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ASSESSMENT REPORT ON DIAMOND DRILLING

ON

PINKERTON - MACCALLUM PROPERTY

JAMES TOWNSHIP – Claim 3013864

Lot 2 & 3, Con I & II

UTM: 5280700N-5282000N, 551200E to 552400E (NAD83)
NTS: 41P09NW

DISTRICT OF LARDER LAKE, ONTARIO

BY : E.M.BAŠA of Grupo Moje Limited

December 2006

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SUMMARY

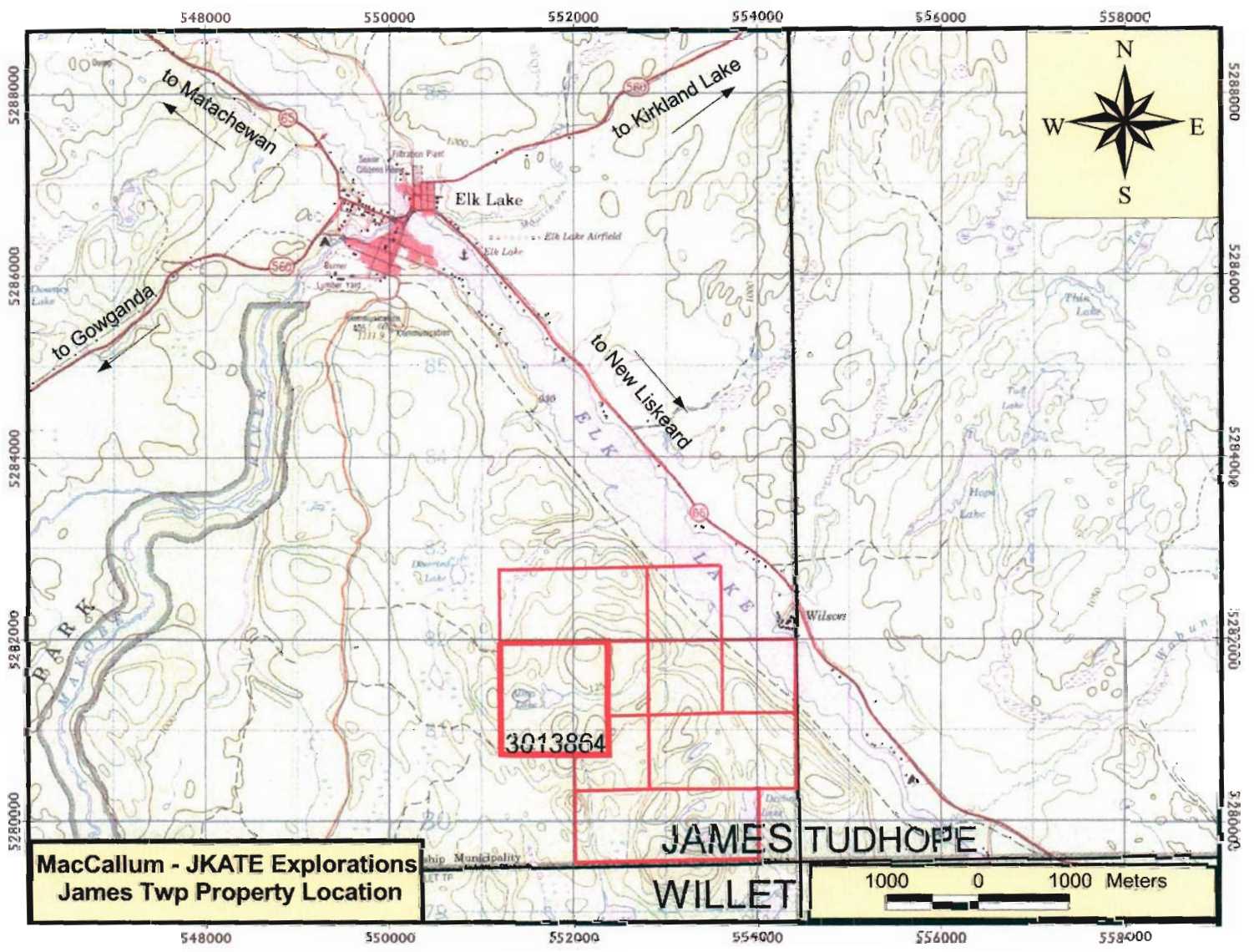
A diamond drill program was completed on the SE James Twp property (claim 3013864) during the month of July 2006. Two holes totalling 285 feet (86.7m) were completed. Both holes were collared and ended in Nipissing diabase. This claim is part of the former Solomino property. The holes were located near an old prospector's blast pit approximately 12' x 30' with supposedly high-grade silver values (pers. Comm. G. Pinkerton) and less than 200m NE of the old Beacon Shaft. The current drilling was conducted by Robert MacCallum and Garfield Pinkerton. Logging was completed in September by E. Baša. A total of 3 samples were taken. The best of these returned 2.78% Co and 0.69% Ni and 6.7 ppm Ag.

PROPERTY DESCRIPTION AND ACCESS

The property lies roughly 5 km SSE of the town of Elk Lake which is approximately 70 km west of New Liskeard and approximately 50 km SSW of Kirkland Lake (Figure 1). Road access to the property is good via a well-maintained road (due to recent logging) heading south from the planing mill in the Town of Elk Lake.

The MacCallum-JKATE Explorations property consists of 9 claims, or 52 units (Figure 2) covering parts of Lots 1 through 4 in Concessions I and II. Two units within claim 3013864 are known historically as the Solomino Gold Mines property. The work in this report is conducted on these claims. Other known historical occurrences on the claim group include:

- Diabase Silver Mines property consists of two claims in N1/2 Lot 3, Con II on which a pit with chalcopryrite and bornite was sunk on a calcite-aplite vein.
- Elco property (formerly Devlin Mining Company Limited) consists of 3 claims in Lot 1, Con I – MacCallum-JKATE Explorations now holds the northernmost of these. The two shafts are on the southern 2 claims. There is an exploration pit/shaft on the northern claim – sunk only to 20 feet depth sunk on an 8-inch calcite vein. Minor chalcopryrite and cobalt bloom were noted. Trenching has also been noted on all three claims – no description is available.
- Norton-McMahon property – a series of mineralized veins (silver, cobalt, specularite and chalcopryrite) in Nipissing diabase with trenching and at least one pit. No grades are mentioned.



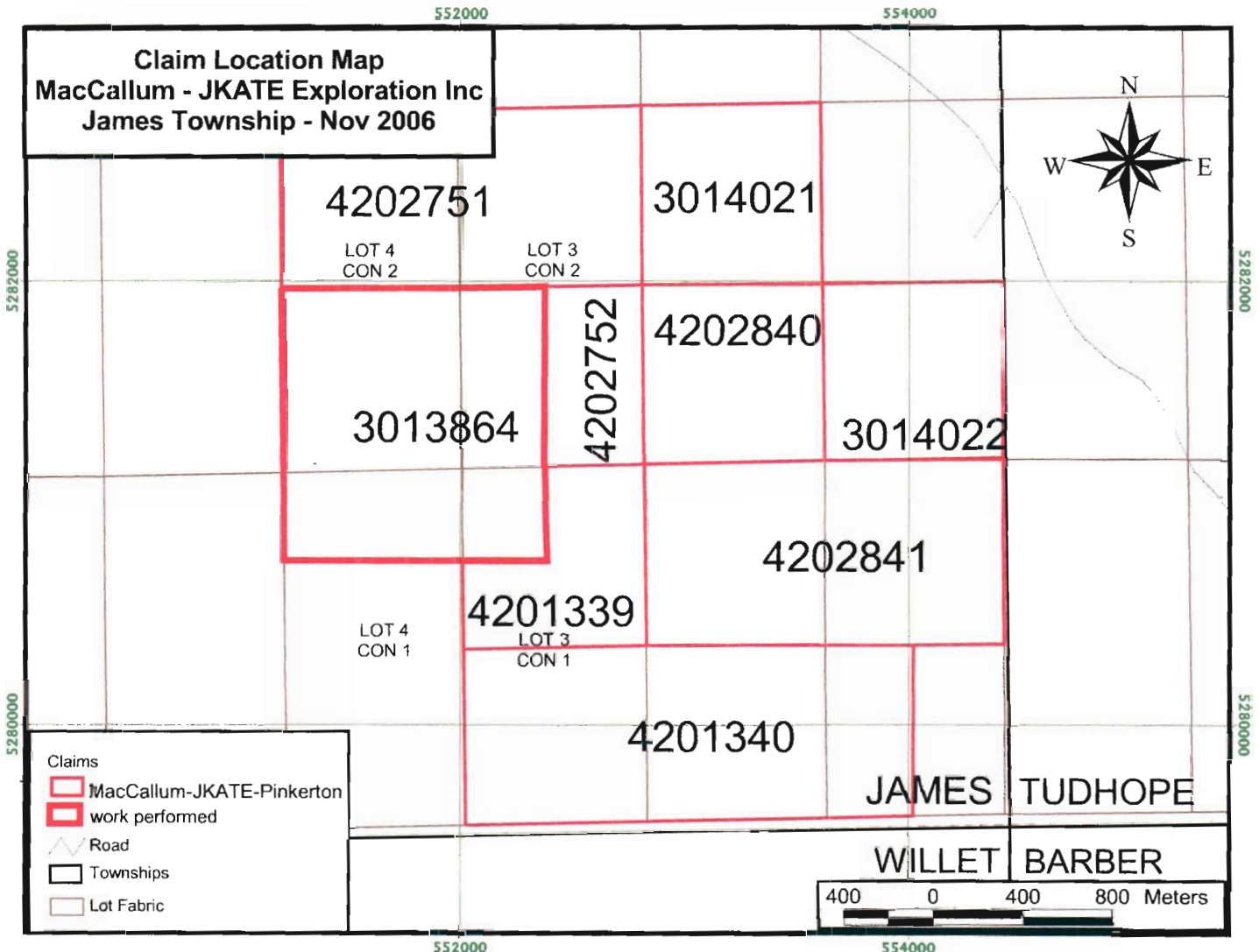
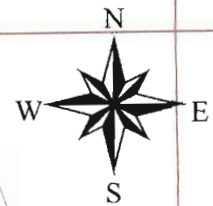
MacCallum - JKATE Explorations
James Twp Property Location

3013864

JAMES TUDHOPE
WILLET

1000 0 1000 Meters

Claim Location Map
MacCallum - JKATE Exploration Inc
James Township - Nov 2006



PAST WORK

This property originally consisted of 2 leased mining claims and was operated by Beacon Consolidated Mines Limited in 1909. By 1915 one shaft was sunk to a depth of 376 feet with levels at 100 feet, 200 feet and 300 feet.

This claim is part of the former Solomino property. The holes were located near an old prospector's blast pit approximately 12' x 30' with supposedly high grade silver values (pers. Comm. G. Pinkerton) and less than 200m NE of the old Beacon Shaft. The shaft was sunk, in stages, to a total depth of 376 feet (114m) by 1914. The shaft was sunk on an easterly-trending calcite vein with native silver near surface. Sampling by Solomino Gold Mines Limited from the 200-foot level came back below 1.0 ounce silver per ton. However, in 1963, Solomino Mines performed additional work on an existing trench approximately 140m NE of the shaft. This trench covered an ENE-trending calcite vein zone with several veins up to 5cm in width. Native silver was exposed – assaying up to 3,285 ounces silver per ton. A pit was sunk on this trench to 4m and native silver was identified associated with cross fractures bordering the calcite vein. A sample over 2 feet from the bottom of the pit returned values of 224.1 ounces silver per ton and 3.42% Cobalt. None of the six drill holes under this trench encountered any visible silver. The only other work of note in this area is a drill hole drilled from the 300-foot level of the Beacon Shaft to determine the depth of the diabase – sedimentary contact. This was located at approximately 610 feet depth from surface. The thickness of the diabase sill in this location was determined to be about 618 feet. The current drilling was conducted by Robert MacCallum and Garfield Pinkerton. Logging was completed in September by E. Baša.

REGIONAL GEOLOGY

James Township lies within the Southern structural province near the boundary with the Superior province. James Township was last mapped in 1963, by the Ontario Department of Mines, along with Mickle, Chown, Willet, Roadhouse and Lawson Townships to form a three-map report area, released as Geology of the Elk Lake Area; Geological Report 62 in 1968. Mickle and James Township Area Map 2151.

James Township is near the northern margin of the Cobalt sedimentary basin and borders the Round Lake granite batholith to the north. The sedimentary rocks here belong to the Middle Precambrian age Cobalt Group of the Huronian Supergroup. Nipissing gabbro is also present throughout the township dipping below the Huronian sediments. The diabase is interpreted (Mackean, 1968) to be a complex intrusion intruded along feeder dikes into sill-like structures rather than simply a sill. The claim group lies within the diabase in the southeastern portion of the township. The area is covered by substantial and varying amounts of Quaternary glacial sand and gravel deposits. There have not been any volcanic rocks mapped here previously due to the overburden cover although the geological report mentions large volcanic inclusion within the granite in areas.

Structurally, the Montreal River trends southeast immediately east of the claim group. Several regional NE and NW trending lineaments are also present.

LOCAL GEOLOGY

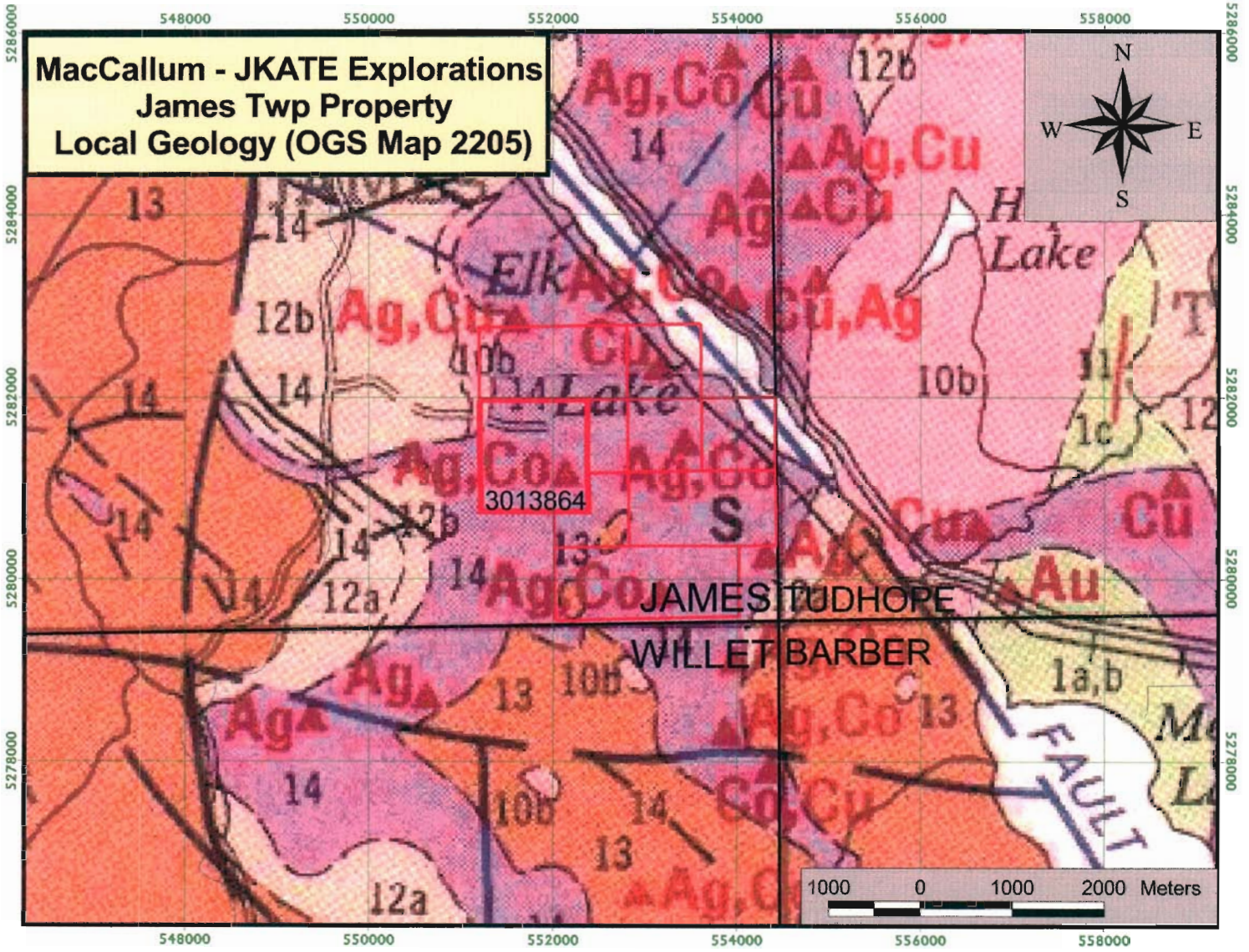
Lithologies

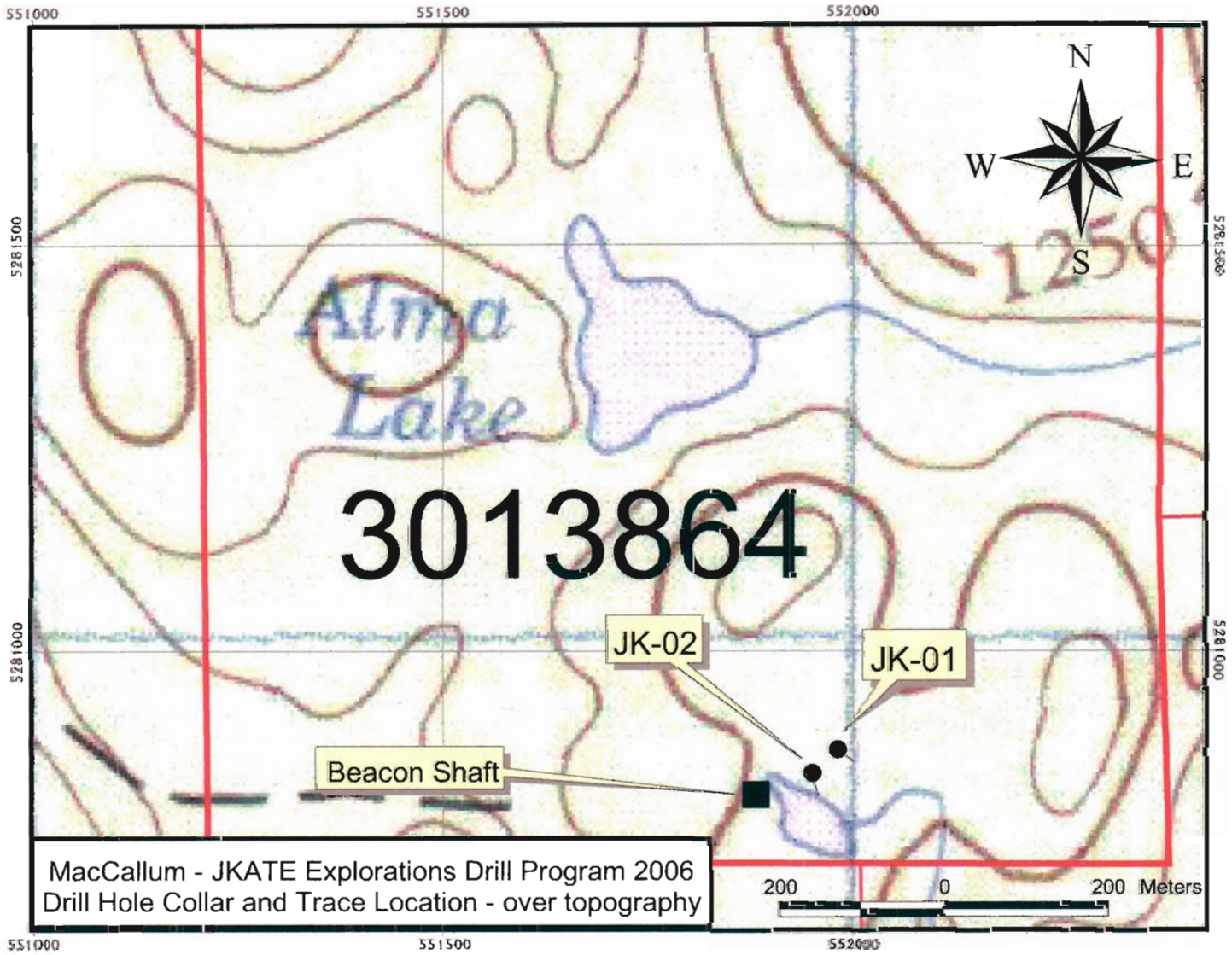
Only one rock type was identified in the drill core - medium-grained, slightly magnetic, equigranular Nipissing diabase with minor sulphides. Minor quartz-carbonate veinlets were identified in both holes between 1 and 5cm in width. The diabase is fairly uniformly medium grained and dark green.

Mineralization

Mineralization consists primarily of disseminated sulphides throughout both holes. Three samples were taken

**MacCallum - JKATE Explorations
James Twp Property
Local Geology (OGS Map 2205)**





ASSAY RESULTS

Assay results are seen in Appendix 1. Samples 65105 and 65106 were taken in hole 2 – both on quartz stringer veinlets. Both were assayed for gold, silver and copper. Low values were returned for both samples. The third sample, 65107, was taken from hole 1 on a low angle quartz vein bounding a fracture zone. There was approximately 10-15% cobalt mineralization within the vein zone and another unidentified mineral. Silver was not identified but suspected due to the colloform nature of the cobalt (silver is often found at the centre of the colloform buds in the Cobalt silver camp

CONCLUSIONS & RECOMMENDATIONS

These claims are proximal to the Nipissing diabase and thereby hold moderate potential for silver-cobalt mineralization. The proximity of the holes to known mineralization and workings increases that potential. One small vein on a fracture zone was identified with slightly anomalous silver-cobalt mineralization.

A basic structural mapping exercise and structural compilation from previous work over the property would perhaps provide further insight for follow up drilling. This work would require both assessment work searches and fieldwork. A total of 7 - 10 days would provide compiled data, a report and drill collar recommendations – if warranted based on the results.

REFERENCES

Mackean, B.E. 1968. Geology of the Elk Lake Area. Ontario Department of Mines Geological Report 62. 62p.

Mackean, B.E. 1968. Mickle and James Townships Map 2151; Ontario Department of Mines. Scale 1" = 1/2 mile.


Pyke, D.R., Ayres, A.D., and Innes D.G. 1971. Timmins-Kirkland Lake Geological Compilation Series Map 2205; Ontario Geological Survey. Scale 1"= 4 miles.

Photocopies from various assessment files

STATEMENT OF QUALIFICATIONS

I, Elaine Basa, of the town of Haileybury, in the Province of Ontario hereby certify as follows concerning my report on the Pinkerton-MacCallum property in James Township, dated December 20, 2006:

1. I graduated from Carleton University in 1985 with a degree of Bachelor of Science, Honours Geology
2. I have worked continuously in the mining industry for the past 21 years
3. The attached report is a product of:
 - a) data provided to me by Garfield Pinkerton
 - b) maps and reports identified in the reference section of this report
 - c) logging of diamond drill core from this James Twp property
4. I do not have any direct or indirect interest in the property described.



Elaine Basa

Dated in Haileybury, Ontario, on December 20, 2006

APPENDIX I - Assay Certificates



Swastika Laboratories Ltd

Assaying - Consulting - Representation

Geochemical Analysis Certificate

6W-2800-RG1

Company: **J.KATE EXPLORATION**


Date: **SEP-20-06**

Project:

Attn:

We hereby certify the following Geochemical Analysis of 6 Rock samples submitted SEP-14-06 by .

Sample Number	Au PPB	Au Check PPB	Ag PPM	Co PPM	Co %	Cu PPM	Mo PPM	Ni PPM
65105	10	-	0.7	-	-	675	-	-
65106	10	-	0.3	-	-	43	-	-
65107	-	-	6.7	>10000	2.78	159	-	6950

Certified by 

APPENDIX II – Drill Logs


**Diamond Journal de
Drilling forage au
Log diamant**

Complete this form and
related sketch in duplicate.
Remplir en deux exemplaires
la
présente formule et le croquis
annexé

Fill in on every page
Remplir ces cases
chaque page



Hole No. Forage n°	Page No. Page n°
JK-01	1 of 1

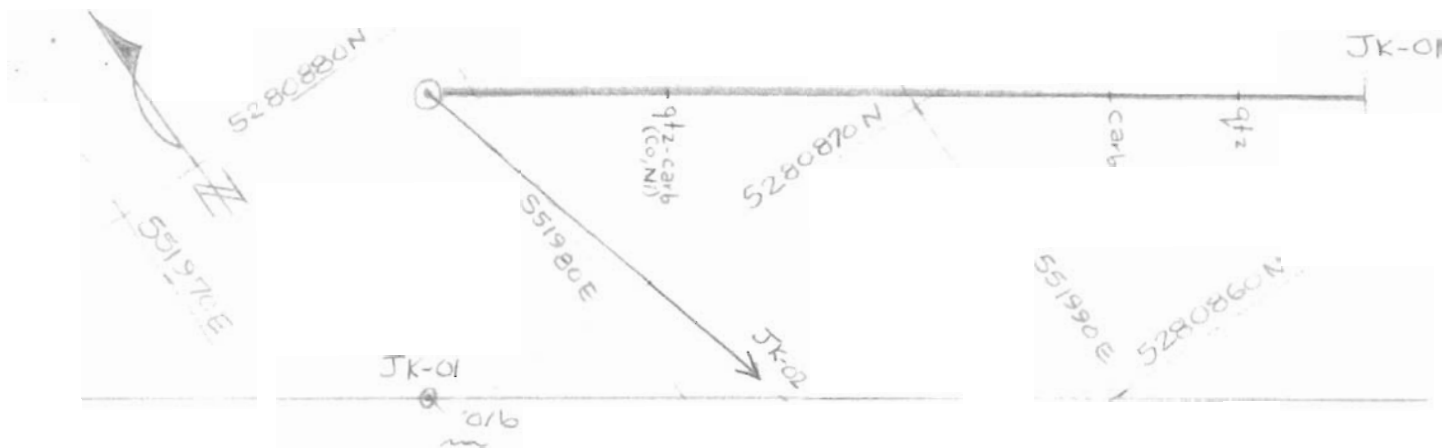
Under section 8 of the Mining Act, this information is used to maintain a public record. Aux termes de l'article 8 de la Loi sur les mines, ces renseignements serviront à tenir à jour les dossiers publics.

Drilling Company Compagnie de forage MacCallum Drilling	Core Size Dimensions de la carotte AQ	Collar Elevation Élévation du collier	Bearing of hole from true North/Positio n du forage par rapport au nord vrai 124°	Total Footage Avancement total du forage 136feet	Dip of Hole at Inclinaison du forage au Collar/collier -50°	Address/Location where core stored Adresse/endroit où la carotte est stockée	Map Reference No. N° de référence sur la carte	Claim No. N° de concession minière 3013864
Date Hole Started Date de commencement du forage July 1, 2006	Date Completed Date d'achèvement July 15, 2006	Date Logged Date d'inscription au journal September 2, 2006	Logged by (print) Inscrit par (écrire en lettres moulées) Elaine Basa	FL/PI	Location (Twp. Lot, Con. or Lat. and Long.) Emplacement (canton, lot, concession, ou latitude et longitude) 551979 E 5280878 N NAD83 James Twp Lot 4, CON 2 S1/2	Property Name Nom de la propriété MacCallum-Pinkerton James Silver		
Exploration Co., Owner or Optionee Compagnie d'exploration, propriétaire ou titulaire d'option JKate Explorations	Logged by (Signature) Inscrit par (signature) 	FL/PI	FL/PI					
		FL/PI	FL/PI					
		FL/PI	FL/PI					

Footage/Avancement		Rock type	Description (Colour, grain size, texture, minerals, alteration, etc.)	Plane Feature Angle / Angle des caractéristiques planes	Core Specimen Footage 1 Longueur en pieds des carottes prélevées	Your Sample No. N° d'échantillon Du prospecteur	Sample Footage Niveau de prélèvement de l'échantillon (en pieds)		Sample Length Longueur de l'échantillon	Assays/Analyses minéralurgiques		
From/De	To/A	Type de roche	Description (Couleur, granulométrie, texture, minéraux, transformation, etc.)				From/D e	To/ A		Ag (ppm)	Co (%)	Ni (ppm)
0	5'	o/b										
5'	136'	diabase	Medium-grained diabase, equigranular, when dry – can see some clotting of mafic mineral (slightly purplish-red - like hematite but no streak – evenly distributed through core. <1% disseminated sulphides – significantly less than in hole 2; very little on slip surface Numerous fine stringers ~ 1-3mm width and at various angles to CA									
			@ 33'2" – quartz-carbonate vein @ 10° to CA – no confirmed width as broken at core run end @ 34' at least 2" true width; not a sheared vein; nor dilatant. Mineral growth and structure is irregular, 10-15% cobalt mineral with somewhat colloform texture present. Some is zoned with a darker mineral in center. No silver definitively identified – 1 sample sent for assay.			65107	33'2"	34'	10"	6.7	2.78	6950
			@ ~61' moderate epidote along weak fractures Significantly less sulphides in hole 1 than on hole 2. Very little disseminated sulphides and minimal sulphides on slip surfaces									
			@ 98'10" – 99'10" carbonate vein @ 20° to CA with vuggy carbonate and grey mineral concentrated in extremely irregular linear patterns (like a dissolution-type effect like stylolites in sediments) No cobalt mineralization as seen @ 33'									
			@ 117'9" ~1cm wide quartz veinlet @ 20° to CA with k-spar rich margins; minor disseminated sulphides localized ~1-2%									
			EOH @ 136'									

*For features such as foliation, bedding, schistosity, measured from the long axis of the core.

*Exemples de caractéristiques : foliation, schistosité, stratification. L'angle est mesuré par rapport à l'axe longitudinal de la carotte.



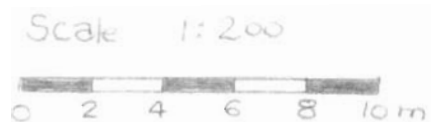
qtz-carb vein - sample 65107 { 2.78% Co }
 { 6950 ppm Ni }

epidote
 diabase


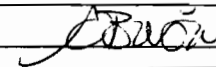
carb vein

DDH JK-01	
Section	Looking NE @ 034°
Collar	551979E 5280878N
Azimuth	124°
Dip	-50°

qtz veinlet



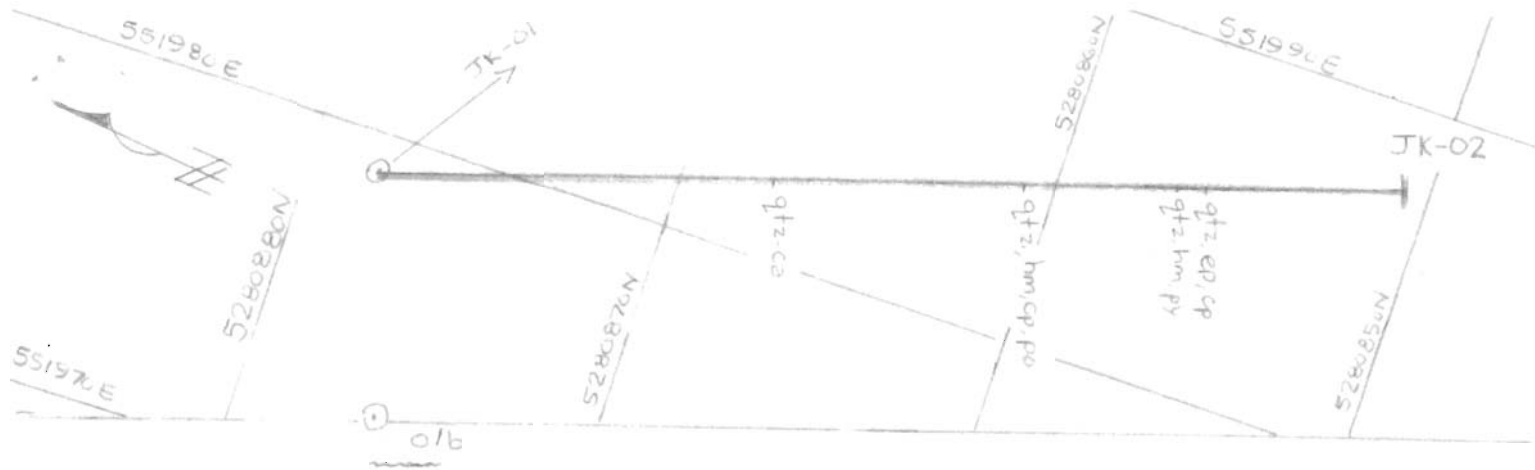
E04
 136'
 41.45m

 Ontario Ministry of Northern Development and Mines Ministère du Développement du Nord et des Mines		Diamond Drilling Log		Journal de forage au diamant		Complete this form and related sketch in duplicate. Remplir en deux exemplaires la présente formule et le croquis annexé		Fill in on every page Remplir ces cases chaque page		⇒		Hole No. Forage n° JK-02		Page No. Page n° 1 of 2							
Under section 8 of the Mining Act, this information is used to maintain a public record. Aux termes de l'article 8 de la Loi sur les mines, ces renseignements serviront à tenir à jour les dossiers publics.																					
Drilling Company Compagnie de forage MacCallum Drilling			Core Size Dimensions de la carotte AQ		Collar Elevation Élévation du collier		Bearing of hole from true North/Position du forage par rapport au nord vrai 163°		Total Footage Avancement total du forage 149 feet		Dip of Hole at Inclinaison du forage au Collar/collier -50°		Address/Location where core stored Adresse/endroit où la carotte est stockée		Map Reference No. N° de référence sur la carte		Claim No. N° de concession minière 3013864				
Date Hole Started Date de commencement du forage July 16, 2006			Date Completed Date d'achèvement July 31, 2006		Date Logged Date d'inscription au journal September 2, 2006		Logged by (print) Inscrit par (écrire en lettres moulées) Elaine Basa		Location (Twp. Lot, Con. or Lat. and Long.) Emplacement (canton, lot, concession, ou latitude et longitude)		551979 E 5280878 N NAD83 James Twp Lot 4, CON 2 S1/2										
Exploration Co., Owner or Optionee Compagnie d'exploration, propriétaire ou titulaire d'option JKate Explorations					Logged by (Signature) Inscrit par (signature)				Property Name Nom de la propriété MacCallum-Pinkerton James Silver												
Footage/Avancement		Rock type		Description (Colour, grain size, texture, minerals, alteration, etc.)				Planar Feature Angle / Angle des caractéristiques		Core Specimen Footage / Longueur en pieds des carottes prélevées		Your Sample No. N° d'échantillon Du prospecteur		Sample Footage Niveau de prélèvement de l'échantillon (en pieds)		Sample Length Longueur de l'échantillon		Assays/Analyses minéralurgiques			
From/De (feet)		To/A (feet)		Type de roche		Description (Couleur, granulométrie, texture, minéraux, transformation, etc.)				planes		From/D		To/A		échantillon		Au (ppb) Ag (ppm) Cu (ppm)			
0		5'		o/b																	
5'		149'		diabase		Medium-grained, equigranular hypersthene diabase; ~ 60% mafics. Feldspars are slightly greenish cream coloured; magnetism very slight to none throughout hole.															
						Disseminated sulphides present throughout hole – seen more easily on broken surfaces; <2%. Some sulphide smearing on slip surfaces – up to 3% Py + Po															
						Some late epidote concentrated on late, healed fractures at various angles.															
						Minor Ca-Qtz stringers - 56'8" @ 25° to CA – 2 x 1/4" banded quartz-carbonate stringers with disseminated pyrite ~1-2% and blebs of chalcopyrite up to 5% in stringers and anastomosing stringers inbetween @ 14' – 1/4" aplitic stringer @ 35° to CA															
						@ 92'7" - stringer vein @ 25° to CA with minor hematite, chlorite margins with 203% chalcopyrite in quartz. Quartz stringer not continuous; chlorite margins fairly regular @ ~ 1/4" width.						65105		92'7"		93'1"		6"		10 0.7 675	
						93'8" - quartz stringer @ 15°-20° to CA, variable widths. Some coarser, acicular black mineral (hypersthene?) up to 3% blebby chalcopyrite. Up to ~ 3-5% pyrrhotite in diabase adjacent to stringer						65106		93'8"		94'1"		5"		10 0.3 43	

Bn

Jk-02
Pg 2 of 2

			-diabase is spotted with a very slightly reddish-purpleish hue similar to hematite staining (but no streak); not magnetic; has finely disseminated sulphides associated; minor chalcopyrite and pyrite/pyrrhotite.															
			98'2" - 98'4" - 2 x 1/4" banded stringers - quartz with ~2% chalcopyrite blebs (worth sampling if previous 2 samples have values)															
			115'3" - 1/4" quartz-hematite stringers @ 43° to CA with 5% pyrite															
			119'10" - irregular quartz stringers ~ 1/4 - 1/2" wide @ 30° to CA with <2% sulphides disseminated and coarser black acicular mineral (as at 93'8")															
			120'3" - 3 distinct parallel stringers @ 40° to CA cut off by a clean fracture @ 80° to CA with yellow-green epidote marking its presence - no other mineralization; no alteration. Stringer margins range from clean and sharp to diffuse quartz with some feldspar. Minor disseminated sulphides plus <1% chalcopyrite blebs.															
			120'10" and 121'1" - similar diffuse looking quartz veinlets with 2-3% chalcopyrite blebs.															
			Several quartz stringers occur throughout the hole - <1/8" wide - some with associated disseminated sulphides; none of any apparent significance.															
			129'8"-130'6" - appearance of diabase changes slightly in relative abundances: mafic content decreases with respect to feldspar (minor quartz). Also carbonate vein with minor breccia occurs - very clean, no mineralization, mostly stockwork appearance.															
			Some carbonate noted on slip surfaces to end of hole with minor epidote associated.															
			Most prominent (not dominant) fracture angle (slip surfaces) throughout hole is between 35°-40° to CA.															
			EOH @ 149'															
			*For features such as foliation, bedding, schistosity, measured from the long axis of the core.															
0204 (09/00)			*Exemples de caractéristiques : foliation, schistosité, stratification. L'angle est mesuré par rapport à l'axe longitudinal de la carotte.															



- apitic stringer

qtz-Ca stringers

diabase

- qtz stringer, hm, cp (sample 65105)
- qtz stringer, cp, po (sample 65106)
- qtz stringers, Cp

DDH JK-02	
Section	Locking ENE @ 073°
Collar	551979E 5280878N
Azimuth	163°
Dip	-50°

- qtz stringer, hm, py
- qtz stringers + sulph
- qtz stringers + ep + cp

altⁿ zone + carb vein + bx



ECH
149'
45.4m

2-34521

WORK REPORT

Drilling was completed by R M AC Callum drilling using a BBS1 A.Q drill work started on July 02 2006 and was completed on July 21 2006.

Two holes were drilled under a fracture zone that had been stripped previous see drill report completed by Elaine Basa geologist

