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REPORT OF PHYSICAL WORK

RECEIVED

NOV 2 3 2006

Overview

This report covers work performed on mining lease TB65646 Fover the course of SCALLENT the 2005 and 2006 field seasons. In an effort to expose more bedrock and thereby gain a better understanding of the geology involved in the formation of the deposit's amethyst mineralization, extensive manual stripping, washing and trenching was undertaken.

The lease is held 100% by Michael Grieve of 22 Knight Street, Thunder Bay, Ontario. In addition to the recorded holder, work was performed by his wife, Sandra Grieve (also of 22 Knight Street), and the author of this report, Michael D. Grieve, of 59 Peter Street, Thunder Bay, Ontario.

Location and Access

Access to mining lease TB656461 (Tartan Lake sheet, G-2706) is gained by traveling north of Thunder Bay, Ontario, via highway 527, to the Magone Road. Magone Road is followed easterly for approximately 13km, at which point a branch road leads toward the claim group (see map attached to this report).

Nature of terrain and rocks

Overburden in the area consists of coarse glacial till with bouldery and gravelly areas hosted in coarse sandy matrix. Vegetation is comprised of a mix of poplar, birch and balsam, with lesser white and black spruce. A dense undergrowth of alder is predominant throughout most of the claim group.

Surficial float boulders and rubble in the area of excavation are comprised of medium-grained pink granite. Much of the rubble in the vicinity exhibits at least traces of amethystine quartz; lavender to dark purple amethyst crystals ranging from 1.5 centimeters to 2 centimeters are not uncommon.

Stripping and trenching was performed over an area covering approximately 35 meters by 8 meters. Rubble left behind as a result of earlier power stripping was removed, along with some areas of previously undisturbed overburden. The bedrock was washed down with a Monarch water pump, then select areas were drilled and blasted to expose a fresh, unweathered surface.

Amethyst occurs in silicified, brecciated zones associated with east-west trending faults and contacts within granite of the Penassen Lake Stock. Associated with the amethyst mineralization is minor amounts of pyrite, goethite, and chalcopyrite. On the south side of the excavation an amethyst vein, trending roughly 070 degrees, was uncovered. The vein measures nearly one meter in width, and exhibits alternating bands of white, purple, and black amethyst. Individual crystals to 10 centimeters are present. To the east, the vein remains covered by rubble; the western end of it appears to have pinched-off.

Two major vugs were uncovered. The first, in the central portion of the work area, is approximately 3 meters long by 1.5 meters wide by 2 meters deep. It contains bright red, hematite coated amethyst crystals to 1 centimeter. The second vug, located at the western extent of the work area, is approximately 2 meters long by 1 meter wide by 0.5 meters deep. Hematite mineralization is again present, but is less pervasive than

exhibited in the first pocket. The 3 to 10 centimeter crystals are of a mottled purple/red color. Occasional pyrite cubes can be seen just below the surface of some crystal faces. Numerous smaller vugs containing amethyst crystals from 0.2 to 3 centimeters were also encountered. Color ranges from clear quartz, to violet, dark purple, and even black.

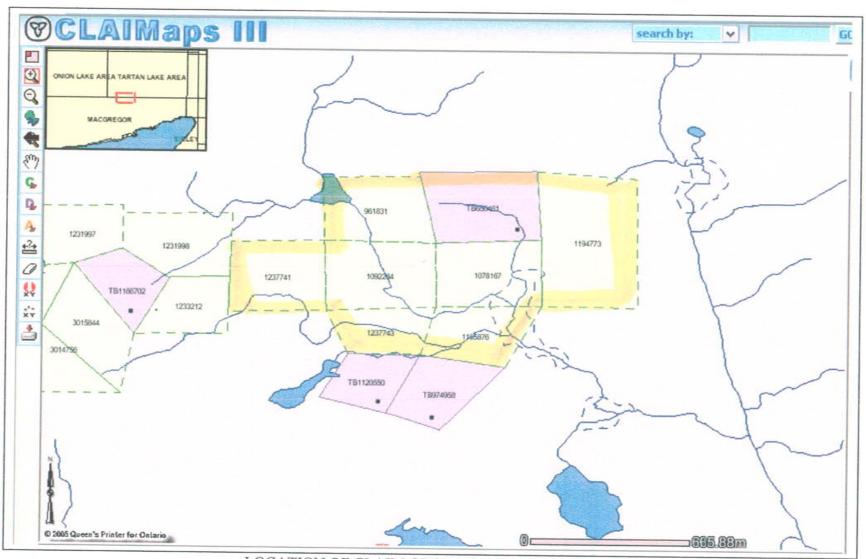
Equipment Used

Wacker gasoline powered rock drill, Suzuki King Quad and trailer, pry bars, shovels and grub-hoes

Prepared by

Michael D. Grieve

November 21, 2006



LOCATION OF CLAIM GROUP (HIGHLIGHTED)

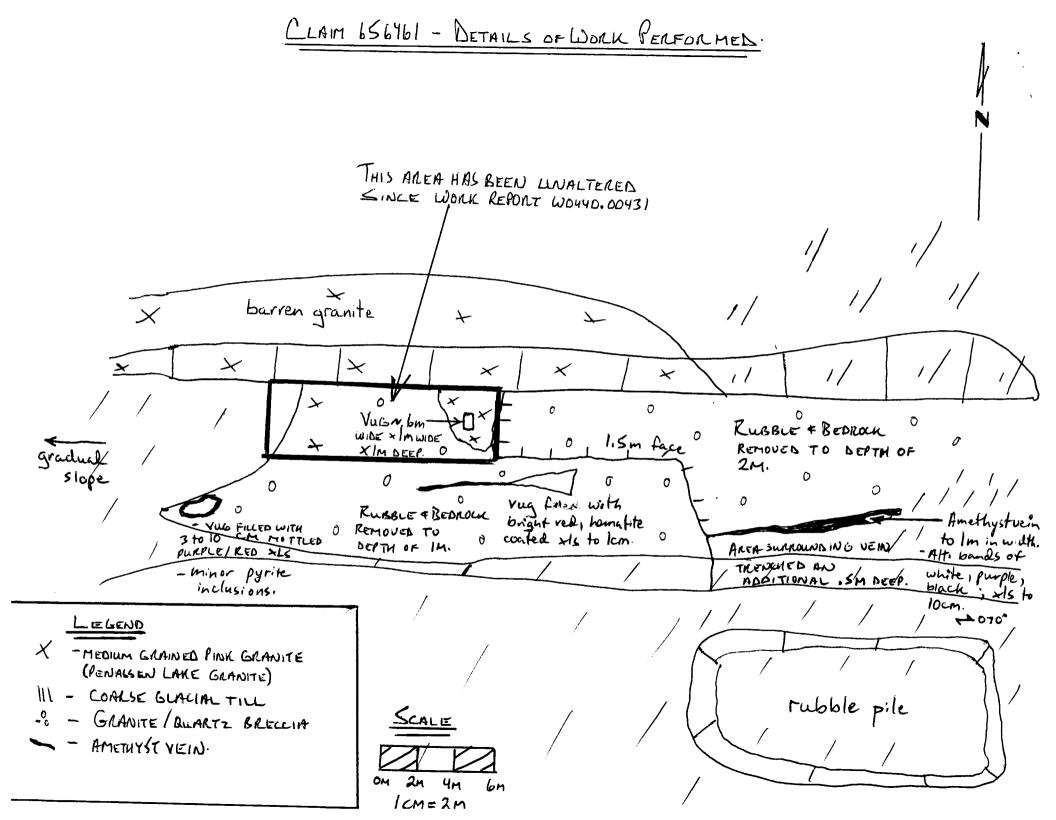
LOCATION OF WORK PERFORMED

| 1111 3 | 1194 | X | TB656461 | 961831 | |
|---------------|------|---|----------|---------|---------|
| (LEA. | WORK | | 1078167 | 1092264 | 1237741 |
| | | | 1165876 | 1237743 | |
| • | | | 1165876 | 1237743 | |

* SEE ATTACHED MAP FOR DETAILS OF WORK PERFORMED.

O 100M 200M 300M

1cm = 100m



REPORT OF WORK PERFORMED ON MINING LEASE TB656461

REVISED

February 12, 2007

Thunder Bay Mining Division A.

FFR 12 280 April RECEIVED April

Prepared by:

Michael D. Grieve

FEB 1 5 2007

GEOSCIENCE ASSESSMENT OFFICE

Introduction

This report covers work performed on mining lease TB656461 over the course of the 2005 and 2006 field seasons. In an effort to expose more bedrock and thereby gain a better understanding of the geology involved in the formation of the deposit's amethyst mineralization, extensive manual stripping, washing and trenching was undertaken.

Manual stripping and trenching was performed over an area covering approximately 35 meters by 8 meters. Rubble left behind as a result of earlier power stripping was removed, along with some areas of previously undisturbed overburden. A Monarch gasoline powered water pump was used to wash overburden and grubbed muck to increase bedrock exposure, then select areas were drilled and blasted both to expose fresh, unweathered surfaces, and to reduce large boulders to manageable size. Overburden, rubble, and blasted muck was removed from the trench using hand tools, buckets, and a Suzuki Quadrunner with trailer.

The lease is held 100% by Michael Grieve of 22 Knight Street, Thunder Bay, Ontario. In addition to the recorded holder, work was performed by his wife, Sandra Grieve (also of 22 Knight Street), and the author of this report, Michael D. Grieve, of 59 Peter Street, Thunder Bay, Ontario.

Location and Access

Access to mining lease TB656461 (Tartan Lake sheet, G-2706) is gained by traveling north of Thunder Bay, Ontario, via highway 527, to the Magone Road. Magone Road is followed easterly for approximately 13km, at which point a branch road leads toward the claim group (see map attached to this report).

Nature of terrain and rocks

Overburden in the area consists of coarse glacial till with bouldery and gravelly areas hosted in coarse sandy matrix. Vegetation is comprised of a mix of poplar, birch and balsam, with lesser white and black spruce. A dense undergrowth of alder is predominant throughout most of the claim group.

Surficial float boulders and rubble in the area of excavation are comprised of medium-grained pink granite. Much of the rubble in the vicinity exhibits at least traces of amethystine quartz; lavender to dark purple amethyst crystals ranging from 1.5 centimeters to 2 centimeters are not uncommon. Amethyst mineralization in float is virtually non-existent to the north of the work area described in this report.

Mineralization

The amethyst mineralization occurs in silicified, brecciated zones associated with east-west trending faults and contacts within granite of the Penassen Lake Stock. It would appear that a contact between barren granite and the mineralized granite and amethyst breccia/massive vein amethyst has been identified on the north edge of the work area.



Associated with the amethyst mineralization are minor amounts of pyrite (visible as 1mm euhedral crystals) and goethite (1-2mm long acicular needles) trapped within the outer layers of amethyst crystals. Occasionally, chalcopyrite and pyrite are visible as isolated blebs within the matrix of the breccia.

On the south side of the excavation an amethyst vein, trending roughly 070 degrees, was uncovered. The vein measures nearly one meter in width, and exhibits alternating bands of white, purple, and black amethyst. Individual crystals to 10 centimeters are present. To the east, the vein remains covered by rubble; the western end appears to have pinched-off.



Photo 2: Looking west along work area. Bouldery till has been removed; initial wash-down of area performed. The large vein described above has just become visible in the lower left corner of the photo.



Photo 3: South contact of large amethyst vein with granite.



Photo 4 (field of view approximately 50cm):
Large segment of amethyst vein showing growth banding and variation in color. To the right are amethyst crystals to 10cm, heavily coated with hematite.

The central portion of the work area is comprised of a well developed granite/amethyst breccia. The amethyst varies from pale white, to lavender, to dark purple; breaking up of large amethyst pods within the breccia results in "cobs" similar to that pictured in photo 3, though their size is commensurate with vein width.



Photo 5 (field of view approximately 2m): Granite/amethyst breccia in central portion of work area.

Two major vugs were uncovered. The first, in the central portion of the work area, is approximately 3 meters long by 1.5 meters wide by 2 meters deep. It contains bright red, hematite coated amethyst crystals to 1 centimeter.

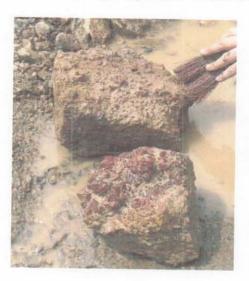


Photo 6: Hematite coated amethyst crystals on granite matrix from first vug. Thick, brown fault gouge is in the process of being washed off.

The second vug, unearthed at the western extent of the work area, measures approximately 2 meters long by 1meter wide by 0.5 meters deep. Hematite mineralization is again present, but less pervasive than exhibited in the first pocket. The 3 to 10cm crystals, when examined in section, show at least four phases of growth; dark lavender amethyst is followed by a thin, white band, then smoky quartz, and finally, the

hematite-rich cap, which is a mottled purple/red color. Occasional pyrite cubes to 1mm can be seen just below the surface of some crystal faces.



Photo 7: Excavation of second vug. Top of photo shows granite hanging wall with 10cm amethyst vein attached.

Numerous smaller vugs containing amethyst crystals from 0.2 to 3 centimeters were also encountered. Colors range from clear quartz, to violet, dark purple, and even black.



Photo 8: Sample of amethyst on granite matrix.

| DATE | WORKERS | EQUIPMENT UTILIZED | NATURE OF WORK PERFORMED |
|---------------------|--|---|--|
| April 21, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer | Travel to and from Thunder Bay. Hand mucking of slough accumulated over course of spring thaw. |
| M ay 3, 2005 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. Pails,Quadrunner and trailer, chisels, sledgehammer, Monarch Water pump and hoses, Wacker gasoline powered rock drill. | Travel to and from Thunder Bay. Continue mucking of debris accumulated over the course of the spring thaw. Pump used to wash down areas of exposed bedrock, as well as remove water accumulated due to snow melt. Drilled off several large granite boulders in the central portion of the work area. |
| M ay 4, 2005 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Shovel out debris washed into the south end of the trench. |
| May 5, 2005 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Blasted boulders drilled off May 3; removed broken granite (mostly barren) from central portion of the work area. |
| May 19, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer, Monarch water pump and hoses. | Travel to and from Thunder Bay. Wash around blasting area. Granite/amethyst breccia is exposed. Numerous hematite covered crystals to 1cm and chunks of purple vein material visible in gravel. |
| May 20, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Mud pack more boulders to south; remove debris. Boulders mix of granite, granite/quartz breccia; no outstanding amethyst. |
| lay 21, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Concentrated on excavating area in central por:ion of the work area where hematite covered crystals were located. Numerous crystals to 2cm encountered. |

| DATE | WORKERS | EQUIPMENT UTILIZED | NATURE OF WORK PERFORMED |
|----------------------|--|---|---|
| May 23, 2005 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Concentrated on excavating area in central portion of the work area where hematite covered crystals were located. Discovered hematite coated amethyst clusters to 10cm diameter. Specimens are extensively weathered, however. |
| Ma y 23, 2005 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Traced clusters and crystals along strike to west. Presence of extremely thick "gooey", tan colored fault gouge indicates possibility of a vug. |
| June 2, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer, Monarch water purnp and hoses. | Travel to and from Thunder Bay. Used pump to wash fault gouge out of suspected vug area. Mucked additional overburden and granite from perimeter of area. Granite in this area is extremely weathered, to the point of being broken apart by hand. |
| June 13, 2005 | Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer, Wacker gasoline powered rock drill. | Travel to and from Thunder Bay. Manual stripping; drill around vug to prepare for blasting. |
| August 11, 2005 | Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Blast holes drilled June 13, to gain access to vug. Begin mucking. |
| September 12, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Monarch water pump and hoses, Quadrunner and trailer. | Travel to and from Thunder Bay. Marual stripping, mucking; wash large amethyst vein in south east portion of work area. |

| DATE | WORKERS | EQUIPMENT UTILIZED | NATURE OF WORK PERFORMED |
|--------------------|--|--|---|
| September 13, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Wacker gasoline powered rock drill, Quadrunner and trailer. | Travel to and from Thunder Bay. Manual stripping and mucking. Drill additional holes around red vug. Feather-and-wedge, muck to complete opening of vug. |
| September 15, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Muck last of material freed up by feather-and-wedging and blasting. Begin to excavate vug. Vug is filled with thick, tan colored fault gouge; broken hematite-covered crystals prevalent; occasional cluster in 3-4 cm range encountered. |
| October 9, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer, Monarch water pump and hoses. | Travel to and from Thunder Bay. Wash to expose granite/amethyst breccia in central portion of work area; muck debris washed into low areas. |
| October 22, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Manual trenching and mucking. |
| October 23, 2005 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Manual trenching and mucking. |
| · | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Manual trenching and mucking of larger material. Ground too frozen to move fines. |
| · | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, chisels, sleidgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Hand mucking of slough accumulated over the course of the spring thaw. |

| DATE | WORKERS | EQUIPMENT UTILIZED | NATURE OF WORK PERFORMED |
|----------------------|--|---|--|
| May 5, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Manual stripping. |
| M ay 17, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer, Monarch water pump and hoses, Quadrunner and trailer. | Travel to and from Thunder Bay. Wash down west end of work area to expose bedrock; muck accumulated debris. |
| May 19, 2006 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Manual trenching and mucking. |
| May 20, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Manual trenching and mucking. Granite/amethyst breccia is continuous through to western end of work area. |
| May 21, 2006 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer, Wacker gasoline powered rock drill. | Travel to and from Thunder Bay. Drill and blast bedrock to west of large vug unearthed in 2005 work program. Muck debris. |
| May 22, 2006 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Muck debris from blasting. Material ranges from barren granite to 1-2cm lavendar amethyst xls on granite matrix. |
| May 28, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer, Wacker gasoline powered rock drill. | Travel to and from Thunder Bay. Drill and blast holes on extreme west end of work area; granite/quartz breccia locally vuggy. Amethyst xls to 3cm found as floaters in overburden. |
| /lay 29, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Muck blast debris. |

| DATE | WORKERS | EQUIPMENT UTILIZED | NATURE OF WORK PERFORMED |
|-------------------|--|---|--|
| May 30, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Shoot remaining holes; muck debris. |
| May 31, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Encountered hematite coated crystals to 5cm in red-brown fault gouge. Excavate gouge, which indicates presence of vug. |
| June 13, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer, Monarch water pump and hoses, Quadrunner and trailer. | Travel to and from Thunder Bay. Continue to excavate vug. Amethyst crystals to 10cm; mottled red-brown-purple exterior over medium to dark purple core. Occasional crystals contain 1mm pyrite cube inclusions. |
| June 15, 2006 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Remove additional overburden at south side of vug area; continue to excavate vug. Clusters to 30cm x 20cm extracted. |
| July 3, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Excavate deep overburden north of vug. |
| August 15, 2003 | Michael Grieve | Shovels, pry bars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Excavate deep overburden north of vug. |
| September 8, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Excavate deep overburden north of vug. Continue to remove crystals and clusters from vug. |

| DATE | WORKERS | EQUIPMENT UTILIZED | NATURE OF WORK PERFORMED |
|--------------------|--|---|--|
| September 9, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer, Monarch water pump and hoses, Quadrunner and trailer. | Travel to and from Thunder Bay. Excavate deep overburden north of vug. Occasional amethys cobs or amethyst vein/xls on matrix. Wash down west end of work area. Amethyst breccia and veining is prevalent |
| September 10, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | throughout. Travel to and from Thunder Bay. Remove large rubble left behind from "pick and shovel" work. |
| September 25, 2006 | Michael Grieve Sandra Grieve Michael D. Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Finish excavating vug; ultimate extent 2m x 1m x 0.5m. |
| October 7, 2006 | Michael Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Manual trenching in northeast corner of work area. Rubble is a mix of bouldery glacial till and angular granite and/or breccia outcrop fragments. |
| October 8, 2006 | Michael Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Manual trenching in northeast corner of work area. |
| October 9, 2006 | Michael Grieve | Shovels, prybars, 5ga. pails, wheelbarrow, chisels, sledgehammer. | Travel to and from Thunder Bay. Manual trenching in northeast corner of work area. |
| lovember 5, 2006 | Michael Grieve Sandra Grieve | Shovels, prybars, 5ga. pails, chisels, sledgehammer, Quadrunner and trailer. | Travel to and from Thunder Bay. Manual trenching in northeast corner of work area; remove accumulated rubble too large for shovel and bucket. |

