LOCALSH PROJECT
WAWA AREA

2006 DRILLING RESULTS

SUBMITED TO
RICHMONT MINES/PATRICIA JV
ISLAND GOLD PROJECT

VOLUME 1 OF 2

GHISLAIN DESCHÊNES
APRIL 1, 2008

INTRODUCTION

The Lochalsh Project is located approximately 50 km northeast of Wawa, Ontario, in the Sault Ste-Marie Mining Division. This project hosts the Lochalsh gold zone where, in 2002, Kalio estimated an inferred resource of 416,000 tonnes grading 7.72 g/t Au (uncut) for a total of 103,000 ounces of gold (not 43-101 compliant).

This report presents drilling work completed in 2006 on the Lochalsh property. A total of 6,891 metres of diamond drilling in 15 holes for a budget of 609,968 $ was completed. The objectives of this program were to verify the lateral and depth extensions of the Localsh zone, Richmont Mines/Patricia Mining's geological interpretation inside that zone, and also the extension of the North Shear Zone.

PROPERTY LOCATION AND CLAIMS STATUS

The Lochalsh Project is located approximately 50 km northeast of Wawa, Ontario, in the Sault Ste-Marie Mining Division (figure 1). Dubreuilville is approximately 10 km northwest of the Project. The Lochalsh Project consists of 31 patented, licenced and leased claims totalling 367.5 hectares (figure 2 and annex I), drilling has been performed on 5 of them (#2075, 825287, 825288, 991852 and 991587). Drilling has also been performed partly on two claims (#1778 and 2490) of the Goudreau Project (65 patented and leased claims totalling 1,003 hectares). All these claims are located in the Finan, Jacobson, Riggs and Aguonie townships.

EXPLORATION HISTORY

In 1983, Canamax Resources Inc. (Canamax) and Algoma Steel Inc. (Algoma) formed a joint venture to evaluate the mineral potential of Algoma's 117 patented claims covering the Goudreau Iron Range. In 1985, drilling by Canamax about two kilometres south of the Kremzar Mine intersected a series of sub-parallel lenses containing gold mineralization within deformed rocks of the Goudreau Lake Deformation Zone (GLDZ). Detailed diamond drilling through 1987 and 1988 was used to define the higher-grade lenses, known as the Lochalsh, Island Gold, Shore, and Goudreau Lake Zones.

During 1989 and 1990, a 1,280 m long ramp was driven into the Island Deposit beneath Goudreau Lake from an adit on the north shore. Drifts and raises totalling 382 meters were developed on two levels at depths of 125 m and 140 m below the Goudreau Lake elevation at approximately 382 meters.

In 2002, Kalio estimated an inferred resource of 416,000 tonnes grading 7.72 g/t Au (uncut) for a total of 103,000 ounces of gold (1 m true thickness and 5 g/t Au cut off).

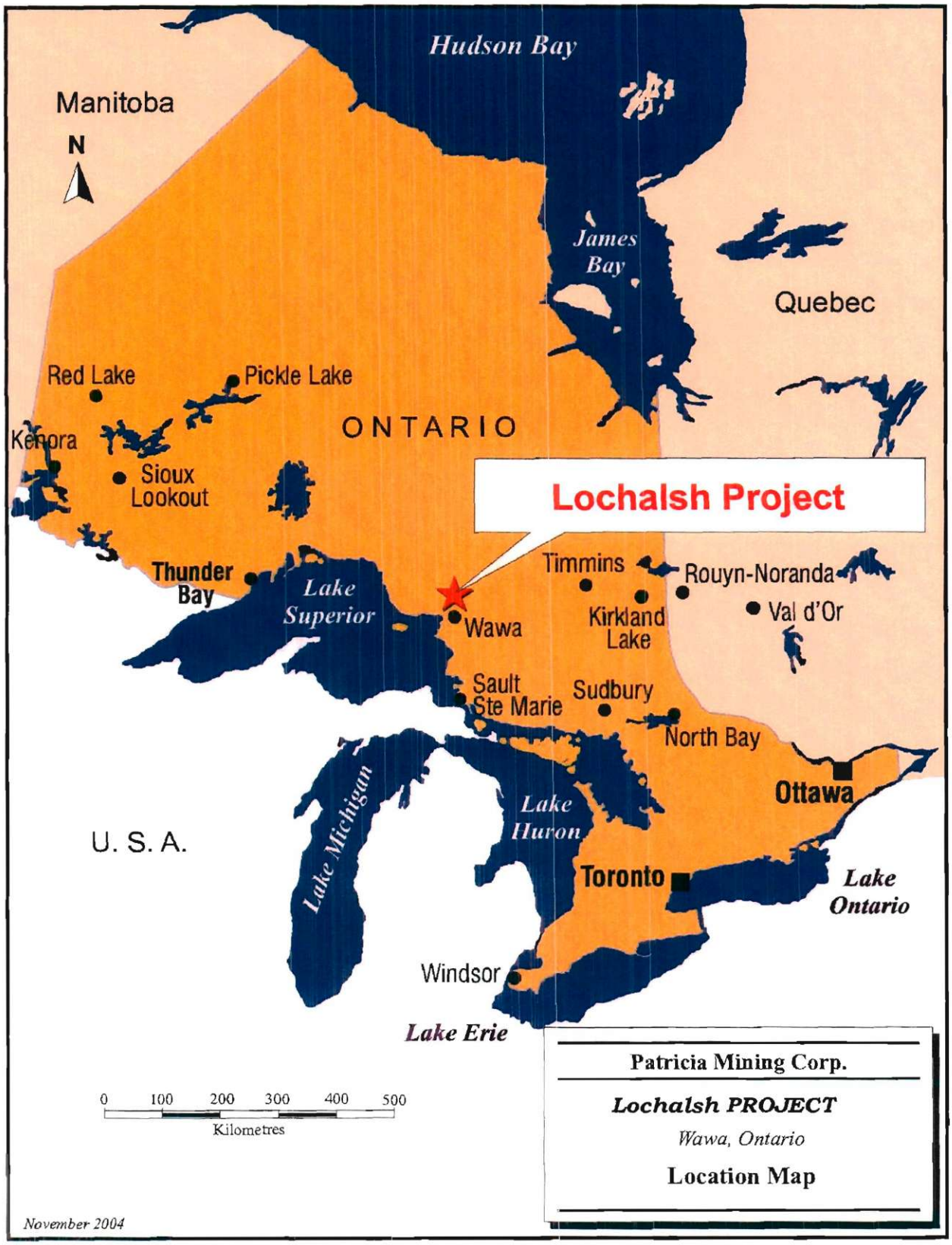

Hudson Bay
Manitoba
N
James Bay
Quebec
Red Lake
Pickle Lake
ONTARIO
Kenora
Sioux Lookout
Lochalsh Project
Thunder Bay
Lake Superior
Timmins
Rouyn-Noranda
Wawa
Kirkland Lake
Val d'Or
Sault Ste Marie
Sudbury
North Bay
Ottawa
Lake Michigan
Lake Huron
U. S. A.
Toronto
Lake Ontario
Windsor
Lake Erie
0 100 200 300 400 500
Kilometres
Patricia Mining Corp.
Lochalsh PROJECT
Wawa, Ontario
Location Map
November 2004

Figure 1

CLAIM MAP - LOCHALSH PROJECT

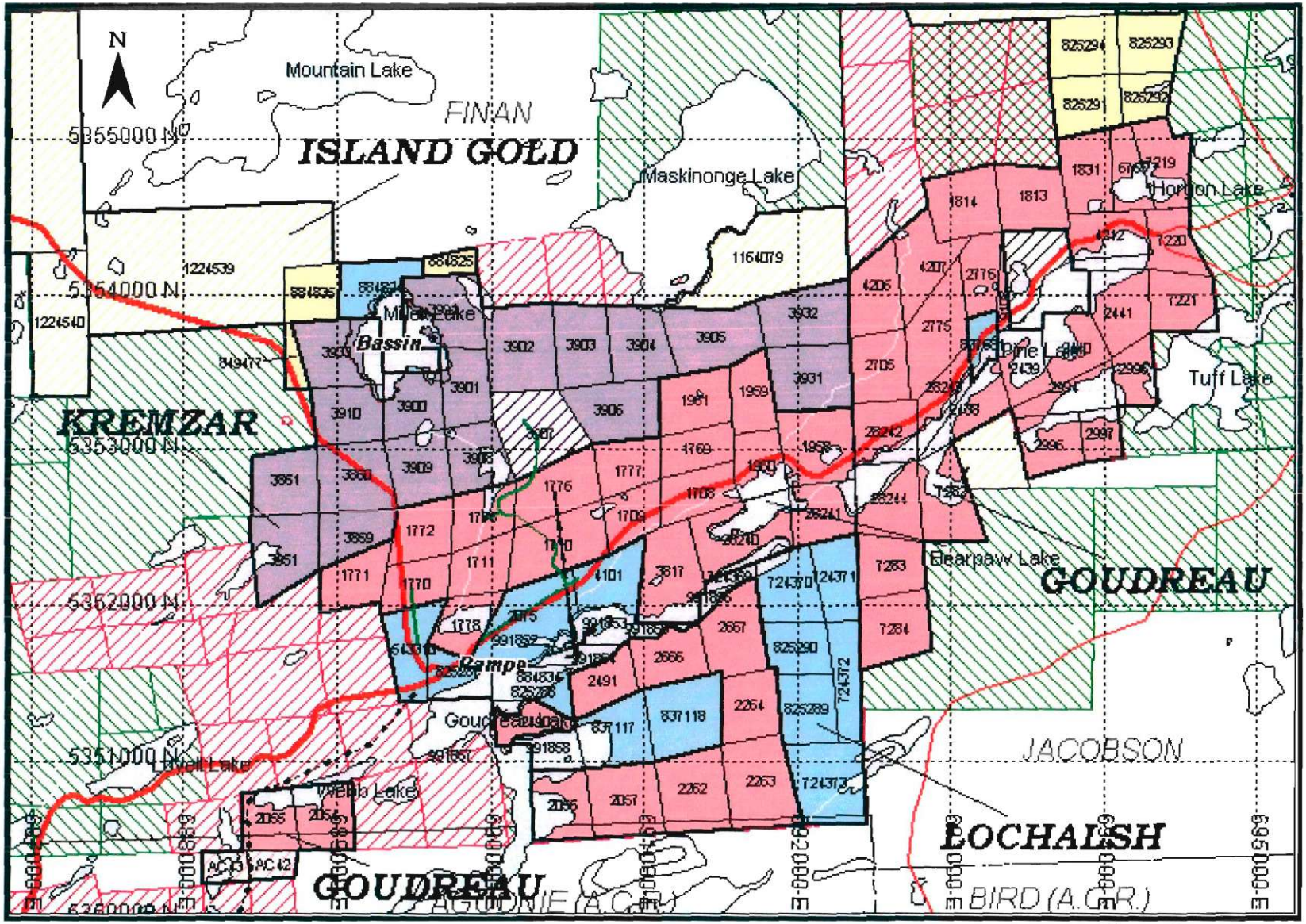


Figure 2

PROPERTY GEOLOGY AND MINERALIZATION

The Lochalsh Gold project is underlain by altered and deformed intrusive and metavolcanic rocks belonging to the Michipicoten Greenstone Belt (MGB) inside the Wawa sub-province of the Superior province of Archean age (figure 3).

The Lochalsh Project is underlain mainly by northeast striking felsic to intermediate metavolcanic rocks that include quartz-feldspar porphyry, intermediate schist, lapilli tuff and tuff breccia (figure 4). Mafic metavolcanic rocks occur to the north and structurally overlie the felsic metavolcanic rocks. The mafic rocks are mainly massive but locally display pillowed and brecciated textures. Mafic volcanic rocks are also reported in the southern part of the project area. The property hosts the Goudreau Iron Range, which is a regionally continuous marker described as a pyrite rich iron formation. This unit occurs between the Wawa (felsic rock) and Catfish (mafic metavolcanic) formation, two important assemblages of the MGB. Northwest trending diabase dikes crosscut all stratigraphy.

The Webb Lake Stock, a felsic intrusive sill intrudes the felsic tuff in the project area. This intrusion has variously been described to be monzonite, quartz-feldspar porphyry, trondhjemite or granodiorite in composition. The intrusion is elongated northeasterly and dips steeply towards the north. All the gold mineralization on the Magino Mine is reported to be hosted in the northern body of the Webb Lake Stock.

Also, on the property, the supracrustal and intrusive rocks have been considerably altered along a regional deformation structure referred to as the Goudreau Lake Deformation Zone (GLDZ). The GLDZ is up to 4.5 km in width and has been traced for more than 25 km. The GLDZ strikes east to northeast and is steeply dipping in a gentle accurate fashion, sub parallel to the stratigraphy. The GLDZ is comprised of systematically arranged brittle-ductile and brittle shear zones that range in width from a few millimetres up to several meters.

The GLDZ hosts the gold mineralization within the quartz-sericite-pyrite-carbonate alteration zones. A continuous 900 m long mineralised structure marked by alteration and gold value of one gram per tonne or more is indicated in the drill core from the Lochalsh Zone to the Island Zone. Within this broad mineralized structure, lenses of higher grade mineralization are present. These include several lenses at the Island Zone, the Lochalsh Zone and the area between them. The lenses are generally narrow (0.5 to 2 meters), with variable strike lengths ranging from 10 X 20 m to 55 X 65 m with an average of 25 X 45 m and dominantly eastward although variable subvertical plunges.

The GLDZ hosts the Island Deposit, Lochalsh, Goudreau, North Shear, and Shore Zones in the project area. Past producing mines associated with the GLDZ are the Magino Mine to the southwest, the Edwards Mine to the northeast, and the Cline Mine to the northeast.

Lochalsh zone

The Lochalsh Zone has a 350 m strike length between a depth of 100 m and 220 m below the surface. The geology of the Lochalsh Zone is the same as the geology of the Island Zone. The two main subzones at the Lochalsh Zone were named O and Q by Canamax, and appear to correspond to the B, C, D or E zones at the Island Zone.

REGIONAL GEOLOGY MAP - LOCHALSH PROJECT

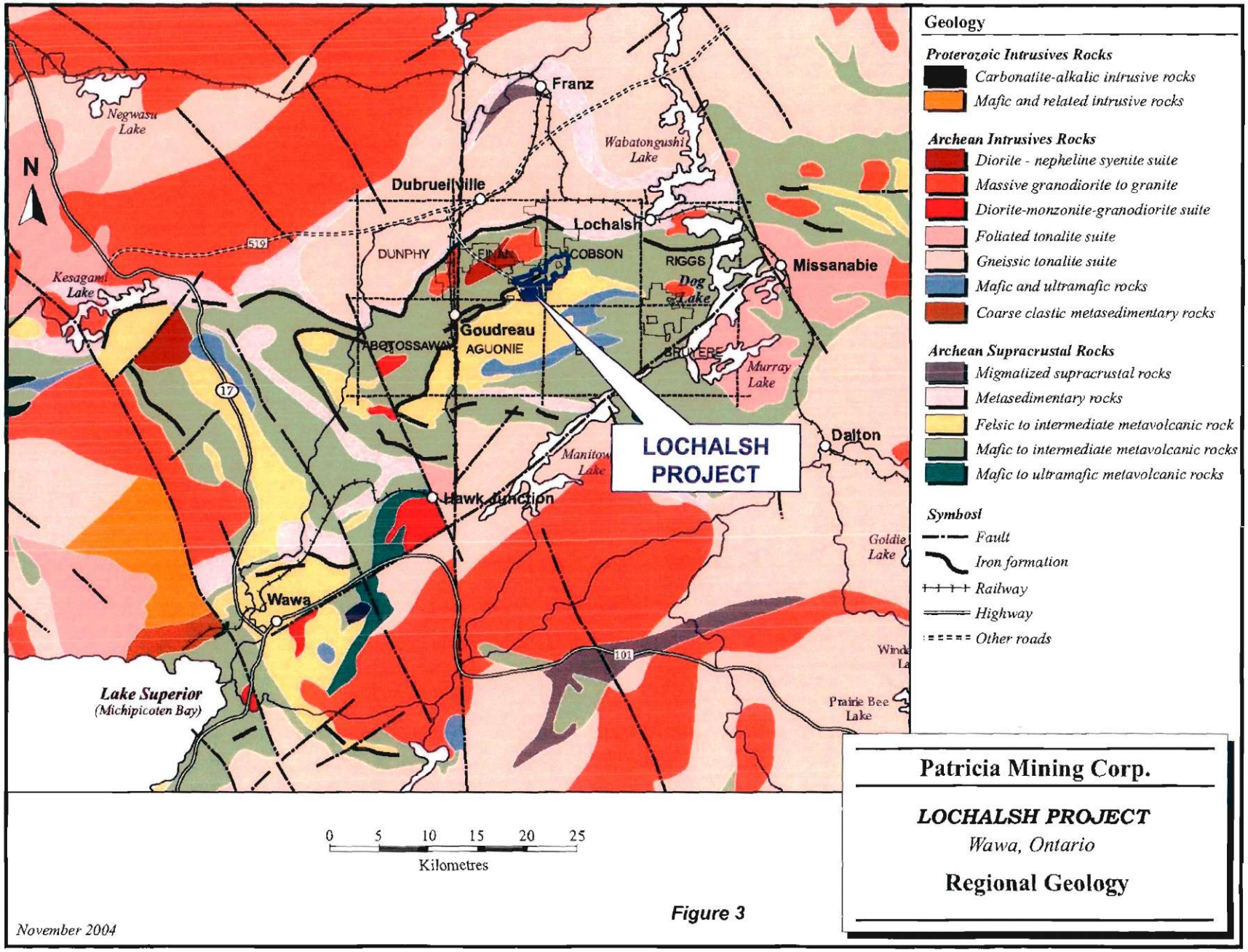


Figure 3

Patricia Mining Corp.

LOCHALSH PROJECT

Wawa, Ontario

Regional Geology

November 2004

GEOLOGIC MAP - LOCHALSH PROJECT

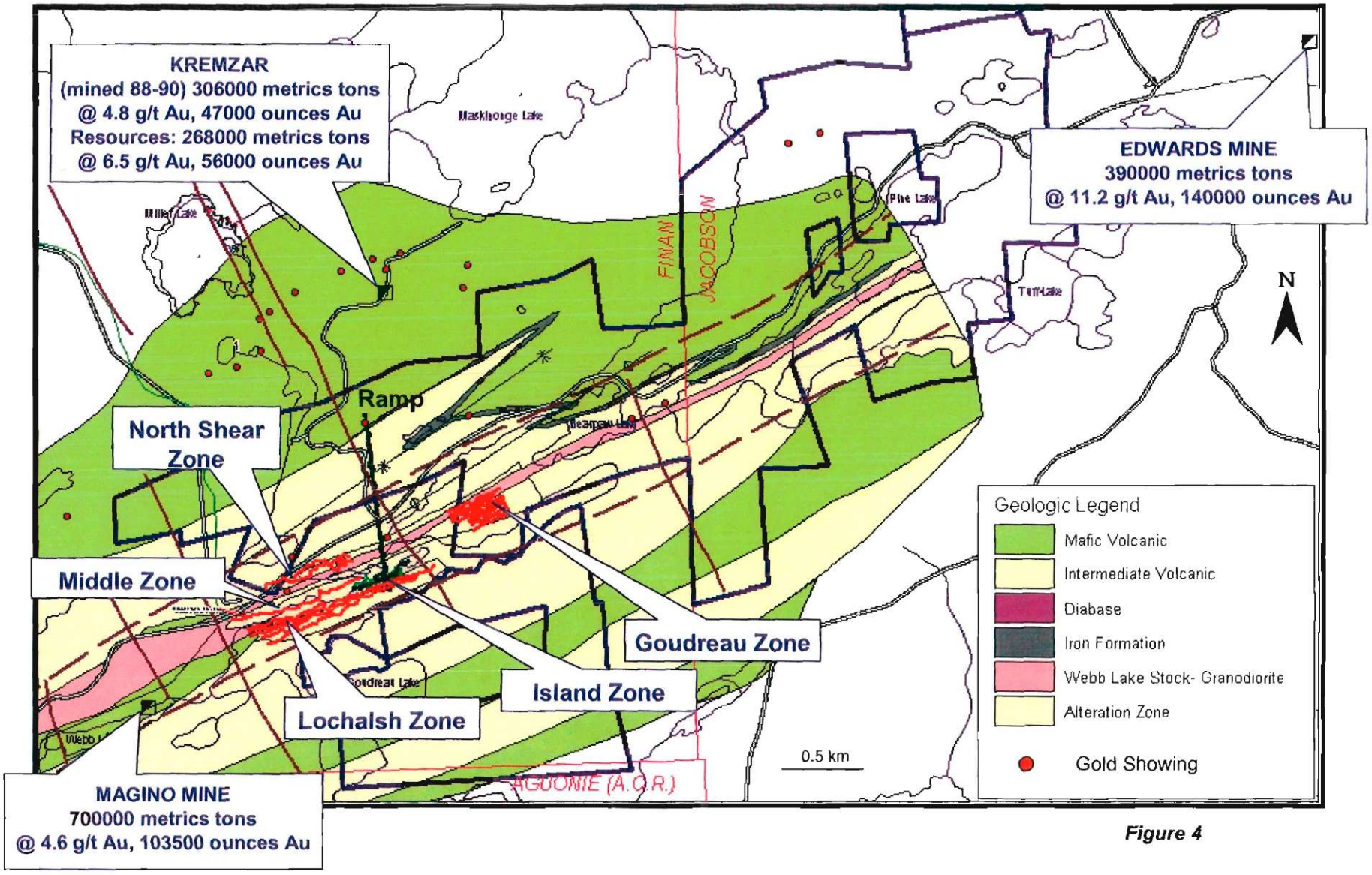


Figure 4

Six mineralized zones, named from South to North, A, B, CD, E, E1 and E2, are now recognized in the Lochalsh Zone. Just North of the Lochalsh Zone, there is also the Middle one where two mineralized zones are recognized : MS and MN.

Gold mineralization is associated with laminated silica/sericite/pyrite banding with grey-white quartz veinlets parallel to the foliation. Visible gold is observed as specks or clouds in the ribboned banded veinlets and stringer veins which also show a crenulated (sigmoidal) folding habit with core angle to dip measurements varying up to 20° from foliation. Pervasive silicification, seritization and recrystallized pyrite correlate with strong strain deformation where sigmoidal (S-type) shear fabrics are observed.

The envelope varies in thickness from four to eight metres. Discrete alteration zones are characterized by a progressive change from moderately sericitized, carbonatized, pyritized host lithotypes to pervasive silicification and pyritization of host lithotypes with the primary fabric unrecognizable. Pyrite content can range from 2 to 10% where a ribbon-banded fabric containing fine-grained and coarse-grained cubes or aggregates is observed.

Four types of quartz veining have been observed and are described as follows:

1. Opalescent, greyish white veining or flooding; well defined ribbon-banded fabric to diffuse margins (1 to 50 cm); pyritized stringers common with VG in clouds with recrystallized pyrite; boudinaged and parallel to foliation.

2. Greyish, white veining with well defined margins; sulphide-poor; mm to cm-scale with VG observed as specks or clouds; veins angled 15° to 20° from foliation.

3. Milky white veining +/- chlorite and calcite; trace chalcopyrite, pyrrhotite, pyrite; cm to m-scale with stringers/flat tension veins common.

4. Quartz/chlorite/calcite/tourmaline stringer veins; trace chalcopyrite, pyrrhotite, pyrite, arsenopyrite, and molybdenite.

In 1996 and 1997, Patricia did most of its drilling between the Island and Lochalsh Zones. In this intermediate area, the alteration zone, as well as the grades and thickness of the subzones, appears to be generally weaker than the Lochalsh Zone and Island Zone. Some deep holes drilled by Patricia indicate the probable down dip extension of the zones on section 14,650E at 500 m below surface (47.5 g/t Au over 1.55 m in PL-16 at 614 m and 9.1 g/t Au over 1.95 m in PL-17 at 684 m).

North Shear Zone

The North Shear Zone has only recently been recognized as a major structure as a result of work carried out by Patricia in 1999, 2001 and 2002. This work confirmed the continuity of the main structure westward to 14,350E (at the intersection of the Secondary Pond Fault) and eastward through the Island Gold Ramp to 14,800E. The North Shear Structure is marked by a persistent brittle shearing deformation consisting of en-echelon

quartz/tourmaline stringer veining and stockworks containing visible gold, minor pyrite, and trace chalcopyrite. Rocks within the zone are often highly strained, crenulated, silicified and sericitized. The quartz/tourmaline veining occurs within the central to north portion of the Webb Lake Granodiorite Sill trending sub-parallel and locally transgressing formational contacts that dip at approximately -80° to the north.

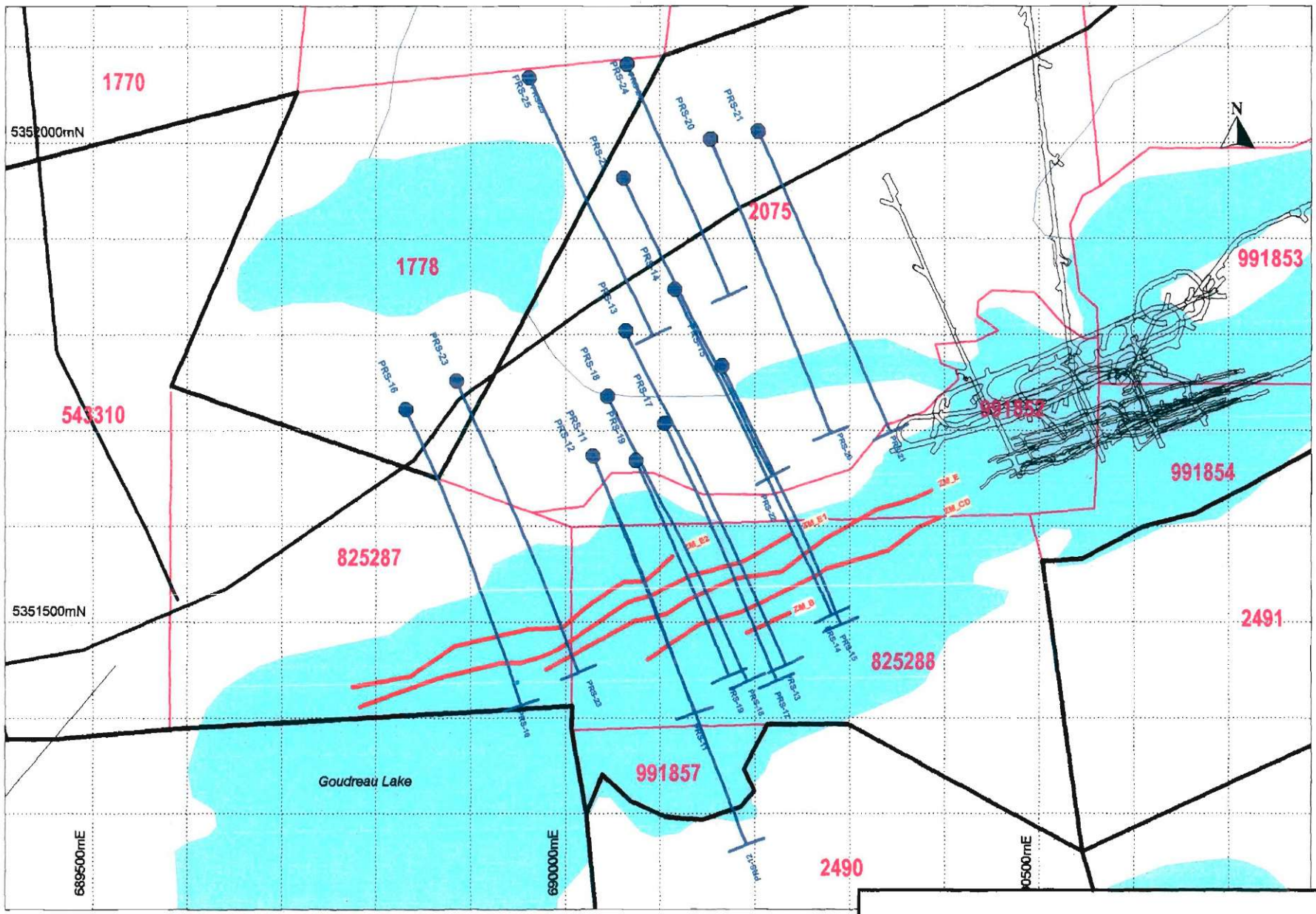
During the 2004, Patricia surface diamond drill hole program, drill holes PR-04-01, 2, 3, 4, 5, 6, 7, and 9 intersected the North Shear Zone over a strike length of 1,100 m from section 14,200E to section 15,300E, piercing the down dip extension of the zone up to 350 m below surface. The North Shear Zone is generally located along the north contact and transgresses into the Webb Lake Granodiorite Sill and is characterized by brittle shearing deformation extending along strike for approximately one kilometre. The gold mineralization is hosted in chlorite/quartz/tourmaline stringer and stockwork veining up to 25 m in width, accompanied by silicification, seritization, and pyritization of the felsic flows, and granodiorite host rocks. This pervasive shear structure dips from –75° to –80° to the north.

In 2005, the 140 level vent drift development crosscut perpendicularly the North Shear. The shear dip 65° to 70° north and seem to be following the contact between the Webb Lake Granodiorite Sill and a massive feldspar porphyry unit. The shear shows a moderate to strong schistosity subparallel to the contacts. And as previously observed by Patricia, the deformation transgresses inside the granodiorite. At the level of the vent drift, only a strong chlorite and carbonate alteration is present. A massive milky quartz vein containing coarse pyrite and tourmaline was observed. Grab samples yielded only anomalous assays.

Three other well defined shear zones were crosscut by the vent drift. The northernmost shear yielded significant values. The east drift wall yielded 55.62 g/t Au over 2.3 m uncut and the east wall 9.52 g/t Au over 1.8 m. The highest gold values were associated with grey opalescent veining and quartz flooding with visible gold. These three shear zones are recognizable due to strong deformation with silica and sericite alteration. The pyrite content ranges from 2 to 10%. These shear zones are systematically dipping northward. Between the shear zones, and easily recognizable at the back of the drift, a system of en-echelon quartz/tourmaline veins are present.

2006 DRILLING WORK COMPLETED

A drilling program consisting of 15 holes for 6,891 metres was completed (annex II, III and table 1). Ten holes, PRS-11 to PRS-19 and PRS-23, had for objective to verify the depth and lateral extensions of the Lochalsh gold zones and verified the Richmont Mines/Patricia's interpretation. The other holes, PRS-20 to PRS-22, had for objective to verify the extension of the North Shear zone and PRS-24 and 25 were more to explore others mineralized zones North of the Webb Lake granodiorite (figure 5). The drill holes were planned to test the staking of parallel veins in the zones to maximize the investments (figure 6). An NQ size drill hole was used. The start of the program was performed from April 24 to September 4, 2006. Orbit Drilling from Val-d'Or was the drilling contractor. A total of 3,395 samples were taken, shipped and analyzed by Accurassay Laboratories from Thunder Bay and by Swastika Laboratories Ltd from Swastika (appendix IV and V).



RICHMONT

LOCHALSH PROPERTY

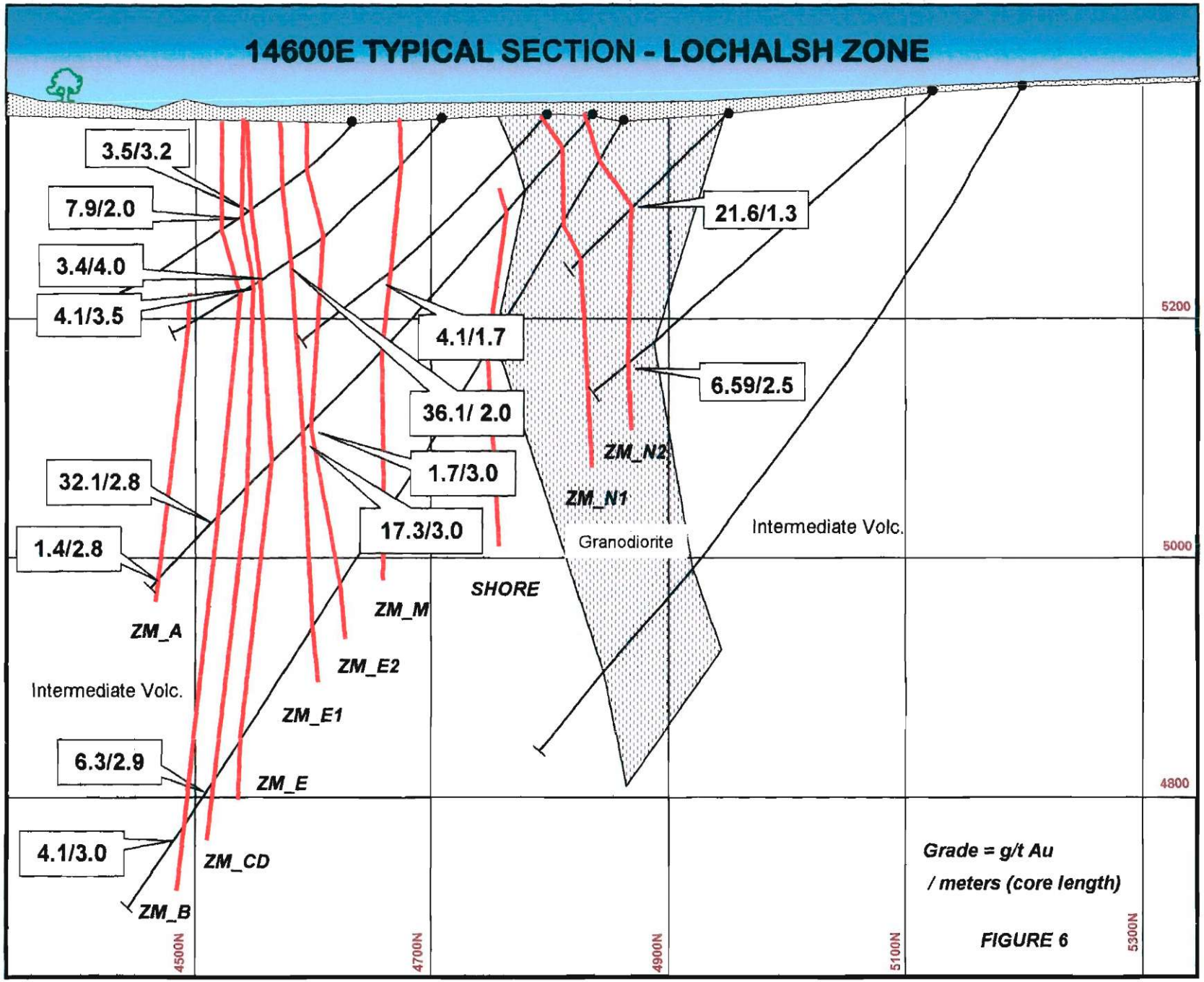
Surface Map - Lochalsh Zone

UTM nad83, zone 16

April 2, 2008

Figure 5

LC_DdhLocation.WOR


14600E TYPICAL SECTION - LOCHALSH ZONE
3.5/3.2
7.9/2.0
3.4/4.0
4.1/3.5
4.1/1.7
36.1/ 2.0
1.7/3.0
17.3/3.0
32.1/2.8
1.4/2.8
6.3/2.9
4.1/3.0
21.6/1.3
6.59/2.5
ZM_N2
ZM_N1
Granodiorite
Intermediate Volc.
SHORE
ZM_M
ZM_A
ZM_E2
ZM_E1
ZM_E
ZM_CD
ZM_B
Intermediate Volc.
5200
5000
4800
4500N
4700N
4900N
5100N
5300N
Grade = g/t Au
/ meters (core length)
FIGURE 6

Chris Moreton (P.Geo) and Pierre Vincent (Geo), qualified persons, described the core and supervised the field program. Jules Riopel, Geology and Exploration Manager of Richmont Mines, supervised the program. The drill hole azimuth is based on the grid north which is 22 west from the true north.

TABLE 1

Hole	X Mine (meter)	Y Mine (meter)	UTM LCOX	UTM LOCY	Azimuth Grid/TN	Dip	Length (meter)	Assays
PRS-11	14500	4746	690028.754	5351673.36	180	-50	448	353
PRS-12	14500	4746	690028.754	5351673.36	180	-44	554	358
PRS-13	14585	4851	690063.447	5351803.97	180	-47	564	398
PRS-14	14650	4869	690115.431	5351846.94	180	-46	561	268
PRS-15	14663	4776	690165.272	5351767.36	180	-45	408	76
PRS-16	14340	4871	689831.635	5351722.19	180	-45	459	215
PRS-17	14583	4746	690104.495	5351707.31	180	-48	414	269
PRS-18	14540	4796	690044.826	5351735.39	180	-45	450	269
PRS-19	14540	4623	690074.634	5351668.75	180	-45	349.4	163
PRS-20	14748	4997	690152.624	5352003.801	180	-45	462	104
PRS-21	14798	4984	690203.574	5352012.35	180	-45	479	177
PRS-22	14648	4997	690061.34	5351962.969	180	-45	498	189
PRS-23	14401	4876	689885.276	5351751.66	180	-45	471	260
PRS-24	14700	5104	690065.118	5352081.876	180	-45	378	167
PRS-25	14600	5133	689961.993	5352067.516	180	-42	396	129
Total							**6891.4**	**3395**

RESULTS

The drilling program has allowed us to better understand and define the geometry of the Lochalsh and Middle zones. Table 2 shows the main results (ZM : A, B, CD, E, E1 and E2 for Lochalsh ; M, MN and MS for Middle).

The five holes drilled more to the North have cut the North shear zone just at the Northern contact of the granodiorite with some mineralized zones inside the sill and also at the southern contact. Some small low grade mineralized zones have also been cut between the sill and the Lochalsh zones, they could be associated to the Shore or the Middle zones.

TABLE 2							
2006 Drilling Results							
Drill hole	Interval From (m)	To (m)	Core length (m)	ZONE-ID	True thickness (m)	Gold grade (g/t)	Gold grade cut (g/t)
PRS-11	228,5	231	2,5	ZM_E2	1,85	9,25	9,25
PRS-11	253,62	256,21	2,59	ZM_E1	1,94	50,48	15,15
PRS-11	289,32	295,32	6	ZM_E	4,57	0,91	0,91
PRS-11	335,3	337,96	2,66	ZM_CD	2,04	3,26	3,26
PRS-12	118,87	121,78	2,91	ZM_MN	2,35	4,50	4,50
PRS-12	126,41	129,79	3,38	ZM_MS	2,74	2,79	2,79
PRS-12	194,76	197,16	2,4	ZM_E2	2,04	25,70	15,51
PRS-12	240,85	244,3	3,45	ZM_E	3,00	0,50	0,50
PRS-12	274,89	277,39	2,5	ZM_CD	2,19	2,50	2,50
PRS-12	298,37	301,98	3,61	ZM_B	3,18	0,43	0,43
PRS-13	282	287,6	5,6	ZM_MS	4,29	0,42	0,42
PRS-13	361,9	367	5,1	ZM_E2	3,94	0,39	0,39
PRS-13	383,04	386	2,96	ZM_E1	2,30	17,54	16,01
PRS-13	458	460,9	2,9	ZM_CD	2,30	0,58	0,58
PRS-13	495	502	7	ZM_B	5,56	22,94	18,02
PRS-13	553,2	556,5	3,3	ZM_A	2,63	1,24	1,24
PRS-14	285,45	289	3,55	ZM_MS	2,65	0,76	0,76
PRS-14	363,6	373,16	9,56	ZM_E2	7,24	0,54	0,54
PRS-14	430	435,8	5,8	ZM_E1	4,45	0,29	0,29
PRS-14	465	468,05	3,05	ZM_E	2,34	0,36	0,36
PRS-14	498,4	501	2,6	ZM_CD	2,01	2,14	2,14
PRS-14	530,1	534,5	4,4	ZM_B	3,41	1,24	1,24
PRS-15	152,7	159	6,3	ZM_MN	4,93	0,91	0,91
PRS-15	168	171	3	ZM_MS	2,35	1,45	1,45
PRS-15	277,87	281	3,13	ZM_E1	2,55	1,12	1,12
PRS-15	350,57	354,3	3,73	ZM_B	3,16	0,63	0,63
PRS-17	125,4	129	3,6	ZM_MN	2,74	0,77	0,77
PRS-17	133	138,5	5,5	ZM_MS	4,20	1,40	1,40
PRS-17	237	239,5	2,5	ZM_E1	2,01	4,26	4,26
PRS-17	259,5	262	2,5	ZM_E	2,03	8,04	8,04
PRS-17	307,6	310,6	3	ZM_CD	2,47	0,18	0,18
PRS-17	354	356,8	2,8	ZM_A	2,32	0,27	0,27
PRS-18	177	183	6	ZM_MN	4,68	17,04	7,03
PRS-18	201	203,52	2,52	ZM_MS	1,95	0,62	0,62
PRS-18	255	263,4	8,4	ZM_E2	6,81	1,19	1,19
PRS-18	288,8	293,15	4,35	ZM_E1	3,61	13,01	10,08
PRS-18	315,25	318,5	3,25	ZM_E	2,72	0,28	0,28
PRS-18	357,4	360	2,6	ZM_CD	2,21	23,22	23,22
PRS-19	93,6	97,38	3,78	ZM_M	2,89	4,26	4,26
PRS-19	150,7	154,3	3,6	ZM_E2	2,81	0,24	0,24
PRS-19	193,3	195,55	2,25	ZM_E1	1,77	16,96	16,96
PRS-19	237,7	241,8	4,1	ZM_E	3,28	1,11	1,11
PRS-19	264	266,5	2,5	ZM_CD	2,00	26,75	25,18
PRS-20	223,7	226	2,3	North?	1,81	12,12	10,09
PRS-20	300,9	303	2,1	shore?	1,60	1,69	1,69
PRS-20	387	389,3	2,3	Central?	1,75	2,30	2,30
PRS-21	303	345	42	shore?	31,45	0,25	0,25
PRS-21	385	389,57	4,57	ND	3,48	0,37	0,37
PRS-21	451	460,5	9,5	ZM_M	7,49	0,43	0,43
PRS-22	172,5	185	12,5	North?	8,96	1,96	1,96
PRS-22	193,5	200,4	6,9	North?	4,94	0,67	0,67
PRS-22	241,3	248,8	7,5	ND	5,33	0,77	0,77
PRS-22	472,5	473,45	0,95	ZM_M	0,69	1,80	1,80
PRS-23	21	70,5	49,5	North?	38,25	0,26	0,26
PRS-23	411	414	3	ZM_E2	2,28	1,10	1,10
PRS-23	421	427	6	ZM_E1	4,56	1,79	1,79
PRS-23	452	455	3	ZM_E	2,26	0,52	0,52
PRS-24	272,5	317,25	44,75	North?	32,97	0,48	0,48
PRS-24	325,5	329	3,5	North?	2,58	1,88	1,88
PRS-24	363,8	366	2,2	ND	1,62	3,25	3,25
PRS-25	290,5	326,25	35,75	North?	27,44	0,62	0,62
PRS-25	350	352,5	2,5	North?	1,92	6,59	6,59
PRS-25	368	370,1	2,1	North?	1,62	8,74	8,74
PRS-25	380,15	396	15,85	ND	12,22	1,26	1,26

DISCUSSION

GEOLOGY: The current drilling program suggests that the lithologies of the Lochalsh Project area are predominantly altered, deformed and metamorphosed felsic pyroclastic rocks. In fact, the protolith for the bulk of the units was likely to have been a quartz-(feldspar) crystal tuff; fractured crystals, local lapilli and weak graded bedding all suggest that the depositional environment was dominated by felsic pyroclastic ejecta. Inter-fingering of different facies of felsic pyroclastic rocks was probably common although this cannot be easily proven due to the strong overprint of alteration and/or deformation. Feldspar destructive processes during the mineralizing event probably created some of the quartz crystal tuffs. Related intense alteration is responsible for the buff-colored sericite-alteration associated with the gold zones (see below), as well as the strong chloritic overprint. The latter is locally intense, so much so that these rocks are sometimes referred to as greenstones.

Within this package of felsic rocks there are other lesser units: minor mafic units (diabasic in places) and associated magnetite-rich iron-formation layers have been documented (see the drill logs for further details). Some of these mafic layers may be sub-volcanic sills since they are altered, foliated and have contacts parallel to the main layering. There are other late-dykes cross-cutting the stratigraphy but these tend to have a fresher appearance, no fabric and they cut the geology at a high angle.

The eastern extension of the Webb Lake granodiorite is present in many of the 2006 drill holes. This unit has distinct blue-colored quartz crystals and albitised feldspars. Chloritic pseudomorphs of primary mafic minerals are relatively common, as are locally intense tourmaline-rich alteration zones (the latter are probably related to the gold-rich mineralizing event). The presence of blue quartz crystals suggests that the Webb Lake intrusion is the sub-volcanic feeder since some of the felsic pyroclastic rocks contain an abundance of blue quartz crystals. Minor molybdenite is present in both the matrix of the granodiorite and in younger cross-cutting quartz veins.

ALTERATION, MINERALIZATION AND STRUCTURE:

Into the Lochlash and Middle zones, the main mineralized units consist of alteration zone of moderate to intensively deformed rocks with discrete alteration zones progressively changing from moderately sericitized, carbonitized and pyritized host lithotypes to pervasive silicification and pyritization with primary fabric unrecognizable with the development of mylonite and ribbom-banded (mm to cm width). Pyrite content from 3 to 5 % with fine grains to coarse grained cubes or aggregates can be observed with sometimes pyrrhotite and tourmaline. There are numerous opalescent, greyish white quartz veining or flooding with well defined ribbom-banded fabric to diffuse margins (1 to 10 cm) with pyritized stringers parallel to foliation. Visible gold can be observed within quartz veins or veinlets.

Into the North Shear Zone, the main mineralized units consist of altered sections inside the shear zones located at the Northern and Southern contacts of the Webb lake granodiorite sill. The altered units are similar to those of the Lochalsh and Middle zones. Also, some mineralized and altered shear zone have been cut into the intermediate volcanic quartz-feldspar porphyritic rocks located to the North of the granodiorite but near the sill.

Inside the Webb Lake granodiorite, there are shear zones with greyish white quartz veins, with sometimes well defined ribbon banded fabric margin parallel to shistosity, which are mineralized. Gold could be in specks and clouds and is associated with tourmaline, pyrite, pyrrothite, chalcopyrite.

INTERPRETATION

Multiple gold-bearing shear zones are present in the Lochalsh Project area. They lie within the regionally extensive GLDZ and a few of the layers of higher gold-values are continuous enough to define mappable units. In general, the better gold values tend to be associated with the areas of more intense sericitic alteration. The latter is also associated with ankeritic carbonate and/or tourmaline alteration. Gold-enrichment tends to be within an early set of gray-colored quartz veins that have been re-oriented sub-parallel to the main foliation. Similarly, some of these earlier veins are preserved in what appears to be F2 fold closures – these closures are now oriented at a high angle to the main fabric. The macroscopic geometry of the project area is suggestive of tight to isoclinal folds with associated shear-zones developed sub-parallel to the axial surface of these folds. A high fluid content created the sericitic-carbonate alteration zones and probably facilitated the gold mobilization/deposition.

BUDGET

To complete this program of 6 891 meters, an expense of 609 968 $ was invested (annex VI). The average drilling cost by metre is estimated at 88.5 $/metre. This cost includes all the expenses related to the drilling (table 3).

The cost for this program is summarized below:

TABLE 3

Type	Detail	2006 cost estimated
Work performed:	Exploration diamond drilling	433 463 $
	Quantitative assays	37 345 $
Associated costs:	Exploration diamond drilling supplies	3 973 $
	Wood clearing, access road and other	1 722 $
	Core shack rental	11 740 $
	Supervision, staff salary	49 901 $
	Consultant	64 215 $
Lodging cost :	Transportation and lodging	4 539 $
Transportation costs :	Vehicule rental	3 069 $
Estimated total expense		**609 968 $**

CONCLUSIONS AND RECOMMENDATIONS

The 2006 drilling program increased the confidence level for the gold-bearing mineral resource in the Lochalsh Project area. As an in-fill drilling program it confirmed the existing geological picture and it also intersected some additional high-grade zones. A few of the latter are open down-plunge and it is recommended that these areas be drill-tested at the earliest opportunity. In particular, the area down plunge to hole PRS-13 which have good intercept in the B and E1 mineralized zones.

This report was sign: Ghislain Desch Geo #1513

GHISLAIN DESCHÊNES, P. Geo

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GHISLAIN DESCHENES
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ANNEX I

List of claims

PROJECT	NTS	TWP	TYPE	CLAIM	DATE_REC	DATE_EXP	DATE_DUE	AREA (HE)	TOTAL_RES	TAX	WORK REQ	UNIT
GOUDREAU	42C08	Riggs	OPA	1087				15,54	0,00 $	62,16 $	0,00 $	
GOUDREAU	42C08	Riggs	OPA	1088				16,84	0,00 $	67,34 $	0,00 $	
GOUDREAU	42C08	Riggs	OPA	1114				16,88	0,00 $	67,50 $	0,00 $	
GOUDREAU	42C08	Riggs	OPA	1149				13,44	0,00 $	53,74 $	0,00 $	
GOUDREAU	42C08	Finan	OCL	1164079	1996-08-20	2012-08-20	2012-08-20	48,44	0,00 $	0,00 $	1 200,00 $	3
GOUDREAU	42C08	Finan	OPA	1708				15,90	0,00 $	63,62 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1709				12,91	0,00 $	51,64 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1710				23,51	0,00 $	94,05 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1711				12,79	8 790,00 $	51,15 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1769				12,91	0,00 $	51,64 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1770				12,14	0,00 $	48,56 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1771				12,79	0,00 $	51,15 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1772				14,77	0,00 $	59,08 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1775				13,80	0,00 $	55,20 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1776				19,43	0,00 $	77,70 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1777				13,68	0,00 $	54,71 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1778				12,51	0,00 $	50,02 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	1813				18,54	0,00 $	74,14 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	1814				18,25	0,00 $	73,00 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	1831				16,71	0,00 $	66,86 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1958				21,64	0,00 $	86,56 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1959				12,79	0,00 $	51,15 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1960				13,26	0,00 $	53,03 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	1961				16,47	0,00 $	65,88 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2054				14,10	0,00 $	56,40 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2055				13,78	0,00 $	0,00 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2056				9,05	0,00 $	36,18 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2057				19,76	0,00 $	79,04 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2262				20,86	0,00 $	83,45 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2263				24,96	0,00 $	99,83 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2264				16,01	0,00 $	64,04 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2438				14,56	0,00 $	58,27 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2439				13,35	0,00 $	53,42 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2440				14,97	0,00 $	59,90 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2441				17,81	0,00 $	71,22 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2490				9,31	0,00 $	37,23 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2491				13,76	23 469,00 $	55,04 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2666				15,38	0,00 $	61,51 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	2667				19,83	0,00 $	79,32 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2705				15,14	0,00 $	60,54 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2775				18,48	0,00 $	73,93 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2776				12,34	0,00 $	49,37 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	28240				14,44	0,00 $	57,76 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	28241				12,19	0,00 $	48,76 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	28242				12,03	0,00 $	48,12 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	28243				6,39	0,00 $	25,56 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	28244				14,77	0,00 $	59,08 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2994				12,55	0,00 $	50,18 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2995				11,74	0,00 $	46,94 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2996				14,97	0,00 $	59,89 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	2997				10,52	0,00 $	42,09 $	0,00 $	
GOUDREAU	42C08	Finan	OPA	3817				21,04	339 226,00 $	86,18 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	4206				15,86	0,00 $	63,46 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	4207				17,69	0,00 $	70,74 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	4212				16,59	0,00 $	66,37 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	6765				11,82	0,00 $	47,27 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	7219				16,35	0,00 $	65,40 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	7220				17,64	0,00 $	70,58 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	7221				17,40	0,00 $	69,60 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	7282				19,59	0,00 $	76,35 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	7283				15,95	0,00 $	63,78 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	7284				18,98	0,00 $	75,92 $	0,00 $	
GOUDREAU	42C08	Jacobson	OPA	9108				3,44	0,00 $	13,76 $	0,00 $	
GOUDREAU	42C08	Aguonie	OPA	AC42				5,53	0,00 $	0,00 $	0,00 $	
GOUDREAU	42C08	Aguonie	OPA	AC43				6,16	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OPA	2075				24,73	274 100,00 $	98,94 $	0,00 $	
LOCHALSH	42C08	Finan	OPA	4101				12,95	54 441,00 $	51,80 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	543310	1988-07-01	2009-06-30	2009-06-30	16,43	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	724369	1990-05-01	2011-04-30	2011-04-30	2,81	5 773,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	724370	1990-02-01	2011-01-30	2011-01-30	18,07	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	724371	1990-02-01	2011-01-30	2011-01-30	14,43	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	724372	1990-02-01	2011-01-30	2011-01-30	14,55	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	724373	1990-02-01	2011-01-30	2011-01-30	24,47	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	825287	1988-07-01	2009-06-30	2009-06-30	11,54	21 557,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	825288	1988-07-01	2009-06-30	2009-06-30	12,33	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	825289	1990-02-01	2011-01-30	2011-01-30	16,32	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	825290	1990-02-01	2011-01-30	2011-01-30	13,68	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Jacobson	OCL	825291	1985-02-06	2012-02-06	2009-02-06	15,81	0,00 $	0,00 $	400,00 $	1
LOCHALSH	42C08	Jacobson	OCL	825292	1985-02-06	2012-02-06	2009-02-06	9,98	0,00 $	0,00 $	400,00 $	1
LOCHALSH	42C08	Jacobson	OCL	825293	1985-02-06	2012-02-06	2009-02-06	15,17	0,00 $	0,00 $	400,00 $	1
LOCHALSH	42C08	Jacobson	OCL	825294	1985-02-06	2012-02-06	2009-02-06	17,57	0,00 $	0,00 $	400,00 $	1
LOCHALSH	42C08	Finan	OLE	837117	1988-07-01	2009-06-30	2009-06-30	18,55	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	837118	1988-07-01	2009-06-30	2009-06-30	22,27	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Jacobson	OLE	837681	1991-04-01	2012-03-31	2012-03-31	5,47	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OCL	849477	1985-04-25	2012-04-25	2009-04-25	4,43	0,00 $	0,00 $	400,00 $	1
LOCHALSH	42C08	Finan	OLE	884824	1988-07-01	2009-06-30	2009-06-30	14,36	0,00 $	43,09 $	0,00 $	
LOCHALSH	42C08	Finan	OCL	884825	1986-03-26	2012-03-26	2009-03-26	5,04	0,00 $	0,00 $	400,00 $	1
LOCHALSH	42C08	Finan	OLE	884834	1988-07-01	2009-06-30	2009-06-30	11,00	0,00 $	33,01 $	0,00 $	
LOCHALSH	42C08	Finan	OCL	884835	1986-03-26	2012-03-26	2009-03-26	12,62	0,00 $	0,00 $	400,00 $	1
LOCHALSH	42C08	Finan	OLE	991852	1990-05-01	2011-04-30	2011-04-30	5,31	5 773,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	991853	1990-05-01	2011-04-30	2011-04-30	8,52	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	991854	1990-05-01	2011-04-30	2011-04-30	3,43	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	991855	1990-05-01	2011-04-30	2011-04-30	2,51	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	991856	1990-05-01	2011-04-30	2011-04-30	1,95	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	991857	1990-02-01	2011-01-30	2011-01-30	1,62	0,00 $	0,00 $	0,00 $	
LOCHALSH	42C08	Finan	OLE	991858	1990-02-01	2011-01-30	2011-01-30	8,64	0,00 $	0,00 $	0,00 $	