auditors decline so to act, to a mutually acceptable independent chartered accountant or firm of chartered accountants or the Consultant) whose decision shall be final, any adjustment required being made immediately after the making of such decision and, if appropriate, paid. If a party fails to pay any undisputed invoice or portion thereof, interest shall be accrue on the undisputed amount thereof from the date of such invoice up to the day of payment at a rate equal to prime rate plus three percent (3%), where "prime rate" means semi-annual average of the rate of interest expressed as a rate per annum which the Canadian Imperial Bank of Commerce, at its head office in Toronto, refers to as its "prime rate"

6. Feasibility Study and Development Programme

6.01 If at any time the Operator is of the view there is sufficient evidence that a potential orebody exists on the Property and that a feasibility study (the "Feasibility Study") should be prepared, it may by notice so advise the other Participant and may prepare a Feasibility Study.

6.02 Upon delivery of a notice pursuant to the provisions of paragraph 6.01 hereof, the Operator shall complete the then current Programme and shall then prepare a proposed Programme contemplating the preparation of a Feasibility Study either "in-house" or by use of a Consultant. The Participants shall consult with respect to the parameters to be used with respect to the preparation of the Feasibility Study and, in the event of dispute between them, such dispute shall be referred to a Consultant pursuant to the provisions of Article 9 hereof. The Feasibility Study shall be prepared promptly and shall be a comprehensive study and report as to the existence or otherwise of a commercially viable orebody on the Property. If a commercially viable orebody is believed to exist, the Feasibility Study shall include detailed recommendations as to the technical means and processes to develop the same, bring the same into commercial production and thereafter operate the same to produce a commercially marketable product, together with appropriate cost, financial and other information, data and forecasts.

6.03 Upon completion of the Feasibility Study, a copy thereof shall be delivered to each Participant and, if it is prepared "in-house", a Participant may require that it be accompanied with, or by notice delivered to the Operator within thirty (30) days after delivery of the Feasibility Study require that there be obtained immediately, an opinion from a Consultant to the effect that the Consultant has reviewed the Feasibility Study and considers that its recommendations are reasonable and practical and in keeping with good mining practice.

6.04 Within ninety (90) days after receipt of the Feasibility Study a Participant may by notice to the other Participant disagree with all or part of the Feasibility Study as therein specified and if within the next following thirty (30) days the disagreement cannot be

resolved, the unresolved disagreement shall be immediately submitted to a Consultant (other than the one that rendered an opinion as aforesaid) as contemplated in Article 9 hereof and the Feasibility Study shall be considered to be settled and agreed to in accordance with the Opinion given by such Consultant under said Article 9. A Development Programme based upon and to implement the provisions of a settled Feasibility Study may be proposed by the Operator and the provisions of paragraph 5.02 hereof shall be applicable with respect to elections by a Participant, save only that the thirty (30) days therein set forth shall be extended to sixty (60) days. If the other Participant does not elect to participate therein neither the Operator nor the other Participant shall be required to proceed with the Development Programme.

6.05 For so long as both of the parties hereto are Participants, the Operator shall not proceed with any development work carried out with a view to bringing the Property into commercial production except pursuant to a Development Programme.

6.07 Nothing contained herein shall be construed to limit or restrict a Participant from carrying out, or causing to be prepared, for its own purposes and account such studies or reports that such Participant considers to be appropriate.

7. Operator

7.01 The Operator shall:

(a) by way of consultation and written reports or summaries keep the other Participant reasonably informed of work performed hereunder and the results thereof at least quarterly;

(b) submit a written report at the completion of each Programme to the other Participant;

(c) during reasonable business hours, afford a Participant access to the Property and to all records (without limiting the generality of this provision, including all data, accounting records, maps, reports and information in its possession and relating to the Property and work carried out for or by it thereon) with the right to make copies and/or take extracts but only for its own use (the Operator agreeing to keep full and complete records and accounts at a location or locations convenient to the Operator and known to the Participants), all at the sole expense and the sole risk of such Participant having such access, provided, always, that the exercise of any such rights shall not interfere with the operations or business of the Operator and that any information relating to such business or operations obtained shall be subject to the provisions of paragraph 13.01 hereof;

(d) perform work in accordance with good mining, environmental and financial practice and standards and all applicable laws and legal requirements;

(e) keep the Property in good standing, provided, always, that, after the Acquisition Period, the Operator has been put into funds therefor by the Participants; and

(f) after the Acquisition Period, maintain the Property registered in its name or such other name as the Participant having the larger Ownership Interest may reasonably require.

7.02 The Operator may resign as such upon ninety (90) days' notice to the other Participant, or, if the Operator becomes a Non-Participant, the Operator shall immediately cease to be Operator. In either case, the other Participant shall have the right to become or to appoint the Operator hereunder.

7.03 If the Operator institutes proceedings to be adjudicated a bankrupt or insolvent or consents to the institution of bankruptcy or insolvency proceedings against it or files a petition or answer or consent seeking reorganization or relief under any applicable law relating to bankruptcy or insolvency, or consents to the filing of any such petition or consents to the appointment of a receiver or receiver and manager or makes an assignment for the benefit of creditors or if any of the same are instituted or commenced by a third party with respect to the Operator, then the other party hereto shall have the right to become or appoint the Operator.

7.04 If within a period of twenty-four (24) months after completion of a Programme, the Operator has not proposed a new or further Programme having an aggregate estimated cost of at least $150,000, the other Participant may by notice to the Operator require the Operator to submit a proposed Programme. If within the next succeeding thirty (30) days the Operator does not so propose a Programme, the other Participant may propose a Programme (which shall have an aggregate estimated cost of at least $100,000) and shall deliver a summary thereof to the Operator. The Operator shall have the right within the next succeeding fifteen (15) days after delivery of such summary to elect:

(a) to adopt and carry out such Programme as Operator, in which event it shall be obligated to contribute thereto; or

(b) to participate in such Programme as the Non-Operator, in which event the other Participant shall immediately become Operator and both of the Participants shall be obligated to contribute thereto; or

(c) not to participate in such Programme, in which event the Operator shall, as at the date of delivery of said summary, become an inactive Participant or Non-Participant, as the case may be, such other Participant shall immediately become the Operator and, the provisions of paragraph 5.04 hereof shall be applicable, save that the continuing Participant shall be obligated to carry out such Programme in its entirety.

If the Operator fails so to elect within said fifteen (15) days, it shall be deemed to have elected not to participate in such Programme under subparagraph (b) above.

7.05 The Operator, as such, shall not be required to expend any of its own funds to carry out or fulfill any of its duties or obligations hereunder and, if the Operator does not have on hand sufficient funds (or security for the payment thereof satisfactory to the Operator) so to carry out or fulfill, the Operator shall be relieved of any obligation so to

do hereunder, provided, always, that the provisions of this paragraph shall not be construed to relieve the Operator of any obligations that it may have as a Participant hereunder.

Further, it is acknowledged that a report of the Operator delivered hereunder may contain interpretations of work and/or expressions of opinions upon many matters, including, without limitation, a forecast of possible applications or results flowing from such results, interpretations or applications. In addition, a Development Programme may contain cost estimates, estimates of Product prices, revenue estimates, estimated return on in investment and other financial estimates made by the Operator. It is also acknowledged and agreed that the Operator is not receiving any remuneration or fees hereunder with respect to acting as such. Accordingly, any such interpretations, opinions, possible applications or estimates shall represent the opinion of the Operator only and shall be delivered by the Operator for the information of the Non-Operator only and are not intended to be relied upon by the Non-Operator, it being agreed that each of the parties hereto shall be solely responsible for preparing any interpretations of work results, forecasts, possible applications or estimates of the nature above referred to and for making its own decisions based thereon and that the Operator shall not be liable in any way whatsoever for any of the same offered by it.

8. Representatives and Committee

8.01 Each party shall immediately by notice to the other name one representative and one alternate representative (to act in the absence of the representative) to represent it hereunder. Representatives may be changed from time to time by notice and shall have full power and authority to bind the party which they represent with respect to matters arising hereunder. Such power and authority shall not extend to amending this agreement.

8.02 After the Acquisition Period, a committee shall be formed on which each Participant may be represented by its representatives, employees and/or professional advisors. The Committee shall not be a decision-making body but rather shall be a forum for discussion between the Participants with respect to work being carried out or proposed to be carried out hereunder, results of such work and other matters of mutual interest. Meetings of the Committee may be called by either Participant upon at least fifteen (15) days prior notice but not more than twice during each calendar year, save only that the Operator shall call a meeting of the Committee to discuss its report delivered upon the completion of a Programme. Procedures at Committee meetings shall be informal.

9. Consultant

9.01 A Consultant shall consider, as an expert and not as an arbitrator, only those matters which are referred to him pursuant to the provisions hereof and shall be paid his usual consulting fees plus expenses. Such fees and expenses shall be paid by the Participant initiating the matter or dispute submitted to the Consultant unless the dispute

or disagreement of such Participant is upheld by the Consultant, in which event the same shall be paid by the other Participant.

9.02 In considering a matter submitted to him a Consultant shall have made available to him a copy of this Article 9 together with all relevant data and information relating to such matter and shall, if so requested, meet and discuss the matter with the Participants. The Consultant shall express his opinion (the "Opinion") as to whether or not the proposal of the Operator constituting the matter submitted to the Consultant hereunder is reasonable and in keeping with good mining practice. The Opinion shall be expressed in writing and a copy thereof delivered to each Participant.

If the Opinion confirms that the proposal of the Operator is reasonable and in keeping with good mining practice, such proposal shall be deemed accepted by the Participants and the Operator may pursue the same. If the Opinion does not so confirm such proposal of the Operator, the Consultant may in the Opinion consider whether or not any alternate proposal received from the other Participant is reasonable and in keeping with good mining practice and, if such Opinion confirms that such alternate proposal is such then, provided that to implement such alternate proposal will not increase the estimated cost of the relevant Programme and will not alter or require the alteration of other aspects of such Programme in a material way, such alternate proposal shall be deemed accepted by the Participants and the Operator shall proceed accordingly.

9.03 The Consultant shall be instructed to render his Opinion as quickly as possible and both Participants shall co-operate with the Consultant in order to achieve such end.

10. Product

10.01 If the Property is brought into commercial production, each party having an Ownership Interest shall be obligated to take ores mined from the Property and/or concentrates and other products derived therefrom (the "Product") produced from the operations carried on hereunder in kind and to pay all costs or expenses relating to such operations (the "Costs"), each in proportion to their respective Ownership Interests. The Operator shall advise each such party of particulars relating to the nature and availability of Product. Costs shall be invoiced as set forth in paragraph 5.07 hereof which shall be applicable, *mutatis mutandis*.

10.02 Each Party hereto shall take Product deliverable to it as contemplated under paragraph 10.01 hereof, at the site where it is produced and on the date advised by the Operator (provided that such date is at least thirty (30) days after the date of such advice) and the Operator shall have no obligations or liabilities whatsoever with respect to any Product not so taken, including, without limitation, any obligation to stockpile or preserve any of the same.

10.03 If a party fails to pay its portion of Costs, the Operator may refuse to deliver Product to such party and may sell the same to any person, firm or corporation (including itself) at a fair price without any liability or obligation to such party, save only

to account for and to pay the proceeds of such sale after deduction of any moneys owed to the Operator by such party. No such sale shall relieve a party of its obligation to pay any moneys owing hereunder that are not satisfied from the proceeds of any such sale and the Operator shall be under no obligation to avail itself of its rights under this paragraph which are in addition to any rights that it may have at law or in equity to recover moneys owed to it hereunder. The provisions of this paragraph are in addition to any other remedies available at law or in equity or pursuant to the provisions hereof. A price paid by an independent purchaser on an arms length basis for any Product shall, for the purposes hereof, be considered to be a fair price therefor.

10.04 It is acknowledged that a party obligated to take Product hereunder may act through a selling or other agent either alone or in concert with other Participants.

10.05 It is acknowledged that reclamation and other similar costs will have to be incurred prior to or upon the closing of any mine operated upon the Property, and at that time it is advisable for the protection of the parties hereto to have available moneys to meet such costs. Accordingly, notwithstanding anything to the contrary herein contained, the Operator shall have the right at any time and from time to time during the last five (5) years of the anticipated life of any mine operated on the Property to withhold a reasonable portion of Product otherwise deliverable to the parties hereto and to sell the same on behalf of such parties, provided, however, that:

(a) such withholding shall be made pro rata to the respective Ownership Interests of the parties hereto at the time of such withholding;
(b) such sale shall be on reasonable commercial terms;
(c) the proceeds from such sale, less the costs of making the same, shall be deposited in a separate interest-bearing account (or guaranteed investment certificates of a chartered bank or major trust company) and used together with any interest received thereon to pay for reclamation or other similar costs and the cost of fulfilling requirements that relate to or arise in connection with or are required to be made in anticipation of, or upon, the closing of such mine;
(d) upon completion of such reclamation and the fulfilling of other closing requirements any moneys then in the possession of the Operator shall be distributed to the parties hereto pro rata to their then Ownership Interests hereunder.

The Operator shall give to the parties hereto notice of its intention to exercise its rights under this paragraph together with particulars of the quantity of Product intended to be withheld. A party hereto may object to such quantity within thirty (30) days after receipt of such notice and if the parties are unable to agree upon an acceptable quantity within the next thirty (30) days the matter shall be referred to a Consultant pursuant to Article 9 hereof.

11. Disposition of Interest; Termination

11.01 Neither of the parties hereto will dispose of its respective interests hereunder without by notice first offering the same to the other party hereto for a cash purchase price (which may include in whole or in part a royalty). If such other party does not accept such offer and purchase all such interest so offered within the next following sixty (60) days, the offering party shall be free to dispose of the same to any third party within the next succeeding one hundred and twenty (120) days at a cash price (and/or royalty, as aforesaid) not more favourable to the buyer than those contained in such offer and this Article. If such interest is not so disposed of within said one hundred and twenty (120) days, the provisions of this paragraph shall again apply. If a party ("Royalty Party") is entitled to receive a Royalty then the provisions of this paragraph shall terminate and cease to be applicable to the other party hereto and such other party's interest hereunder but shall continue in full force and effect with respect to the Royalty Party and to the Royalty.

11.02 Either of the parties hereto may assign its interest to its parent or to a corporation that is controlled by it or by its parent without first offering the same pursuant to the provisions of paragraph 11.01 hereof, provided, however, that, notwithstanding anything to the contrary contained in paragraph 11.03 hereof, such party shall not be relieved of any liabilities hereunder with respect to such interest so assigned unless the assignee thereof appears to be financially able to meet its obligations as a party hereto as the same exist at the time in question, it being agreed that such financial ability may be established on the basis of the financial statements of such assignee.

11.03 No assignment or transfer of any interest hereunder shall be completed unless and until the assignee thereof has agreed in writing and in form and substance satisfactory to the continuing Participant to be bound by the provisions hereof and to assume the obligations hereunder to the extent of the interest so assigned or transferred and as fully as if such assignee had been a signatory hereto. Upon delivery of such agreement by the assignee, the assigning party shall, to the extent of such interest so assigned or transferred, have no further liability or obligation hereunder except for its full portion of any liability which was in existence prior to such delivery (which liability will continue to the extent not assumed and satisfied by such assignee).

11.04 If either the Operator or the Non-Operator considers that all or any part of the Property should no longer be subject to the provisions hereof, it may give notice accordingly to the other party hereto. Such other party may within the next following thirty (30) days require the same to be transferred to it and shall be entitled to receive appropriate documentation for such purposes. Upon giving of such notice, this agreement shall terminate with respect to those parts of the Property therein referred to save only for the obligation to deliver documentation as contemplated in this paragraph.

11.05 Subject to mutual agreement to the contrary, neither of the parties shall create or grant any mortgage, charge or encumbrance of any kind whatsoever on any right, title or interest to which this agreement relates which may adversely affect any other party's

interest hereunder or in the Property, provided, however, that it is agreed that a mortgage, charge or encumbrance granted to a lender for the purpose of securing moneys borrowed from such lender in order to finance a party's participation hereunder shall not be considered to adversely affect any other party's interest if such lender has agreed, in such form and substance as the other party may reasonably require, to be bound by the provisions hereof, including, without limitation, the provisions of this Article 11.

11.06 At such time as there is no Property that is subject to the provisions hereof, this agreement shall terminate.

12. Single Participant

12.01 If at any time there is only one Participant, such Participant may carry out work hereunder of such nature, to such extent and in such manner, and may make such decisions relating thereto and to the Property, all as it in its sole discretion considers advisable, provided, only, that it shall not impair the rights of the other party hereunder, save that such Participant may mortgage or charge any right, title or interest of the Non-Participant (but not an inactive Participant) in and to the Property upon the same terms and to the same extent as its own right, title and interest in order to secure moneys advanced to expend amounts in doing work hereunder. The carrying out of any work by such Participant shall in no way obligate it, or be construed to obligate it, to carry out further or other work hereunder.

13. General

13.01 The parties hereto agree that information relating to the Property and/or any work done hereunder shall be confidential and that any document or release made to or available to the public shall be subject to the prior approval of the Operator, provided, always, that the provisions of this paragraph shall in no way be construed to restrict either party from:

(a) filing particulars of any such work to maintain the Property in good standing under any applicable laws; or
(b) making disclosure to any governmental ministry, department or agency as may be required by any applicable rules, regulations and/or laws; or
(c) making disclosure on a confidential basis to a financial institution in connection with a loan sought to be arranged by a party hereto with respect to the Property;
(d) making disclosure on a confidential basis to the professional advisers of a party hereto; or
(e) publishing an academic paper on the project;

and further provided that, in particular, but without limiting the generality of the foregoing, the provisions of this paragraph shall in no way be construed to require a party hereto or its parent corporation to be in default under or to breach the requirements of any securities commission or similar body having jurisdiction in the premises and/or the

requirements of any stock exchange upon which the securities of the relevant party may be listed with respect to timely disclosure of information and/or the requirements of law with respect to the release or dissemination of information by a corporation to the public, governmental authorities and/or its shareholders.

13.02 Any notice or delivery made in person or by registered or certified mail or by courier (delivery confirmed by courier or otherwise) or by fax or other wire service either to Conquest or KBG at their respective address set forth on the first page of this agreement shall be duly made and received on the day of delivery in person or of sending by fax or other wire service, as the case may be, or, on the day of actual receipt thereof (as indicated on the acknowledgment) in the case of delivery by courier, or, on the fifth business day after the mailing thereof in the case of mailing, provided, however, that a notice shall not be so delivered by registered or certified mail if at the time of the proposed mailing thereof the sender is aware of a disruption or potential disruption in regular mail deliveries due to labour disputes, unrest or otherwise. For the purposes of this paragraph and until changed the respective fax numbers for KBG and Conquest shall be: 506-459-8479 and 416-368-5344.

For information purposes only, a copy of any notice or delivery made shall be sent to:

(a) in the case of Conquest, Neil J. F. Steenberg, Barrister & Solicitor, 201 - 347 Bay Street, Toronto, Ontario M5H 3R7, fax number 416-941-9417; and

(b) in the case of KBG, Karl J. C. Harries, 87 Brock Street, Gananoque, Ontario K7G 1K1, fax number 613-382-7822.

13.03 Any payment made hereunder may be made by cheque made payable to the payee and if delivered as if it was a notice under paragraph 13.02 hereof, the payment which it represents shall be considered to have been duly made (for the purposes of satisfying the relevant provisions of this agreement) on the day that it would be considered to be received if in fact it was a notice.

13.04 Time shall be of the essence of this agreement, provided, however, that during the Acquisition Period and thereafter the time or times (including, without limitation, the term of the Option) within which moneys may or shall be expended in doing work hereunder or work may or shall be done hereunder or rights may be exercised hereunder or obligations shall be performed or fulfilled hereunder (save only for the obligation to pay moneys to a third party whether or not such third party is a party hereto) shall be extended by a period of time equal to the total of all periods of time during which any party hereto or its representatives, agents, contractors or employees are prevented from or seriously impeded in doing work hereunder by reason of fire; power shortage; labour unrest of any nature whatsoever, whether collective or otherwise, including, without limitation, strike or lockout; flooding; explosion; cave-in; landslide; adverse weather conditions; inability to obtain adequate or suitable machinery, equipment or labour; suspension of operations by the Operator in order to preserve or safeguard any property

or assets or in order to preserve or protect any person or persons from injury or death; war; acts of God or enemies of the state; acts of civil disobedience; interference from or actions of any activists (including, without limitation, any relating to native rights or the environment); any rights of or any claims relating to the rights, or alleged rights, of native peoples whether the same relate to the Property or otherwise; governmental regulation, requirement, order or policy; complying with any governmental, or purported governmental, regulation, requirement, order, policy or other requirements or instructions; inability to obtain or the non-issuance of any governmental approval, licence, permit, undertaking or consent; governmental action (including, without limitation, any imposition, restriction or requirement whether lawful or otherwise); or any other cause (whether or not similar to any of the foregoing) considered to be reasonably beyond the control of such party or its said representatives, agents, contractors or employees, it being agreed the settling of any labour dispute, environmental issue, constitutional issue, or native peoples' claim is for the purposes of this paragraph beyond the control of a party hereto and its representatives, agents, contractors or employees and nothing herein contained shall obligate or be construed to obligate any party hereto or any of its representatives, agents, contractors or employees to settle any such dispute, claim or issue or to require or be construed to require a party to test the constitutionality of any law.

If either of the parties hereto avails itself of the provisions of this paragraph, it shall give prompt notice to the other party hereto thereof.

13.05 Provided that the Operator acts in good faith in the performance of its duties hereunder and in fulfillment of its obligations hereunder, and, in the absence of gross negligence or willful misconduct on the part of the Operator, the Operator shall not be liable to any party hereto for any costs, expenses, claims, damages or liabilities incurred by reason of or relating to such performance or fulfillment and under no circumstances will the Operator be liable for contingent damages.

13.06 Neither of the parties hereto will take, or permit or assist in the taking of, any action or proceeding for or relating to partition or severance of the Property.

13.07 Each of the parties hereto acknowledges that the other party is or may hereafter become separately involved in ventures in the Province of Ontario or elsewhere which will have as their objective the performance of work and the acquisition of and/or exploration for and/or exploitation of minerals in said Province or elsewhere and that no right, title or interest in or to mining claims or other mining properties now owned or hereafter acquired by either of the parties hereto (other than the Property) shall be subject in any way to the provisions of this agreement or any of the rights, title, interests, obligations or liabilities herein contemplated.

13.08 This is the entire agreement between the parties hereto and supersedes and replaces any prior discussions, representations, warranties, communications or correspondence between the parties hereto.

The foregoing sets forth in summary form our understanding of the arrangements between us. If you agree with the same, please sign the enclosed copy of this letter as indicated and return the same to us.

Upon receipt of such copy, this letter and the Schedules annexed hereto shall form a binding agreement between, and enure to the benefit of, our corporations and their respective successors and permitted assigns. Any offer constituted by this letter will, unless extended by KBG, expire at five (5) o'clock p.m. (Toronto time) on August 31, 2004.

We look forward to hearing from you in the near future.

Yours very truly,
KBG Minerals Corporation

per

ACCEPTED AND AGREED TO
this day August, 2004
Conquest Resources Limited.

Per: _____

c/s

Per: _____

SCHEDULE "I"
to the option agreement between
KBG and Conquest

Copy of Tribute Agreement

John L. Wahl Consulting Ltd.,
174 Carrington Lane, Fredericton, New Brunswick
Canada E3A 5R6
Tel:- (506) 459-4709 Fax:- (506) 459-8479
jwahl@nb.sympatico.ca

Tribute Minerals Inc.
Suite 808, 67 Yonge Street
Toronto, Ontario
M5E 1J8

Attention: Mr. Ian Brodie-Brown
President

Dear Sirs:

We understand that Tribute is interested in optioning the King Bay property ("King Bay") in the Sturgeon Lake area of Ontario, as described in Schedule "A" attached hereto, to John L. Wahl Consulting Ltd, in trust for and on behalf of a corporation to be incorporated (Wahl"). As set forth to you earlier Wahl is prepared to offer to option King Bay on the following terms:

1. The optionee is John L. Wahl Consulting Ltd. in trust for and on behalf of a corporation to be incorporated ("Wahl").

2. The option will have a term of three years commencing on the first day of the month following acceptance hereof and be automatically exercised if, within that term Wahl spends an aggregate of $200,000 in doing prospecting, exploration, development or other mining work ("work") relating to King Bay. The $200,000 will not include an administrative or overhead allowance but will include the pro rated salary and benefits of any employees of Wahl engaged in such work. The nature, extent and timing of all work is in the sole discretion of Wahl and while the option is extant Wahl will have sole and quiet possession of King Bay and an unfettered right to enter in, on or under King Bay to carry out its rights hereunder, and may bring on and remove from King Bay such assets as Wahl may consider advisable. All work will be carried in accordance with all applicable laws and in accordance with good mining practice.

Wahl will, on or before March 31st of each year during which work is carried out on King Bay, deliver to Tribute a summary of such work provided always that if such summary contains any results or interpretation Wahl makes no representations or warranties with respect thereto or the accuracy thereof.

Wahl will give notice to Tribute that the option has been exercised and shall deliver with such notice a summary of the work carried on King Bay and the cost thereof.

3. Upon acceptance hereof Tribute will deliver transfers of King Bay in registerable form acceptable to Wahl and Wahl may register King Bay and if done, King Bay will be held by Wahl as a bare trustee. If the option is terminated or expires without being exercised transfers of King Bay in such form as Tribute may reasonably require shall be forthwith delivered to Tribute. While the option is extant Wahl will keep King Bay in good standing, provided that Wahl may in its discretion and at any time or from time to time abandon or permit to lapse

and part or parts, provided only that Wahl shall have given Tribute at least thirty days prior notice of its intention so to abandon or permit to lapse the part or parts described in said notice and if within said thirty days Tribute so requests by notice to Wahl, Wahl shall deliver to Tribute transfers of such part or parts in such form as Tribute may reasonably require, provided that:

(a) at the time of the giving of such notice, the part or parts described in said notice shall be in good standing for at least 120 days; and
(b) upon the giving of such notice the part or parts described in said notice shall cease to be part of King Bay and "King Bay" shall thereafter be so interpreted.

4. On exercise of the option, Tribute will be entitled to receive a royalty (the "Royalty") equal to 1½% of the net smelter return realized from King Bay and payable quarterly within 45 days after the end of each calendar quarter. The Royalty shall be determined and payable as set forth in Schedule "B" attached hereto.

5. Tribute hereby grants to Wahl the right to purchase one percent (1%) of the 1½% quantum of the Royalty for an aggregate purchase price of $1,000,000. Such right may be exercised at any time on or before December 31st of the fifteenth year after the year in which the option is exercised by delivery of notice accordingly to Tribute together with the said purchase price. It is acknowledged that if such right is exercised, the Royalty shall thereafter be ½% of net smelter return, provided that the exercise of such right shall not prejudice the right of Tribute to be paid the full amount of any of Royalty payable prior to the date of such exercise.

6. Tribute will not dispose of any interest in Royalty without first offering the same to Wahl for a cash purchase price. If Wahl does not accept such offer and purchase all such interest so offered within the next following ninety (90) days, Tribute shall be free to dispose of the same to any third party within the next succeeding one hundred and twenty (120) days at a cash price and upon terms not more favourable to the buyer than those contained in such offer, provided that such terms shall include a term that the buyer agrees with Wahl to be bound by the provisions hereof as fully as if such buyer was a signatory hereof. If such interest is not so disposed of within said one hundred and twenty (120) days, the provisions of this paragraph shall again apply.

7. Wahl may terminate the option at any time while the option is extant by delivering notice accordingly to Tribute whereupon the agreement shall terminate immediately.

8. Any notice may be delivered in person or by registered or certified mail (return receipt requested) or by courier (delivery confirmed) to either party addressed to it at the relevant address as set forth on the first page shall be duly given and received on the day of delivery in person thereof or, in the case of delivery by mail or courier, on the date of actual receipt thereof (as indicated by said return receipt or confirmation), as the case may be. In the case of delivery in person, such delivery may be made leaving such notice with an employee of the addressee at the relevant street address set forth on the first page hereof. Any party hereto may from time to time by notice change his or its address.

* * * * *

If you are in agreement with the foregoing please so indicate by signing and return a copy of this letter as indicated below. Upon receipt of such acceptance the foregoing shall form a binding agreement between the parties hereto, their successors and permitted assigns, subject to receipt of all necessary regulatory approval, which agreement shall be governed by the laws of the Province of Ontario. Both Wahl and Tribute agree that the offer herein contained and the acceptance hereof may be communicated by fax or other facsimile process, in which event the agreement so formed shall be as binding between the parties and their successors and permitted assigns as fully as if manually signed and delivered. The offer herein contained shall terminate if not accepted by 12:00 noon on May 16, 2003,

Yours very truly
John L. Wahl Consulting Ltd. (in trust)

Per

Accepted and Agreed
Tribute Minerals Inc.

Per

SCHEDULE "A"

to the letter of intent between **Tribute Minerals Inc**. and be **John L. Wahl Consulting Ltd.** in trust for and on behalf of a corporation to be incorporated

The following form the King Bay property for the purpose of the attached agreement:

CLM 307
AL 367, AL 368, AL 369, AL 370, AL 371, AL 372, AL 373
BG 128, BG 129, BG 134, BG 135, BG 136, BG 149
PA1248329, PA1248330, PA1248331, PA1248332, PA1248333, PA1248334, PA1248335, PA1248336, PA1248337, PA1248338, PA1248339, PA1248340, PA1248341, PA1248342, PA1248343, PA1248344, PA1248345

SCHEDULE "B"
to the letter of intent between **Tribute Minerals Inc.** and be **John L. Wahl Consulting Ltd.** in trust for and on behalf of a corporation to be incorporated

B.01 For the purposes of this Schedule "B":

"**net smelter return**" means the amount of money actually received from the sale of ores mined from the Property (except such ores, minerals and metals as are removed for the purpose of making assays or tests) after the date on which the Property comes into commercial production or from the sale of the concentrates or other products derived therefrom less, to the extent that they were not deducted by the purchaser in determining the purchase price therefore, all treatment charges or penalties incurred with respect thereto; all costs or expenses incurred with respect to insurance, freight, trucking, handling and/or sampling and assaying (including, without limitation, umpire assays) of ores, concentrates or other products *ex* headframe in the case of ores and *ex* mill or other treatment facility in the case of concentrates or other products; any federal, provincial or municipal tax or levy of a sales or value-added nature assessed against or payable by the vendor thereof; and, if applicable, any applicable costs or expenses (including, without limitation, penalties) incurred with respect to custom smelting, refining or similar treatment of such ores, minerals or metals;

"**Operator**" shall mean the party responsible for the carrying on of the operations relating to the Property;

"**Property**" means King Bay, as defined in the annexed agreement;

"**Property Owner**" means the person or persons that own an interest in the Property as at the relevant time, including, without limitation, the Operator, if the Operator has such an interest;

"**Recipient**" shall mean Tribute, its successors and permitted assigns;

"**year**" means calendar year and a reference to a subdivision of a year shall mean a reference to the relevant subdivision of a calendar year;

those terms defined in the agreement to which this is Schedule "B" is attached shall have the same meaning as so defined (save as otherwise provided in this Schedule "B").

B.02 All calculations and computations relating to the Royalty shall be carried out in accordance with generally accepted accounting principles to the extent that such principles are not inconsistent with the provisions of this Schedule "B" and the agreement attached hereto.

B.03 Subject to the provisions hereof, the amount of Royalty payable to the Recipient hereunder shall be calculated by the Operator as at the end of each quarter of each year, commencing with the year in which the Property is brought into commercial production (as contemplated in paragraph B.08 hereof), and shall be payable to the Recipient within forty-five (45) days after the end of such quarter.

B.04 On or before April 30th of each year after the Property has been brought into commercial production, the Operator shall deliver to the Recipient a statement indicating the nature of the payments made during the preceding year, if any, and the manner in which such payments were determined, together with a written confirmation by the Operator's independent auditor and addressed to the Recipient that such auditor has examined said statement and found the determination therein contained to have been made in accordance with the provisions of this schedule.

B.05 Any payment of Royalty shall be considered final and in full satisfaction of all obligations of the Operator hereunder if such payment or the calculation thereof is not disputed by the Recipient within sixty (60) days after receipt of the statement referred to in paragraph B.04 hereof, provided, however that if within said sixty (60) days the Recipient by notice disputes said statement the Recipient shall have the right to the accounts of the Operator relating to the determination of the Royalty payable during the relevant year audited by independent auditors and at its cost. If the difference between the amount of Royalty indicated to be payable during such year and the amount of royalty actually paid during such year is greater than five percent (5%) of the aggregate Royalty actually paid during such year, then, in absence of mutual agreement by the parties to the quantum of any adjustment payable, such quantum shall be decided by arbitration hereunder.

B.06 The Operator shall keep separate accounts relating to its operations hereunder and, upon the prior written request of the Recipient, duly authorized representatives of the Recipient may have access to such accounts for the purpose of confirming any information contained in a statement delivered to the Recipient pursuant to the provisions of paragraph B.04 hereof, provided, always, that such access shall not interfere with the affairs or operations of the Operator. The Recipient shall have the

right to make copies of or take extracts from such accounts, but at the cost of and only for the use of the Recipient, all such information being confidential.

B.07 For the purposes of calculating the amount of Royalty payable to the Recipient hereunder only, if, after the Property has been brought into commercial production, any ore or product derived from ore mined from the Property is sold to a company associated with the Operator and if the sale price of such product is not negotiated on an armslength basis, the Operator shall, for the purposes of calculating net smelter return available to pay the Royalty hereunder only and notwithstanding the actual amount of such sale price, add to any moneys actually received with respect to such sale an amount which the Operator considers sufficient to make the same represent a reasonable net sale price for such product as if negotiated at armslength and after taking into account all pertinent circumstances (including, without limitation, then current market conditions relating to products similar to such product; terms of agreements between armslength parties for the purchase and sale of similar products in similar quantities for delivery over similar periods of time; physical and/or chemical characteristics of such products).

The Operator shall by notice inform the Recipient of the quantum of such reasonable net sale price and if the Recipient does not object thereto within forty-five (45) days after receipt of such notice, said quantum shall be final and binding upon the Recipient.

If the Recipient objects to such quantum by notice delivered to the Operator within said forty-five (45) days, then the quantum of such reasonable net sale price shall be decided by arbitration as follows: the Recipient shall nominate one (1) arbitrator and shall notify the Operator of such nomination and the Operator shall within forty-five (45) days after receiving such notice nominate an arbitrator, and the two (2) arbitrators shall select a chairman to act jointly with them as a third arbitrator. If said arbitrators shall be unable to agree in the selection of such chairman, the chairman shall be a person designated by the President or any Vice-President of the Canadian Institute of Mining and Metallurgy provided that such person is not an employee of a Recipient or a Property Owner or the Operator or any company affiliated with a Recipient or a Property Owner or the Operator. The chairman shall fix the time and place for the purpose of hearing such evidence and representations as either of the parties hereto may present and, subject to the provisions hereof, the decision of the arbitrators and chairman, or any two of them, in writing shall be binding upon the parties hereto. Said arbitrators and chairman shall, after hearing any evidence and representations that the parties may submit, make their award and reduce the same to writing and deliver one copy thereof to each of the parties hereto. The majority of the chairman and arbitrators may determine any matters of procedure for the arbitration not specified herein. If the Operator fails within said forty-five (45) days to nominate an arbitrator, then the arbitrator nominated by the Recipient may proceed alone to determine the dispute in such manner and at such time as he shall

think fit and his decision shall, subject to the provisions hereof, be binding upon the parties hereto. The expense of the arbitration shall be paid by the Recipient if the decision reached hereunder does not increase such quantum by more than five percent (5%) of the quantum set forth in the notice hereinbefore referred to and otherwise by the Operator. Insofar as they do not conflict with the provisions hereof, the Arbitrations Act of the Province of Ontario, as amended or replaced from time to time, shall be applicable. There shall be no appeal from the decision of the arbitrators, which decision shall be final and binding upon the parties hereto. Notwithstanding anything to the contrary in the foregoing, any arbitration hereunder may be held and decided upon by a single arbitrator acceptable to the Recipient and the Operator.

B.08 For the purposes of this agreement, the Property shall come into commercial production on the date upon which ores mined from the Property (except such reasonable quantities of ores, minerals and metals as are removed for the purpose of making assays or tests) or concentrates or other products derived therefrom are first delivered to a purchaser on a commercial basis, it being agreed that deliveries of such ores, concentrates or other products resulting from pilot or test operations shall not be considered as deliveries on a commercial basis for the purposes of this paragraph. The Operator shall deliver to the Recipient notice indicating said date as soon as practicable after the occurrence thereof.

B.09 In the event that the Property is brought into commercial production, it may be operated as a single operation with other mining properties owned by the Operator or any Property Owner or in which the Operator or any Property Owner has an interest, in which event, the Recipient agrees that (notwithstanding separate ownership thereof) ores mined therefrom may be blended at the time of mining or at any time thereafter and the Royalty shall be paid hereunder only with respect to ores mined from the Property, or concentrates or other products derived therefrom, all as herein provided. In determining the amount of such Royalty so payable, effect shall be given to the tonnages and metal content of ore removed from, and insofar as they may be relevant, to any special charges or treatment relating particularly to ore, concentrates or other products derived from the Property or from any of such other mining properties and the records of the Operator shall be *prima facie* evidence of the information therein contained.

B.10 Notwithstanding anything to the contrary herein contained, if any part of the right to receive the Royalty is assigned it shall be a condition of such assignment that the assignee agree with the Operator and all other parties entitled to receive any part of the Royalty as follows:

(a) the amount of any Royalty payable hereunder shall be settled only with original Recipient hereunder or a duly authorized nominee (hereinafter

collectively referred to as the "Nominee") as set forth by notice to the Operator (such notice to be executed by all parties entitled to receive any part of the Royalty), and such settlement shall be final and binding upon all interested parties and the Operator shall not be required to make any accounting to any person save such Nominee;

(b) payment of Royalty shall be made only to or to the benefit of the Nominee and such payment by cheque payable to the Nominee "In Trust" and made in accordance with the provisions of this agreement shall constitute full and complete discharge to the Operator of its obligations to make such payment hereunder and there shall be no obligation to see to the distribution of any such payment;

(c) the Operator may settle disputes arising hereunder with the Nominee and such settlement shall be final and binding upon all interested parties;

(d) the Operator may rely upon any direction, advice or authorization signed by the Nominee and may act thereon as if the same was signed by all interested parties;

(e) the Operator shall not be required to deal with any person except the Nominee and each of the said interested parties shall exercise any of their respective rights only through the Nominee and shall require any of their respective assignees to agree in writing to be bound by the provisions hereof.

B.11 Payment of the Royalty to the Recipient may be made by cheque payable to the Recipient. If such cheque is delivered personally to the payee thereof, or, is sent by registered letter addressed to the payee thereof, at the last address of the payee known to the Operator, such payment shall be deemed to have been made upon the date of such personal delivery or upon the third business day following the date of mailing of such registered letter, as the case may be, provided, only, that if such cheque is lost, destroyed or mutilated the Operator shall, upon receipt of such reasonable evidence relating thereto as the Operator may require, replace such cheque. Under no circumstances will the Operator be required to see to, or be responsible for, the distribution of any payment.

B.12 Any Property Owner may at any time and from time to time either before or after the exercise of the Option contained in the agreement attached hereto, without obtaining any prior consents or approvals sell, assign, transfer or otherwise dispose of all or part of any right, title or interest in and to the Property and/or hereunder, upon such terms as it considers advisable, provided only, that:

(a) such sale, assignment, transfer or other disposition shall not be completed unless and until the assignee has agreed in writing to be bound by the provisions hereof as fully as if it was a signatory hereto to

the extent of the interest so assigned, transferred, sold or otherwise disposed of;

(b) upon completion of such transaction the assignor shall be relieved of that portion of the Royalty equal to the portion of its interest which was so sold, assigned, transferred or otherwise disposed of, it being agreed that the obligation to pay the Royalty shall thereafter be the several, and not joint, obligation and liability of the Property Owners and shall be borne by them pro rata to their respective rights, title and interest in and to the Property. Any proceeds received by a Property Owner upon any sale, assignment, transfer or other disposition, as aforesaid, shall not, for the purposes of determining net smelter return hereunder, be considered to be revenues received by such Property Owner;. and

(c) the Property Owners shall appoint one of their number to represent all of the Property Owners with respect to dealings with the Recipient with respect to the determination of the Royalty and the provisions of paragraph B.10 shall be applicable, *mutates mutandis*, provided that such one shall not assume liability for any other Property Owner.

B.13 It is agreed that any dispute between the parties hereto shall, if not settled between them within thirty (30) days after notice of such dispute has been given by one party to the other, be submitted to arbitration for settlement and the decision of the arbitrators shall be final and binding. The provisions of paragraph B.07 hereof shall be applicable to such arbitration, *mutatis mutandis*, save that the arbitrators may in their award assess costs to the parties as the arbitrators in their discretion consider equitable in the circumstances.

SCHEDULE "II"

to the option agreement between
KBG and Conquest

The following are the properties that form the "Property" as the date hereof, all of the same being subject to the tribute Agreement:

Patented Claims:- Provincial Land Tax Role Number 6089500910005990000
Taxes paid for current year
Ministry of Northern Development & Mines Tax Number TB446
Taxes outstanding $1,898.44 (2003/2004)

AL 367	100% KBG
AL 368	100% KBG
AL 369	100% KBG
AL 370	100% KBG
AL 371	100% KBG
AL 372	100% KBG
AL 373	100% KBG
BG 128	100% KBG
BG 129	100% KBG
BG 134	50% KBG
BG 135	50% KBG
BG 136	50% KBG
BG 149	50% KBG

Mining Lease:- Provincial Land Tax Role Number 6089500910005500000
Not subject to Provincial Land Tax
Ministry of Northern Development & Mines Tax Number LTB0093
Rent due for 2004 ($1,610.66)

CLM 307	100% KBG	in good standing to May 2007

Unpatented Claims:-

PA 1248341	100% KBG	In good standing to July 11, 2005
PA 1248342	100% KBG	In good standing to July 11, 2005
PA 1248343	100% KBG	In good standing to July 11, 2005
PA 1248344	100% KBG	In good standing to July 11, 2005
PA 1248345	100% KBG	In good standing to July 11, 2005

SCHEDULE "III"

to the option agreement between
KBG and Conquest

In this agreement, unless there is something in the subject matter or context inconsistent therewith:

B.01 Amounts expended in doing or carrying out work hereunder shall include all direct costs or expenses incurred or paid with respect to such work including, without limitation, wages and fringe benefits (or a pro rata portion thereof) of personnel engaged with respect to such work; fees for professional services rendered in connection with such work; a reasonable rental not exceeding local commercial rates for any assets of a party hereto used in connection with such work; the cost of technical or other advisory services relating to such work; the cost of maintaining the Property in good standing (including, without limitation, the improvement or protection of title thereto and the renewal of leases forming part thereof); and, subject to the provisions of paragraph 2.02 of the agreement to which this is Schedule III and until a Development Programme is approved, an amount to reimburse the Operator for overhead and administration expenses of the Operator equal to the aggregate of:

(a) a percentage of all amounts expended during any year under each contract or agreement with a third party to supply services or assets hereunder in excess of $50,000 per contract or agreement that is equal to five percent (5%) of said amounts; and

(b) fifteen percent (15%) of all other moneys expended in doing work hereunder.

After approval of a Development Programme any allowance for overhead and administration shall be as the Participants may agree.

The certificate of a senior officer of Conquest as to the amounts expended in performing work hereunder shall be *prima facie* evidence of the amounts so expended.

B.02 "Acquisition Period" means the period of time during the currency of this agreement when the Option is in force and during which Conquest may acquire its Ownership Interest hereunder.

B.03 "Consultant" means an independent consulting geologist or mining engineer, or firm of consulting geologists or mining engineers acceptable to Conquest and KBG (or failing agreement between them within thirty (30) days, as appointed by the President or a Vice-President of the Canadian Institute of Mining & Metallurgy (who is independent) and appointed to act as Consultant hereunder as contemplated in Article 9 hereof.

B.04 "Development Programme" means a Programme constituted by a Feasibility Study as contemplated in Article 6 hereof.

B.05 "inactive Participant" means a Participant that is not participating in the then current Programme but is not a Non-Participant and may exercise the right to re-enter under paragraph 5.06 of the agreement to which this is Schedule III.

B.06 "Non-Operator" means the Participant that is not the Operator at the time in question.

B.07 "Non-Participant" means a party hereto that has become a Non-Participant hereunder.

B.08 "Operator" means the party appointed and acting as such hereunder at the time in question.

B.09 "Opinion" means the opinion delivered by a Consultant as contemplated in paragraph 9.02 hereof.

B.10 "Ownership Interest" means the percentage interest of a party hereto in and to the Property and all rights, titles, interests and benefits hereunder or arising by reason of carrying out work hereunder, including, without limitation, such interest in assets acquired by reason of expending amounts in doing work hereunder, as determined at the time in question in accordance with the provisions hereof.

B.11 "Participant" means a party hereto (other than a party entitled to receive the Royalty but including an inactive Participant) that has not become a Non-Participant hereunder, it being agreed that KBG shall be considered to be a Participant during the Acquisition Period.

B.12 "Product" means the ores, concentrates or other products defined as such in paragraph 10.01 hereof.

B.13 "Programme" means a programme of work proposed and/or carried out by the Operator hereunder and may refer to the documentation setting forth information relating to the work to be carried out thereunder, or, such work, as the context hereof may require. Each Programme shall include a budget setting forth the estimated costs of work to be carried out thereunder, which budget shall include reasonable provision for contingencies as the Operator considers necessary.

B.14 "Property" means the Tribute Agreement and the properties described as such on the first page of the agreement to which this is Schedule III together with any

right, title or interest in and to any further mining claims, mining leases or other mining properties which hereafter become subject to the provisions of this agreement or into which any of the same may be converted by process of law or otherwise (including, without limitation, by restaking), it being acknowledged that the composition thereof may from time to time change and that only such of the same as are subject to the provisions hereof at the time in question shall be the "Property", all as the same may be constituted at the time in question and being subject to the provisions of the tribute Agreement;

B.15 "Royalty" means the royalty contemplated in paragraph 5.05 hereof and more specifically defined in Schedule "IV" attached to this agreement.

B.16 "work" means prospecting, exploration, development and/or other mining work in, on or related to the Property, including, without limitation, the operating of any mine and ancillary facilities.

SCHEDULE "IV"

relating to the determination and payment of the Royalty

IV.01 For the purposes of this Schedule "IV":

(a) "Operator" means the party responsible for the carrying on of operations relating to the Property;

(b) "Property Owner" means the person or persons that has an Ownership Interest as at the relevant time, including, without limitation, the Operator if the Operator has such an interest;

(c) "Product" means ores mined from the Property and any concentrates or other materials or products derived therefrom as part of the operations relating to the Property and carried out hereunder, provided, however, that if any such ores, concentrates or other materials or products are subjected to further treatment as part of such operations, such ores, concentrates or other materials or products shall not be considered to be "Product" until after they have been so treated;

(d) "Property" means the Property as defined in the attached agreement;

(e) "Recipient" means the party or parties that are from time to time entitled to be paid the Royalty hereunder;

(f) "Royalty Date" means the date upon which the right to receive the Royalty arises as set forth in paragraph 5.05 of the attached agreement;

(g) "Tribute Royalty" means the royalty defined as such In paragraph 2.03 of the attached agreement;

(h) those terms defined in the agreement of which this Schedule "IV" is part shall have the same meaning herein as in said agreement (save as otherwise provided in this Schedule "IV");

(i) those terms defined in paragraph IV.11 hereof shall have the respective meanings therein set forth; and

(j) all calculations and computations relating to the Royalty shall be carried out in accordance with generally accepted accounting principles to the extent that such principles are not inconsistent with the provisions of this agreement.

IV.02 Subject to provisions hereof, the amount of Royalty payable to the Recipient hereunder shall be calculated by the Operator as at the end of each year, commencing with the year in which the Royalty Date occurs, and shall be payable to Recipient on or before the last day of the first quarter of the next following year.

IV.03 On or before the last day of the first quarter of each year after the Royalty Date, the Operator shall deliver to the Recipient a statement indicating:

(a) that there has been no net profit during the prior year; or

(b) in reasonable detail, the calculation of the amount of the Royalty payable (if any), each relating to the immediately preceding year, which statement shall be accompanied by a certificate of the auditors of the Operator to the effect that the amount therein set forth has been calculated in accordance with the provisions hereof.

In addition, the Operator shall deliver to the recipient a copy of the financial statements relating to operations on the Property.

IV.04 Any payment of Royalty shall be considered final and in full satisfaction of all obligations of the Operator hereunder if such payment or the calculation thereof is not disputed by the Recipient within ninety (90) days after receipt of the relevant statement referred to in paragraph IV.03 hereof.

IV.05 The Operator shall keep separate accounts relating to its operations hereunder and, upon the prior written request of the Recipient, the Recipient may have access to such accounts for the purpose of confirming any information contained in a statement delivered to the Recipient pursuant to the provisions of paragraph IV.03 hereof, provided always that such access shall not interfere with the affairs of the Operator. The Recipient shall have the right to make copies of or take extracts from such accounts (but only for its use) and/or to have such accounts audited from time to time (but not more than once each year) by independent accountants, provided that the entire cost of such audit (including any reasonable expenses incurred by the Operator relating thereto) shall be paid by the Recipient.

IV.06 For the purposes of calculating the amount of Royalty payable to the Recipient hereunder only, if, after the Royalty Date, any Product is sold to a company associated with the Operator or a Property Owner and if the sale price of such Product is not negotiated on an armslength basis or if any such Product is retained by the Operator or a Property Owner for its own use (other than for assaying or testing purposes), the Operator shall, for the purposes of calculating net profit available to pay the Royalty hereunder only and notwithstanding the actual amount of such sale price, add to revenue from the Property an amount which the Operator considers sufficient to reflect a reasonable net sale price for such Product as if such sale was negotiated at armslength and after taking into account all pertinent circumstances (including, without limitation, then current market conditions relating to materials the same as or similar to such Product; terms of agreements between armslength parties for the purchase and sale of similar materials in similar quantities for delivery over similar periods of time; and the physical and/or chemical characteristics of such Product).

The Operator shall by notice inform the Recipient of the quantum of such reasonable net sale price and if the Recipient does not object thereto within forty-five (45) days after receipt of such notice, said quantum shall be final and binding for the purposes of this paragraph.

If the Recipient objects to such quantum by notice delivered to the Operator within said forty-five (45) days, then the quantum of such reasonable net sale price shall be decided by arbitration as follows: the Recipient shall nominate one (1) arbitrator and shall notify the Operator of such nomination and the Operator shall within forty-five (45) days after receiving such notice nominate an arbitrator, and the two (2) arbitrators shall select a chairman to act jointly with them as a third arbitrator. If said arbitrators shall be unable to agree in the selection of such chairman, the chairman shall be a person designated by the President or any Vice-President of the Canadian Institute of Mining and Metallurgy provided that such person is not an employee of the Operator, a Recipient or a Property Owner or of a company affiliated with any of them. The chairman shall fix the time and place for the purpose of hearing such evidence and representations as either of the parties hereto may present and, subject to the provisions hereof, the decision of the arbitrators and chairman, or any two of them, in writing shall be binding upon the parties hereto. Said arbitrators and chairman shall, after hearing any evidence and representations that the parties may submit, make their award and reduce the same to writing and deliver one copy thereof to each of the parties hereto. The majority of the chairman and arbitrators may determine any matters of procedure for the arbitration not specified herein. If the Operator fails within said forty-five (45) days to nominate an arbitrator, then the arbitrator nominated by the Recipient may proceed alone to determine the dispute in such manner and at such time as he shall think fit and his decision shall, subject to the provisions hereof, be binding upon the parties hereto. The expense of the arbitration shall be paid by the Recipient if the decision reached hereunder does not increase such quantum by more than five percent (5%) of the quantum set forth in the notice hereinbefore referred to and otherwise by the Operator. Insofar as they do not conflict with the provisions hereof, the Rules for the Conduct of Arbitrations of the Arbitrators Institute of Canada Inc., as amended or replaced from time to time, shall be applicable and the parties hereto hereby accept said Rules. Appeal from the decision of the arbitrators shall be in accordance with the provisions of the said Rules.

IV.07 Each Property Owner shall be entitled to receive interest upon any amounts expended in doing work (including, without limitation, any moneys advanced or paid in connection with preproduction expenditures and/or operating costs) and advanced by such Property Owner subsequent to the Royalty Date, said interest to be computed semiannually as at June 30 and December 31 of each year upon the aggregate amount so advanced and not yet repaid or returned to such Property Owner at the end of such semi-annual period and at a rate of interest equal to the average of the daily "prime rates" of interest of the Canadian Imperial Bank of Commerce (as quoted by its Main Branch, Toronto) in effect during the relevant semi-annual period.

IV.08 For the purposes of this agreement, the Property shall come into commercial production on the date upon which ores mined from the Property or concentrates or

other products derived therefrom are first delivered to a purchaser on a commercial basis, it being agreed that deliveries of such ores, concentrates or other products resulting from pilot or test operations shall not be considered as deliveries on a commercial basis for the purposes of this paragraph. The Operator shall deliver to the Recipient notice indicating said date as soon as practicable after the occurrence thereof.

IV.09 No ores or materials derived therefrom may be blended or combined with materials from any other properties without the consent of the Recipient.

IV.10 Notwithstanding anything to the contrary herein contained, if any part of the right to receive the Royalty is assigned it shall be a condition of such assignment that the assignee agree with the Operator and all other parties entitled to receive any part of the Royalty as follows:

(a) the amount of any Royalty payable hereunder shall be settled only with the Recipient that is, as at the date hereof, a party hereto or a duly authorized nominee (hereinafter collectively referred to as the "Nominee") as set forth by notice to the Operator (such notice to be executed by all parties entitled to receive any part of the Royalty), and such settlement shall be final and binding upon all interested parties and the Operator shall not be required to make any accounting to any person save such Nominee;

(b) payment of Royalty shall be made only to or to the order of the Nominee and such payment by cheque payable to the Nominee "In Trust" and made in accordance with the provisions of this agreement shall constitute full and complete discharge to the Operator and each Property Owner of their respective obligations to make such payment hereunder and there shall be no obligation to see to the distribution of any such payment;

(c) the Operator may settle disputes arising hereunder with the Nominee and such settlement shall be final and binding upon all interested parties;

(d) the Operator may rely upon any direction, advice or authorization signed by the Nominee and may act thereon as if the same was signed by all interested parties;

(e) the Operator shall not be required to deal with any person except the Nominee and each of the said interested parties shall exercise any of their respective rights only through the Nominee and shall require any of their respective assignees to agree in writing to be bound by the provisions hereof.

IV.11 Unless there is something in the subject matter or context inconsistent therewith, in this agreement:

(a) "net profit" shall be calculated for each year commencing with the year in which the Royalty Date occurs and means the aggregate of the revenues received during such year from or in connection with carrying on the business relating to the mining, milling and/or other treatment of any ores or concentrates and/or marketing of any Product resulting from operations upon the Property including any cash proceeds received upon the sale of capital assets in the ordinary course of such business or upon, or in anticipation of, the termination of such business or from the investment of moneys retained with respect to such operations, less:

(i) all or part of the aggregate amount (if any) by which operating costs for any prior year or years exceed such revenues received during such prior year or years;

(ii) the aggregate of all operating costs allocable to such year;

(iii) the aggregate of all preproduction expenditures incurred by the Property Owner or Holders until deducted in full;

(iv) such amount as may be required to maintain working capital at an amount considered by the Operator to be advisable in order to carry on operations on the Property in a proper and efficient manner;

(v) reserves for contingencies which are confirmed by the auditors of the Operator to be necessary and reasonable in the circumstances;

(vi) the amount of Tribute Royalty paid; and

(vii) the aggregate cost (or reserves contemplating such cost) of any major improvement, expansion, modernization and/or replacement of mine, mill or ancillary facilities until deducted in full (for the purposes hereof, a major improvement, expansion, modernization or replacement is one which involves an aggregate cost of more than $500,000 lesser amounts being considered to be part of the operating costs);

(b) "operating costs" means, for any year commencing with the year in which the Royalty Date occurs, the amount of all expenditures or costs (other than those costs hereinafter excepted and costs that have been included as preproduction expenditures hereunder) incurred in connection with carrying on the business related to the mining, milling and/or other treatment of ores or concentrates and/or marketing any Product resulting from operations upon the Property, including, without limitation, the following costs:

(i) all costs of or related to the mining, concentrating, smelting, refining or other treatment of such ores or concentrates and the operation, maintenance and/or repair of any mining,

milling or ancillary facilities related to the carrying on of such business or the use of any property, asset, process or procedure with respect thereto;

(ii) all costs of or related to marketing any Product, including, without limitation, transportation, commissions and/or discounts;

(iii) all costs of or related to taking to lease and/or maintaining in good standing or renewing from time to time the Property and/or the taking of any steps considered advisable by the Operator or a Property Owner to acquire, protect or improve any interest of a Property Owner in the Property and/or in properties or property rights considered by the Operator or a Property Owner necessary or advisable for the purposes of carrying on such business;

(iv) all costs of or related to providing and/or operating employee facilities, including housing;

(v) all duties, charges, levies, royalties, taxes (other than taxes computed upon the basis of the income of any of the parties hereto) and other payments imposed upon or in connection with such business or the carrying on of such business or any related business by any government or municipality or department or agency thereof;

(vi) all reasonable costs and fees payable for providing technical, management and/or supervisory services (including to the Operator);

(vii) all costs of or related to financing arrangements relating to operations upon the Property and/or bringing the same into commercial production, including, without limitation, the payment of interest (including interest as set forth in paragraph IV.07 hereof) and/or standby or other fees;

(viii) all costs of consulting, legal, accounting, insurance and other services or protection in connection with the carrying on of such business;

(ix) all amounts expended in doing work;

(x) all costs of construction, equipment, mine development after commencement of commercial production, including maintenance, repairs and replacements, except capital expenditures relating to a major improvement, expansion, modernization and/or replacement of mine, mill or ancillary facilities;

(xi) all costs for pollution control, reclamation or any other similar costs incurred or to be incurred as a result of any

governmental regulations or requirements (including reasonable reserves relating to such costs);

(xii) any royalties or similar payments made to any third party (save for the Royalty);

(xiii) any costs or expenses incurred or estimated to be incurred relating to the termination of such business;

(c) "preproduction expenditures" means the aggregate of all costs (whether capital or otherwise) incurred during or subsequent to the year in which the Royalty Date occurs and related to the exploration or development of the Property and/or the bringing of the Property into commercial production, and/or the construction of facilities and/or services (whether located on or off the Property) related thereto, including, without limitation:

(i) all amounts expended in doing work but only until the Property has been brought into commercial production;

(ii) all costs of or related to the construction of any mine or mill buildings, crushing, grinding, washing, concentrating and/or other treatment facilities and/or any facilities ancillary thereto;

(iii) all costs of or related to exposing and mining any orebody or orebodies situate in whole or in part on the Property, but only until the date upon which the Property is brought into commercial production;

(iv) all costs of or related to the construction of storage and/or warehouse facilities; the construction and/or relocation of roads; the acquisition and/or development of waste and/or tailings areas and/or systems;

(v) all costs (including the costs of acquiring and transporting thereof) of or related to transportation facilities for moving ore, concentrates and/or any products derived therefrom, electric power including power lines and equipment, water pipelines, pumps and wells or any other utilities;

(vi) all costs of or related to employee facilities, including housing;

(vii) all costs of or related to the supplying of management, marketing, supervisory, engineering, accounting or other technical and/or consulting services or personnel, whether to the Operator or otherwise;

(viii) all costs of or related to taking to lease and/or maintaining of the Property in good standing and/or the taking of any steps considered advisable by the Operator or a Property Owner

to acquire, protect and/or improve any interest a Property Owner may have or acquire in the Property and/or in properties or property rights considered by the Operator or a Property Owner to be necessary or advisable for the purpose of carrying on such business, but only until the date upon which the Property is brought into commercial production;

(ix) all costs of or related to marketing, economic and/or technical evaluations;

(x) all costs of consulting, legal, insurance, marketing and other services in connection herewith, but only until the date upon which the Property is brought into commercial production;

(xi) all costs of or related to financing arrangements relating to bringing the Property or any part thereof into commercial production, including, without limitation, the payment of interest (including interest as set forth in paragraph IV.07 hereof) and/or standby or other fees or charges, but only until the date upon which the Property has been brought into commercial production;

(d) "work" means prospecting, exploration, development and/or other mining work in, on or related to the Property, including, without limitation, the operating of any mine and ancillary facilities;

(e) "year" means calendar year and a reference to a subdivision of a year shall mean a reference to the relevant subdivision of a calendar year.

IV.12 Payment of the Royalty may be made by cheque payable to the Recipient, or if there is more than one Recipient to the Nominee. If such cheque is delivered personally to the payee thereof, or, is sent by registered letter addressed to the payee thereof, at the last address of the payee known to the Operator, such payment shall be deemed to have been made upon the date of such personal delivery or upon the third business day following the date of mailing of such registered letter, as the case may be. Under no circumstances will the Operator be required to see to, or be responsible for, the distribution of any payment.

IV.13 Subject to the provisions of Article 11 hereof, any Property Owner may at any time and from time to time without obtaining any prior consents or approvals sell, assign, transfer or otherwise dispose of all or part of such right, title or interest in and to the Property and/or hereunder, upon such terms as it considers advisable, provided only, that:

(a) such sale, assignment, transfer or other disposition shall not be completed unless and until the assignee has agreed in writing to be bound by the provisions hereof as fully as if it was a signatory hereto and to the extent of the interest so assigned, transferred, sold or otherwise disposed of; and

(b) upon completion of such transaction the assignor shall be relieved of that portion of the Royalty equal to the portion of its interest which was so sold, assigned, transferred or otherwise disposed of, it being agreed that the obligation to pay the Royalty shall be the several, and not joint, obligation and liability of the Owners and shall be borne by them pro rata to their respective rights, title and interest in and to the Property. Any proceeds received by a Property Owner upon any sale, assignment, transfer or other disposition, as aforesaid, shall not, for the purposes of determining net profit hereunder, be considered to be revenues received by such Property Owner.

John L. Wahl Consulting Ltd.,
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Canada E3A 5R6
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jwahl@nb.sympatico.ca

Tribute Minerals Inc.
Suite 808, 67 Yonge Street
Toronto, Ontario
M5E 1J8

Attention: Mr. Ian Brodie-Brown
President

Dear Sirs:

We understand that Tribute is interested in optioning the King Bay property ("King Bay") in the Sturgeon Lake area of Ontario, as described in Schedule "A" attached hereto, to John L. Wahl Consulting Ltd, in trust for and on behalf of a corporation to be incorporated (Wahl"). As set forth to you earlier Wahl is prepared to offer to option King Bay on the following terms:

1. The optionee is John L. Wahl Consulting Ltd. in trust for and on behalf of a corporation to be incorporated ("Wahl").

2. The option will have a term of three years commencing on the first day of the month following acceptance hereof and be automatically exercised if, within that term Wahl spends an aggregate of $200,000 in doing prospecting, exploration, development or other mining work ("work") relating to King Bay. The $200,000 will not include an administrative or overhead allowance but will include the pro rated salary and benefits of any employees of Wahl engaged in such work. The nature, extent and timing of all work is in the sole discretion of Wahl and while the option is extant Wahl will have sole and quiet possession of King Bay and an unfettered right to enter in, on or under King Bay to carry out its rights hereunder, and may bring on and remove from King Bay such assets as Wahl may consider advisable. All work will be carried in accordance with all applicable laws and in accordance with good mining practice.

Wahl will, on or before March 31st of each year during which work is carried out on King Bay, deliver to Tribute a summary of such work provided always that if such summary contains any results or interpretation Wahl makes no representations or warranties with respect thereto or the accuracy thereof.

Wahl will give notice to Tribute that the option has been exercised and shall deliver with such notice a summary of the work carried on King Bay and the cost thereof.

3. Upon acceptance hereof Tribute will deliver transfers of King Bay in registerable form acceptable to Wahl and Wahl may register King Bay and if done, King Bay will be held by Wahl as a bare trustee. If the option is terminated or expires without being exercised transfers of King Bay in such form as Tribute may reasonably require shall be forthwith delivered to Tribute. While the option is extant Wahl will keep King Bay in good standing, provided that Wahl may in its discretion and at any time or from time to time abandon or permit to lapse

and part or parts, provided only that Wahl shall have given Tribute at least thirty days prior notice of its intention so to abandon or permit to lapse the part or parts described in said notice and if within said thirty days Tribute so requests by notice to Wahl, Wahl shall deliver to Tribute transfers of such part or parts in such form as Tribute may reasonably require, provided that:

(a) at the time of the giving of such notice, the part or parts described in said notice shall be in good standing for at least 120 days; and
(b) upon the giving of such notice the part or parts described in said notice shall cease to be part of King Bay and "King Bay" shall thereafter be so interpreted.

4. On exercise of the option, Tribute will be entitled to receive a royalty (the "Royalty") equal to 1½% of the net smelter return realized from King Bay and payable quarterly within 45 days after the end of each calendar quarter. The Royalty shall be determined and payable as set forth in Schedule "B" attached hereto.

5. Tribute hereby grants to Wahl the right to purchase one percent (1%) of the 1½% quantum of the Royalty for an aggregate purchase price of $1,000,000. Such right may be exercised at any time on or before December 31st of the fifteenth year after the year in which the option is exercised by delivery of notice accordingly to Tribute together with the said purchase price. It is acknowledged that if such right is exercised, the Royalty shall thereafter be ½% of net smelter return, provided that the exercise of such right shall not prejudice the right of Tribute to be paid the full amount of any of Royalty payable prior to the date of such exercise.

6. Tribute will not dispose of any interest in Royalty without first offering the same to Wahl for a cash purchase price. If Wahl does not accept such offer and purchase all such interest so offered within the next following ninety (90) days, Tribute shall be free to dispose of the same to any third party within the next succeeding one hundred and twenty (120) days at a cash price and upon terms not more favourable to the buyer than those contained in such offer, provided that such terms shall include a term that the buyer agrees with Wahl to be bound by the provisions hereof as fully as if such buyer was a signatory hereof. If such interest is not so disposed of within said one hundred and twenty (120) days, the provisions of this paragraph shall again apply.

7. Wahl may terminate the option at any time while the option is extant by delivering notice accordingly to Tribute whereupon the agreement shall terminate immediately.

8. Any notice may be delivered in person or by registered or certified mail (return receipt requested) or by courier (delivery confirmed) to either party addressed to it at the relevant address as set forth on the first page shall be duly given and received on the day of delivery in person thereof or, in the case of delivery by mail or courier, on the date of actual receipt thereof (as indicated by said return receipt or confirmation), as the case may be. In the case of delivery in person, such delivery may be made leaving such notice with an employee of the addressee at the relevant street address set forth on the first page hereof. Any party hereto may from time to time by notice change his or its address.

* * * * *

If you are in agreement with the foregoing please so indicate by signing and return a copy of this letter as indicated below. Upon receipt of such acceptance the foregoing shall form a binding agreement between the parties hereto, their successors and permitted assigns, subject to receipt of all necessary regulatory approval, which agreement shall be governed by the laws of the Province of Ontario. Both Wahl and Tribute agree that the offer herein contained and the acceptance hereof may be communicated by fax or other facsimile process, in which event the agreement so formed shall be as binding between the parties and their successors and permitted assigns as fully as if manually signed and delivered. The offer herein contained shall terminate if not accepted by 12:00 noon on May 16, 2003,

Yours very truly
John L. Wahl Consulting Ltd. (in trust)

Per

Accepted and Agreed
Tribute Minerals Inc.

Per

SCHEDULE "A"
to the letter of intent between **Tribute Minerals Inc.** and be **John L. Wahl Consulting Ltd.** in trust for and on behalf of a corporation to be incorporated

The following form the King Bay property for the purpose of the attached agreement:

CLM 307
AL 367, AL 368, AL 369, AL 370, AL 371, AL 372, AL 373
BG 128, BG 129, BG 134, BG 135, BG 136, BG 149
PA1248329, PA1248330, PA1248331, PA1248332, PA1248333, PA1248334, PA1248335, PA1248336, PA1248337, PA1248338, PA1248339, PA1248340, PA1248341, PA1248342, PA1248343, PA1248344, PA1248345

SCHEDULE "B"
to the letter of intent between **Tribute Minerals Inc.** and be **John L. Wahl Consulting Ltd.** in trust for and on behalf of a corporation to be incorporated

B.01 For the purposes of this Schedule "B":

"**net smelter return**" means the amount of money actually received from the sale of ores mined from the Property (except such ores, minerals and metals as are removed for the purpose of making assays or tests) after the date on which the Property comes into commercial production or from the sale of the concentrates or other products derived therefrom less, to the extent that they were not deducted by the purchaser in determining the purchase price therefore, all treatment charges or penalties incurred with respect thereto; all costs or expenses incurred with respect to insurance, freight, trucking, handling and/or sampling and assaying (including, without limitation, umpire assays) of ores, concentrates or other products *ex* headframe in the case of ores and *ex* mill or other treatment facility in the case of concentrates or other products; any federal, provincial or municipal tax or levy of a sales or value-added nature assessed against or payable by the vendor thereof; and, if applicable, any applicable costs or expenses (including, without limitation, penalties) incurred with respect to custom smelting, refining or similar treatment of such ores, minerals or metals;

"**Operator**" shall mean the party responsible for the carrying on of the operations relating to the Property;

"**Property**" means King Bay, as defined in the annexed agreement;

"**Property Owner**" means the person or persons that own an interest in the Property as at the relevant time, including, without limitation, the Operator, if the Operator has such an interest;

"**Recipient**" shall mean Tribute, its successors and permitted assigns;

"**year**" means calendar year and a reference to a subdivision of a year shall mean a reference to the relevant subdivision of a calendar year;

those terms defined in the agreement to which this is Schedule "B" is attached shall have the same meaning as so defined (save as otherwise provided in this Schedule "B").

B.02 All calculations and computations relating to the Royalty shall be carried out in accordance with generally accepted accounting principles to the extent that such principles are not inconsistent with the provisions of this Schedule "B" and the agreement attached hereto.

B.03 Subject to the provisions hereof, the amount of Royalty payable to the Recipient hereunder shall be calculated by the Operator as at the end of each quarter of each year, commencing with the year in which the Property is brought into commercial production (as contemplated in paragraph B.08 hereof), and shall be payable to the Recipient within forty-five (45) days after the end of such quarter.

B.04 On or before April 30th of each year after the Property has been brought into commercial production, the Operator shall deliver to the Recipient a statement indicating the nature of the payments made during the preceding year, if any, and the manner in which such payments were determined, together with a written confirmation by the Operator's independent auditor and addressed to the Recipient that such auditor has examined said statement and found the determination therein contained to have been made in accordance with the provisions of this schedule.

B.05 Any payment of Royalty shall be considered final and in full satisfaction of all obligations of the Operator hereunder if such payment or the calculation thereof is not disputed by the Recipient within sixty (60) days after receipt of the statement referred to in paragraph B.04 hereof, provided, however that if within said sixty (60) days the Recipient by notice disputes said statement the Recipient shall have the right to the accounts of the Operator relating to the determination of the Royalty payable during the relevant year audited by independent auditors and at its cost. If the difference between the amount of Royalty indicated to be payable during such year and the amount of royalty actually paid during such year is greater than five percent (5%) of the aggregate Royalty actually paid during such year, then, in absence of mutual agreement by the parties to the quantum of any adjustment payable, such quantum shall be decided by arbitration hereunder.

B.06 The Operator shall keep separate accounts relating to its operations hereunder and, upon the prior written request of the Recipient, duly authorized representatives of the Recipient may have access to such accounts for the purpose of confirming any information contained in a statement delivered to the Recipient pursuant to the provisions of paragraph B.04 hereof, provided, always, that such access shall not interfere with the affairs or operations of the Operator. The Recipient shall have the

right to make copies of or take extracts from such accounts, but at the cost of and only for the use of the Recipient, all such information being confidential.

B.07 For the purposes of calculating the amount of Royalty payable to the Recipient hereunder only, if, after the Property has been brought into commercial production, any ore or product derived from ore mined from the Property is sold to a company associated with the Operator and if the sale price of such product is not negotiated on an armslength basis, the Operator shall, for the purposes of calculating net smelter return available to pay the Royalty hereunder only and notwithstanding the actual amount of such sale price, add to any moneys actually received with respect to such sale an amount which the Operator considers sufficient to make the same represent a reasonable net sale price for such product as if negotiated at armslength and after taking into account all pertinent circumstances (including, without limitation, then current market conditions relating to products similar to such product; terms of agreements between armslength parties for the purchase and sale of similar products in similar quantities for delivery over similar periods of time; physical and/or chemical characteristics of such products).

The Operator shall by notice inform the Recipient of the quantum of such reasonable net sale price and if the Recipient does not object thereto within forty-five (45) days after receipt of such notice, said quantum shall be final and binding upon the Recipient.

If the Recipient objects to such quantum by notice delivered to the Operator within said forty-five (45) days, then the quantum of such reasonable net sale price shall be decided by arbitration as follows: the Recipient shall nominate one (1) arbitrator and shall notify the Operator of such nomination and the Operator shall within forty-five (45) days after receiving such notice nominate an arbitrator, and the two (2) arbitrators shall select a chairman to act jointly with them as a third arbitrator. If said arbitrators shall be unable to agree in the selection of such chairman, the chairman shall be a person designated by the President or any Vice-President of the Canadian Institute of Mining and Metallurgy provided that such person is not an employee of a Recipient or a Property Owner or the Operator or any company affiliated with a Recipient or a Property Owner or the Operator. The chairman shall fix the time and place for the purpose of hearing such evidence and representations as either of the parties hereto may present and, subject to the provisions hereof, the decision of the arbitrators and chairman, or any two of them, in writing shall be binding upon the parties hereto. Said arbitrators and chairman shall, after hearing any evidence and representations that the parties may submit, make their award and reduce the same to writing and deliver one copy thereof to each of the parties hereto. The majority of the chairman and arbitrators may determine any matters of procedure for the arbitration not specified herein. If the Operator fails within said forty-five (45) days to nominate an arbitrator, then the arbitrator nominated by the Recipient may proceed alone to determine the dispute in such manner and at such time as he shall

think fit and his decision shall, subject to the provisions hereof, be binding upon the parties hereto. The expense of the arbitration shall be paid by the Recipient if the decision reached hereunder does not increase such quantum by more than five percent (5%) of the quantum set forth in the notice hereinbefore referred to and otherwise by the Operator. Insofar as they do not conflict with the provisions hereof, the Arbitrations Act of the Province of Ontario, as amended or replaced from time to time, shall be applicable. There shall be no appeal from the decision of the arbitrators, which decision shall be final and binding upon the parties hereto. Notwithstanding anything to the contrary in the foregoing, any arbitration hereunder may be held and decided upon by a single arbitrator acceptable to the Recipient and the Operator.

B.08 For the purposes of this agreement, the Property shall come into commercial production on the date upon which ores mined from the Property (except such reasonable quantities of ores, minerals and metals as are removed for the purpose of making assays or tests) or concentrates or other products derived therefrom are first delivered to a purchaser on a commercial basis, it being agreed that deliveries of such ores, concentrates or other products resulting from pilot or test operations shall not be considered as deliveries on a commercial basis for the purposes of this paragraph. The Operator shall deliver to the Recipient notice indicating said date as soon as practicable after the occurrence thereof.

B.09 In the event that the Property is brought into commercial production, it may be operated as a single operation with other mining properties owned by the Operator or any Property Owner or in which the Operator or any Property Owner has an interest, in which event, the Recipient agrees that (notwithstanding separate ownership thereof) ores mined therefrom may be blended at the time of mining or at any time thereafter and the Royalty shall be paid hereunder only with respect to ores mined from the Property, or concentrates or other products derived therefrom, all as herein provided. In determining the amount of such Royalty so payable, effect shall be given to the tonnages and metal content of ore removed from, and insofar as they may be relevant, to any special charges or treatment relating particularly to ore, concentrates or other products derived from the Property or from any of such other mining properties and the records of the Operator shall be *prima facie* evidence of the information therein contained.

B.10 Notwithstanding anything to the contrary herein contained, if any part of the right to receive the Royalty is assigned it shall be a condition of such assignment that the assignee agree with the Operator and all other parties entitled to receive any part of the Royalty as follows:

(a) the amount of any Royalty payable hereunder shall be settled only with original Recipient hereunder or a duly authorized nominee (hereinafter

collectively referred to as the "Nominee") as set forth by notice to the Operator (such notice to be executed by all parties entitled to receive any part of the Royalty), and such settlement shall be final and binding upon all interested parties and the Operator shall not be required to make any accounting to any person save such Nominee;

(b) payment of Royalty shall be made only to or to the benefit of the Nominee and such payment by cheque payable to the Nominee "In Trust" and made in accordance with the provisions of this agreement shall constitute full and complete discharge to the Operator of its obligations to make such payment hereunder and there shall be no obligation to see to the distribution of any such payment;

(c) the Operator may settle disputes arising hereunder with the Nominee and such settlement shall be final and binding upon all interested parties;

(d) the Operator may rely upon any direction, advice or authorization signed by the Nominee and may act thereon as if the same was signed by all interested parties;

(e) the Operator shall not be required to deal with any person except the Nominee and each of the said interested parties shall exercise any of their respective rights only through the Nominee and shall require any of their respective assignees to agree in writing to be bound by the provisions hereof.

B.11 Payment of the Royalty to the Recipient may be made by cheque payable to the Recipient. If such cheque is delivered personally to the payee thereof, or, is sent by registered letter addressed to the payee thereof, at the last address of the payee known to the Operator, such payment shall be deemed to have been made upon the date of such personal delivery or upon the third business day following the date of mailing of such registered letter, as the case may be, provided, only, that if such cheque is lost, destroyed or mutilated the Operator shall, upon receipt of such reasonable evidence relating thereto as the Operator may require, replace such cheque. Under no circumstances will the Operator be required to see to, or be responsible for, the distribution of any payment.

B.12 Any Property Owner may at any time and from time to time either before or after the exercise of the Option contained in the agreement attached hereto, without obtaining any prior consents or approvals sell, assign, transfer or otherwise dispose of all or part of any right, title or interest in and to the Property and/or hereunder, upon such terms as it considers advisable, provided only, that:

(a) such sale, assignment, transfer or other disposition shall not be completed unless and until the assignee has agreed in writing to be bound by the provisions hereof as fully as if it was a signatory hereto to

the extent of the interest so assigned, transferred, sold or otherwise disposed of;

(b) upon completion of such transaction the assignor shall be relieved of that portion of the Royalty equal to the portion of its interest which was so sold, assigned, transferred or otherwise disposed of, it being agreed that the obligation to pay the Royalty shall thereafter be the several, and not joint, obligation and liability of the Property Owners and shall be borne by them pro rata to their respective rights, title and interest in and to the Property. Any proceeds received by a Property Owner upon any sale, assignment, transfer or other disposition, as aforesaid, shall not, for the purposes of determining net smelter return hereunder, be considered to be revenues received by such Property Owner;. and

(c) the Property Owners shall appoint one of their number to represent all of the Property Owners with respect to dealings with the Recipient with respect to the determination of the Royalty and the provisions of paragraph B.10 shall be applicable, *mutates mutandis*, provided that such one shall not assume liability for any other Property Owner.

B.13 It is agreed that any dispute between the parties hereto shall, if not settled between them within thirty (30) days after notice of such dispute has been given by one party to the other, be submitted to arbitration for settlement and the decision of the arbitrators shall be final and binding. The provisions of paragraph B.07 hereof shall be applicable to such arbitration, *mutatis mutandis*, save that the arbitrators may in their award assess costs to the parties as the arbitrators in their discretion consider equitable in the circumstances.

APPENDIX II

Descriptive Drill Logs & Assay Results

CONQUEST Resources Limited

Diamond Drill Log

Drill Hole ID	KB-05-EC1-01	**Property**	King Bay	**NTS**	52J2
		Township	Fourbay Lake Area	**District**	Thunder bay

Collar Location	**Easting:**	658620.0mE	**Grid:**	725.0m	**Azimuth:**	61.0°	**Hole Status:** Completed
	Northing:	5543263.0mN		543.0m	**Dip:**	-45.0°	**Date Started:** February 15, 2005
	Elevation:	408.0 m			**Lenght**	71.00m	**Date Finished:** February 16, 2005
	Projection:	NAD27 Zone 15N					

Purpose of Hole

Test magnetic anomaly EC-1

Proposed depth: 65.00m

Survey Data

Depth(m)	Azimuth	Dip	Method
17.00	60.9°	-46.6°	Reflex
71.00	214.8°	-46°	Reflex

Drilling Information

Contractor:	Major Drilling
Hole Type:	DD
Core Size:	BQ
Drill Rig:	Major 37
Casing Left:	0m

Logging and Sampling Information

Geology Logged by:	Erick Chavez
Geotechnical Logging by	
Sampling by:	Ray Toews

Horizontal Trace:	m
Vertical Trace:	m

Comments

Drill on ice. Hole was cemented when finished.

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
0.00	7.55	OVB	WETER AND OVERBURDEN - Approximately 8ft of water							
7.55	9.00	DBDK	DIABASE DYKE - Fine to medium grained dyke. Medium to dark green coloured diabase crosscut by seldom carbonate-quartz veins. It shows no sign of alteration except towards the contacts with the porphyry where the last one shows weak to medium degree of silica alteratio with traces of pyrite and pyrrhotite							
			9.00 Contact LCA=35°	21301	7.55	8.00	0.45	5.0		
				21302	8.00	9.00	1.00	5.0		
9.00	21.10	QFP	QUARTZ-FELDSPAR PORPHYRY - Coarse grained QFP with patches of K-feldspar alteration in plagioclase crystals following small (<1mm) veinlets with weak silicification in QFP. Size of plagioclase crystals range up to 4mm in size. Quartz grains are present in less amount with up to 3mm in size. The contacts with diabase show insipient sericite-quartz alteration							
			9.00 17.30 5 to 7 cms wide moderate k-feldspar alteration of plagioclase crystals (pinkish tint in plagioclase) along a <0.5 mm thick quartz-carbonate vein							
			9.00 Contact LCA=35°							
			18.40 Fracture LCA=45°							
			21.10 Contact LCA=60°							
21.10	25.32	DBDK	DIABASE DYKE - Weakly sheared fine to medium grained diabase dyke with <0.5mm thick carbonate-quartz veinlets							
			21.10 Contact LCA=60°	21303	21.10	22.12	1.02	5.0		
			21.25 21.60 Shearing. Quartz-carbonate veinlets in 35cms interval. LCA=60°	21304	22.12	23.00	0.88	5.0		
			25.32 Contact LCA=50°	21305	23.00	23.63	0.63	10.0		
				21306	23.63	24.49	0.86	5.0		
				21307	24.49	25.32	0.83	5.0		
25.32	29.46	QFP	QUARTZ-FELDSPAR PORPHYRY - Coarse grained QFP with patches of K-feldspar alteration of plagioclase along <0.5mm quartz-carbonate veinlet. As the previous QFP interval, the contacts with the diabase were affected by weak qtz-sericite alteration over 1-2 cms							
			25.32 25.80 Moderate silicification of the plagioclase crystals in quartz-feldspar porphyry without visible sulphides							
			25.32 Contact LCA=50°							
			25.80 Fracture LCA=30°							
			29.46 Contact LCA=30°							
29.46	30.08	DBDK	DIABASE DYKE - Fine to medium grained dyke. Presence of 5cm quartz-carbonate veining with Py+Po <5% at the contact with QFP							
			29.46 Contact LCA=30°	21308	29.46	30.08	0.62	50.0		
			30.08 Contact LCA=60°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
30.08	71.00	QFP	QUARTZ-FELDSPAR PORPHYRY - Fairly fresh QFP with the exception of few intervals affected by weak to moderate silicification represented by the fainted white color of the plagioclase phenocrysts. As the previous QFP intervals, the upper contact with the diabase dyke was affected by weak qtz-sericite alteration over 1 cm							
			30.08 Contact LCA=60°							
			37.40 Quartz-carbonate vein LCA=30°							
			38.40 Fracture LCA=40°							
			41.00 Fracture LCA=20°							
			51.50 Fracture with 10cms silicification halo along fracture and moderate to weak k-feldspar alteration of plagioclase crystals LCA=45°							
			55.90 57.02 Moderately silicified interval expressed by the fainted color of the plagioclase crystals into medium to dark gray color							
			56.30 Fracture LCA=70°							
			57.02 Fracture LCA=70°							

---- END OF HOLE ---

CONQUEST Resources Limited

Diamond Drill Log

Drill Hole ID	KB-05-EC1-02	**Property**	King Bay	**NTS**	52J2
		Township	Fourbay Lake Area	**District**	Thunder bay

Collar Location	**Easting:**	658665.0mE	**Grid:**	768.0m	**Azimuth:**	330.0°	**Hole Status:** Completed
	Northing:	5543231.0mN		508.0m	**Dip:**	-45.0°	**Date Started:** February 13, 2005
	Elevation:	408.0 m			**Lenght**	104.00m	**Date Finished:** February 15, 2005
	Projection:	NAD27 Zone 15N					

Purpose of Hole

Test magnetic anomaly EC-1

Proposed depth: 100.00m

Survey Data

Depth(m)	Azimuth	Dip	Method
14.00	79°	-42.8°	Reflex
53.00	333.4°	-43°	Reflex
104.00	333.9°	-43.1°	Reflex

Drilling Information

Contractor:	Major Drilling
Hole Type:	DD
Core Size:	BQ
Drill Rig:	Major 37
Casing Left:	0m

Logging and Sampling Information

Geology Logged by:	Shana Dickenson
Geotechnical Logging by	
Sampling by:	Ray Toews

Horizontal Trace:	m
Vertical Trace:	m

Comments

Drill on ice. Hole was cemented when finished.

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
0.00	11.00	OVB	WATER + OVERBURDEN							
11.00	34.22	QFP	QUARTZ FELDSPAR PORPHYRY - Moderate to strong silicification, regions of intense alteration and shearing, coarse grained feldspar phenocrysts (b/w 0.1 - 1.0 cm), numerous quartz-carbonate veins, varying amounts of disseminated sulfides (pyrrhotite, pyrite, chalcopyrite). Fractured.							
			15.13 15.15 Quartz calcite vein, chlorite alteration halo LCA=56°							
			17.16 Fracture LCA=30°							
			18.68 Fracture LCA=70°							
			19.29 Quartz calcite vein, chlorite, hornblende, sericite alteration around vein LCA=60°							
			19.68 Fracture LCA=80°							
			20.22 20.40 Sheared zone, numerous QCV, chlorite halo and silicification around veins, 1-2% disseminated sulfides (pyrrhotite, trace pyrite) LCA=25°							
			23.10 Quartz calcite vein, no mineralization LCA=56°							
			23.62 Blue black quartz vein, silicification halo, sericite alteration, no mineralization LCA=45°							
			23.81 Quartz calcite vein, no mineralization LCA=80°							
			23.91 Irregular blue black quartz vein, silicification halo, 2% disseminated sulfides (pyrrhotite, chalcopyrite), calcite alteration							
			24.26 24.39 Sheared zone, numerous QCV, chlorite halo and silicification around veins, trace amounts of disseminated sulfides (pyrrhotite) LCA=60°							
			25.67 Quartz calcite vein, chlorite alteration , silicification halo, no mineralizatior LCA=27°							
			26.00 26.29 Sheared zone, numerous QCV, chlorite + biotite alteration, 3 % disseminated sulfides (pyrrhotite), silicification LCA=40°							
			26.55 Quartz calcite vein, chlorite alteration, silicification LCA=40°							
			26.65 Fracture LCA=50°							
			26.88 28.06 Moderate silicification of QFP							
			28.06 29.00 Strong silicification of QFP							
			28.22 Quartz calcite vein, silicification halo, chlorite alteration, slight biotite alteration, no mineralization LCA=45°							
			28.73 Fracture LCA=55°							
			29.00 34.22 Moderate silicification of QFP							
			31.63 31.71 Irregular mafic phenocryst, 1-2% disseminated sulfides (pyrrhotite)							
			33.46 Quartz calcite vein, silicification halo, no mineralization LCA=60°							
			34.22 Sharp contact LCA=90°							
34.22	35.52	DBDK	DIABASE DYKE - Fine grained diabase dyke with pseudo brecciated intervals towards the contacts							
			34.22 34.59 Pseudo Brecciated Diabase Dyke. Fine grained, numerous calcite veins	21297	34.22	35.00	0.78		5.0	
			34.22 Sharp contact LCA=90°	21299	35.00	35.52	0.52		5.0	
			34.59 Sharp contact LCA=90°	21298	35.00	35.52	0.52		5.0	
			34.80 Quartz calcite vein, chlorite alteration, biotite alteration, trace disseminate sulfides (arsenopyrite) LCA=75°							
			35.29 35.52 Pseudo Brecciated Diabase Dyke							
			35.29 Sharp contact LCA=90°							
			35.52 Sharp contact LCA=75°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
35.52	45.28	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse grained quartz-feldspar porphyry. Feldspar crystals (1 - 4mm) are present in greater proportion than quartz and mafic minerals							
			35.52 Sharp contact LCA=75°							
			35.81 Fracture LCA=54°							
			36.79 36.87 Sheared zone, 1-2% disseminated sulfides (pyrrhotite) LCA=40°							
			36.82 Quartz calcite vein, chlorite, biotite alteration halo, silicification, 1% disseminated sulfides (pyrrhotite) LCA=42°							
			37.13 37.23 Irregular mafic phenocryst							
			37.58 37.69 Fracture zone							
			38.60 Quartz calcite vein, silicification halo, chlorite alteration, no mineralization LCA=36°							
			39.05 Fracture LCA=30°							
			40.03 Quartz calcite vein, chlorite halo, biotite alteration, vein is surrounded by alkaline feldspar phenocrysts LCA=25°							
			40.26 40.33 Fracture zone							
			41.14 Fracture LCA=24°							
			41.81 42.05 Intensely sheared zone, intensely altered zone, numerous calcite veins, siliciously altered LCA=20°							
			42.71 Quartz calcite vein, no mineralization LCA=49°							
			43.03 Fracture, 2% disseminated sulfides (pyrrhotite), siliciously altered arounc fracture LCA=60°							
			43.72 43.90 Intensely altered zone, numerous QCV with chlorite halo, some biotite alteration							
			45.28 Sharp contact LCA=60°							
45.28	45.40	DBDK	DIABASE DYKE - Similar characteristics as previous diabase interval							
			45.28 Sharp contact LCA=60°							
45.40	48.34	QFP	QUARTZ FELDSPAR PORPHYRY							
			45.49 Sharp contact LCA=60°	20393	48.03	48.34	0.31	30.0		
			45.66 Fracture LCA=29°							
			46.26 Fracture, 1% disseminated sulfides (pyrrhotite) LCA=55°							
			47.00 48.34 Moderately altered QFP, numerous BBQ veins							
			47.21 Blue black quartz vein, silicification halo, sericite alteration, no mineralization, chlorite alteration, 1/2 "wide LCA=60°							
			47.57 Blue black quartz vein, silicification halo, sericite alteration, 1% disseminated sulfides (pyrrhotite) LCA=57°							
			47.61 Blue black quartz vein, altered, calcite alteration, chlorite alteration, 1% disseminated sulfides (pyrrhotite) LCA=61°							
			47.73 Blue black quartz vein, altered, calcite alteration, chlorite alteration, 1% disseminated sulfides (pyrrhotite) LCA=56°							
			48.34 Sharp contact LCA=40°							
48.34	49.50	DBDK	DIABASE DYKE							
			48.34 Sharp contact LCA=40°	20394	48.34	48.55	0.21	20.0		
			48.34 48.55 Intensely sheared zone LCA=40°	20395	48.55	49.50	0.95	5.0		
			48.55 49.50 Intensely sheared zone LCA=52°							
			49.50 Sharp contact LCA=80°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
49.50	49.91	QFP	QUARTZ FELDSPAR PORPHYRY							
			49.50 Sharp contact LCA=80°	20396	49.50	49.91	0.41	80.0		
			49.91 Sharp contact LCA=60°							
49.91	50.12	DBDK	DIABASE DYKE							
			49.91 Sharp contact LCA=60°	20397	49.91	50.12	0.21	5.0		
			50.12 Sharp contact LCA=40°							
50.12	51.63	QFP	QUARTZ FELDSPAR PORPHYRY							
			50.12 Sharp contact LCA=40°	20398	50.12	50.60	0.48	20.0		
			51.20 51.42 Intensely altered zone, 3% disseminated sulfides (pyrrhotite)	20399	50.60	51.20	0.60	10.0		
			51.42 51.50 Blue black quartz vein, 2-3% disseminated sulfides (pyrrhotite) LCA=60°	20400	51.20	51.42	0.22	10.0		
			51.50 51.63 Moderately altered QFP	20401	51.42	51.50	0.08	50.0		
				20402	51.50	51.63	0.13	5.0		
51.63	52.08	DBDK	DIABASE DYKE							
			51.78 Sharp contact LCA=65°	20403	51.63	52.08	0.45	150.0		
			52.08 Sharp contact LCA=55°							
52.08	77.28	QFP	QUARTZ FELDSPAR PORPHYRY							
			52.08 Sharp contact LCA=55°							
			54.40 Quartz calcite vein, biotite alteration LCA=50°							
			55.63 Fracture LCA=90°							
			58.14 Quartz calcite vein, chlorite alteration LCA=20°							
			58.73 Fracture LCA=89°							
			59.58 Fracture LCA=26°							
			59.65 Quartz calcite vein, alkaline feldspar surround vein, small amount of biotite alteration LCA=39°							
			60.52 60.60 Irregular mafic phenocrysts							
			61.06 Fracture and QCV with chlorite alteration LCA=23°							
			61.12 61.49 Intensely altered QFP, small amount of calcite vein							
			61.82 62.32 Intensely altered QFP							
			62.32 62.67 Moderately altered QFP							
			62.67 63.25 Intensely altered QFP							
			63.35 64.78 Intensely sheared zone LCA=53°							
			63.88 Quartz calcite vein, 1% disseminated sulfides (pyrrhotite) LCA=26°							
			63.88 63.95 Sheared zone LCA=47°							
			66.27 66.57 Intensely sheared zone, intensely altered , 3 % disseminated sulfides (pyrrhotite), numerous calcite vein LCA=30°							
			66.57 71.83 Numerous quartz calcite veins, moderately altered LCA=40°							
			68.43 Fracture LCA=26°							
			68.50 Blue black quartz vein, 1-2% disseminated sulfide (pyrrhotite) LCA=30°							
			76.30 76.85 Fractured zone							
			77.05 Quartz calcite vein, chlorite + biotite alteration, no mineralization LCA=25'							
			77.17 77.22 Fractured zone							
			77.28 Sharp contact LCA=62°							

FROM	TO	CODE			DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
77.28	78.43	DBDK	DIABASE DYKE									
			77.28		Sharp contact LCA=62°	20404	77.28	78.43	1.15	5.0		
			78.22	78.43	Pseudo bracciated diabase dyke							
			78.43		Sharp contact LCA=67°							
78.43	97.37	QFP	QUARTZ FELDSPAR PORPHYRY									
			78.43		Sharp contact LCA=67°	20405	78.43	78.73	0.30	40.0		
			78.43	78.73	Intensely altered, numerous BBQ veins	20406	78.73	78.92	0.19	100.0		
			78.56		Blue black quartz vein, 2% disseminated sulfide (pyrrhotite), major alteration, chlorite alteration, calcite alteration LCA=80°							
			78.62		Blue black quartz vein, 1-2% disseminated sulfide (pyrrhotite), major alteration, chlorite alteration, calcite alteration LCA=82°							
			78.66		Blue black quartz vein, 2% disseminated sulfide (pyrrhotite), major alteration, chlorite alteration, calcite alteration LCA=89°							
			78.77		Blue black quartz vein, 2% disseminated sulfide (pyrrhotite), major alteration, chlorite alteration, calcite alteration LCA=81°							
			79.40		Sheared zone, 2" wide LCA=33°							
			79.84	79.89	Sheared zone, slightly altered LCA=65°							
			80.14	80.26	Sheared zone, numerous QCV, 2% disseminated sulfide (pyrrhotite) LCA=61°							
			80.52		Blue black quartz vein, 1/2" wide, chlorite halo, 1% disseminated sulfides (pyrrhotite) LCA=60°							
			80.60	80.80	Sheared zone, numerous calcite vein LCA=40°							
			81.11	81.19	Sheared zone, numerous calcite vein LCA=43°							
			82.54	82.80	Sheared zone, numerous calcite vein LCA=40°							
			86.00		Fracture LCA=55°							
			87.88	88.27	Intensely altered zone, numerous calcite veins							
			89.34		Quartz calcite vein, silicification halo LCA=72°							
			92.69	92.79	moderately altered zone, sericite alteration, numerous QCV							
			95.00		Fracture LCA=45°							
			97.37		Sharp contact LCA=15°							
97.37	104.00	DBDK	DIABASE DYKE									
			97.37		Sharp contact LCA=15°	21288	97.37	98.30	0.93	5.0		
						21289	98.30	98.99	0.69	5.0		
						21290	98.99	99.71	0.72	5.0		
						21291	99.71	100.48	0.77	5.0		
						21292	100.48	101.00	0.52	10.0		
						21293	101.00	101.70	0.70	5.0		
						21294	101.70	102.49	0.79	5.0		
						21295	102.49	103.27	0.78	5.0		
						21296	103.27	104.00	0.73	5.0		

---- END OF HOLE ---

CONQUEST Resources Limited

Diamond Drill Log

Drill Hole ID	KB-05-EC1-03	**Property**	King Bay	**NTS**	52J2
		Township	Fourbay Lake Area	**District**	Thunder bay

Collar Location	**Easting:**	658644.2mE	**Grid:**	750.0m	**Azimuth:**	0.0°	**Hole Status:** Completed
	Northing:	5543274.1mN		551.0m	**Dip:**	-90.0°	**Date Started:** February 21, 2005
	Elevation:	408.0 m			**Lenght**	41.00m	**Date Finished:** February 21, 2005
	Projection:	NAD27 Zone 15N					

Purpose of Hole

Test magnetic anomaly EC-1

Proposed depth: 40.00m

Survey Data

Depth(m)	Azimuth	Dip	Method
14.00	142.3°	-89.1°	Reflex
41.00	124.4°	-89.4°	Reflex

Drilling Information

Contractor:	Major Drilling
Hole Type:	DD
Core Size:	BQ
Drill Rig:	Major 37
Casing Left:	0m

Logging and Sampling Information

Geology Logged by:	Ray Toews
Geotechnical Logging by	
Sampling by:	Shana Dickenson

Horizontal Trace:	m
Vertical Trace:	m

Comments

Drill on ice. Hole was cemented when finished.

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
0.00	3.98	OVB	WATER + OVERBURDEN							
3.98	21.76	QFP	QUARTZ FELDSPAR PORPHYRY - With moderate silicification							
			6.27 6.29 Thin Quartz Calcite vein with a 1 cm silicification halo LCA=60°	21315	11.78	11.98	0.20	10.0		
			10.27 10.30 Quartz Calcite vein with biotite, chlorite alteration and a 2 cm silicification halo LCA=47°	21316	11.98	12.09	0.11	10.0		
				21317	12.09	12.28	0.19	10.0		
			11.78 12.09 Highly Siliceous Zone and pseudo Brecciated Calcite Quartz vein with chlorite, biotite alteration, silicification and 5% disseminated Chalcopyrite pyrrhotite and pyrite							
			21.76 Sharp Contact							
21.76	22.68	DBDK	DIABASE DYKE - With some thin quartz-carbonate veins							
			21.76 Sharp Contact	21318	21.76	22.68	0.92	10.0		
			21.92 21.95 Irregular Quartz Calcite Vein with chlorite, biotite alteration							
			22.22 22.24 Quartz Calcite vein with chlorite, biotite alteration and a 0.5 cm silicification halo LCA=60°							
			22.30 22.33 Quartz Calcite vein with chlorite, biotite alteration and a 1.0 cm silicification halo LCA=48°							
			22.34 22.38 Quartz Calcite vein with chlorite, biotite alteration and a 1.5 cm silicification halo LCA=47°							
			22.47 22.51 Quartz Calcite vein with chlorite, biotite alteration and a 2 cm silicification halo LCA=59°							
			22.66 22.68 Thin Quartz Calcite veins at contact between the Diabase Dyke and the QFP with iron staining and 3% disseminated chalcopyrite and pyrrhotite LCA=57°							
			22.68 Sharp Contact LCA=57°							
22.68	41.00	QFP	QUARTZ FELDSPAR PORPHYRY							
			22.68 Sharp Contact LCA=57°							
			23.15 23.44 Weak foliation developed and is seen by elongated feldspar grains LCA=32°							
			24.95 25.14 Highly Siliceous Zone with chlorite alteration							
			27.43 27.45 Thin Calcite Quartz vein with a biotite alteration rim and a 3 cm silicification halo LCA=58°							
			29.10 29.12 Thin Calcite Quartz vein with 1 cm silicification halo LCA=67°							
			29.30 29.32 Five thin parallel Calcite Quartz veins with a 3 cm silicification halo LCA=65°							
			33.32 Thin Calcite Quartz vein with a 2 cm silicification halo LCA=82°							
			33.53 33.54 Thin Calcite Quartz vein with a 5 cm silicification halo LCA=73°							
			33.88 33.90 Quartz Calcite vein with chlorite alteration and 2% disseminated chalcopyrite LCA=85°							
			33.88 33.96 Highly Siliceous Zone with vugs							

---- END OF HOLE ---

CONQUEST Resources Limited

Diamond Drill Log

Drill Hole ID	KB-05-EC1-04	**Property**	King Bay	**NTS**	52J2
		Township	Fourbay Lake Area	**District**	Thunder bay

Collar Location	**Easting:**	658644.2mE	**Grid:**	750.0m	**Azimuth:**	315.0°	**Hole Status:** Completed
	Northing:	5543274.1mN		551.0m	**Dip:**	-62.0°	**Date Started:** February 21, 2005
	Elevation:	408.0 m			**Lenght**	41.00m	**Date Finished:** February 22, 2005
	Projection:	NAD27 Zone 15N					

Purpose of Hole

Test magnetic anomaly EC-1

Proposed depth: 40.00m

Survey Data

Depth(m)	Azimuth	Dip	Method
14.00	11.3°	-62.1°	Reflex
41.00	321.3°	-62.5°	Reflex

Drilling Information

Contractor:	Major Drilling
Hole Type:	
Core Size:	BQ
Drill Rig:	Major 37
Casing Left:	0m

Logging and Sampling Information

Geology Logged by:	Ray Toews
Geotechnical Logging by	
Sampling by:	Shana Dickenson

Horizontal Trace:	m
Vertical Trace:	m

Comments

Drill on ice. Hole was cemented when finished.

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
0.00	4.44	OVB	WATER + OVERBURDEN							
4.44	8.19	QFP	QUARTZ FELDSPAR PORPHYRY - With moderate silicification alteration							
	4.44	5.78	Silicification Alteration Zone with minor chlorite alteration around some BBQ veins	21312	4.56	4.95	0.39	20.0		
				21309	4.95	5.13	0.18	4180.0		
	4.95	5.13	Blue Black Quartz vein with 3% disseminated pyrrhotite LCA=73°	21310	5.13	5.42	0.29	5.0		
	5.27	5.30	Blue Black Quartz vein with a very thin sericite alteration rim and 3% disseminated pyrrhotite LCA=82°	21311	5.42	5.78	0.36	5.0		
	5.42	5.45	Very fine grained, dark brown with light gray banding, soft							
	5.42		Sharp Contact LCA=83°							
	5.45		Sharp Contact LCA=86°							
	5.48	5.49	Blue Black Quartz vein with 3% disseminated pyrrhotite and chalcopyrite LCA=90°							
	6.24		Fracture with very thin CQV with a 4 cm silicification halo LCA=60°							
	7.69		Fracture with a 2 cm silicification halo LCA=44°							
	8.19		Sharp Contact LCA=62°							
8.19	8.52	DBDK	DIABASE DYKE - With coarse euhedral phenocrysts of feldspar (0.2 - 1.0 cm)							
	8.19		Sharp Contact LCA=62°	21313	8.19	8.52	0.33	5.0		
8.52	12.96	QFP	QUARTZ FELDSPAR PORPHYRY - With moderate silicification alteration							
	9.11		Fracture with a 3 cm silicification halo LCA=64°							
	9.16		Fracture with a 2 cm silicification halo LCA=66°							
	12.96		Sharp Contact LCA=64°							
12.96	13.46	DBDK	DIABASE DYKE - With few very thin carbonate-quartz veins							
	12.96		Sharp Contact LCA=64°	21314	12.96	13.46	0.50	5.0		
	13.46		Sharp Contact LCA=77°							
13.46	41.00	QFP	QUARTZ FELDSPAR PORPHYRY - With moderate silicification alteration							
	13.46		Sharp Contact LCA=77°							
	13.69	14.03	Fracture Zone with irregular fractures							
	14.50	14.58	Fracture Zone with irregular fractures							
	23.69		Fracture with a 2 cm silicification halo							
	24.84	25.15	Thin Quartz Calcite vein with biotite alteration, some sericite altered feldspar grains, and silicification LCA=16°							
	26.66	26.86	Thin Quartz Calcite vein with chlorite, biotite alteration and a 3cm silicification halo LCA=24°							
	27.38	27.53	Thin Quartz Calcite vein with chlorite, biotite alteration and a 5cm silicification halo LCA=24°							
	33.23	33.25	Quartz Calcite vein (0.5cm) with biotite alteration LCA=76°							
	35.45	35.56	Quartz Calcite vein (0.5cm) with biotite, chlorite, a 4 cm silicification halo, 2% disseminated pyrrhotite and thin stringer veins moving out from the main vein LCA=17°							
	37.26	37.80	Multiple thin Quartz Calcite veins (<0.5cm) with biotite, chlorite and minor sericite alteration and a large silicification halo over interval LCA=23°							

---- END OF HOLE ---

CONQUEST Resources Limited

Diamond Drill Log

Drill Hole ID	KB-05-EC1-05	**Property**	King Bay	**NTS**	52J2
		Township	Fourbay Lake Area	**District**	Thunder bay

Collar Location	**Easting:**	658644.2mE	**Grid:**	750.0m	**Azimuth:**	165.0°	**Hole Status:** Completed
	Northing:	5543274.1mN		551.0m	**Dip:**	-62.0°	**Date Started:** February 22, 2005
	Elevation:	408.0 m			**Lenght**	41.00m	**Date Finished:** February 22, 2005
	Projection:	NAD27 Zone 15N					

Purpose of Hole

Test magnetic anomaly EC-1

Proposed depth: 40.00m

Survey Data

Depth(m)	Azimuth	Dip	Method
14.00	134.2°	-61.7°	Reflex
41.00	208.1°	-61.7°	Reflex

Drilling Information

Contractor:	Major Drilling
Hole Type:	
Core Size:	BQ
Drill Rig:	Major 37
Casing Left:	0m

Logging and Sampling Information

Geology Logged by:	Ray Toews
Geotechnical Logging by	
Sampling by:	Shana Dickenson

Horizontal Trace:	m
Vertical Trace:	m

Comments

Drill on ice. Hole was cemented when finished.

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
0.00	5.04	OVB	WATER + OVERBURDEN							
5.04	10.39	DBDK	DIABASE DYKE - With moderate chlorite alteration and many thin irregular quartz-carbonate veins with iron staining and banding of chlorite and sericite alteration							
			5.22 5.42 Many thin irregular Quartz Calcite veins with banding of chlorite and sericite alteration parallel to the veins	21319	8.97	9.38	0.41	10.0		
			5.50 5.42 Irregular Quartz Calcite vein (1.0cm) with banding of chlorite and sericite alteration, little biotite alteration, sericite, chlorite alteration rims and 2% disseminated pyrrhotite and pyrite							
			9.08 9.17 Irregular Quartz Calcite vein (1.0cm) with chlorite, sericite, alteration, iron staining and 2% disseminated pyrrhotite and pyrite							
			9.21 9.28 Irregular Quartz Calcite vein with chlorite, sericite, alteration, iron staining and 4% disseminated pyrite, pyrrhotite and chalcopyrite							
			9.29 9.37 Irregular Quartz Calcite vein with chlorite, sericite, alteration, iron staining and 4% disseminated pyrite, pyrrhotite and chalcopyrite							
			10.05 10.12 Quartz Feldspar Porphyry Finger LCA=35°							
			10.39 Sharp Contact LCA=35°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
10.39	41.00	QFP	QUARTZ FELDSPAR PORPHYRY - With weak to moderate silicification in parts							
	10.39		Sharp Contact LCA=35°	21320	33.47	33.83	0.36	20.0		
	11.70	11.73	Quartz Calcite vein with biotite, chlorite alteration, a 5 cm silicification halo and 5% disseminated pyrrhotite and pyrite LCA=48°							
	12.21	12.30	Thin Quartz Calcite vein with biotite, chlorite alteration and a 3cm silicification halo LCA=23°							
	12.39		Fracture with 1cm silicification halo LCA=52°							
	12.88		Fracture with 1.5cm silicification halo and a very thin QCV along the fracture LCA=48°							
	14.05	14.07	Thin Quartz Calcite vein with a 1 cm silicification halo LCA=44°							
	14.13	14.16	Thin Quartz Calcite vein with a 1 cm silicification halo LCA=42°							
	14.32	14.34	Thin Quartz Calcite vein with a 1 cm silicification halo LCA=48°							
	14.52	14.55	Thin Quartz Calcite vein with a 1 cm silicification halo LCA=50°							
	14.65	14.69	Thin Quartz Calcite vein with a 1 cm silicification halo LCA=43°							
	14.92	14.95	Thin Quartz Calcite vein with a 1 cm silicification halo LCA=46°							
	17.52	17.59	Thin Quartz Calcite vein with sericite alteration and a 2cm silicification halo LCA=33°							
	19.11	19.13	Chlorite, Biotite, Sericite Alteration Zone LCA=74°							
	24.04	24.11	Thin Quartz Calcite vein with chlorite alteration rim and 2% disseminated pyrrhotite and pyrite							
	25.78	25.80	Thin Quartz Calcite vein with chlorite, biotite alteration a 1 cm silicification halo LCA=73°							
	28.84	28.87	Quartz Calcite vein with vugs, chlorite, biotite, sericite alteration, and a 8 cm silicification halo LCA=78°							
	33.47	33.83	Highly Siliceous zone along quartz-carbonate veins. Nil or trace amounts of sulphides							
	33.48	33.50	Quartz Calcite vein with vugs, chlorite, biotite, sericite alteration, and is located in a highly siliceous zone LCA=70°							
	33.56	33.59	Quartz Calcite vein with vugs, chlorite, biotite, sericite alteration, and is located in a highly siliceous zone LCA=70°							
	33.81	33.82	Quartz Calcite vein with vugs, chlorite, biotite, sericite alteration, and is located in a highly siliceous zone LCA=71°							
	39.41	39.45	Quartz Calcite vein with vugs, chlorite, biotite, sericite alteration, and a 2cm silicification halo							

---- END OF HOLE ----

CONQUEST Resources Limited

Diamond Drill Log

Drill Hole ID	KB-05-W3-03	**Property**	King Bay	**NTS**	52J2
		Township	Fourbay Lake Area	**District**	Thunder bay

Collar Location	**Easting:**	658251.0mE	**Grid:**	m	**Azimuth:**	357.0°	**Hole Status:** Completed
	Northing:	5543064.0mN		m	**Dip:**	-45.0°	**Date Started:** February 8, 2005
	Elevation:	417.0 m			**Lenght**	284.00m	**Date Finished:** February 12, 2005
	Projection:	NAD27 Zone 15N					

Purpose of Hole

Test magnetic anomalies W-3 and W-4

Proposed depth: 300.00m

Survey Data

Depth(m)	Azimuth	Dip	Method
0.00	356°	-45°	Acid
50.00	21.5°	-27.1°	Reflex
53.00	356°	-43.5°	Acid
100.00	4.3°	-44.4°	Reflex
150.00	6.1°	-45.1°	Reflex
152.00	356°	-44°	Acid
200.00	7°	-45.6°	Reflex
203.00	356°	-44°	Acid
251.00	6.3°	-46.4°	Reflex
284.00	8.2°	-46.1°	Reflex

Drilling Information

Contractor:	Major Drilling
Hole Type:	DD
Core Size:	BQ
Drill Rig:	Major 37
Casing Left:	4m

Logging and Sampling Information

Geology Logged by:	Ray Toews
Geotechnical Logging by	
Sampling by:	Shana Dickenson

Horizontal Trace:	m
Vertical Trace:	m

Comments

Drilled from shore. Not refered to local grid.

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
0.00	3.72	OVB	OVERBURDEN							
3.72	8.58	WACKE	WACKE (IRON FORMATION) - With moderate amounts of thin quartz-carbonate veins. Non magnetic interval							
			3.78 4.14 Fracture Zone with iron oxidation LCA=60°							
			5.95 6.36 High concentration of many irregular quartz calcite veins with chlorite, sericite alteration halos, silicification, and 8% disseminated pyrrhotite							
			5.98 6.08 Quartz calcite vein with a chlorite, sericite alteration halo, silicification, an 8% disseminated pyrrhotite LCA=38°							
			6.80 8.57 Alteration Halo surrounding Quartz Feldspar Porphyry with moderate amount of biotite alteration and many thin QCV's and CQV's that have sericite alteration and silicification							
			8.57 Sharp Contact LCA=23°							
8.58	12.00	QFP	QUARTZ FELDSPAR PORPHYRY - With coarse phenocrysts (0.1 to1.0 cm), moderately fracture and few thin quartz-carbonate veins and sericite alteration							
12.00	19.26	DIO	MEDIUM GRAINED DIORITE							
			12.00 12.74 Sericite alteration zone with decreasing intensity over zone and very few QCV's with sericite, biotite alteration							
			18.93 Quartz calcite vein with sericite alteration LCA=50°							
19.26	20.77	DIO	COARSE GRAINED DIORITE - Gradational contact over 10cm							
			20.77 Sharp Contact LCA=73°							
20.77	33.08	BAS	BASALT - With very few carbonate-quartz veins and weakly altered by chloritic alteration							
			20.77 Sharp Contact LCA=73°							
			32.82 Sharp Contact LCA=32°							
			33.08 Sharp Contact LCA=29°							
33.08	41.00	DIO	MEDIUM GRAINED DIORITE - With a salt and pepper texture							
			33.08 33.13 Quartz calcite vein with silicification and a chlorite rim LCA=29°							
			33.08 Sharp Contact LCA=29°							
			33.13 34.70 Chlorite Sericite Alteration Zone (strongly altered) with many irregular QCV's with silicification							
41.00	71.47	BAS	BASALT - With moderate amount of quartz-carbonate veins (Gradational contact)							
			41.34 41.98 Calcite Sericite Alteration Zone with thin (<0.5cm) QCV's with silicification and 2% disseminated chalcopyrite and pyrrhotite	21251	68.75	69.42	0.67			
				21252	69.42	70.17	0.75	5.0		
			44.62 44.74 Quartz Calcite vein (3.0 cm) with silicification, sericite, chlorite alteration, vugs and high amount of iron staining LCA=37°	21255	70.17	71.00	0.83	5.0		
				21257	71.00	71.47	0.47	5.0		
			50.20 51.74 Chlorite Biotite alteration zone with an increase of thin QCV's with chlorite alteration rims	21256	71.00	71.47	0.47	5.0		
			57.32 57.38 Pseudo Brecciated Calcite Quartz vein with sericite, chlorite alteration and 4% pyrrhotite and chalcopyrite LCA=42°							
			63.37 63.66 Zone with an increased concentration of irregular CQV with chlorite, sericite alteration and 4% disseminated pyrrhotite and chalcopyrite							
			66.90 69.39 Chlorite Biotite alteration zone with an increase of thin QCV's with chlorite alteration rims							
			71.47 Sharp Contact LCA=73°							
71.47	72.29	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and small degree of silicification of feldspars							
			71.47 Sharp Contact LCA=73°	21265	71.47	72.29	0.82	20.0		
			72.29 Sharp Contact LCA=43°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
72.29	73.27	DBDK	DIABASE DYKE							
			72.29 Sharp Contact LCA=43°	21258	72.29	73.27	0.98	5.0		
			73.27 Sharp Contact LCA=55°							
73.27	76.70	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and silicification of feldspars							
			73.27 Sharp Contact LCA=55°							
			76.70 Sharp Contact LCA=59°							
76.70	83.69	DBDK	DIABASE DYKE							
			76.70 Sharp Contact LCA=59°	21259	76.70	77.72	1.02	5.0		
			80.00 80.77 Shear Zone with CQV's with chlorite alteration, some garnet crystals and 3% disseminated pyrrhotite LCA=44°	21260	77.72	78.44	0.72	5.0		
				21261	78.44	79.30	0.86	5.0		
				21262	79.30	80.00	0.70	5.0		
				21263	80.00	80.61	0.61	10.0		
83.69	95.40	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and silicification of feldspars							
			95.40 Sharp Contact LCA=47°							
95.40	97.76	DBDK	DIABASE DYKE - Thin carbonate-quartz veins and coarse quartz phenocrysts							
			95.40 Sharp Contact LCA=47°	21264	95.40	96.22	0.82	5.0		
			97.76 Sharp Contact LCA=67°	21266	96.22	97.00	0.78	5.0		
				21267	97.00	97.76	0.76	5.0		
97.76	105.00	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and moderate degree of silicification of feldspars							
			97.76 Sharp Contact LCA=67°							
			105.00 Sharp Contact LCA=82°							
105.00	106.48	DBDK	DIABASE DYKE - With few thin carbonate-quartz veins							
			105.00 Sharp Contact LCA=82°	21286	105.00	105.87	0.87	30.0		
			106.08 106.48 Shear Zone with increasing intensity towards the contact with the QFP LCA=50°	21287	105.87	106.48	0.61	10.0		
106.48	130.25	QFP	QUARTZ FELDSPAR PORPHYRY - With coarse phenocrysts (0.1 to1.0 cm) and silicification of feldspars							
			106.82 106.95 Blue Black Quartz vein with a 40cm silicification alteration halo and 3% disseminated pyrrhotite and chalcopyrite LCA=60°	20351	106.48	106.82	0.34	20.0		
				20352	106.82	106.96	0.14	740.0		
			107.94 107.96 Blue Black Quartz vein with 2% disseminated pyrrhotite and chalcopyrite LCA=65°	20353	106.96	107.00	0.04	20.0		
				20354	107.75	107.92	0.17	50.0		
			108.49 108.54 Blue Black Quartz vein with a 20cm silicification alteration halo and 3% disseminated pyrrhotite and chalcopyrite LCA=65°	20355	107.92	107.98	0.06	10.0		
				20356	107.98	108.16	0.18	30.0		
			113.68 113.70 Blue Black Quartz vein with chlorite alteration, a 10cm silicification alteration halo and 2% disseminated pyrrhotite LCA=65°	20357	108.16	108.48	0.32	10.0		
			130.25 Sharp Contact LCA=60°	20358	108.48	108.54	0.06	10.0		
				20359	108.54	108.65	0.11	5.0		
				20360	113.58	113.67	0.09	10.0		
				20361	113.67	113.71	0.04	10.0		
				20362	113.71	113.75	0.04	5.0		

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
130.25	131.10	DBDK	FINE GRAINED DIABASE DYKE							
	130.25		Sharp Contact LCA=60°	20363	130.25	130.65	0.40	20.0		
	130.70	130.72	Blue Black Quartz vein with 3% disseminated pyrrhotite and chalcopyrite LCA=82°	20364	130.65	130.72	0.07	2910.0		
				20365	130.72	130.96	0.24	410.0		
	130.96	131.07	Irregular 3cm Blue Black Quartz vein with a calcite rim and 7% disseminated pyrrhotite and chalcopyrite	20367	130.96	131.10	0.14	13450.0		
	131.10		Sharp Contact LCA=60°							
131.10	205.09	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and silicification of feldspars							
	131.10		Sharp Contact LCA=60°	20368	131.10	131.24	0.14	300.0		
	131.24	131.30	Irregular 3cm Blue Black Quartz vein with 4% disseminated pyrrhotite and chalcopyrite and a 15cm alteration halo	20369	131.24	131.30	0.06	1360.0		
				20370	131.30	131.55	0.25	30.0		
	143.66	143.84	Irregular 3cm Blue Black Quartz vein with 2% disseminated chalcopyrite and pyrrhotite	20366	143.54	143.97	0.43	50.0		
	175.60	175.62	Fracture with silicification halo around fracture LCA=70°							
	175.67	175.70	Fracture with silicification halo around fracture LCA=64°							
	175.76	175.78	Fracture with silicification halo around fracture LCA=58°							
	176.21	176.24	Fracture with silicification halo around fracture LCA=68°							
	176.32	176.35	Fracture with silicification halo around fracture LCA=71°							
	176.73	176.74	Blue Black Quartz vein with a 5cm silicification halo, biotite alteration and 3% disseminated pyrrhotite LCA=67°							
	196.64	196.67	Calcite Quartz vein with chlorite alteration and silicification LCA=68°							
	197.50	197.50	Very thin Blue Black Quartz vein with carbonization and silicification halo LCA=67°							
	198.13	198.14	Calcite Quartz vein with chlorite alteration halo LCA=72°							
	205.09		Sharp Contact LCA=59°							
205.09	205.23	DBDK	DIABASE DYKE - Moderate degree of shearing							
	205.09		Sharp Contact LCA=59°	21268	205.09	205.23	0.14	5.0		
	205.09	205.11	Calcite Quartz vein with silicification and chlorite alteration LCA=59°							
	205.09	205.23	Shear Zone with moderate degree of shearing LCA=59°							
	205.23		Sharp Contact LCA=38°							
205.23	205.72	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and silicification of feldspars							
	205.23		Sharp Contact LCA=38°	21269	205.23	205.72	0.49	10.0		
	205.72		Sharp Contact LCA=72°							
205.72	206.01	DBDK	DIABASE DYKE - Moderate degree of shearing, many thin calcite quartz vein and biotite alteration							
	205.72	206.01	Shear Zone with moderate degree of shearing LCA=81°	21270	205.72	206.01	0.29	160.0		
	205.72		Sharp Contact LCA=72°							
	205.76	205.78	Blue Black Quartz vein with carbonization, silicification, chlorite alteration and 4% disseminated pyrrhotite and chalcopyrite LCA=68°							
	206.01		Sharp Contact LCA=89°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
206.01	214.06	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and silicification of feldspars							
			206.01 Sharp Contact LCA=89°							
			206.86 206.90 Calcite Quartz vein (0.3cm) with a 3cm silicification halo LCA=43°							
			207.17 207.18 Calcite Quartz vein (0.3cm) with chlorite alteration rim and a 2cm silicification halo LCA=72°							
			207.22 207.24 Calcite Quartz vein (0.3cm) with chlorite alteration rim and a 2cm silicification halo LCA=70°							
			208.19 208.21 Calcite Quartz vein (0.5cm) with chlorite alteration rim and a 2cm silicification halo LCA=67°							
			214.06 Sharp Contact LCA=61°							
214.06	214.11	DBDK	DIABASE DYKE							
			214.06 Sharp Contact LCA=61°							
			214.11 Sharp Contact LCA=55°							
214.11	215.08	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and moderate degree of silicification of feldspars							
			214.11 Sharp Contact LCA=55°							
			215.08 Sharp Contact LCA=46°							
215.08	215.21	DBDK	DIABASE DYKE							
			215.08 Sharp Contact LCA=46°	21271	215.08	215.21	0.13	5.0		
			215.21 Sharp Contact LCA=50°							
215.21	232.93	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and silicification of feldspars							
			215.21 Sharp Contact LCA=50°	20371	226.70	226.96	0.26	160.0		
			226.70 227.46 Intensely Altered Zone with silicification, chlorite, sericite alteration with intensity increasing over 226.4 to 226.7	20372	226.96	227.41	0.45	100.0		
				20373	227.41	227.47	0.06	1570.0		
			227.08 227.11 Pseudo Brecciated Blue Black quartz vein with biotite, silicification, chlorite alteration and 7% pyrrhotite and chalcopyrite	20374	227.47	227.68	0.21	5.0		
			227.33 227.46 Shear Zone with thin CQVs and Blue Black Quartz veins and 8% disseminated pyrrhotite and chalcopyrite LCA=56°							
			232.93 Sharp Contact LCA=34°							
232.93	239.86	DBDK	DIABASE DYKE - Few thin carbonate-quartz veins and moderately fractured with an average fracture angle of 35 degrees							
			232.93 Sharp Contact LCA=34°	21273	232.93	233.82	0.89	5.0		
			233.10 233.15 Calcite Quartz vein with chlorite, sericite alteration LCA=46°	21275	233.82	234.49	0.67	5.0		
			233.17 233.72 Fracture Zone with moderate amount of fracturing with some thin calcite quartz veins with chlorite alteration rims	21274	233.82	234.49	0.67	5.0		
				21276	234.49	235.23	0.74	5.0		
			236.90 237.00 Calcite Quartz vein with a 1cm sericite, chlorite alteration halo, silicification and 3% disseminated chalcopyrite LCA=20°	21277	235.23	236.00	0.77	5.0		
				21278	236.00	236.78	0.78	5.0		
			237.10 237.20 Calcite Quartz vein with a 1cm sericite, chlorite alteration halo, silicification and 3% disseminated chalcopyrite LCA=24°	21279	236.78	237.07	0.29	10.0		
			239.86 Sharp Contact LCA=24°	21280	237.07	237.69	0.62	5.0		
				21283	238.00	238.73	0.73	5.0		
				21284	238.73	239.34	0.61	5.0		
				21285	239.34	239.86	0.52	5.0		

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
239.86	248.86	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and varying degrees of silicification of feldspars							
			239.86 Sharp Contact LCA=24°	20375	248.51	248.74	0.23	10.0		
			243.78 243.90 Biotite Alteration Zone	20376	248.74	248.80	0.06	5.0		
			248.74 248.80 Irregular Blue Black Quartz vein with a 10cm silicification alteration halo and 3% disseminated pyrrhotite and chalcopyrite	20377	248.80	248.86	0.06	60.0		
			248.86 Sharp Contact LCA=70°							
248.86	249.10	DBDK	DIABASE DYKE							
			248.86 Sharp Contact LCA=70°	21281	248.86	249.10	0.24	110.0		
			249.01 Sharp Contact LCA=69°							
249.10	250.95	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and varying degrees of silicification of feldspars							
250.95	251.76	DBDK	DIABASE DYKE - With many thin carbonate-quartz veins and moderately sheared							
			251.76 Sharp Contact LCA=74°	21282	250.95	251.76	0.81	5.0		
251.76	281.18	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and varying degrees of silicification of feldspars							
			251.76 267.30 Zone with minimal to unaltered QFP	20378	270.62	270.96	0.34	5.0		
			251.76 Sharp Contact LCA=74°	20379	270.96	271.13	0.17	5.0		
			270.62 275.41 Shear zone LCA=40°	20380	271.13	271.28	0.15	5.0		
			270.62 275.41 Strongly altered zone with shearing, silicification, chlorite, sericite alteration and many large BBQ veins	20381	271.28	271.40	0.12	5.0		
				21253	271.40	271.54	0.14	5.0		
			270.96 271.13 Blue Black Quartz vein with good schistositcy developed at edges of veins and 3% disseminated pyrrhotite and chalcopyrite LCA=41°	20382	271.40	271.54	0.14	5.0		
				20383	271.54	271.64	0.10	10.0		
			271.13 271.28 Pseudo Brecciated Blue Black quartz vein between veins with 3% disseminated pyrrhotite and chalcopyrite	20384	271.64	272.05	0.41	160.0		
				20385	272.05	272.51	0.46	30.0		
			271.28 271.40 Blue Black Quartz vein with good schistositcy developed at edges of veins and 3% disseminated pyrrhotite LCA=54°	20386	272.51	272.61	0.10	5.0		
			271.54 271.64 Blue Black Quartz vein with good schistositcy developed at edges of veins and 7% disseminated pyrrhotite and chalcopyrite LCA=43°	20387	272.61	272.86	0.25	40.0		
				20388	272.86	273.54	0.68	20.0		
			271.81 271.83 Irregular Blue Black Quartz vein with 5% disseminated pyrrhotite	20389	273.54	274.23	0.69	5.0		
			272.27 272.29 Blue Black Quartz vein with 3% disseminated pyrrhotite LCA=72°	20390	274.23	274.96	0.73	10.0		
			272.51 272.61 Blue Black Quartz vein with 4% disseminated pyrrhotite LCA=80°	20391	274.96	275.41	0.45	10.0		
			281.18 Sharp Contact LCA=71°							
281.18	281.40	DBDK	DIABASE DYKE							
			281.18 Sharp Contact LCA=71°							
281.40	284.00	QFP	QUARTZ FELDSPAR PORPHYRY - Coarse phenocrysts (0.1 to1.0 cm) and varying degrees of silicification of feldspars							

---- END OF HOLE ----

CONQUEST Resources Limited

Diamond Drill Log

Drill Hole ID	KB-05-W3-04	**Property**	King Bay	**NTS**	52J2
		Township	Fourbay Lake Area	**District**	Thunder bay

Collar Location	**Easting:**	658155.0mE	**Grid:**	m	**Azimuth:**	36.0°	**Hole Status:** Completed
	Northing:	5543058.0mN		m	**Dip:**	-45.0°	**Date Started:** February 17, 2005
	Elevation:	410.0 m			**Lenght**	287.00m	**Date Finished:** February 20, 2005
	Projection:	NAD27 Zone 15N					

Purpose of Hole

Test magnetic anomaly W-3

Proposed depth: 270.00 m

Survey Data

Depth(m)	Azimuth	Dip	Method
14.00	50°	-44.8°	Reflex
104.00	44.8°	-42.5°	Reflex
134.00	45.5°	-42.9°	Reflex
185.00	313.1°	-42.2°	Reflex
233.00	47.1°	-43.5°	Reflex
287.00	47.4°	-43.4°	Reflex

Drilling Information

Contractor:	Major Drilling
Hole Type:	DD
Core Size:	BQ
Drill Rig:	Major 37
Casing Left:	0m

Logging and Sampling Information

Geology Logged by:	Shana Dickenson
Geotechnical Logging by	
Sampling by:	Ray Toews

Horizontal Trace:	m
Vertical Trace:	m

Comments

Drilled from shore. Not refered to local grid.

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
0.00	4.10	OVB	OVERBURDEN							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
4.10	46.17	BAS	FINE AND COARSE GRAINED BASALT							
			4.10 5.00 Fractured zone							
			4.10 18.57 Coarse grained basalt, intense fracturing, numerous quartz calcite veins, rust staining							
			5.85 5.97 Fractured zone							
			6.20 6.45 Fractured zone							
			6.70 7.15 Fractured zone							
			7.30 7.60 Fractured zone							
			7.80 8.10 Fractured zone							
			8.50 8.90 Fractured zone							
			10.21 10.46 Fractured zone							
			12.18 12.40 Fractured zone							
			12.64 12.70 Fractured zone							
			12.84 14.00 Pseudo bracciated basalt, numerous calcite veins @ 70 degrees, rust staining LCA=70°							
			14.04 Quartz calcite vein, no mineralization LCA=80°							
			15.56 Quartz calcite vein, no mineralization LCA=30°							
			17.00 18.57 gradational contact over 1.57 meters							
			18.57 25.80 Fine grained basalt, intense fracturing, gradational contact, several QCV, 1-2% disseminated sulfides throughout unit							
			18.65 BBQ vein, carbonate + calcite + biotite alteration, 2% disseminated sulfides (pyrrhotite) LCA=15°							
			19.06 Quartz calcite vein, no mineralization LCA=80°							
			20.40 Quartz calcite vein, no mineralization, chlorite alteration LCA=45°							
			21.66 Quartz calcite vein, chlorite alteration, rust staining, trace amounts of disseminated sulfides (pyrrhotite) LCA=60°							
			21.86 22.05 Fractured zone							
			22.13 Quartz calcite vein, biotite alteration, trace amounts of disseminated sulfides (pyrrhotite)							
			23.53 23.90 Fractured zone							
			24.23 24.95 Fractured zone							
			25.80 Gradational contact between fine grained basalt and coarse grained basa							
			25.80 33.80 Coarse grained basalt, intense fracturing, numerous quartz calcite veins							
			25.90 30.41 Intense silicification, carbonate alteration, 1-4% disseminated sulfides (pyrrhotite, pyrite)							
			25.90 26.35 Numerous calcite vein, chlorite alteration, 2-3% disseminated sulfides (pyrrhotite, some pyrite)							
			26.10 Quartz calcite vein, some biotite alteration, rust staining, 1% disseminated sulfides (pyrrhotite) LCA=15°							
			26.11 Quartz calcite vein, slight chlorite alteration, silicification, no mineralizatior LCA=65°							
			26.59 26.80 Intense silicification, carbonate alteration, irregular BBQ veins, 1-2% disseminated sulfides (pyrrhotite, pyrite), chlorite alteration							
			27.13 27.37 Intense silicification, numerous BBQ veins, 1% disseminated sulfides (pyrrhotite)							
			27.18 Irregular blue black quartz vein, no angle							
			27.30 Irregular blue black quartz vein, chlorite alteration LCA=40°							

FROM	TO	CODE		DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
			27.55	27.69 Intense silicification, biotite alteration, 1% disseminated sulfides (pyrrhotite)							
			28.04	28.20 Intense silicification, chlorite + biotite alteration, 2% disseminated sulfides (pyrrhotite, pyrite)							
			28.34	28.50 Intensely altered region, moderate silicification, 2-3% disseminated sulfides (pyrrhotite, pyrite), carbonate alteration							
			28.77	29.20 Moderately altered region, numerous calcite veins, silicification, biotite alteration, 2-3% disseminated sulfide (pyrrhotite, pyrite)							
			29.68	Fracture LCA=65°							
			29.94	30.41 Intense silicification, QCV running along core @ 12 degrees, biotite alteration, 1% disseminated sulfides (pyrrhotite) LCA=12°							
			31.52	Fracture LCA=80°							
			32.48	Fracture LCA=60°							
			33.80	35.50 Fine grained basalt							
			33.80	Gradational contact between coarse grained basalt and fine grained basalt							
			33.92	34.57 Shear zone, numerous QCV @ 10 degrees with biotite alteration, 1% disseminated sulfides (pyrrhotite) LCA=10°							
			34.76	34.90 Intense silicification, numerous QCV running in no specific direction, biotite alteration, 1% disseminated sulfides (pyrrhotite)							
			35.50	Sharp contact LCA=16°							
			35.50	46.17 Coarse grained basalt							
			35.75	Fracture LCA=55°							
			35.90	Quartz calcite vein, 2% disseminated sulfides (pyrrhotite, pyrite), chlorite alteration LCA=10°							
			36.36	Quartz calcite vein, chlorite alteration, 1% disseminated sulfides (pyrrhotite) LCA=9°							
			36.82	Fracture LCA=60°							
			37.17	Fracture LCA=63°							
			37.59	37.74 Fracture zone, numerous QCV, carbonate alteration							
			38.00	46.17 Significant increase in disseminated sulfides (pyrrhotite, some pyrite)							
			38.33	38.53 Intense silicification, carbonate alteration, 1% disseminated sulfides (pyrrhotite), numerous QC vein							
			38.81	38.85 Increase in pyrrhotite, pyrite (3-4% disseminated sulfides), carbonate alteration, chlorite alteration,							
			39.19	39.23 Increase in pyrrhotite, pyrite (4% disseminated sulfides), carbonate + chlorite + biotite alteration							
			39.41	39.77 Slightly sheared zone?							
			39.85	Quartz calcite vein, trace disseminated sulfides LCA=52°							
			40.08	40.29 Increase in silicification							
			40.48	Quartz calcite vein, trace disseminated sulfides (pyrrhotite) LCA=50°							
			40.95	Quartz calcite vein, slight silicification, 1% disseminated sulfides (pyrrhotite) LCA=20°							
			41.56	Quartz calcite vein, chlorite alteration, trace to 1% disseminate sulfides (pyrrhotite) LCA=80°							
			41.80	41.85 Increase in pyrrhotite and pyrite (3% disseminated sulfides), carbonate alteration							
			42.58	42.71 Increase in silicification, trace disseminated sulfides (pyrite)							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
			42.94 42.96 Increase in pyrrhotite and pyrite (2-3% disseminated sulfides)							
			43.09 Fracture LCA=58°							
			44.18 44.29 Increase in pyrrhotite (2% disseminated sulfides)							
			45.41 45.49 Increase in pyrrhotite (3-4% disseminated sulfides)							
			45.76 45.93 Increase in pyrrhotite, pyrite (4% disseminated sulfides), carbonate + chlorite alteration, a few BBQ vein @ 30 degrees LCA=30°							
			46.10 Quartz calcite vein, chlorite alteration halo, 2-3% disseminated sulfides (pyrrhotite, pyrite) LCA=76°							
46.17	46.63	SED	SEDIMENTS OR INTENSELY SHEARED BASALT ??? - shearing @ 10°, 4% disseminated sulfides (pyrrhotite, pyrite), carbonate alteration, chlorite alteration, biotite alteration, some quartz-carbonate veins							
46.63	52.06	BAS	COARSE GRAINED BASALT - still showing sulfides, numerous calcite veins							
			47.96 47.00 Increase in pyrrhotite (3% disseminated sulfides)							
			48.44 Fracture LCA=80°							
			49.77 Fracture LCA=65°							
			52.06 Irregular but sharp contact LCA=40°							
52.06	52.13	SED	SEDIMENTS OR INTENSELY SHEARED BASALT ??? - dark and light banding, sheared @ 42°, 1-2 % disseminated sulfide vein in between shearing							
			52.06 Irregular but sharp contact LCA=40°							
			52.13 Gradational contact							
52.13	52.28	BAS	COARSE GRAINED BASALT - Intense alteration							
			52.13 Gradational contact							
52.28	53.28	SED	SEDIMENTS OR INTENSELY SHEARED BASALT ???							
			53.28 Gradational contact between sed? and altered basalt							
53.28	56.60	BAS	COARSE GRAINED BASALT							
			53.28 Gradational contact between sed? and altered basalt							
			53.94 Fracture LCA=70°							
			54.50 Fracture LCA=65°							
			54.56 54.66 Intense silicification, carbonate alteration, 1% disseminated sulfides							
			54.96 55.18 Intense silicification, carbonate alteration, 1% disseminated sulfides (pyrrhotite)							
			55.12 Quartz calcite vein, trace disseminated sulfides (pyrrhotite) LCA=35°							
			56.38 Fracture LCA=86°							
			56.60 Sharp contact LCA=52°							
56.60	58.72	QFP	QUARTZ FELDSPAR PROPHYRY DYKE							
			56.60 Sharp contact LCA=52°							
			56.70 Quartz calcite vein, trace disseminated sulfides LCA=39°							
			58.52 Fracture LCA=42°							
			58.72 Sharp contact, irregular, no angle							
58.72	60.48	BAS	FINE GRAINED BASALT							
			58.72 Sharp contact, irregular, no angle							
			59.12 Quartz calcite vein, silicification, slight chlorite alteration, trace to 1% disseminated sulfides (pyrrhotite) LCA=15°							
			59.40 Quartz calcite vein, silicification, trace amounts of disseminated sulfides LCA=10°							
			59.57 Quartz calcite vein, no mineralization LCA=45°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
60.48	65.54	QFP	QUARTZ FELDSPAR PORPHYRY DYKE							
			61.24 Fracture LCA=35°							
			61.67 Quartz calcite vein, silicification, 1% disseminated sulfides (pyrrhotite), LCA=45°							
			62.13 Fracture LCA=80°							
			62.85 Fracture LCA=86°							
			63.43 Quartz calcite vein, some biotite alteration, silicification halo, 1% disseminated sulfides (pyrrhotite), LCA=55°							
			63.98 Fracture LCA=50°							
			64.68 Fracture LCA=45°							
			65.54 Sharp contact LCA=45°							
65.54	69.35	BAS	COARSE GRAINED BASALT							
			65.54 Sharp contact LCA=45°	20410	68.89	69.35	0.46	10.0		
			65.85 66.28 Intense silicification of QFP finger							
			65.85 Sharp contact LCA=25°							
			66.28 69.35 Coarse grained basalt							
			66.83 Fracture LCA=74°							
			67.58 Quartz calcite vein, silicification halo, no mineralization LCA=60°							
			67.66 Quartz calcite vein, silicification halo, chlorite alteration, trace to 1% disseminated sulfides LCA=65°							
			67.80 Quartz calcite vein, silicification halo, no mineralization LCA=55°							
			67.95 Fracture LCA=54°							
			68.89 69.35 Intense silicification alteration							
			69.35 Gradational contact (no angle)							
69.35	70.71	QFP	QUARTZ FELDSPAR PORPHJYRY DYKE							
			69.35 Gradational contact (no angle)	20411	69,35	70.71	1.36	10.0		
			69.47 Quartz calcite vein, biotite alteration, silicification alteration, some chlorite alteration, no mineralization							
70.71	74.23	BAS	COARSE GRAINED BASALT - Coarse grained basalt, intense alteration (halo unit), intense silicification, numerous quartz-carbonate veins							
			71.34 72.16 Numerous thin blue black quartz veins, trace disseminated sulfides	20412	71.34	71.54	0.20	5.0		
			73.93 Quartz calcite vein, surrounded by alkaline feldspar grains, 1% disseminated sulfides (pyrrhotite) LCA=35°	20413	71.54	71.96	0.42	20.0		
				20414	71.96	72.16	0.20	10.0		
			74.23 Gradational contact (no angle) over 0.5 meters							
74.23	78.72	BAS	PORPHYRITIC BASALT - feldspar grains, numerous calcite vein (running in no specific direction)							
			74.23 Gradational contact (no angle) over 0.5 meters							
			75.87 Quartz calcite vein, 1"wide, sericite + chlorite + biotite alteration, trace amounts of disseminated sulfides (pyrrhotite) LCA=35°							
			77.87 Fracture LCA=40°							
			78.60 Fracture LCA=42°							

FROM	TO	CODE			DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
78.72	87.15	BAS			FINE AND COARSE GRAINED BASALT							
			78.72	79.67	Gradational contact (no angle)	20415	86.64	87.15	0.51	20.0		
			78.72	84.55	Coarse grained basalt							
			79.59		Fracture LCA=60°							
			79.84		Quartz calcite vein, trace amounts of disseminated sulfides (pyrrhotite) LCA=30°							
			81.82	81.84	Quartz calcite vein, silicification alteration, small amount of chlorite + biotite alteration, trace sulfides (pyrrhotite) LCA=25°							
			82.60		Fracture LCA=86°							
			82.86		Fracture LCA=50°							
			83.55		Fracture LCA=65°							
			84.09		Quartz calcite vein, chlorite alteration, trace to 1% disseminate sulfides (pyrrhotite) LCA=40°							
			84.55	87.15	Fine grained basalt							
			84.93		Fracture LCA=22°							
			86.98	87.15	Shear zone LCA=60°							
			87.15		Sharp contact LCA=50°							
87.15	87.63	SM			SULPHIDE MINERALIZATION - 30 % pyrrhotite							
			87.15		Sharp contact LCA=50°	20416	87.15	87.63	0.48	80.0		
87.63	88.38	BAS			FINE GRAINED BASALT							
			88.26		Increase in disseminated sulfides 5-8% (pyrrhotite) over a 1"zone, blue black quartz vein	20417	87.63	88.38	0.75	20.0		
88.38	88.54	SM			SULPHIDE MINERALIZATION - 20% pyrrhotite, small amounts of pyrite, slight shearing at 55 degrees, biotite + chlorite alteration							
						20418	88.38	88.54	0.16	20.0		
88.54	88.68	BAS			FINE AND COARSE GRAINED BASALT							
			88.68		Sharp contact LCA=60°	20419	88.54	88.68	0.14	60.0		
88.68	92.72	BAS			PORPHYRITIC BASALT - Feldspar grains, numerous QC vein, fractures							
			88.68		Sharp contact LCA=60°							
			90.65		Fracture LCA=85°							
			91.30		Fracture LCA=46°							
			92.56		Quartz calcite vein, chlorite alteration, 1% disseminated sulfides (pyrrhotite, pyrite)							
			92.72		sharp contact LCA=45°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
92.72	162.19	BAS	FINE AND COARSE GRAINED BASALT							
			92.72 sharp contact LCA=45°							
			92.72 99.93 Intense alteration in basalt, major silicification, several tiny QC vein, biotite + chlorite alteration (mainly around veins), 1-3% disseminated sulfides (pyrrhotite, small amounts of pyrite)							
			93.93 Increase in disseminated sulfides 4-5% (pyrrhotite, pyrite)							
			94.32 Fracture LCA=73°							
			94.90 Fracture LCA=45°							
			95.73 Quartz calcite vein, chlorite alteration halo (surrounding vein), no mineralization LCA=62°							
			99.93 124.55 Medium grained basalt, less tiny QCV in comparison to pervious unit							
			100.23 Fracture LCA=65°							
			100.87 Quartz calcite vein, no mineralization LCA=73°							
			102.68 102.90 Fracture zone							
			103.50 Quartz calcite vein, chlorite halo, silicification alteration, biotite alteration, trace to 1% disseminated sulfides (pyrrhotite, pyrite) LCA=65°							
			103.83 Fracture LCA=52°							
			104.35 Quartz calcite vein, silicification halo, trace disseminate sulfides (pyrrhotite, pyrite), biotite alteration LCA=72°							
			104.84 Quartz calcite vein, trace disseminated sulfides LCA=48°							
			105.92 106.10 Increase in silicification alteration, carbonate alteration							
			108.20 108.28 Fracture zone							
			110.05 110.28 Intense alteration in basalt, silicification alteration, sheared, carbonate alteration, 1-2% disseminated sulfides (pyrrhotite, pyrite)							
			111.41 Fracture LCA=72°							
			111.98 Quartz calcite vein, silicification halo, chlorite alteration, no mineralization LCA=50°							
			114.03 114.17 Increase in carbonate alteration							
			114.64 Fracture LCA=63°							
			115.37 124.55 significant increase in silicification alteration, numerous QC vein in basalt							
			115.94 Quartz calcite vein, silicification alteration LCA=65°							
			116.68 Quartz calcite vein, chlorite alteration, silicification alteration, trace sulfides (pyrrhotite) LCA=50°							
			116.85 Quartz calcite vein, alkaline feldspar grains around vein, 2-3% disseminated sulfides (pyrrhotite) LCA=34°							
			118.10 118.35 Increase in carbonate alteration, numerous QCV, chlorite halo around veins							
			119.18 Fracture LCA=45°							
			120.92 Fracture LCA=60°							
			121.52 Quartz calcite vein, 1"wide, silicification alteration, chlorite + biotite alteration, no mineralization LCA=40°							
			121.63 Quartz calcite vein LCA=43°							
			121.75 Fracture LCA=68°							
			122.20 Quartz calcite vein, silicification alteration, chlorite + biotite alteration, no mineralization LCA=54°							
			124.55 129.23 Fine grained basalt							
			126.26 Quartz calcite vein, sericite alteration LCA=54°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
	127.01	127.28	numerous quartz calcite vein, all approximately the same angle LCA=58°							
	129.00	129.23	Quartz calcite vein, irregular, major silicification, biotite alteration, no angle, 1% disseminated sulfide (pyrite + pyrrhotite)							
	129.23	162.19	Medium grained basalt							
	132.11		Fracture LCA=52°							
	132.82		Blue black quartz vein, silicification alteration, carbonate alteration, trace to 1% disseminated sulfides (pyrite) LCA=23°							
	134.30		Quartz calcite vein, silicification alteration, no mineralization LCA=39°							
	135.38		Fracture LCA=46°							
	136.18	136.37	Fracture zone							
	137.33		Fracture LCA=35°							
	137.83		Fracture LCA=60°							
	138.54		Quartz calcite vein, biotite alteration, trace amounts of disseminated sulfides (pyrite) LCA=60°							
	139.70		Fracture LCA=53°							
	140.00	149.00	Increase in carbonate alteration							
	141.25		Quartz calcite vein, silicification alteration, no mineralization LCA=19°							
	142.57		Fracture LCA=50°							
	143.45		Quartz calcite vein, no mineralization LCA=29°							
	143.83		Blue black quartz vein, carbonate halo, trace to 3-4% disseminated sulfides (pyrite + pyrrhotite) LCA=50°							
	144.40		Blue black quartz vein, silicification halo, trace disseminated sulfides							
	145.00	145.39	Increase in carbonate alteration							
	145.51		Quartz calcite vein, silicification alteration, chlorite alteration, 1% disseminated sulfides (pyrrhotite, pyrite)							
	146.00		Fracture LCA=49°							
	146.41	146.97	Increase in carbonate alteration							
	147.47	148.78	Altered basalt, silicification alteration, carbonate alteration, chlorite alteration, numerous small blue black quartz vein							
	147.59		Quartz calcite vein, chlorite alteration, biotite alteration, silicification alteration LCA=85°							
	149.12		Quartz calcite vein, no mineralization, sulfur LCA=52°							
	149.35		Quartz calcite vein, chlorite alteration, no mineralization LCA=32°							
	151.60	162.19	Extremely magnetic, approximately 3% disseminated sulfides (pyrrhotite, pyrite)							
	151.84		Fracture LCA=58°							
	152.31		Quartz calcite vein, no mineralization LCA=30°							
	153.37		Fracture LCA=59°							
	154.74		Fracture LCA=45°							
	155.40	156.42	Fracture zone							
	156.77		Quartz calcite vein, some blue black quartz, silicification alteration, no mineralization LCA=16°							
	157.21		Quartz calcite vein, silicification alteration, no mineralization LCA=16°							
	157.97		Quartz calcite vein, silicification alteration, no mineralization LCA=30°							
	158.56		Fracture LCA=40°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
			159.53 161.78 Increase in calcite veins (from 159.53-161 all veins are @ 29 degrees, from 161-161.78 all veins are @ 16 degrees in the opposite direction LCA=29°							
			159.68 Calcite vein, no mineralization LCA=20°							
			159.77 Calcite vein, no mineralization LCA=23°							
			159.94 Quartz calcite vein, silicification alteration, biotite alteration LCA=20°							
			160.31 Fracture LCA=52°							
			162.19 Sharp contact LCA=48°							
162.19	162.43	QFP	QUARTZ FELDSPAR PROPHYRY DYKE							
			162.19 Sharp contact LCA=48°							
			162.43 Sharp contact LCA=40°							
162.43	163.02	BAS	MEDIUM GRAINED BASALT							
			162.43 Sharp contact LCA=40°							
			163.02 Sharp contact LCA=89°							
163.02	163.16	QFP	QUARTZ FELDSPAR PROPHYRY DYKE							
			163.02 Sharp contact LCA=89°							
			163.16 Sharp contact LCA=50°							
163.16	185.95	BAS	MEDIUM GRAINED BASALT							
			163.16 Sharp contact LCA=50°							
			163.16 183.00 Extremely magnetic, approximately 2-3% disseminated sulfides (pyrrhotite, pyrite)							
			165.34 Fracture LCA=32°							
			165.87 165.98 Fracture zone							
			167.87 168.15 Fracture zone							
			168.53 168.94 Numerous QC vein, silicification alteration, hornblende (light brown mineral)??, 1% disseminated sulfides (pyrrhotite)							
			169.15 Fracture LCA=70°							
			169.65 Quartz calcite alteration, chlorite alteration, 1% disseminated sulfides (pyrite), hornblende (light brown)??, biotite alteration							
			171.30 Quartz calcite vein, chlorite alteration, silicification alteration, no mineralization LCA=59°							
			174.46 Fracture LCA=70°							
			176.42 176.64 Fracture							
			177.10 Fracture LCA=60°							
			178.15 Quartz calcite vein (tiny vein), 4% disseminated sulfides (pyrrhotite) LCA=35°							
			178.23 Quartz calcite vein, 4% disseminated sulfides (pyrrhotite) LCA=60°							
			179.58 Fracture LCA=65°							
			181.72 Fracture LCA=62°							
			185.95 Sharp contact LCA=29°							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
185.95	211.55	QFP	QUARTZ FELDSPAR PROPHYRY DYKE							
			185.95 Sharp contact LCA=29°							
			186.44 186.53 numerous calcite vein, 3% disseminated sulfides (pyrrhotite, pyrite)							
			187.09 187.34 Intense silicification alteration of QFP							
			190.91 191.96 Intense silicification alteration of QFP							
			190.91 Fracture LCA=54°							
			195.12 195.18 Intense silicification alteration of QFP							
			197.19 197.30 Fracture LCA=30°							
			197.30 198.19 Intense silicification alteration of QFP							
			198.00 Quartz calcite vein, chlorite alteration, no mineralization LCA=30°							
			200.10 Fracture LCA=30°							
			204.03 Fracture LCA=80°							
			207.64 208.09 Intense silicification alteration of QFP							
			207.89 Quartz calcite vein, chlorite alteration, silicification halo, biotite alteration, no mineralization LCA=42°							
			209.32 Fracture LCA=42°							
			210.15 Quartz calcite vein, no mineralization LCA=40°							
			210.63 Quartz calcite vein, silicification halo LCA=18°							
			210.69 210.88 Intense silicification, numerous small QCV vein							
			211.55 Sharp contact LCA=74°							
211.55	215.74	DBDK	DIABASE DYKE							
			211.55 Sharp contact LCA=74°	20420	211.55	212.78	1.23	50.0		
			211.81 Quartz calcite vein, silicification halo, no mineralization LCA=54°	20421	212.78	213.48	0.70	10.0		
			211.88 Fracture LCA=70°	20422	213.48	214.27	0.79	10.0		
			214.09 214.22 Increase in QCV, slightly sheared @ 60 degrees LCA=60°	20423	214.27	215.00	0.73	10.0		
			214.30 Quartz calcite vein, no mineralization LCA=48°	20424	215.00	215.74	0.74	5.0		

FROM	TO	CODE	DESCRIPTION
215.74	287.00	QFP	QUARTZ FELDSPAR PROPHYRY DYKE
	215.79		Quartz calcite vein, chlorite alteration, no mineralization LCA=60°
	217.20	217.47	Diabase dyke finger
	218.23		Blue black quartz vein, no mineralization LCA=32°
	219.30	219.36	Diabase dyke finger
	220.74		Quartz calcite vein, silicification alteration, chlorite alteration, no mineralization LCA=55°
	221.20		Fracture LCA=59°
	221.65	221.93	Increase in silicification alteration
	222.04	222.52	Increase in silicification alteration in QFP
	223.25		Quartz calcite vein, silicification alteration, no mineralization LCA=54°
	223.72		Quartz calcite vein, silicification alteration, no mineralization LCA=10°
	224.12		Increase in silicification
	225.70	226.00	Increase in silicification
	226.00	226.15	Diabase dyke finger
	226.15	226.25	Increase in silicification
	229.17		Quartz calcite vein, chlorite halo, no mineralization LCA=54°
	229.90		Fracture LCA=19°
	230.68		Fracture LCA=58°
	231.85	239.26	Intense silicification alteration, numerous small calcite veins
	234.10		Fracture LCA=45°
	236.80		Quartz calcite vein, 1-2% disseminated sulfides (pyrrhotite), chlorite halo LCA=18°
	238.91		Fracture LCA=54°
	239.97		Fracture LCA=70°
	240.55	240.87	Increase in silicification alteration
	242.00	246.59	Increase in silicification alteration
	242.42		Irregular Quartz calcite vein, chlorite alteration, trace disseminated sulfides (pyrite), no angle
	242.77	243.38	Region with in siliciously altered QFP, numerous BBQ vein, 2% disseminated sulfides (pyrrhotite, pyrite)
	243.20		Blue black quartz vein, 2% disseminated sulfides (pyrite) LCA=58°
	243.97		Quartz calcite vein, chlorite halo, no mineralization, 1" LCA=90°
	244.13		Quartz calcite vein, 1/2", some chlorite alteration, trace disseminated sulfides (pyrite) LCA=49°
	244.22		Fracture LCA=57°
	245.26		Fracture LCA=49°
	248.85	249.25	Increase in silicification alteration in QFP
	250.77	251.20	Increase in silicification alteration in QFP
	251.12		Blue black quartz vein, calcite alteration, 2% disseminated sulfides (pyrrhotite, pyrite), biotite alteration, some chlorite alteration LCA=48°
	251.49	257.80	Increase in silicification alteration in QFP
	251.57		Quartz calcite vein LCA=20°
	252.14		Quartz calcite vein, no mineralization LCA=34°
	253.19		Fracture LCA=48°
	255.51	255.58	Diabase dyke finger

Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
20425	242.00	242.77	0.77	30.0		
20426	242.77	243.04	0.27	10.0		
20427	243.04	243.38	0.34	10.0		
20428	243.38	243.67	0.29	5.0		
20429	258.58	259.68	1.10	10.0		
20430	259.68	260.37	0.69	10.0		
20431	260.37	261.28	0.91	10.0		
20432	261.28	261.97	0.69	10.0		
20433	261.97	262.52	0.55	5.0		
20434	278.00	278.58	0.58	50.0		
20435	278.58	278.77	0.19	140.0		
20436	278.77	279.40	0.63	5.0		
20437	279.40	279.91	0.51	10.0		
20438	279.91	280.21	0.30	140.0		
20439	280.21	280.58	0.37	990.0		
20440	280.58	280.77	0.19	120.0		
20441	280.77	281.00	0.23	60.0		
20442	281.00	281.56	0.56	10.0		
20443	281.56	282.03	0.47	10.0		
20444	282.03	282.18	0.15	2160.0		
20445	282.18	282.46	0.28	50.0		
20446	282.46	282.77	0.31	200.0		
20447	282.77	283.22	0.45	60.0		
20448	283.22	283.81	0.59	20.0		
20449	283.81	284.05	0.24	5.0		
20450	284.05	284.50	0.45	5.0		

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
	255.65		Quartz calcite vein, chlorite alteration, no mineralization LCA=20°							
	257.55		Quartz calcite vein, chlorite alteration, 1% disseminated sulfides (pyrrhotite) LCA=57°							
257.80	257.98		Diabase dyke finger, 4% disseminated sulfides (pyrrhotite)							
257.98	258.58		Intense silicification alteration of QFP							
258.58	260.37		Pseudo bracciated diabase dyke, numerous calcite veins and carbonate alteration							
260.37	262.52		Diabase dyke finger							
263.00	263.43		Diabase dyke finger							
	263.66		Fracture LCA=69°							
	263.74		Irregular quartz calcite vein, slight chlorite alteration, 1-2% disseminated sulfides (pyrite, pyrrhotite) LCA=72°							
	263.82		1"wide zone of carbonate alteration, chlorite alteration							
	264.85		Quartz calcite vein, chlorite alteration, rust staining LCA=45°							
265.38	266.31		Increase in silicification alteration							
	267.08		Fracture LCA=26°							
267.13	267.19		Diabase dyke finger							
268.28	271.65		Increase in silicification alteration in QFP							
	272.00		Fracture LCA=42°							
	275.30		Fracture LCA=52°							
278.00	284.50		Intense silicification alteration, numerous BBQ vein, varying amounts of disseminated sulfides 1-8 % (pyrrhotite, pyrite)							
	278.43		Blue black quartz vein, carbonate alteration, 1% disseminated sulfides LCA=69°							
	278.55		Blue black quartz vein, 1"wide, 4-5% disseminated sulfides, chlorite + biotite alteration, clay material (banded)?? LCA=20°							
	278.70		Quartz calcite vein, chlorite alteration, biotite alteration, clay material (banded)?? LCA=35°							
	279.47		Blue black quartz vein, trace to 1% disseminated sulfides (pyrite) LCA=70°							
	279.50		Blue black quartz vein, 2% disseminated sulfides (pyrite)							
	280.24		Blue black quartz vein, carbonate alteration, 2% disseminated sulfides LCA=50°							
	280.32		Blue black quartz vein, 4-8% disseminated sulfides (pyrite, pyrrhotite), LCA=60°							
	280.42		Blue black quartz vein, 1% disseminated sulfides (pyrrhotite)							
280.89	280.97		Blue black quartz vein, 1% disseminated sulfides (pyrrhotite), chlorite alteration LCA=46°							
281.77	281.90		Quartz calcite vein, 2% disseminated sulfides (pyrite), chlorite alteration LCA=50°							
282.03	282.18		Blue black quartz vein, 2% disseminated sulfides (pyrite), chlorite alteration LCA=40°							
	282.62		Quartz calcite vein, trace amounts of disseminated sulfides LCA=35°							
	283.50		Fracture LCA=52°							
	283.93		Quartz calcite vein, 1", chlorite alteration LCA=60°							
284.29	284.50		Increase in silicification alteration							
	285.60		Blue black quartz vein, trace disseminated sulfides, biotite alteration							

FROM	TO	CODE	DESCRIPTION	Sample	From	To	Int	Au(ppb)	Fe(%)	As(ppm)
			286.21 Fracture LCA=50°							

---- END OF HOLE ----

Appendix v

PRE 2005 DIAMOND DRILL DESCRIPTIVE LOGS

DIAMOND DRILL RECORD

KBG Minerals Corporation

Project:- King Bay Fall 2003

DDH No.:- KB03-02

Collar Location :- L8+27E - 4+89N
Length of Hole:- 142.57 m.
Dip at Collar:- 45° Dip at End:- 45°
Azimuth at Collar:- 305°

Start Date:- October 14
Completion Date:- October 16
Claim Number:- AL 369
Logged By:-John Wahl

FOOTAGE (m)		DESCRIPTION	Sample	Footage		Sample	Assay
From	To		No.	From	To	Length	
0.00	3.50	**Overburden**					
3.50	5.10	**Mafic Metavolcanics**					
		Dark grey green massive mafic flow, locally cross cut by hairline carbonate veins,					
		no visible mineralization, fine to medium grained, magnetic susceptibilities generally					
		uniform of moderate intensity (K averaging 0.90 to 1.25), lower contact at 45° to					
		core axis.					
5.10	142.57	**Quartz Feldspar Porphyry**					
		unaltered QFP, feldspar phenocrysts are bright white, subhedral to					
		euhedral and make up 40 to 45% of unit. Quartz phenocrysts make up about 10%					
		of unit and are a very distinct dull grey colour. Matrix fine grained and black in					
		colour. Upper contact at 45° to core axis, lower contact broken and indistinct.					
		Few randomly oriented hairline carbonate filled fractures. No visible mineralization.					
		Low uniform magnetic susceptibility readings across unit.					
		Contained within the massive QFP unit are several, typically narrow mafic					
		metavolcanic sections at 16.77-17.70, 23.37-30.67, 59.20-60.50, 69.20-70.70,					
		85.30-85.80, 103.00-107.10, 118.80-119.00 and 120.80-121.60. Contacts with					
		enclosing QFP are irregular at various angles to core axis to indistinct due to					
		broken core. The mafic metavolcanics are similar in appearance to 3.50 - 5.10.					
89.70	89.80	**Diabase Dyke**					
		Fine grained dark green low magnetic susceptibility diabase dyke. Competent with					
		no visible mineralization. Upper and lower contacts sharp at 45° to core axis.					
142.57	EOH	Casing left in hole.					

ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
ALS Canada Ltd.
212 Brooksbank Avenue
North Vancouver BC V7J 2C1
Phone: 604 984 0221 Fax: 604 984 0218

To: **CONQUEST RESOURCES LIMITED**
347 BAY STREET, SUITE 201
TORONTO ON M5H 2R7

Finalized Date: 11-MAR-2005
Account: CONRES

CERTIFICATE TB05014573

Project: KING BAY

P.O. No.:

This report is for 125 Drill Core samples submitted to our lab in Thunder Bay, ON, Canada on 28-FEB-2005.

The following have access to data associated with this certificate:

ERICK CHAVEZ	MR. CHAVEZ ERICK	MR. TERENCE MCKILLEN

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-24	Pulp Login - Rcd w/o Barcode
PUL-31	Pulverize split to 85% <75 um
SPL-21	Split sample - riffle splitter
CRU-31	Fine crushing - 70% <2mm
LOG-22	Sample login - Rcd w/o BarCode

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
Au-AA25	Ore Grade Au 30g FA AA finish	AAS

2.30215

To: **CONQUEST RESOURCES LIMITED**
ATTN: MR. CHAVEZ ERICK
347 BAY STREET, SUITE 201
TORONTO ON M5H 2R7

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:

ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
ALS Canada Ltd.
212 Brooksbank Avenue
North Vancouver BC V7J 2C1
Phone: 604 984 0221 Fax: 604 984 0218

To: **CONQUEST RESOURCES LIMITED**
347 BAY STREET, SUITE 201
TORONTO ON M5H 2R7

Finalized Date: 11-MAR-2005
Account: CONRES

Project: KING BAY

CERTIFICATE OF ANALYSIS TB05014573

Sample Description	Method / Analyte / Units / LOR	WEI-21 Recvd Wt. kg 0.02	Au-AA25 Au ppm 0.01
B020351		0.32	0.02
B020352		0.18	0.74
B020353		0.28	0.02
B020354		0.24	0.05
B020355		0.14	0.01
B020356		0.23	0.03
B020357		0.46	0.01
B020358		0.14	0.01
B020359		0.14	<0.01
B020360		0.13	0.01
B020361		0.05	0.01
B020362		0.10	<0.01
B020363		0.16	0.02
B020364		0.09	2.91
B020365		0.39	0.41
B020366		0.54	0.05
B020367		0.17	13.45
B020368		0.27	0.30
B020369		0.11	1.36
B020370		0.37	0.03
B020371		0.23	0.16
B020372		0.53	0.10
B020373		0.13	1.57
B020374		0.28	<0.01
B020375		0.25	0.01
B020376		0.08	<0.01
B020377		0.10	0.06
B020378		0.44	<0.01
B020379		0.22	<0.01
B020380		0.27	<0.01
B020381		0.17	<0.01
B020382		0.18	<0.01
B020383		0.14	0.01
B020384		0.47	0.16
B020385		0.67	0.03
B020386		0.12	<0.01
B020387		0.34	0.04
B020388		0.91	0.02
B020389		0.96	<0.01
B020390		1.00	0.01

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347 BAY STREET, SUITE 201
TORONTO ON M5H 2R7

Finalized Date: 11-MAR-2005
Account: CONRES

Project: KING BAY

CERTIFICATE OF ANALYSIS TB05014573

Sample Description	Method / Analyte / Units / LOR	WEI-21 Recvd Wt. kg 0.02	Au-AA25 Au ppm 0.01
B020391		0.65	0.01
B020392		0.06	20.8
B020393		0.50	0.03
B020394		0.24	0.02
B020395		1.10	<0.01
B020396		0.76	0.08
B020397		0.22	<0.01
B020398		0.62	0.02
B020399		0.66	0.01
B020400		0.29	0.01
B020401		0.09	0.05
B020402		0.16	<0.01
B020403		0.51	0.15
B020404		0.26	<0.01
B020405		0.37	0.04
B020406		0.25	0.10
B021252		1.08	<0.01
B021253		0.10	<0.01
B021254		0.06	20.1
B021255		1.11	<0.01
B021256		0.63	<0.01
B021257		0.27	<0.01
B021258		0.34	<0.01
B021259		1.43	<0.01
B021260		0.99	<0.01
B021261		1.17	<0.01
B021262		0.89	<0.01
B021263		0.70	0.01
B021264		1.04	<0.01
B021265		1.04	0.02
B021266		1.15	<0.01
B021267		1.07	<0.01
B021268		0.17	<0.01
B021269		0.55	0.01
B021270		0.28	0.16
B021271		0.18	<0.01
B021272		0.09	20.9
B021273		0.98	<0.01
B021274		0.40	<0.01
B021275		0.82	<0.01

ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
ALS Canada Ltd.
212 Brooksbank Avenue
North Vancouver BC V7J 2C1
Phone: 604 984 0221 Fax: 604 984 0218

To: **CONQUEST RESOURCES LIMITED**
347 BAY STREET, SUITE 201
TORONTO ON M5H 2R7

Finalized Date: 11-MAR-2005
Account: CONRES

Project: KING BAY

CERTIFICATE OF ANALYSIS TB05014573

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg 0.02	Au-AA25 Au ppm 0.01
B021276		1.04	<0.01
B021277		1.35	<0.01
B021278		1.14	<0.01
B021279		0.37	0.01
B021280		0.81	<0.01
B021281		0.29	0.11
B021282		0.72	<0.01
B021283		1.07	<0.01
B021284		0.68	<0.01
B021285		0.66	<0.01
B021286		1.30	0.03
B021287		0.83	0.01
B021288		1.07	<0.01
B021289		1.01	<0.01
B021290		0.95	<0.01
B021291		1.11	<0.01
B021292		0.89	0.01
B021293		1.12	<0.01
B021294		1.16	<0.01
B021295		1.31	<0.01
B021296		0.91	<0.01
B021297		0.84	<0.01
B021298		0.49	<0.01
B021299		0.35	<0.01
B021300		0.06	21.2
B021301		0.73	<0.01
B021302		1.24	<0.01
B021303		1.35	<0.01
B021304		1.14	<0.01
B021305		0.97	0.01
B021306		1.21	<0.01
B021307		1.47	<0.01
B021308		0.84	0.05
B021309		0.21	4.18
B021310		0.46	<0.01
B021311		0.36	<0.01
B021312		0.53	0.02
B021313		0.46	<0.01
B021314		0.61	<0.01
B021315		0.42	0.01

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CERTIFICATE OF ANALYSIS TB05014573

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg 0.02	Au-AA25 Au ppm 0.01
B021316		0.14	0.01
B021317		0.25	0.01
B021318		1.22	0.01
B021319		0.50	0.01
B021320		0.45	0.02

DUPLICATE

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To: **CONQUEST RESOURCES LIMITED**
347 BAY STREET, SUITE 201
TORONTO ON M5H 2R7

Finalized Date: 7-MAR-2005
Account: CONRES

CERTIFICATE TB05014574

Project: KING BAY

P.O. No.:

This report is for 41 Drill Core samples submitted to our lab in Thunder Bay, ON, Canada on 28-FEB-2005.

The following have access to data associated with this certificate:

MR. CHAVEZ ERICK	MR. TERENCE MCKILLEN	

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-22	Sample login - Rcd w/o BarCode
CRU-31	Fine crushing - 70% <2mm
SPL-21	Split sample - riffle splitter
PUL-31	Pulverize split to 85% <75 um

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
Au-AA25	Ore Grade Au 30g FA AA finish	AAS

2 .30215

To: **CONQUEST RESOURCES LIMITED**
ATTN: MR. CHAVEZ ERICK
347 BAY STREET, SUITE 201
TORONTO ON M5H 2R7

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:

ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
ALS Canada Ltd.
212 Brooksbank Avenue
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Phone: 604 984 0221 Fax: 604 984 0218

To: **CONQUEST RESOURCES LIMITED**
347 BAY STREET, SUITE 201
TORONTO ON M5H 2R7

Finalized Date: 7-MAR-2005
Account: CONRES

Project: KING BAY

CERTIFICATE OF ANALYSIS TB05014574

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg 0.02	Au-AA25 Au ppm 0.01
B020410		0.53	0.01
B020411		0.46	0.01
B020412		0.28	<0.01
B020413		0.54	0.02
B020414		0.32	0.01
B020415		0.56	0.02
B020416		0.64	0.08
B020417		1.11	0.02
B020418		0.34	0.02
B020419		0.22	0.06
B020420		1.59	0.05
B020421		0.93	0.01
B020422		0.99	0.01
B020423		0.94	0.01
B020424		0.84	<0.01
B020425		0.90	0.03
B020426		0.39	0.01
B020427		0.48	0.01
B020428		0.40	<0.01
B020429		1.21	0.01
B020430		0.80	0.01
B020431		1.06	0.01
B020432		0.92	0.01
B020433		0.79	<0.01
B020434		0.55	0.05
B020435		0.36	0.14
B020436		0.68	<0.01
B020437		0.66	0.01
B020438		0.44	0.14
B020439		0.47	0.99
B020440		0.19	0.12
B020441		0.34	0.06
B020442		0.56	0.01
B020443		0.56	0.01
B020444		0.23	2.16
B020445		0.25	0.05
B020446		0.33	0.20
B020447		0.67	0.06
B020448		0.58	0.02
B020449		0.51	<0.01

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Account: CONRES

Project: KING BAY

CERTIFICATE OF ANALYSIS TB05014574

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg 0.02	Au-AA25 Au ppm 0.01
B020450		0.59	<0.01