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Appendix VIII

NI43-101 Resource Estimate Report

Report to:

FOUNDATION RESOURCES INC.

ALTO VENTURES LTD.

Technical Report and Resource Estimate on the Osmani Gold Deposit, Coldstream Property, Northwestern Ontario

Document No. 1192010100-REP-R0001-05

Report to:

FOUNDATION RESOURCES INC.

ALTO VENTURES LTD.

TECHNICAL REPORT AND RESOURCE ESTIMATE ON THE OSMANI GOLD DEPOSIT, COLDSTREAM PROPERTY, NORTHWESTERN ONTARIO

EFFECTIVE DATE: DECEMBER 12, 2011

Prepared by Todd McCracken, P.Geo.

TETRA TECH WARDROP

330 Bay Street, Suite 900, Toronto, ON M5H 2S8
Phone: 416-368-9080 Fax: 416-368-1963

Report to:

FOUNDATION RESOURCES INC.

ALTO VENTURES LTD.

TECHNICAL REPORT AND RESOURCE ESTIMATE ON THE OSMANI GOLD DEPOSIT, COLDSTREAM PROPERTY, NORTHWESTERN ONTARIO

EFFECTIVE DATE: DECEMBER 12, 2011

Prepared by	*"Original document signed and sealed by Todd McCracken, P.Geo."* Todd McCracken, P.Geo.	Date	December 12, 2011
Reviewed by	*"Original document signed and sealed by Jeff Wilson, Ph.D., P.Geo."* Jeff Wilson, Ph.D., P.Geo.	Date	December 12, 2011
Authorized by	*"Original document signed and sealed by Jeff Wilson, Ph.D., P.Geo."* Jeff Wilson, Ph.D., P.Geo.	Date	December 12, 2011

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REVISION HISTORY

REV. NO	ISSUE DATE	PREPARED BY AND DATE	REVIEWED BY AND DATE	APPROVED BY AND DATE	DESCRIPTION OF REVISION
00	2011/11/15	Todd McCracken	Jeff Wilson	Jeff Wilson	Draft to Client
01	2011/12/14	Todd McCracken	Jeff Wilson	Jeff Wilson	Final Report
02	2011/12/22	Todd McCracken	Jeff Wilson	Jeff Wilson	Final Report w/ amendments
03	2011/12/22	Todd McCracken	Jeff Wilson	Jeff Wilson	Final Report w/ amendments
04	2011/01/27	Todd McCracken	Jeff Wilson	Jeff Wilson	Final Report w/ amendments
05	2011/02/01	Todd McCracken	Jeff Wilson	Jeff Wilson	Final Report w/ amendments

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UNITS OF MEASURE

above mean sea level	amsl
acre	ac
ampere	A
annum (year)	a
billion	B
billion tonnes	Bt
billion years ago	Ga
British thermal unit	BTU
centimetre	cm
cubic centimetre	cm^3
cubic feet per minute	cfm
cubic feet per second	ft^3/s
cubic foot	ft^3
cubic inch	in^3
cubic metre	m^3
cubic yard	yd^3
Coefficients of Variation	CVs
day	d
days per week	d/wk
days per year (annum)	d/a
dead weight tonnes	DWT
decibel adjusted	dBa
decibel	dB
degree	°
degrees Celsius	°C
diameter	ø
dollar (American)	US$
dollar (Canadian)	Cdn$
dry metric ton	dmt
foot	ft
gallon	gal
gallons per minute (US)	gpm
Gigajoule	GJ
gigapascal	GPa
gigawatt	GW
gram	g
grams per litre	g/L
grams per tonne	g/t
greater than	>
hectare (10,000 m^2)	ha
hertz	Hz

horsepower	hp
hour	h
hours per day	h/d
hours per week	h/wk
hours per year	h/a
inch	in
kilo (thousand)	k
kilogram	kg
kilograms per cubic metre	kg/m^3
kilograms per hour	kg/h
kilograms per square metre	kg/m^2
kilometre	km
kilometres per hour	km/h
kilopascal	kPa
kilotonne	kt
kilovolt	kV
kilovolt-ampere	kVA
kilovolts	kV
kilowatt	kW
kilowatt hour	kWh
kilowatt hours per tonne	kWh/t
kilowatt hours per year	kWh/a
less than	<
litre	L
litres per minute	L/m
megabytes per second	Mb/s
megapascal	MPa
megavolt-ampere	MVA
megawatt	MW
metre	m
metres above sea level	masl
metres Baltic sea level	mbsl
metres per minute	m/min
metres per second	m/s
microns	µm
milligram	mg
milligrams per litre	mg/L
millilitre	mL
millimetre	mm
million	M
million bank cubic metres	Mbm^3
million bank cubic metres per annum	Mbm^3/a
million tonnes	Mt
minute (plane angle)	'
minute (time)	min
month	mo

ounce	oz
pascal	Pa
centipoise	mPa·s
parts per million	ppm
parts per billion	ppb
percent	%
pound(s)	lb
pounds per square inch	psi
revolutions per minute	rpm
second (plane angle)	"
second (time)	s
short ton (2,000 lb)	st
short tons per day	st/d
short tons per year	st/y
specific gravity	SG
square centimetre	cm^2
square foot	ft^2
square inch	in^2
square kilometre	km^2
square metre	m^2
three-dimensional	3D
tonne (1,000 kg) (metric ton)	t
tonnes per day	t/d
tonnes per hour	t/h
tonnes per year	t/a
tonnes seconds per hour metre cubed	ts/hm^3
volt	V
week	wk
weight/weight	w/w
wet metric ton	wmt

ABBREVIATIONS AND ACRONYMS

Alto Ventures Ltd.	Alto
Canadian Trillium Resources	Canadian Trillium
copper	Cu
diamond drillhole	DDH
Foundation Resources Inc.	Foundation
global positioning system	GPS
gold	Au
ICP-atomic emission spectroscopy	ICP-AES
induced polarization	IP
inductively coupled plasma	ICP
inverse distance squared	ID2
Letter of Intent	LOI
Ministry of Northern Development and Mines	MNDM
National Instrument 43-101	NI 43-101

National Topographic System	NTS
nearest neighbour	NN
net smelter return	NSR
nickel	Ni
Noranda Inc.	Noranda
ordinary kriging	OK
platinum group metal	PGM
Qualified Person	QP
quality assurance/quality control	QA/QC
rock quality designation	RQD
SJ Geophysics Ltd.	SJ Geophysics
the Coldstream property	the Property
The Other Mining Company (US) Inc.	TOMC
three dimensional resistivity/induced polarization	3DIP
trace	TR
Universal Transverse Mercator	UTM
US Geological Survey	USGS
versatile time domain electromagnetic	VTEM
very-low frequency	VLF
volcanogenic massive sulphide	VMS
Wardrop, a Tetra Tech Company	Tetra Tech

1.0 SUMMARY

The Osmani Gold Deposit (the Project) (formerly known as the East Coldstream Deposit) is located in the Burchell Lake area, approximately 115 km west of Thunder Bay, Ontario.

The Coldstream property (the Property) consists of 71 patented claims and licenses of occupation, and 70 staked claims totalling 6,421 ha. Currently Foundation Resources Inc. (Foundation) owns 60% of the Property, with Alto Ventures Ltd. (Alto) holding the remaining 40%. On November 7, 2011, Foundation and Alto entered into a Letter of Intent, whereby Foundation could acquire the remaining 40% from Alto for $2.5 million over 6 months.

The Property is located within the western Shebandowan Greenstone Belt of the Wawa Subprovince. The Wawa Subprovince is home to some of the largest shear hosted lode gold deposits, volcanogenic massive sulphide (VMS) deposits, and mafic to ultramafic intrusion-hosted nickel (Ni)-copper (Cu)-platinum group metal (PGM) deposits in Canada.

The Property is underlain by Archean mafic and intermediate to felsic metavolcanic rocks which have been intruded sub-concordantly to concordantly by numerous sills and dikes of gabbro, diorite, quartz, and quartz-feldspar porphyries. The mafic metavolcanics and associated synvolcanic gabbroic intrusions dominate the northeastern portion of the Property, felsic to intermediate metavolcanic rocks being the most predominant lithologies in the central and southwestern parts of the Property. Syn- to post tectonic composite granitoid plutons bound the Coldstream claims on virtually all sides.

The North Coldstream-Span-Moss shear zone is a significant northeast-striking regional structure that extends through the Property. The structure is identified as a corridor of variably deformed and altered rocks (sericite, silica, hematite-magnetite, potassium assemblages) of significant strike length. It hosts significant gold (Au) and copper-gold mineralization, both on and adjacent to the Property.

The Osmani Gold Deposit, North Coldstream Mine, and Span Lake prospect are located within the Property, while the Moss Lake Deposit is located immediately southwest of the southernmost claim boundary of the Property.

The past producing North Coldstream Copper-Gold Mine and the Osmani Gold Deposit are located in the northeastern part of the Property. In the western part of the Property is the Span Lake prospect, consisting of nine highly anomalous gold zones. This is located adjacent to the Moss Lake Gold Mines Ltd. gold deposit.

A two-phase drill program was conducted on the Property from January 28 to March 6, 2011 and from June 21 to August 25, 2011. Thirty diamond drillholes, totalling 7,263 m, were drilled on the Osmani Gold Deposit (EC-1 and EC-2 zones).

The focus of this two-phase drill program was to extend both the lateral and down plunge gold continuity of the anomalous Osmani Gold Deposit and to delineate a resource. No diamond drillholes completed during the summer drilling program were included in the resource estimate due to outstanding assays.

The 2011 drilling program consisted of drilling the EC-1 and EC-2 zones of the Osmani Gold Deposit as well as geophysical anomalies in the area. Several of these holes intersected anomalous to highly anomalous gold mineralization beyond the previously defined zones of the Osmani Gold Deposit, suggesting these zones could remain open both at depth and along strike.

The geological dataset generated by Foundation, consisting of data derived from diamond drilling, is deemed to be suitable to support geological interpretation and resource estimation.

The Osmani Gold Deposit mineral resources were developed on two parallel gold-bearing zones at a gold cut-off grade of 0.4 g/t Au, and contain an Indicated Resource of about 3.5 Mt with an average grade of 0.85 g/t Au. An additional Inferred Resource totals 30.5 Mt with an average grade 0.78 g/t Au.

A two-phase exploration program has been recommended on the Coldstream Property. Phase 1 would investigate the strike extension of the current resource for the EC-1 and EC-2 zones to a depth of 350 m vertical, along with completing infill drilling to determine the exact nature of the diabase dike. This will involve diamond drilling with a proposed budget of $435,000.

Phase 2 would investigate other potential zones on the Property, the Goldie zone, Span Lake deposit, Iris zone and Burchell prospect, to a depth of 200 m vertical. This will involve diamond drilling with a proposed budget of $565,000.

2.0 INTRODUCTION

The Project is located in northwestern Ontario, approximately 115 km from Thunder Bay and is currently owned by Foundation.

In February 2011, Wardrop, a Tetra Tech Company (Tetra Tech) was commissioned by Foundation to complete a resource estimate and technical report on the Osmani Gold Deposit (formerly known as the East Coldstream Deposit). The resource estimate is based on the 116 diamond drillholes completed on the Property.

The object of the report is to:

- compile historical work and activities on the Property
- generate a resource estimate on the Osmani Gold Deposit
- complete a technical report on the Osmani Gold Deposit including summarizing all land tenures, exploration history, drilling, and resource estimates
- provide recommendations and budget for additional work on the Osmani Gold Deposit.

This report has been compiled in accordance with National Instrument 43-101 (NI 43-101), Form 43-101F1, and Companion Policy 43-101CP.

All the data files that were reviewed for the report were provided by Foundation in digital format, and access to paper reports and logs was granted when requested. Foundation made its own work available, and compiled historical work conducted by previous operators on the Project.

The author of this report is Mr. Todd McCracken, who is a Geologist with 19 years of experience in exploration and operations. Mr. McCracken visited the Property between March 16 and 17, 2011, inclusive.

Eleven diamond drillholes have been completed within the area covered by the mineral resource subsequent to the site visit in March, and prior to the issues of this technical report. The location of the drillholes and the results of the boreholes have been provided in Section 10. The results of these drillholes have reviewed against the resource model and deemed to have not material impact on the resource model, as the grades in both the drillholes and resource model were similar and would not change any of the resource classification within the resource model. On this basis, the author considers his site visit current, per section 6.2(1) of 43-101CP.

3.0 RELIANCE ON OTHER EXPERTS

Tetra Tech has reviewed and analyzed data and reports provided by Foundation, together with publicly available data, and have drawn its own conclusions, augmented by its direct field examination.

Tetra Tech is relying on reports, opinions and statements from experts who are not Qualified Persons for information concerning legal, environmental, political or other issues and factors relevant to the technical report.

Information from third party sources are quoted in the report and referenced. Neither Tetra Tech or the author of this report are qualified to provide extensive comment on legal issues, including status of tenure associated with the Project referred to in this report. Assessment of these aspects has relied on information provided by Foundation, which has not been independently verified by Tetra Tech.

Foundation provided Tetra Tech with all land ownership details, which was sources from Service Ontario, and the Ministry of Northern Development and Mines (MNDM).

4.0 PROPERTY DESCRIPTION AND LOCATION

The Project is located near the village of Kashabowie in the Burchell Lake area, approximately 115 km west of Thunder Bay, Ontario. The claims are located in the Moss Township and adjacent Burchell Lake area. The Property is centred approximately at Universal Transverse Mercator (UTM) Zone 15, 674900E/5384600N (48°35' N Latitude and 90°38' W Longitude) on National Topographic System (NTS) map sheet 52B/10. The Property location is shown in Figure 4.1 and Figure 4.2. Table 4.1 lists the claims on the Property.

Table 4.1 Property Claims List

Township/Area	Claim Number	Area (ha)	Recording Date	Claim Due Date
Ames	4213405	256	2007-Feb-19	2016-Feb-19
Ames	4213406	240	2007-Feb-19	2016-Feb-19
Ames	4213407	224	2007-Feb-19	2016-Feb-19
Burchell Lake Area	1064687	96	2001-Aug-02	2016-Aug-02
Burchell Lake Area	1187652	48	2001-Nov-19	2016-Nov-19
Burchell Lake Area	1238679	16	2003-Feb-17	2016-Feb-17
Burchell Lake Area	1239688	16	2003-Feb-17	2016-Feb-17
Burchell Lake Area	1242511	32	2001-Dec-18	2016-Dec-18
Burchell Lake Area	1242602	224	2001-Jun-18	2016-Jun-18
Burchell Lake Area	3001508	176	2002-May-15	2016-May-15
Burchell Lake Area	3001509	128	2002-May-15	2016-May-15
Burchell Lake Area	3001510	144	2002-May-15	2016-May-15
Burchell Lake Area	3001769	16	2002-Aug-07	2016-Aug-07
Burchell Lake Area	3001789	96	2002-Aug-07	2016-Aug-07
Burchell Lake Area	3002013	64	2002-Aug-07	2016-Aug-07
Burchell Lake Area	3002051	32	2002-Aug-07	2016-Aug-07
Burchell Lake Area	3002157	64	2003-Apr-14	2016-Apr-14
Burchell Lake Area	3002158	16	2003-Apr-14	2016-Apr-14
Burchell Lake Area	3003343	112	2002-Aug-07	2016-Aug-07
Burchell Lake Area	3010485	16	2002-Sep-23	2016-Sep-23
Burchell Lake Area	3010486	32	2002-Sep-23	2016-Sep-23
Burchell Lake Area	4211656	224	2006-Mar-31	2016-Mar-31
Burchell Lake Area	4211658	256	2006-Mar-31	2016-Mar-31
Burchell Lake Area	4211659	256	2006-Mar-31	2016-Mar-31
Burchell Lake Area	4213408	16	2007-Feb-19	2016-Feb-19
Burchell Lake Area	4213409	16	2007-Feb-19	2016-Feb-19

table continues…

Township/Area	Claim Number	Area (ha)	Recording Date	Claim Due Date
Burchell Lake Area	4229150	48	2008-May-12	2016-May-12
Burchell Lake Area	4244461	224	2009-May-14	2016-May-14
Burchell Lake Area	4244462	176	2009-May-14	2016-May-14
Burchell Lake Area	4249671	48	2010-Mar-22	2016-Mar-22
Burchell Lake Area*	4260547	16	2011-Oct-06	2013-Oct-2013
Burchell Lake Area	938975	16	1986-Nov-13	2016-Nov-13
Burchell Lake Area	938976	16	1986-Nov-13	2016-Nov-13
Burchell Lake Area	938977	16	1986-Nov-13	2016-Nov-13
Crayfish Lake Area	4250280	32	2009-Sep-09	2016-Sep-09
Crayfish Lake Area	4262838	256	2011-Mar-23	2013-Mar-23
Crayfish Lake Area	4262839	240	2011-Mar-23	2013-Mar-23
Moss	3002159	128	2003-Apr-14	2016-Apr-14
Moss	4215810	48	2008-May-15	2016-May-15
Moss	4215829	48	2008-Jul-22	2016-Jul-22
Moss	4229148	192	2008-May-12	2016-May-12
Moss	4229149	256	2008-May-12	2016-May-12
Moss	4262980	16	2011-Jun-10	2013-Jun-10
Moss*	4266047	144	2011-Oct-06	2013-Oct-2013
Moss	630797	16	1982-Feb-15	2016-Feb-15
Moss	630798	16	1982-Feb-15	2016-Feb-15
Moss	630799	16	1982-Feb-15	2016-Feb-15
Moss	630910	16	1982-Feb-15	2016-Feb-15
Moss	630911	16	1982-Feb-15	2016-Feb-15
Moss	630912	16	1982-Feb-15	2016-Feb-15
Moss	630914	16	1982-Feb-15	2016-Feb-15
Moss	630915	16	1982-Feb-15	2016-Feb-15
Moss	630916	16	1982-Feb-15	2016-Feb-15
Moss	630917	16	1982-Feb-15	2016-Feb-15
Moss	630921	16	1982-Feb-15	2016-Feb-15
Moss	630922	16	1982-Feb-15	2016-Feb-15
Moss	630923	16	1982-Feb-15	2016-Feb-15
Moss	630924	16	1982-Feb-15	2016-Feb-15
Moss	630925	16	1982-Feb-15	2016-Feb-15
Moss	630926	16	1982-Feb-15	2016-Feb-15
Moss	630927	16	1982-Feb-15	2016-Feb-15
Moss	630928	16	1982-Feb-15	2016-Feb-15
Moss	630929	16	1982-Feb-15	2016-Feb-15
Moss	630930	16	1982-Feb-15	2016-Feb-15
Moss	630931	16	1982-Feb-15	2016-Feb-15
Moss	630932	16	1982-Feb-15	2016-Feb-15
Moss	630933	16	1982-Feb-15	2016-Feb-15

table continues…

Township/Area	Claim Number	Area (ha)	Recording Date	Claim Due Date
Moss	630934	16	1982-Feb-15	2016-Feb-15
Moss	630935	16	1982-Feb-15	2016-Feb-15
Moss	630936	16	1982-Feb-15	2016-Feb-15
Total	**-**	**5152**	**-**	**-**

*Not yet listed on Government site

Table 4.2 Patent Claims List

Claim Number	Township/Area	Claim Type	Units	Hectares
K62 to K65	Burchell Lake	Patented	4	115.7
TB62727 to 62735	Burchell Lake	Patented	9	142.3
TB62761 to 62769	Burchell Lake	Patented	9	138.4
TB62885 to 62900	Burchell Lake	Patented	16	272.7
TB68813 to 68814	Burchell Lake	Patented	2	40.8
TB75390 to 75414	Burchell Lake	Patented	25	462.2
TB82836 to 82841	Burchell Lake	Patented	6	96.8
Total	**-**	**-**	**71**	**1,269.0**

Foundation provided Tetra Tech with all land ownership details, which was sources from Service Ontario, and the Ministry of Northern Development and Mines (MNDM).

Figure 4.1 Property Location Map

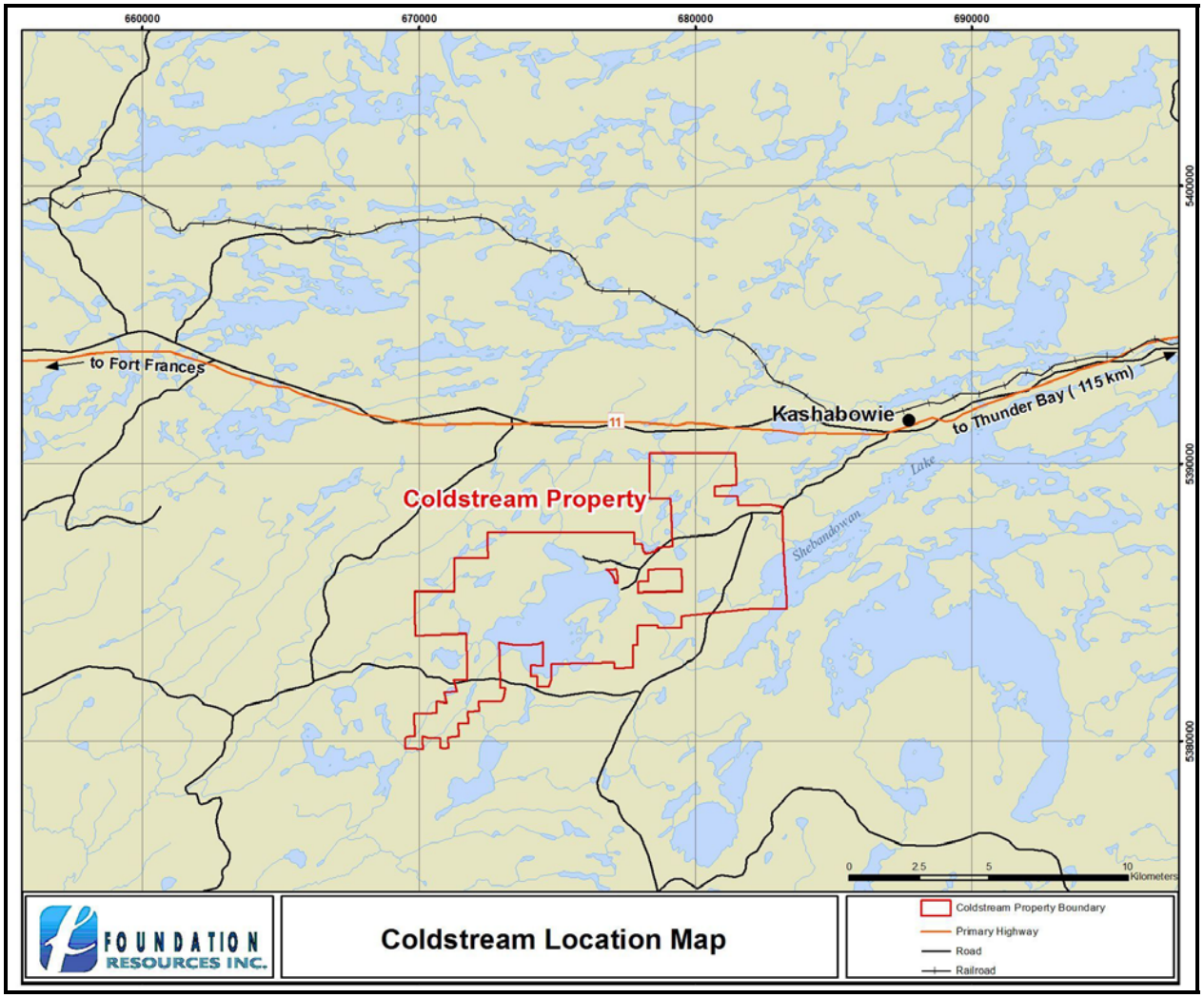
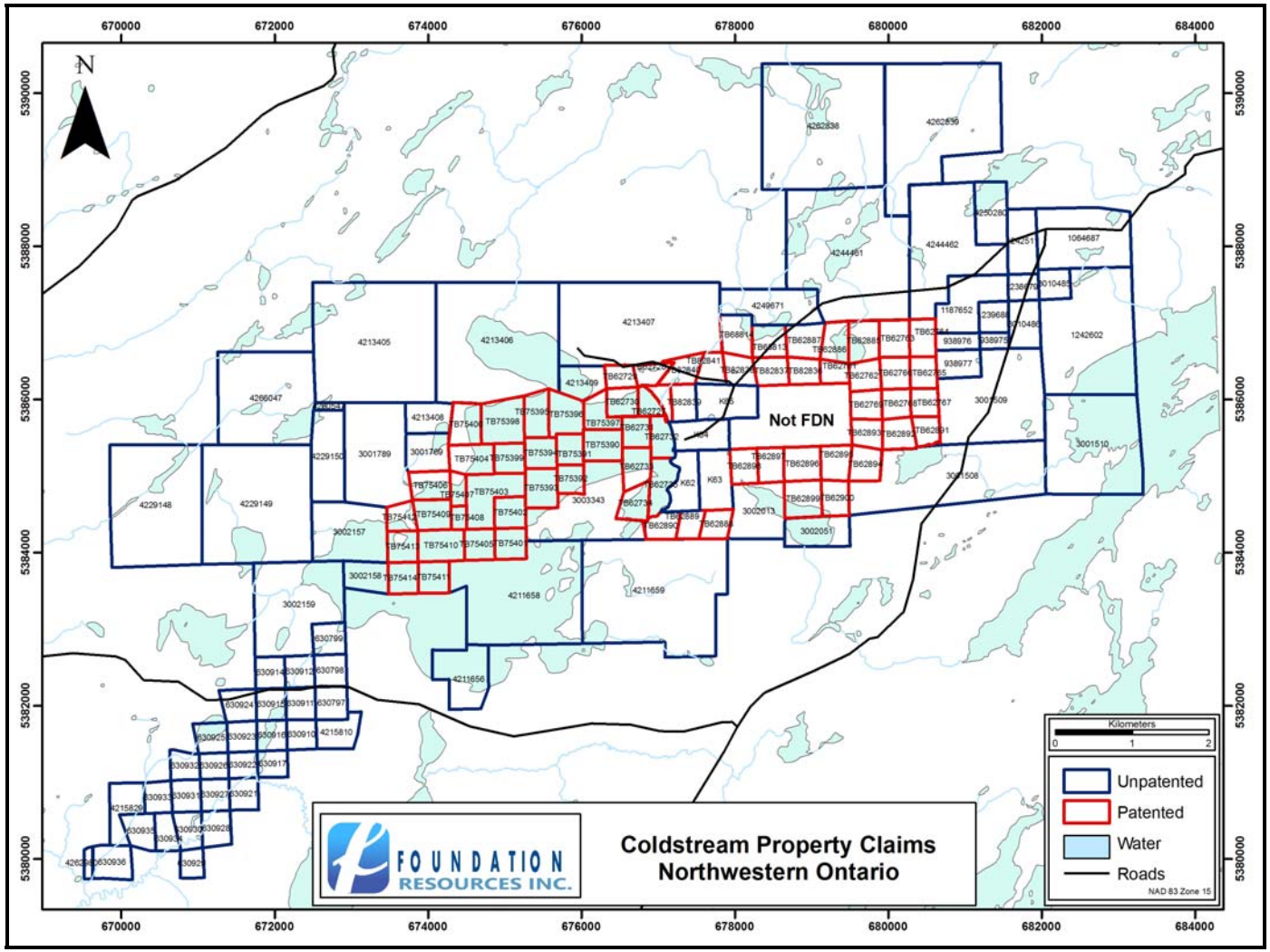


Figure 4.2 Property Claims Map



Foundation and Alto entered into a binding Letter of Intent (LOI), April 6, 2009 setting out certain terms and conditions for Foundation to acquire a 70% interest in the Property. In order for Foundation to earn a 60% interest in the Property (the First Option), Foundation must pay the following considerations:

- issue to Alto an aggregate of 1,000,000 common shares of Foundation at a price of $0.10 per share as follows:
  - 500,000 common shares on the closing of the acquisition
  - 500,000 common shares upon the completion by Foundation of a committed expenditure requirement of $400,000 in the first year following the closing of the acquisition
- incur an aggregate of $3,000,000 of expenditures on the Property within four years of the closing of the acquisition (the First Option Period), a minimum of $400,000 in expenditures must be spent in the first year and a minimum of $250,000 must be spent in each of the three remaining years
- make all advance royalty payments due on Alto's behalf in respect of the Property during the First Option Period.

Foundation may earn a further 10% interest in the Property (the Second Option) by funding the completion of a feasibility study on the Property. Upon the exercise of the First Option, Foundation has 60 business days to provide notice to Alto that it wishes to earn the Second Option. If Foundation does not provide notice within 60 business days, or if Foundation provides notice that it will not be earning the Second Option, a joint venture will be formed between Foundation and Alto with regard to the Property providing for, among other things, the funding of all programs on the Property by Foundation and Alto funding in accordance with their respective interests.

If Foundation exercises the Second Option, Alto will have the option to enter into the joint venture with respect to the Property with Foundation holding a 70% initial interest and Alto holding a 30% initial interest. If Alto chooses not to form the joint venture, Alto's interest in the Property will be diluted to a 2.5% net smelter return (NSR) royalty, which Foundation will have the right at any time to re-purchase 40% (or 1% total) of such royalty for $1,000,000.

On January 18, 2011 Foundation completed its obligations to acquire 60% of the Property as outlined in the First Option.

On November 7, 2011, Foundation and Alto entered into a binding LOI for which Foundation will acquire Alto's remaining 40% interest in the Project. In consideration of the acquisition of Alto's 40% interest:

- Foundation will pay aggregate consideration of $2,500,000 payable through the issuance of 10,000,000 common shares at a price of $0.12 per share and $1,300,000 in cash over a six month period.

- On the closing date, Foundation will pay to Alto $350,000 in cash and issue Alto such number of common shares, up to 10 million shares.
- Within six months of the closing date, Foundation will pay to Alto $950,000 in cash, subject to a potential three month extension period, and issue the balance of any common shares due to Alto.

4.1 UNDERLYING ROYALTIES

Four underlying agreements for NSR royalties exist on claims within the Property optioned and purchased from other parties.

In August 2002, Alto entered into an agreement with The Other Mining Company (US) Inc. (TOMC) giving Alto exclusive rights to acquire a 100% interest in a property consisting of the 71 patented claims and licenses of occupation. Alto earned the 100% interest by issuing 800,000 shares and spending $100,000 on exploration over three years, plus maintaining claims and licenses including taxes, fees, and rentals. Thereafter, TOMC was entitled to a 2% NSR on mineral production inclusive of a 1% NSR payable pursuant to an underlying agreement with Newhawk Gold Mines Ltd. and John Prochnau. Also in August 2002, Alto purchased five claims, known as the Mealey Claims, from Larry Mealey. Three of the five claims are part of the current Property (TB938975, TB938976, and TB938977), while the other two claims have been allowed to expire. Alto purchased a 100% interest in the Mealey Claims subject to a 1% NSR. The Mealey Royalty can be purchased for $500,000.

In May 2006, Alto optioned claims TB1187652, TB1238679, TB1239688, TB3001509, TB3010485, and TB3010486 from Canadian Trillium Resources (Canadian Trillium) and Canadian Golden Dragon. Alto has earned 100% interest in the claims, subject to a 1% NSR to Canadian Trillium and Canadian Golden Dragon and original underlying vendors retain a 2% NSR. Also in May 2006, Alto purchased claims 4211656, 4211658, and 4211659 from Dino D'Angelo and Peter D .F. Young. D'Angelo and Young retain a 2% NSR.

4.2 ENVIRONMENTAL LIABILITIES

There are no known environmental liabilities attached to the Property.

4.3 PERMITS

Permits issued by Provincial and Federal Government ministries are not required in order to execute the exploration activities on the land portion of the properties. Diamond drilling on bodies of frozen water, if undertaken, would require a permit issued by the Ontario MNDM. This permit may be required in future exploration programs. Foundation management warrants that the corporation has not received any notice of, or communication relating to, any actual or alleged breach of any environmental laws, regulations, policies or permits from any government authority.

All required permits for conducting exploration on the Property have been issued and are in good standing.

The Ontario *Mining Act* gives the holder of a prospector's license the rights of entry on land open for staking, prospecting and mineral exploration. A surface rights owner cannot prevent a mineral rights holder from having access to the land for prospecting and mineral exploration (MNDM website).

At the current stage of the project, surface rights for mining operations are not relevant.

4.4 OTHER RELEVANT FACTORS

To Tetra Tech's knowledge, there are no additional factors that could affect access, title, or the right to conduct work on the Property.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 ACCESS

The Property is approximately 115 km west of Thunder Bay, Ontario via TransCanada Highway 11/17, then Highway 11 and then Highway 802, 2 km west of the village of Kashabowie.

The eastern part of the Property and the Osmani Gold Deposit are accessed by a series of logging roads from Highway 802. The north part of the Property and the former Coldstream Mine can be accessed by the Burchell Lake Road, which branches from Highway 802 (access to the old mine is gated). Access to the centre of the Property is by boat or snow mobile from Burchell Lake. Access to the Burchell Claims in the southwestern portion of the Property is by the old Hermia Lake Road to Burchell Creek and then by an overgrown trail for approximately 1 km to the previously stripped outcrop areas.

There are several cottages along the east and north shores of Burchell Lake that are serviced by gravel roads and electrical power. The cottage development is located several kilometers west of the Osmani Gold Deposit.

At the current stage of the project, surface rights for mining operations are not relevant.

5.2 TOPOGRAPHY AND PHYSIOGRAPHY

The terrain in the Property area consists of rolling hills with relief rarely greater than 20 m. The overburden on these ridges is relatively thin, generally 1 to 3 m in depth, and consists of sandy till that is locally boulder laden.

Most of the Property area has been recently logged and vegetation in the elevated terrains now consists of a thick re-growth of spruce, fir, and pine, interrupted by local stands of mature white pines. Muskeg, alder swamps, and thick growths of cedar cover the low-lying areas.

5.3 CLIMATE

The climate is typical of Northwestern Ontario with extreme seasonal variations. Temperatures average 19.5°C in July and -17.3°C in January with maximum temperatures reaching over 30°C during summer months and -40°C in the winter

months. Annual precipitation averages 660 mm, with roughly one quarter falling as snow.

Work can be conducted year round on the Property, if required.

5.4 INFRASTRUCTURE

Hydroelectric power is available only 2 km northwest of the work area from a power line which supplies the Burchell Lake community. A larger hydroelectric power line lies only a few kilometres further north, along Highway 11. Rail lines also run parallel to Highway 11.

The nearby city of Thunder Bay, Ontario is an important shipping and transportation hub.

Both the Canadian National and Canadian Pacific Railways service Thunder Bay. The Port of Thunder Bay is the largest outbound port on the St. Lawrence Seaway System and the sixth largest port in Canada. Thunder Bay is serviced by daily regional and international flights.

Skilled labour, mining and specialized exploration services and equipment are readily available from the City of Thunder Bay. General labour, prospectors and heavy machinery contractors are available from the nearby villages of Kashabowie, Shebandowan, Shabaqua Corner, and the town of Atikokan. Accommodations are available from several fishing and hunting lodges.

6.0 HISTORY

The exploration history of the Project dates back to the early 1900s. Table 6.1 summarizes the history of the Project and highlights some of the results.

Noranda Inc. (Noranda) estimated a historical resource of 5.1 Mt at 1.43 g/t Au in 1991. Though the resource classification was not assigned by Noranda, this is similar to an Inferred Resource classification. Tetra Tech considers this historical estimate relevant, but does not consider it reliable. A Qualified Person (QP) has not done sufficient work to classify the historical estimate as a current mineral resource. The issuer is not treating the historical estimate as a current mineral resource the historical estimate should not be relied upon.

Since the Noranda resource estimate in 1991 further work has taken place to confirm and further increase the historic resource. Re-sampling of historic drill core took place in 2006. Selected Noranda drill core was retrieved and sampled to confirm reported grades. This also included previously un-sampled core. Results showed that the re-sampling program confirmed historical gold grades that were reported by Noranda. During the 2011 drilling program, hole C-11-67 was designed to twin hole C-89-18. Drilling results confirmed similar gold grade values.

Table 6.1 Property History

Year	Company	Property	Program	Results
Unknown	Galloway Chibougamau Mines Ltd.	Skimpole Lake Area	Geological mapping	Minor pyrite and chalcopyrite reported
1902 to 1917	New York and Canadian Copper Company	North Coldstream Mine	Operated under the name of the Tip-Top Mine	Produced 1,312,000 lb of copper
1943	Frobisher Exploration Company	North Coldstream Mine	Completed extensive exploration during WWII	Estimated at least a million tons of ore present
1950s	Rio Canada Exploration	Iris Zone	Drilled diamond drillhole (DDH)-1, geological mapping, vertical loop, electromagnetic and self-potential geophysical surveys	
1952 to 1953	Coldstream Copper Mines Ltd.	Goldie Zone	Complete geological survey on 71 patented claims	
1952 to 1955	Coldstream Copper Mines Ltd.	Osmani Gold Deposit	Mapping and drilling	
1955	Coldstream Copper Mines Ltd.	Goldie Zone	Complete drillhole S-43	No assays reported
1956	Burchell Lake Mines Ltd.	Broadhurst Peninsula	Completed six drillholes	
1957	Coldstream Copper Mines Ltd.	North Coldstream Mine	Operated as North Coldstream Mines	
1957	New Jack lake Uranium Mines	Iris Zone	Completed nine drillholes with six on Iris Zone area	
Late 1950s to 2002	No work	Broadhurst Peninsula	No work	
1950 to 1960	Consolidated Mining and Smelting, Martin McNelly Mines Exploration, and Canico	Span Lake Area	Geophysical surveys	
1960s	Coldstream Copper Mines Ltd.	Skimpole Lake Area	Complete six drillholes, geological mapping, vertical loop electromagnetic and magnetic surveys	
1960s to 1988	No work	Skimpole Lake Area	No work	

table continues…

Year	Company	Property	Program	Results
1960 to 1967	Noranda	North Coldstream Mine	Producing mine, closes in 1967	Produced 103 Mlb Cu, 22,000 oz Au and 440,000 oz Ag from 2.7 Mt of ore
1982	INCO	Span Lake Area	Stake claims	
1982	Canico	Span Lake Area	Airborne electromagnetic, magnetic and radiometric surveys	
1983	Canico	Span Lake Area	Very-low frequency (VLF) and magnetometer surveys and geological and rock-sampling program	
1984 to 1986	No work	Span Lake Area	No work	
1985 to 1991	Todd Sanders Discovery West Corporation	Burchell Lake	Geophysical surveys, geological mapping, sampling, diamond drilling and trenching	
Late 1980s	Noranda Exploration and Lacana Exploration	Osmani Gold Deposit	Explore adjacent claims on Osmani Gold Deposit. Noranda discovers three gold zones near eastern edge of claim package named North, East and Main Zones. Lacana defines Sander's Zone, a fourth zone along trend	Resource of 5.1 Mt at 1.43 g/t Au
Late 1980s	Noranda	Goldie Zone	Trenching program	Identify South/Goldie Zone
Late 1980s	Lacana	Iris Zone	Magnetic and VLF ground surveys and geological mapping	
Late 1980s	Freeport McMoran	Iris Zone	Complete six drillholes	
1987 to 1989	INCO	Span Lake Area	Thirty-nine holes totaling 6,764 m were completed, channel sampling covered 482 m of length, magnetometer and very-low frequency surveys covered 18.8 km	
1987	Noranda	Osmani Gold Deposit	Prospecting, line cutting, humus and soil sampling, preliminary geological mapping, induced polarization (IP) and magnetometer surveys, trenching and channel sampling	

table continues…

Year	Company	Property	Program	Results
1987	Lacana (Corona Corp)	Osmani Gold Deposit	Geological mapping following up previous trenching, prospecting, VLF, IP and magnetic surveys	Trenching and channel sampling locate Sanders Zone, 0.1oz/ton over 11ft and 0.07 oz/ton over 10ft
1987	Lacana	Iris Zone	Took four samples from 1950s core all returned anomalous gold.	
1988	Discovery West	Burchell Lake	Complete 13 drillholes totaling 2,118 m	
1988	Noranda	Osmani Gold Deposit	Diamond drilling totally 1,200 m, max/min survey, lithogeochemistry and geological mapping	
1989	Todd Sanders	Burchell Lake	Complete four drillholes	
1989	Newmont Exploration of Canada	Span Lake Area	Complete five drillholes totaling 635 m	
1989	Todd Sanders	Skimpole Lake Area	Ground magnetic and VLF surveys	
1989	Noranda	Osmani Gold Deposit	900 m of diamond drilling along with trenching, channel sampling and detailed magnetometer survey	
1989	Lacana (Corona Corp.)	Osmani Gold Deposit	Tested Sanders mineralization with drillholes C-89-1,2,7,8 and 9	
1989	Lacana/Freeport-McCaron Gold/Independence Mining	Osmani Gold Deposit	Claims over the Sanders Zone are joint-ventured with Freeport-McCaron/Independence Mining	
1990	Todd Sanders	Skimpole Lake Area	Geological mapping and rock sampling program	
1990	Central Crude Ltd	Span Lake Area	Option INCO's claims over Span Lake	
1990	Independence Mining	Osmani Gold Deposit	Line-cutting, mapping and sampling	
1990	Noranda	Osmani Gold Deposit	Complete almost 1,500 m of diamond drilling	No significant gold mineralization was discovered in previously unsampled material
1991	Ms Jurate Lukosius-Sanders	Iris Zone	Mapping and prospecting work	

table continues…

Year	Company	Property	Program	Results
1991	Noranda	Osmani Gold Deposit	Completed 2,600 m of drilling targeting the Main Zone	The Main Zone was found to continue at depths with similar grades to those at surface
1991	Independence Mining	Osmani Gold Deposit	In January of that year Independence Mining ceased operations in Canada, the Property is returned to Lacana	
1991	Todd Sanders	Osmani Gold Deposit	Prospecting and sampling program with limited mapping	
1991 to 2002	No Work	Osmani Gold Deposit	No work	
2002	Alto Ventures Ltd.	Broadhurst Peninsula	Acquires Coldstream property	
2002	Alto Ventures Ltd./Kinross Gold Corporation	Osmani Gold Deposit	Alto acquires claims, Kinross Gold seven holes totaling 1,668 m	
2002 to 2008	Alto Ventures Ltd.	Burchell Lake	Stake Coldstream property	
2004	Alto Ventures Ltd.	Burchell Lake	Prospecting, historic trenches and showings located	
2004	Alto Ventures Ltd.	Skimpole Lake Area	Contract Clark Exploration Consulting to complete prospecting and sampling program	
2005	Alto Ventures Ltd.	Goldie Zone	Carry out IP survey over Goldie and Osmani Gold Deposit areas	
2005	Alto Ventures Ltd.	Osmani Gold Deposit	Airborne and ground geophysics completed. Versatile time domain electromagnetic (VTEM) survey flown and IP survey completed	
2005 to 2007	Trillium North Minerals and Everett Resources	Iris Zone	Complete IP surveys	
2006	Alto Ventures Ltd.	Osmani Gold Deposit	Drilled 13 holes totaling 2,062 m, also resampled some historic drillholes	
2006	Alto Ventures Ltd.	Span Lake Area	Alto Ventures Ltd. purchases 26 claims covering Span Lake area from INCO Ltd.	
2007	Everett Resources	Iris Zone	Complete two drillholes 400 m apart targeting IP chargeability anomalies	

table continues…

Year	Company	Property	Program	Results
2007	Alto Ventures Ltd.	Osmani Gold Deposit	Follow up IP targets with trenching and rock sampling work south of Sanders Zone	
2007	Alto Ventures Ltd.	Goldie Zone	Relocated and sampled old Noranda trenches, sampling confirmed presence of gold	
2008	Alto Ventures Ltd.	Broadhurst Peninsula	Complete prospecting program on Coldstream property	
2009	Foundation Resources Inc.	Osmani Gold Deposit	Mapping and grab samples with channel sampling on Sanders Zone	From 78 grab samples 35 returned gold values greater than 0.5 g/t Au
2009	Foundation Resources Inc.	Span Lake Area	Channel sampling work to confirm previous INCO results	
2009	Foundation Resources Inc.	Skimpole Lake Area	Mapping and sampling conducted around the west, south and east sides of lake	
2009	Foundation Resources Inc.	Goldie Zone	Trench and channel sampling completed along with geological mapping	
2009	Foundation Resources Inc.	Iris Zone	Geochemical sampling and prospecting program	
2009	Foundation Resources Inc.	Broadhurst Peninsula	Carried out geological mapping at a scale of 1:10,000 scale	
2009	Foundation Resources Inc.	Burchell Lake	Additional prospecting completed	
2009	Foundation Resources Inc.	Osmani Gold Deposit	Foundation enters LOI with Alto Ventures Ltd. to increase ownership	
2010	Foundation Resources Inc.	Osmani Gold Deposit	Drilling Osmani Gold Deposit Drilled 36 boreholes totaling 9,725 m	
2011	Foundation Resources Inc.	Osmani Gold Deposit	Foundation enters LOI with Alto Ventures Ltd. to increase ownership to 100% Drilled 30 boreholes totaling 7,236 m	

7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 REGIONAL GEOLOGY

The Property is located near the west end of the Archean Shebandowan Greenstone Belt of Wawa Subprovince (Figure 7.1). The Subprovince is an aggregation of Archean greenstone belts and granitoid plutons, which hosts several world-class gold, base metal and iron deposits in diverse geological settings. It is home to some of the largest shear-hosted lode gold (e.g. Hemlo gold mines), VMS (e.g. former Geco and Winston Lake zinc mines) and mafic intrusion-hosted Ni-Cu-PGM (e.g. former Shebandowan mine) deposits in Canada. The Wawa Subprovince extends for approximately 850 km from the Kapuskasing Structural Zone in northeastern Ontario to the Minnesota River Valley area in the US, where it is truncated by the Proterozoic Trans-Hudson Orogen, buried under Phanerozoic rocks in North Dakota. The arcuate Shebandowan Greenstone Belt is bounded to the north and west by the metasedimentary rocks of the Quetico Subprovince, and to the south by a granitoid batholithic complex (Osmani 1993a; 1996; 1997) (Figure 7.2, Figure 7.3). Proterozoic rocks unconformably overlap the southern part of the Shebandowan Greenstone Belt and the batholithic complex. The Shebandowan Greenstone Belt is known to contain two contrasting suites of metamorphic and metasedimentary rocks:

- an older (greater than 2733 Ma) (Corfu and Stott 1986) suite of mafic to felsic, tholeiitic to calc-alkalic volcanic rocks with minor komatiites
- an unconformably overlying younger (2689 Ma) (Corfu and Stott 1986) suite of metasedimentary and metavolcanic rocks, including units of alkalic affinity, that overlie the older unit (Shegelski 1980) (Figure 7.4).

These younger rocks closely resemble the “Timiskaming-type” rocks of the Kirkland Lake area in the Abitibi Subprovince (Cook and Moorhouse 1969).

Figure 7.1 Wawa Subprovince, Ontario

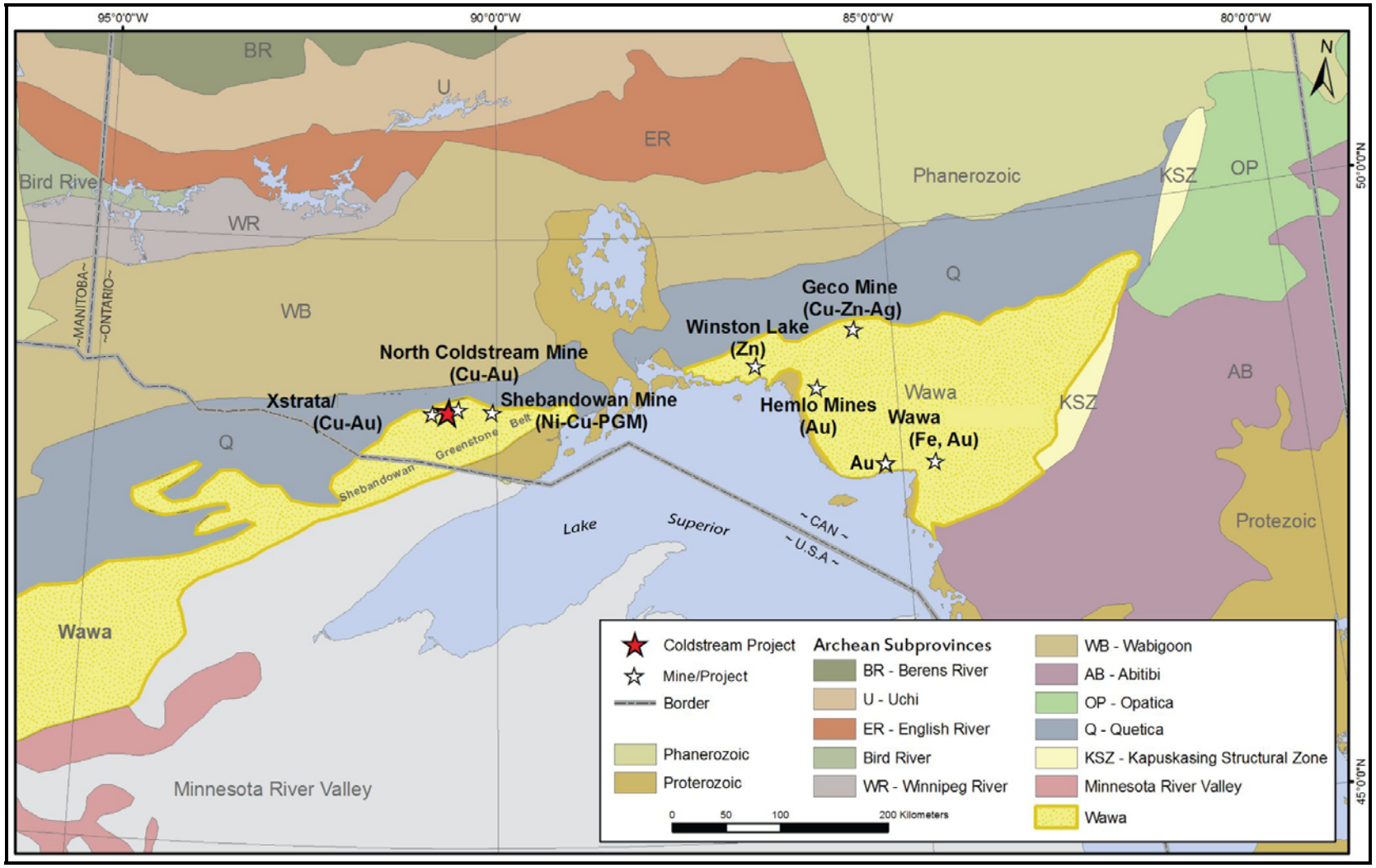


Figure 7.2 Geological Setting of Shebandowan Greenstone Belt

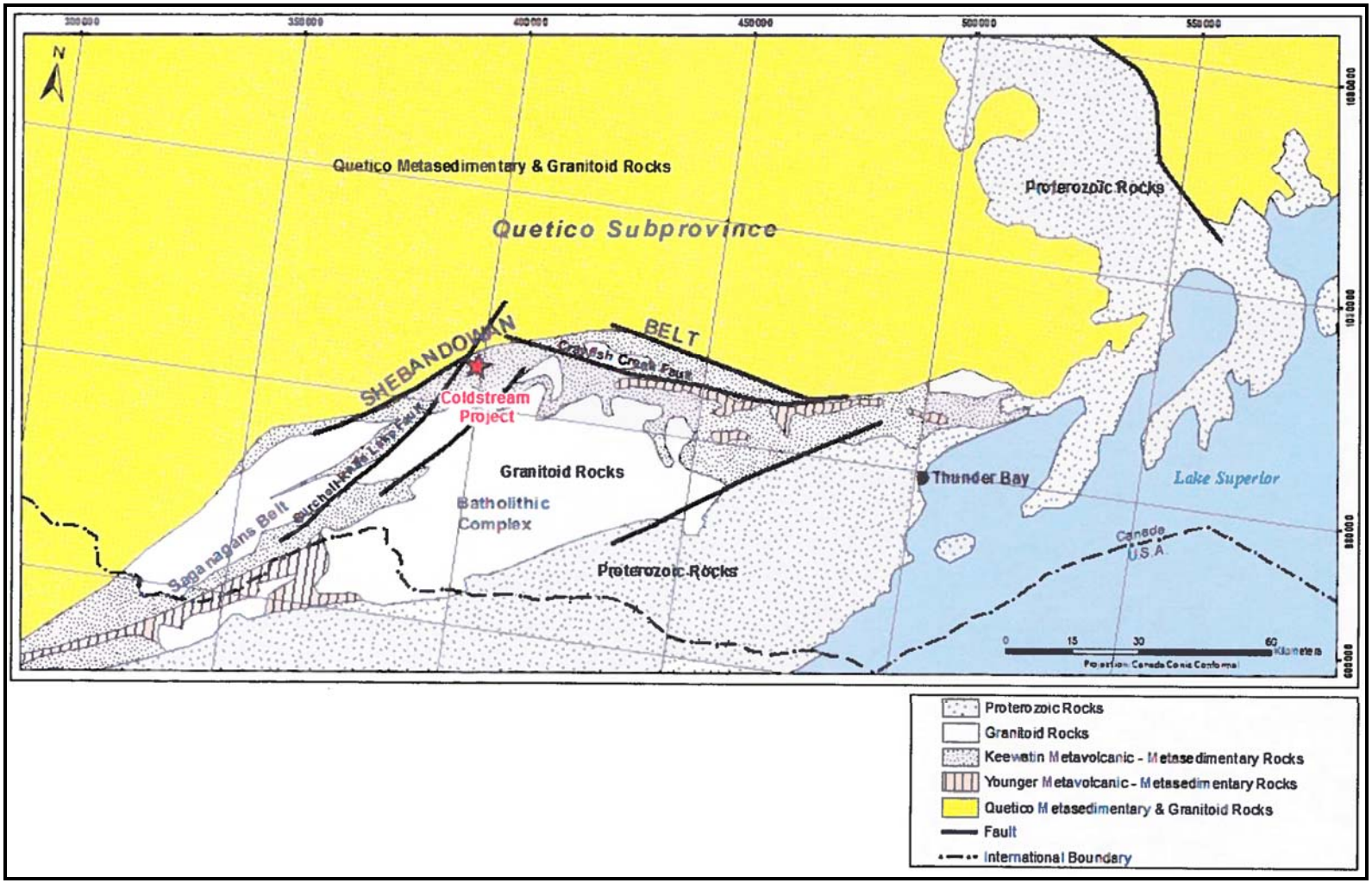


Figure 7.3 Coldstream Property Area Geology

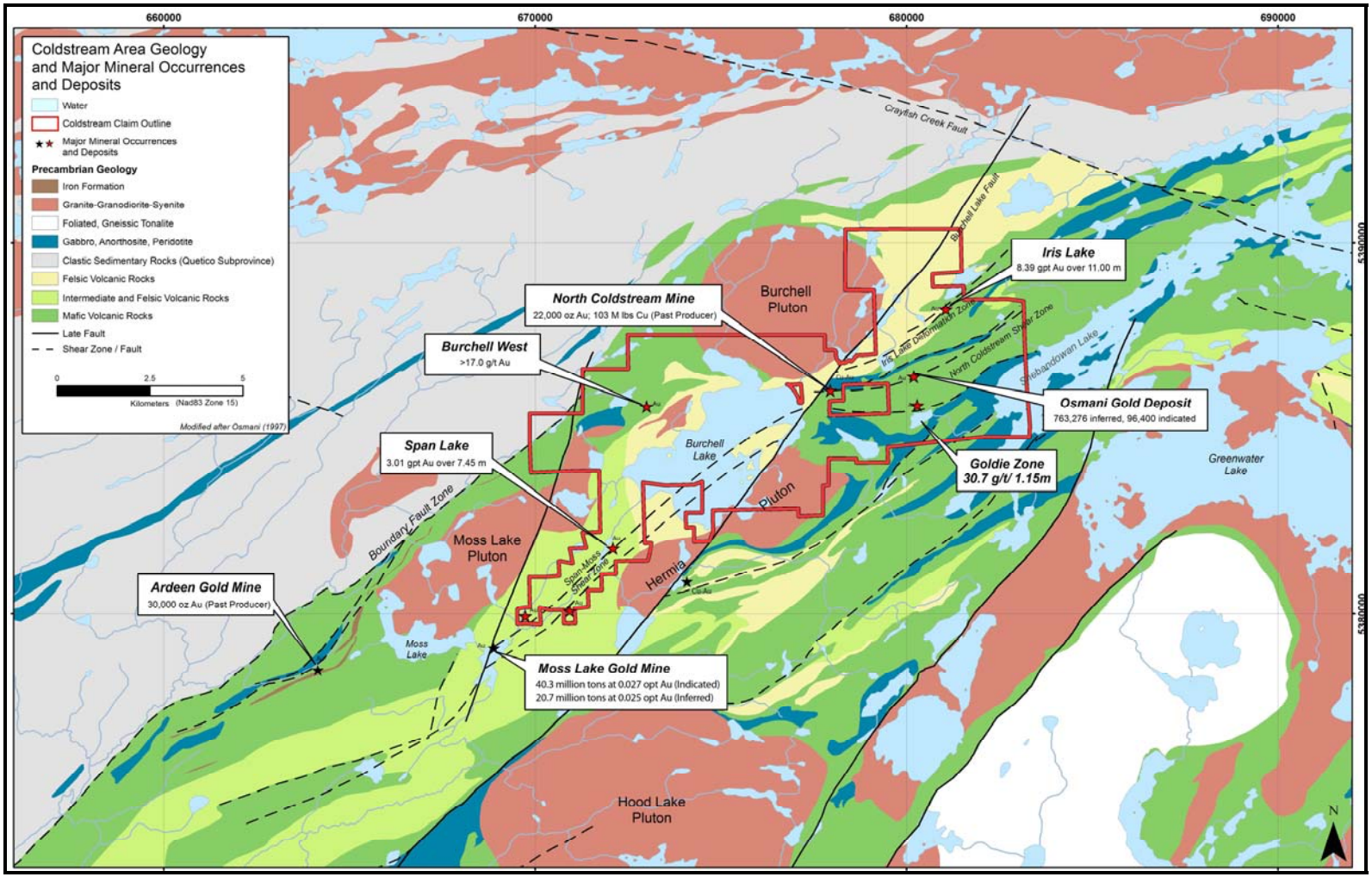
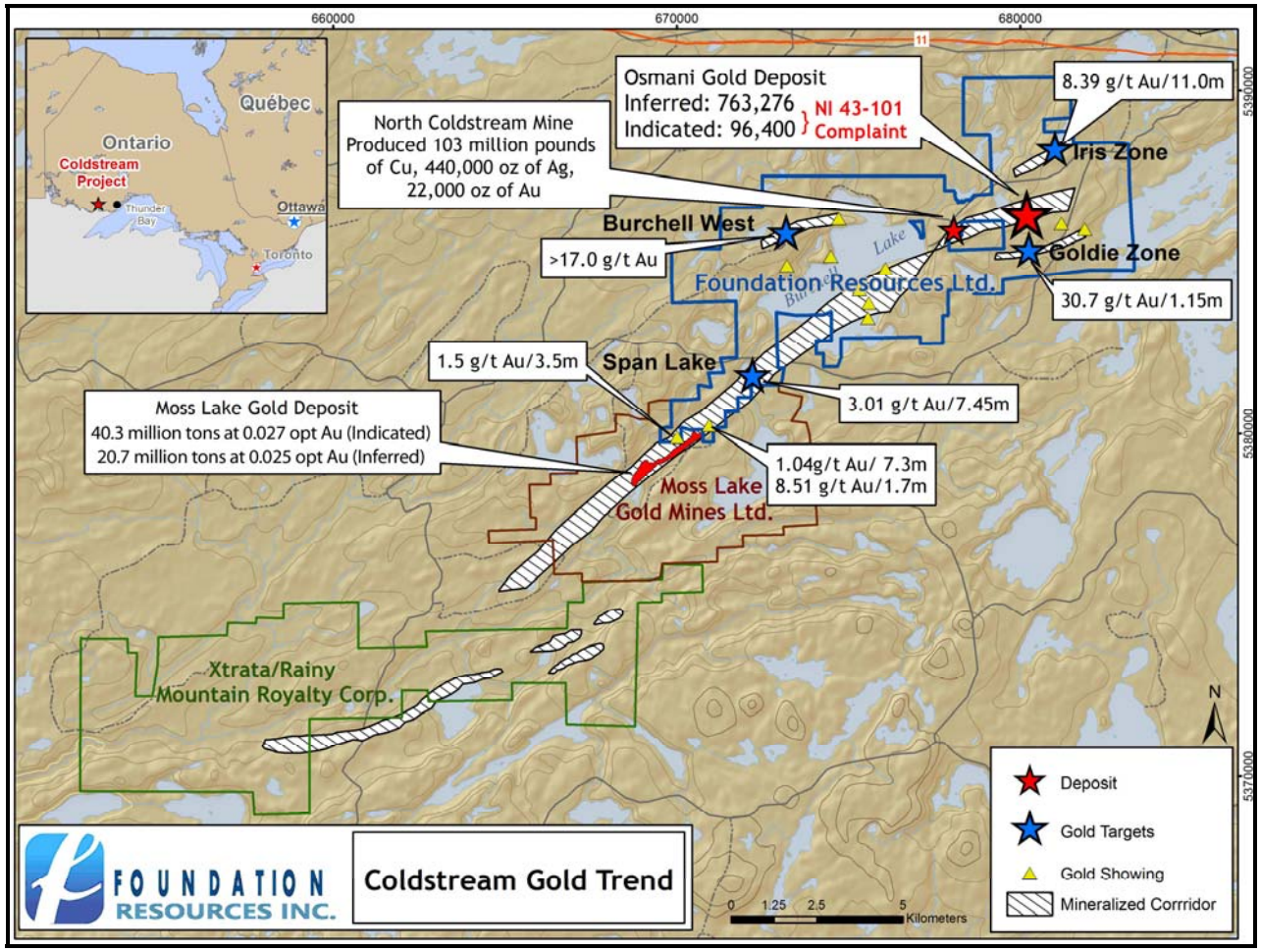


Figure 7.4 Coldstream Gold Trend



Note: Osmani gold deposit addressed in Section 14 of this report and the Moss Lake gold deposit is addressed in Section 15 of this report

The geological setting of the western part of the Shebandowan Greenstone Belt, which hosts the Osmani Gold Deposit, is characterized by the presence of predominantly older (2720 to 2715 Ma) (Osmani 1997), tholeiitic to calc-alkalic mafic and felsic to intermediate metavolcanic rocks and their associated intrusive equivalents. Clastic and chemical (chert-magnetite banded iron formation) metasedimentary rocks though rare within the Property, occur in relative abundance within the extreme western part of the Shebandowan Greenstone Belt near the Quetico Subprovince boundary. These have been strategically emplaced in terms of both stratigraphy and gold mineralization (Osmani 1993a; 1993b; 1997). Komatiitic mafic and ultramafic metavolcanics and associated intrusive rocks are rare, but widely distributed in the Greenwater Lake area located 10 to 15 km east-southeast of the Osmani Gold Deposit. The past producer Shebandowan Mine, hosted within these komatiitic rocks east-southeast of the Property, is situated on the south shore of Shebandowan Lake (Osmani 1997). An intensely altered (silicification) and deformed gabbroic sill-like body hosting copper-gold mineralization at the past producing North Coldstream Mine is located on the Property approximately 2 km west of the Osmani Gold Deposit. Within the regional context, the North Coldstream copper-gold deposit is situated at the contact of felsic-mafic metavolcanic rocks.

The supracrustal rocks within the western Shebandowan Greenstone Belt are intruded by syn- to post tectonic composite plutons (e.g. Moss Lake, Burchell Lake, Hermia Lake, and Hood Lake), and intermediate to felsic hypabyssal intrusive rocks (quartz and quartz-feldspar porphyry sills/dikes) which, in part hosts the gold mineralization at the Project.

There are three major regional trends of shearing/faulting within the western Shebandowan Greenstone Belt:

- east-northeast
- northwest
- north to northeast.

The east-northeast trending shear/fault zones, generally displaying sinistral sense of strike-slip movement, have been linked to the gold mineralization event or events in the western Shebandowan Greenstone Belt (Stott and Schneiders 1983). These shear zones are characterized by strongly developed D2 schistosity and gently to moderately east-plunging lineations superimposed upon rarely preserved D1 tectonic fabrics (Stott 1985).

The two most economically significant D2 shears and associated splays hosting gold mineralization in the Property area are:

- the east to northeast-striking North Coldstream Shear Zone
- the northeast-southwest-striking Span-Moss Shear Zone.

The Span-Moss Shear Zone is considered to be the southwest extension of the North Coldstream Shear Zone, which is off-set by the Burchell Lake fault along the eastern shores of Burchell Lake. Some of the most significant gold and/or copper-gold deposits, within or adjacent to these structures, are the Osmani Gold Deposit, North Coldstream, Span Lake and Moss Lake deposits. The felsic to mafic metavolcanics, gabbros and porphyries hosting these deposits are variably schistose to sheared and commonly display silica, sericite, albite, iron-carbonate, magnetite, potassium and hematite alteration.

The northwest-striking set of structures are best represented by the approximately 35 km long Crayfish Creek Fault, of which the most northwesterly segment is located about 10 km northeast of the Property (Figure 7.1). The dextral strike-slip structure cuts obliquely across east-northeast striking supracrustal sequences. The apparent strike-slip movement on the Crayfish Creek Fault is estimated to be approximately 300 m in a dextral sense in the Shebandowan Mine area (Osmani 1997).

The north to northeast-trending set of regional structures is best represented by two brittle to ductile sinistral faults within the western Shebandowan Greenstone Belt:

- the Snodgrass Lake Fault
- the Burchell Lake Fault.

The Burchell Lake Fault truncates the Crayfish Creek Fault just north of Shebandowan Greenstone Belt-Quetico Subprovince boundary, and displaces both the mineralized corridor, and the Hermia Lake Pluton in the Burchell Lake area on the Property (Figure 7.3). The strike-slip movement of a sinistral sense that is most likely accompanied by some dip-slip component is estimated to be up to 1.5 km based on apparent displacements on major lithologies and earlier structures such as the North Coldstream Shear Zone-Span-Moss Shear Zone in the Burchell Lake area. The Snodgrass Lake Fault, which extends from Snodgrass Lake for approximately 16 km in the north to northeasterly direction, transects and displaces the Moss Lake pluton and Boundary Fault in a sinistral sense for up to 1.7 km.

7.2 PROPERTY GEOLOGY

The Property, covering approximately 6,410 ha, extends from south of Highway 802 in the northeast for approximately 20 km to the Span Lake area. The widest part (approximately 12.5 km) of the Project area runs in an east-west direction, comprising three-quarters of the Property (Figure 7.3). The Property hosts several gold and copper-gold deposits, which are roughly aligned along the North Coldstream Shear Zone-Span-Moss Shear Zone, identified by a northeast-southwest-trending mineralized corridor/structure. This structural corridor is characterized by variably altered, schistose and mineralized host rocks. The most significant mineralization on the Property is contained within the North Coldstream (copper-gold) and Osmani (gold) deposits, which occupy roughly one-third of the mineralized corridor (Figure 7.4). The Span Lake prospect and numerous gold

occurrences between the Span and Burchell Lakes make up three-quarters of the mineralized corridor or Coldstream gold trend (Figure 7.4). Geological setting of these deposits and adjacent areas are described below.

7.2.1 BURCHELL EAST BLOCK

Mafic, intermediate and felsic metavolcanic rocks underlie the Burchell East Block, which have been intruded concordantly by numerous sills and dikes of gabbro, diorite, quartz and quartz-feldspar porphyries (Figure 7.3). The mafic metavolcanic rocks predominantly consist of pillowed and massive flows with minor tuff horizons. The intermediate metavolcanics are chiefly composed of tuff, lapilli tuff and minor massive flow. These rocks occur as discontinuous lenses, measuring a few metres wide and several hundred metres in strike length. The felsic metavolcanics are rare in the Osmani Gold Deposit area but are relatively abundant north of North Coldstream Mine and Lacombe Lake. These rocks consist of massive, aphyric to porphyritic flows and fragmental rocks consisting of tuff, lapilli tuff, auto-breccias and derived schists. All lithologies except the syenitic and diabase dikes are cut by numerous east-northeast-striking, ductile to brittle shear zones. Of these, the most prominent structure is the North Coldstream Shear zone system, extending from the northeastern end of the Property for about 4.2 km to the west-southwest in the North Coldstream Mine area. The North Coldstream Shear zone is off-set immediately west of the mine, in a sinistral sense of horizontal movement by the Burchell Lake Fault. The off-set portion of the North Coldstream Shear zone is interpreted as the Span-Moss Shear zone system for several kilometers passing beyond Pearce Lake in south-central Moss Township.

Near the western end of the Burchell East Block, the former North Coldstream Copper-Gold Mine, hosted within an intensely silicified (cherty) gabbro sill-like body, lies along the sheared and altered contact between mafic and felsic metavolcanic rocks (Osmani 1997). The gabbro body is the footwall to the complex. Foliation/schistosity at the mine site trends easterly but swings northeasterly, aligning itself with the regional deformation trend, approximately 1 km east of the mine.

The Osmani Gold Deposit is located within the north-central part of the Burchell East Block and comprises two zones, the EC-1 and EC-2 zones. Gold mineralization is associated with intensely altered volcanic rocks, quartz and quartz- feldspar porphyry dikes and sills, which lie along the North Coldstream Shear zone. The dikes are variably sheared and intensely altered often mineralized with pyrite and locally magnetite. Major alteration associated with this gold zone includes silica, carbonate, albite, sericite, potassium and hematite.

7.3 MINERALIZATION

7.3.1 OVERVIEW

Mineralization is predominantly associated with sheared and altered mafic to intermediate metavolcanic rocks as well as quartz and quartz-feldspar porphyries.

The mineralized metavolcanic rocks are typically both bounded and intruded by the porphyries. The mineralized rocks are variably schistose, silicified, carbonatized, oxidized and locally display strong to intense iron-carbonate and hematite alteration. This particular assemblage of alteration and shearing associated with gold mineralization has been termed the “Coldstream zone” by Foundation. Sulphide mineralization occurs in both the metavolcanics and porphyry rocks as disseminations and seams along the schistosity planes within and/or adjacent to shear zones (Osmani 2009).

Zones EC-1 and EC-2 have been delineated by diamond drilling. Currently they have strike length of approximately 1,300 m with a vertical depth of 450 m. The dip of the two zones is near vertical. The mineralized envelope of EC-1 is approximately 75 m wide and is the thicker of the two zones. The mineralized envelope of EC-2 is approximately 65 m wide. Towards the western edges of the mineralized envelopes, both zones converged at depth, and split into two separate zones at vertical depth of approximately 120 m.

Both zones have been cut by a north-south-trending diabase dike that has been poorly defined by diamond drilling. The dike is approximately 70 m wide.

Figure 7.5 EC-1 Zone South Facing Oblique Long Section (not to scale, approximately 1,300 m in length)

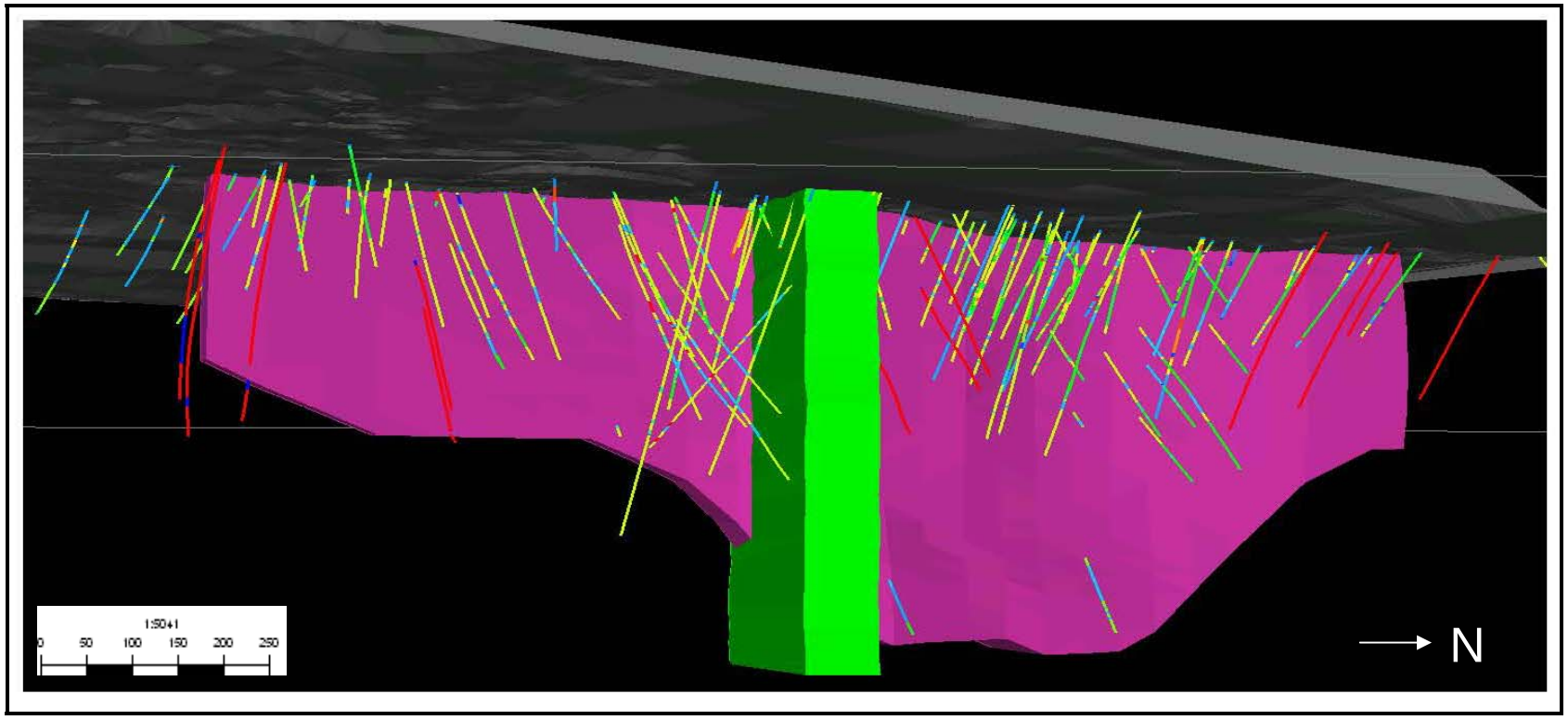
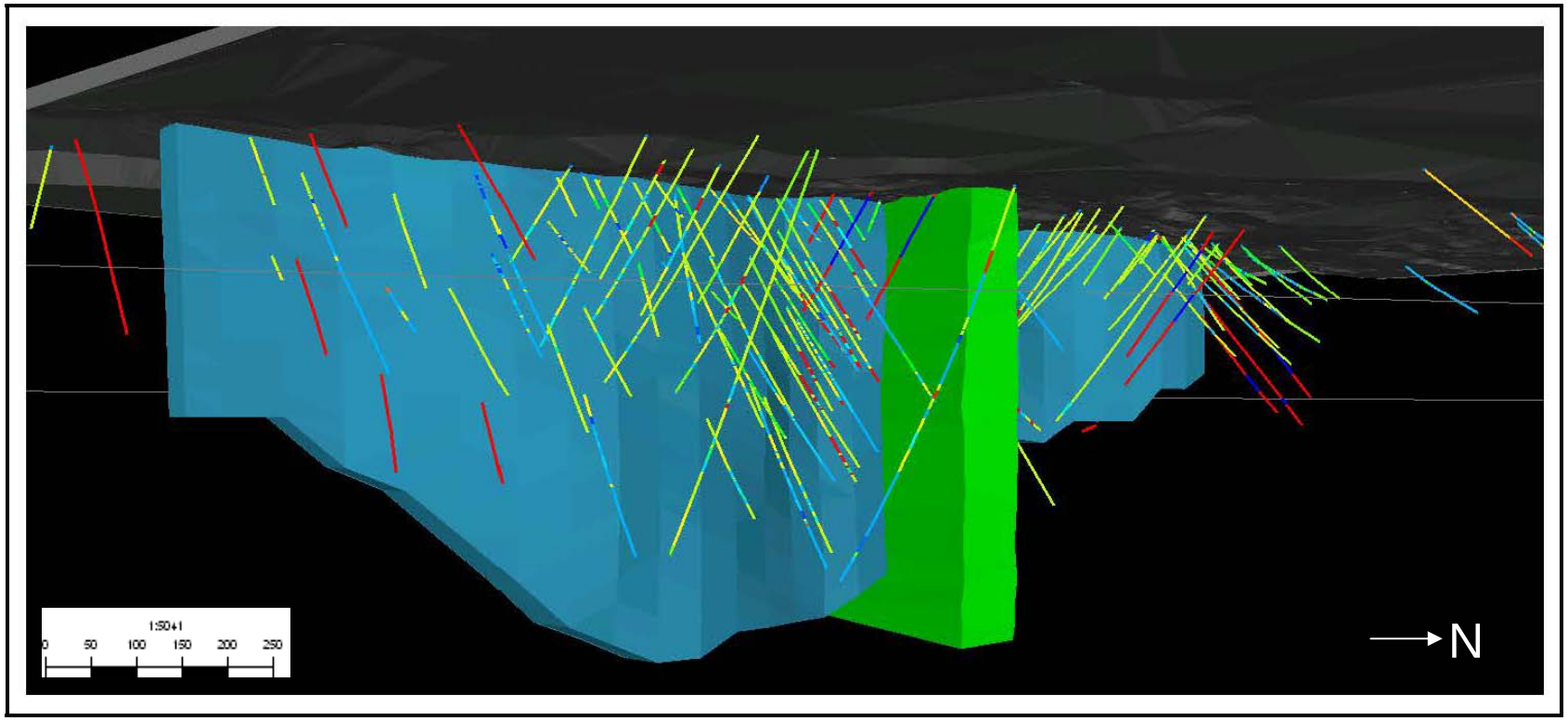


Figure 7.6 EC-2 Zone North Facing Oblique Long Section (not to scale, approximately 1,350 m in length)



8.0 DEPOSIT TYPE

The Osmani Gold Deposit mineralization belongs to the class of Archean shear-hosted gold occurrences. This deposit type is referred to as type I01 by the British Columbia Ministry of Energy and Mines Deposit Profiles and as US Geological Survey (USGS) Model 36a. These have the following salient features:

- tectonic setting:
  - major transcrustal structural breaks within stable cratonic terrains
  - may represent remnant terrane collision boundaries
- host rock types:
  - granite-greenstone belts-mafic, ultramafic (komatiitic) and felsic volcanics, intermediate and felsic intrusive rocks, greywacke and shale
- deposit form:
  - tabular fissure veins in competent host lithologies, veinlets and stringers forming stockworks in less-competent lithologies
- texture/structure:
  - veins commonly have sharp contacts with wallrocks and exhibit a variety of textures including massive, ribboned or banded stockworks with anastomosing gashes and dilations
- ore mineralogy:
  - native gold, pyrite, arsenopyrite, galena, sphalerite, chalcopyrite, pyrrhotite, tellurides, scheelite, bismuth, tetrahedrite, stibnite, molybdenite
- gangue mineralogy:
  - quartz, carbonates, albite, fuchsite, sericite, muscovite, chlorite, tourmaline, graphite
- alteration mineralogy:
  - silicification, pyritization, potassium metasomatism generally occur adjacent to veins within broader zones of carbonate alteration with or without ferroan dolomite veins, extending up to tens of meters from veins
- ore controls:
  - gold-quartz veins occur within zones of intense and pervasive carbonate alteration along second order or later faults marginal to transcrustal breaks; commonly associated with late syn-collisional, structurally-controlled intermediate to felsic magmatism.

9.0 EXPLORATION

The 2010 and 2011 exploration programs by Foundation were primarily designed to confirm and extend both the lateral and down plunge gold continuity of the anomalous Osmani Gold Deposit.

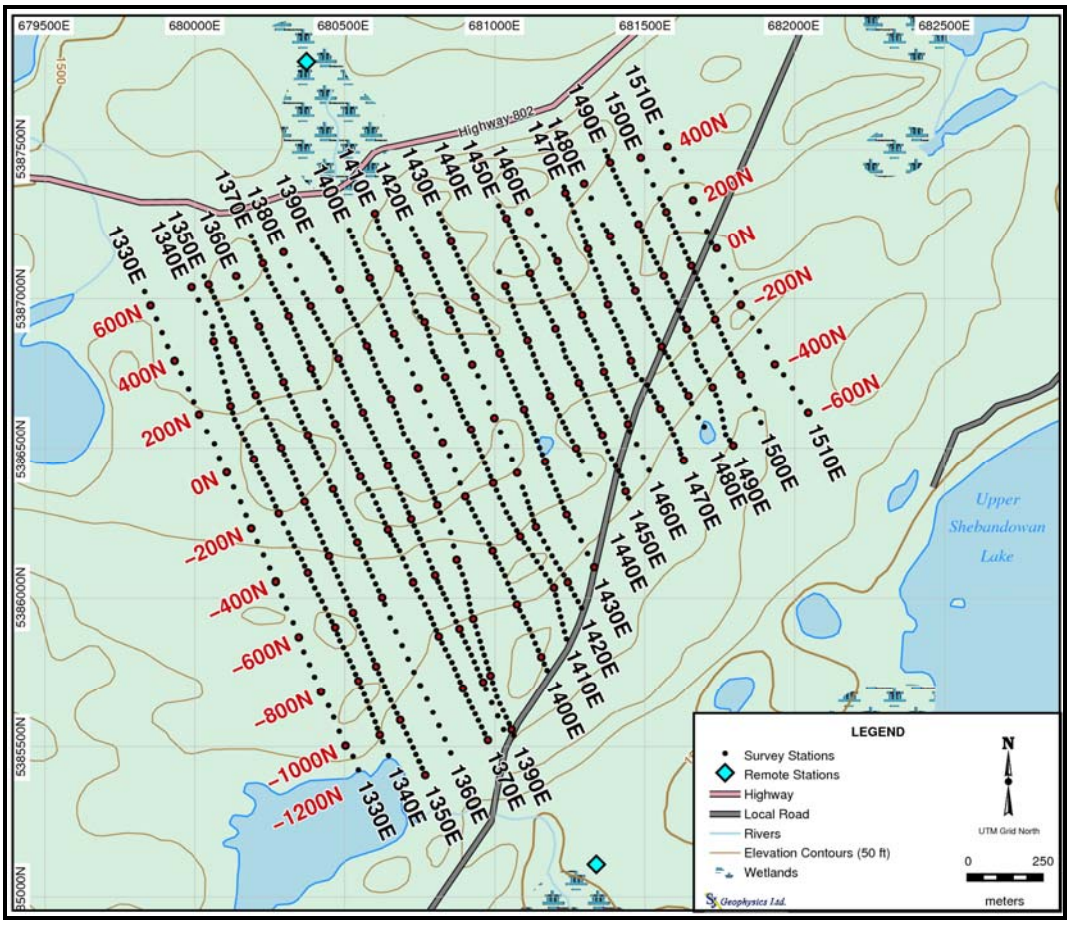
9.1 GEOPHYSICAL SURVEYS

A three dimensional resistivity/induced polarized (3DIP) survey was conducted between June 20 and July 09, 2010, over the Osmani Gold Deposit and surrounding area by SJ Geophysics Ltd. (SJ Geophysics). A total of approximately 26 line kilometres of data were collected (Figure 9.1).

The main purpose of a 3DIP survey is to identify potential areas of gold mineralization on the basis of the bedrocks chargeability and resistivity response. With some exceptions, anomalies of high chargeability and low resistivity generally represent disseminated sulphide (trace-5%) mineralization.

A number of northeast trending chargeability features have been identified by SJ Geophysics and appear to be located both east and south of the Osmani Gold Deposit, including one feature located between in the central portion of the EC-1 zone. Furthermore, SJ Geophysics has also identified a number of resistivity features which have classified them into three categories: the high resistivity features topped by low resistivity features, the low resistivity features topped by high resistivity features, and the relatively low resistivity features. One particular resistivity feature strongly coincides with a chargeability feature located between the western portion of the EC-1 zone and EC-2 zone which could be of additional interest.

Figure 9.1 2010 Resistivity/Induced Polarized Survey Grid



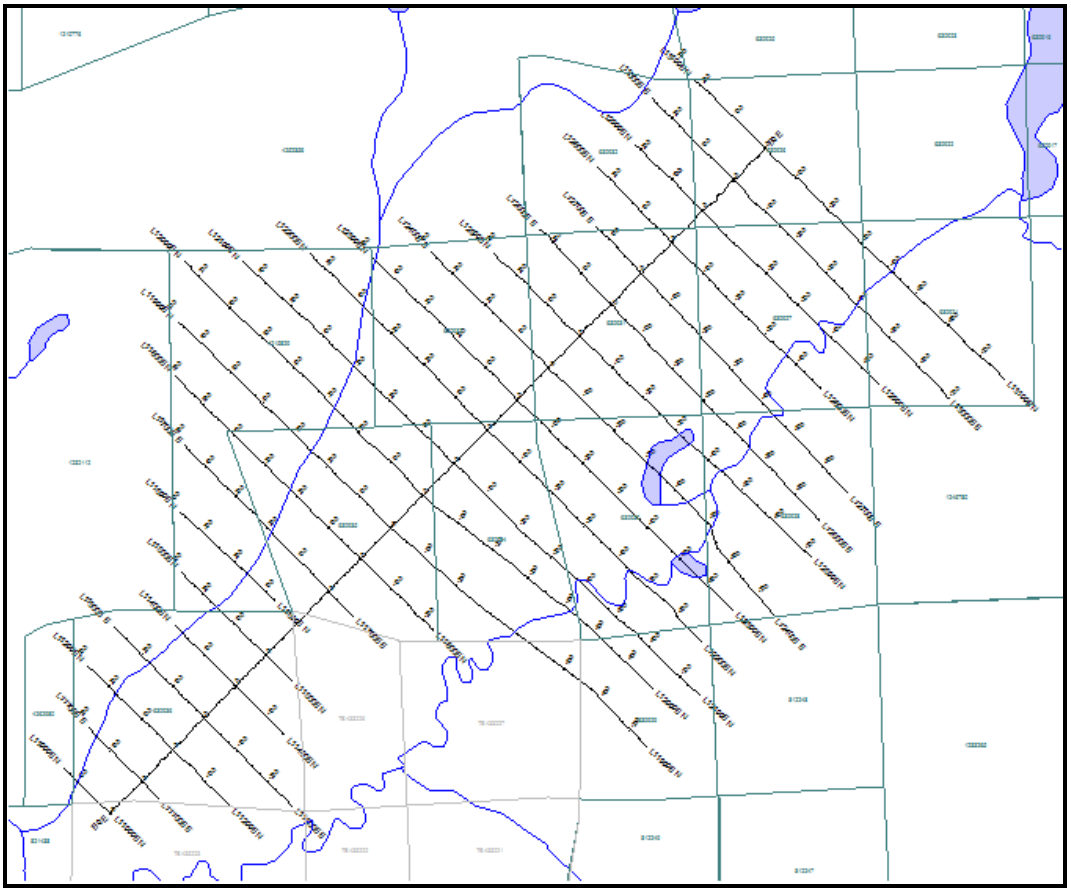
Source: SJ Geophysics Ltd.

Copies of the sections from the 2010 survey are found in Appendix A

A spectral resistivity/induced polarized and magnetic survey was completed on the Span Lake grid located in the southwest region of the Coldstream property. The survey was completed from June 24 to July 22, 2011 by JVX Ltd. The surveys consisted of 20 line km of resistivity/induced polarized and 20.7 line km of magnetics (Figure 9.2).

Six IP targets have been highlighted. Two of these are in the northeast part of the grid and in an area of Inco drilling from the late 1980s. Two are in what could be interpreted as the northeast extension of the QES Zone of the Moss Lake gold deposit. Two are in what could be the northeast extension of the North Zone of the Moss Lake gold deposit.

Figure 9.2 2011 Resistivity/Induced Polarized and Magnetic Survey Grid



Source: JVX Ltd.

Copies of the section from the 2011 survey are found in Appendix B.

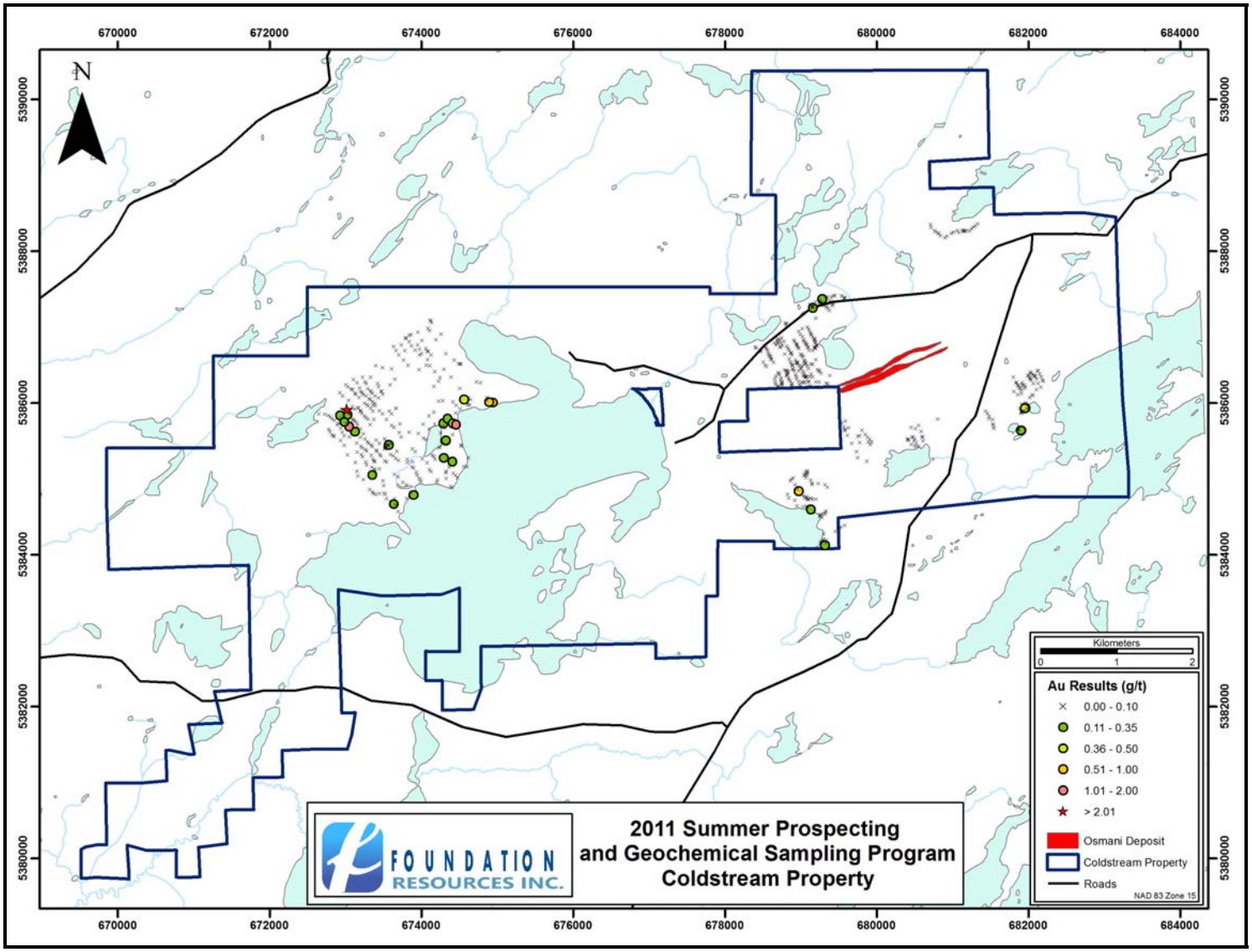
9.2 SURFACE WORK

One hundred and ninety-two rock samples were collected during the 2010 summer field program. Grab samples were taken during mapping and prospecting activities and were located by a handheld global positioning system (GPS). Sample lithology, alteration, and mineralization were described for all grab samples. Samples were brought to the field camp, where a blank and a standard were inserted into every 20-sample series. A list of significant results from the 2011 surface sampling program is provided in Table 9.1 and the location of all the samples are found in Figure 9.3.

Table 9.1 2011 Summer Prospecting Significant Sample Results

Station ID	Area	Easting	Northing	Sample ID	Au (ppm)	Ag (ppm)	As (ppm)	Cu (ppm)	K (%)	S (%)
102	Skimpole Lake	678972	5384842	H374408	0.603	<0.5	<5	142	0.07	0.16
459	W Burchell	673048	5385695	E949728	1.95	1.5	210	20	2.29	0.67
536	W Burchell	674321	5385505	E949814	0.562	1.8	<5	2750	1.44	0.25
537	W Burchell	674318	5385508	E949816	0.806	1.8	<5	687	1.45	0.85
071711-75	W Burchell	674939	5386009	H374860	0.844	3.1	20	354	0.75	1.07
071711-76	W Burchell	674894	5386014	H374861	0.662	6	<5	146	2.74	0.15
072411-130	W Burchell	674457	5385720	H374977	1.4	15.3	6	2030	3.13	0.56
062511-53	West Sheb	681914	5385640	E949667	0.646	2.7	5	1865	1.59	7.84
082611-145	W Burchell	673020	5385911	H374994	17.85	5	51	38	1.96	0.64

Figure 9.3 2011 Summer Prospecting and Geochemical Sampling Program



10.0 DRILLING

A total of four drilling phases has been completed during 2010 and 2011.

10.1 2010 DRILLING PROGRAM

Two drilling phases were completed between February 8 to March 18, 2010 and from May 28 to October 9, 2010. A total of 36 diamond drillholes, were drilled on the Osmani Gold Deposit (EC-1 and EC-2 zones), totalling 9,725 m. The drilling work was performed by Bodnar Drilling Ltd. of Ste. Rose Du Lac, Manitoba. Down hole surveys were conducted approximately 15 m below casing and at 50 m intervals hereinafter by means of a digital Ranger multi-shot instrument. Drillhole positions were located using a standard handheld GPS device with an accuracy of approximately 5 m. The work associated with the drilling programs was completed by a field-crew consisting of a project geologist, two core logging geologists, and two geotechnicians from Coast Mountain Geological Ltd. of Vancouver.

Drilling of the Osmani Gold Deposit (Table 10.1) was intended to begin infilling gaps between the widely spaced historic drillholes.

Table 10.1 2010 Drilling

Borehole ID	Easting	Northing	Elevation	Depth (m)
C-10-14	680072.4	5386501.22	474.32	358.75
C-10-15	680048	5386456	477.00	297.80
C-10-16	680012.9	5386426.98	477.12	276.46
C-10-17	680076	5386407	478.00	160.60
C-10-18	679859.3	5386406.45	477.04	285.60
C-10-19	680419	5386736	468.00	233.80
C-10-20	680377.5	5386720.34	466.12	197.21
C-10-21	680384.4	5386680.96	473.83	127.10
C-10-22	680803.6	5386734.93	477.25	150.55
C-10-23	679898	5386424	477.00	267.00
C-10-24	679980	5386250	486.00	252.07
C-10-25	680028	5386254	481.00	288.70
C-10-26	680102	5386505	481.00	306.94
C-10-27	680112	5386505	482.00	233.78
C-10-28	680100	5386569	482.00	380.10
C-10-29	680087	5386602	477.00	453.24
C-10-30	680268	5386680	489.00	342.60

table continues…

Borehole ID	Easting	Northing	Elevation	Depth (m)
C-10-31	680268	5386680	489.00	282.55
C-10-32	680507	5386473	485.00	320.00
C-10-33	680516	5386525	491.00	294.80
C-10-34	680492	5386489	485.00	331.32
C-10-35	680586	5386626	488.00	206.35
C-10-36	680655	5386618	485.00	233.78
C-10-37	680713	5386656	479.00	99.67
C-10-38	680738	5386700	493.00	132.60
C-10-39	680761	5386743	485.00	200.26
C-10-40	680514	5386566	489.00	227.69
C-10-41	680456	5386600	486.00	163.70
C-10-42	680143	5386505	480.00	224.64
C-10-43	680130	5386580	485.00	294.75
C-10-44	680148	5386481	489.00	203.30
C-10-45	680009	5386586	479.00	425.80
C-10-46	679994	5386212	490.00	300.84
C-10-47	680030	5386149	492.00	401.30
C-10-48	680093	5386207	492.00	279.57
C-10-49	680098	5386198	492.00	489.80

All holes intersected anomalous to highly anomalous gold mineralization, within and beyond the previously defined zones of the Osmani Gold Deposit, confirming gold continuity at approximately 50 m pierce point spacing. All holes drilled with the intention of testing the down-plunge extension of each zone within the Osmani Gold Deposit returned encouraging results. These results included:

- 4.88 g/t Au over 27.28 m in hole C-10-15 (EC-1 zone)
- 1.12 g/t Au over 111.30 m in hole C-10-16 (EC-1 zone)
- 3.06 g/t Au over 13 m in hole C-10-25 (EC-2 zone)
- 1.84 g/t Au over 34.80 m in hole C-10-32 (EC-2 zone)
- 2.10 g/t Au over 35.65 m in hole C-10-39 (EC-1 zone)
- 1.01 g/t Au over 49.90 m in hole C-10-49 (EC-1 zone).

Intervals represent downhole core lengths and not true widths.

Foundation also tested the eastern extent of the EC-1 zone with four drillholes, to investigate an area of mineralization that had not been included in the historical resource estimation. These holes intersected highly anomalous gold values over variable core lengths, including results of 1.67 g/t Au over 27.46 m (C-10-22) and 1.06 g/t Au over 27.35 m (C-10-38).

10.2 2011 DRILLING PROGRAM

A two-phase drill program was conducted on the Property between January 28 to March 6, 2011 and from June 21 to August 25, 2011. A total of 30 diamond drillholes were drilled on the Osmani Gold Deposit (EC-1 and EC-2 zones), totalling 7,263 m. The drilling work was performed by More Core Diamond Drilling Services Ltd. and Cobra Drilling of Stewart, British Columbia and Thunder Bay, Ontario, respectively. Down hole surveys were conducted approximately 15 m below casing and at 50 m intervals hereinafter by means of a digital Reflex multi-shot instrument. Drillhole positions were located using a standard handheld GPS device with an accuracy of approximately ±5 m. The work associated with the drilling program was completed by a field-crew consisting of a project geologist, two core logging geologists, and two geotechnicians from Coast Mountain Geological Ltd.

This two-phase drill program was completed to extend the lateral and down-plunge gold continuity of the anomalous Osmani Gold Deposit and to delineate a resource. Under the 2011 drilling program, thirty holes (C-11-52 through C-11-84), totalling 7,263 m were drilled into the EC-1 and EC-2 zones of the Osmani Gold Deposit as well as geophysical anomalies in the area. The results from the summer drilling program were not included in the resource estimate due to outstanding assay results that were not available at the time of the resource calculation. Table 10.2 lists all holes drilled on the Property in 2011 and indicates the holes that were used in the resource estimate.

Several of these holes intersected anomalous to highly anomalous gold mineralization beyond the previously defined zones of the Osmani Gold Deposit suggesting these zone could remain open both at depth and along strike. These results included:

- 1.10 g/t Au over 38.25 m in hole C-11-66 (EC-2 zone)
- 1.06 g/t Au over 16 m in hole C-11-62 (EC-1 zone)
- 1.04 g/t Au over 23 m in hole C-11-62 (EC-2 zone).

Table 10.2 2011 Drilling

Borehole ID	Easting	Northing	Elevation	Depth (m)	Included in Resource
C-11-52	680575	5386375	470	296.88	Yes
C-11-56	680780	5386788	477	220.98	Yes
C-11-57	680713	5386754	476	208.79	Yes
C-11-58	679751	5386322	479	153.62	Yes
C-11-59	680705	5386688	484	150.87	Yes
C-11-60	679761	5386384	475	275.54	Yes
C-11-61	680668	5386634	480	187.45	Yes
C-11-62	679899	5386260	473	185.1	Yes

table continues…

Borehole ID	Easting	Northing	Elevation	Depth (m)	Included in Resource
C-11-63	680679	5386579	480	254.41	Yes
C-11-64	679945	5386184	490	348.7	Yes
C-11-65	680513	5386626	486	150.88	Yes
C-11-66	680512	5386430	485	406.91	Yes
C-11-67	680109	5386442	481	147.52	Yes
C-11-68	680170	5386551	483	257.25	Yes
C-11-69	680184	5386442	478	121.31	Yes
C-11-70	680770	5386823	471	275.00	No
C-11-71	680825	5386810	477	251.00	No
C-11-72	680809	5386859	484	311.00	No
C-11-73	680712	5386586	479	275.00	No
C-11-74	680725	5386533	484	347.00	No
C-11-75	680312	5386455	490	299.00	No
C-11-76	680226	5386407	484	245.00	No
C-11-77	680209	5386470	488	224.00	No
C-11-78	679686	5386246	488	101.00	No
C-11-79	679647	5386349	485	254.00	No
C-11-80	679698	5386447	482	374.00	No
C-11-81	679781	5386480	483	377.00	No
C-11-82	679364	5386390	477	203.00	No
C-11-83	679510	5386293	480	209.00	No
C-11-84	679791	5386158	485	152.00	No

Table 10.3 summarizes the 2011 winter drilling results included in the resource estimate.

Table 10.4 summarizes the 2011 summer drilling results that are not included in the resource estimate.

Table 10.3 2011 Winter Drilling Results

Drillhole	From (m)	To (m)	Width (m)	Gold (g/t)
C-11-52	270.00	281.15	11.15	0.31
C-11-56	145.25	173.00	27.75	0.75
incl	145.25	149.50	4.25	1.93
incl	165.70	169.00	3.30	2.58
C-11-57	150.00	160.50	10.50	0.22
C-11-58	58.00	120.00	62.00	0.48
incl	110.00	120.00	10.00	1.51

table continues…

Drillhole	From (m)	To (m)	Width (m)	Gold (g/t)
C-11-59	81.80	93.90	12.10	1.20
incl	81.80	84.80	3.00	3.54
C-11-60	158.00	202.00	44.00	0.53
incl	158.00	160.00	2.00	4.70
incl	192.00	194.00	2.00	2.03
C-11-61	140.60	142.60	2.00	0.57
C-11-62	25.00	41.00	16.00	1.06
incl	35.00	39.00	4.00	2.62
and	87.00	114.00	27.00	1.09
incl	91.00	100.65	9.65	1.33
C-11-63	42.25	52.00	9.75	0.56
incl	42.25	44.00	1.75	1.50
and	208.00	217.25	9.25	1.78
incl	213.80	215.60	1.80	5.18
C-11-64	104.00	110.30	6.30	1.52
and	135.00	158.00	23.00	1.00
incl	152.25	158.00	5.75	2.66
and	216.00	228.00	12.00	1.14
C-11-65	90.55	96.55	6.00	0.72
and	103.10	107.25	4.15	1.12
C-11-66	265.00	303.25	38.25	1.10
incl	275.50	277.00	1.50	3.66
incl	280.80	286.00	5.20	5.14
C-11-67 (twin C-89-18)	98.00	112.00	14.00	1.05
incl	98.00	105.20	7.20	1.82
C-11-68	226.00	239.00	13.00	3.49
C-11-69	100.00	106.00	6.00	0.74

Table 10.4 2011 Summer Drilling Results

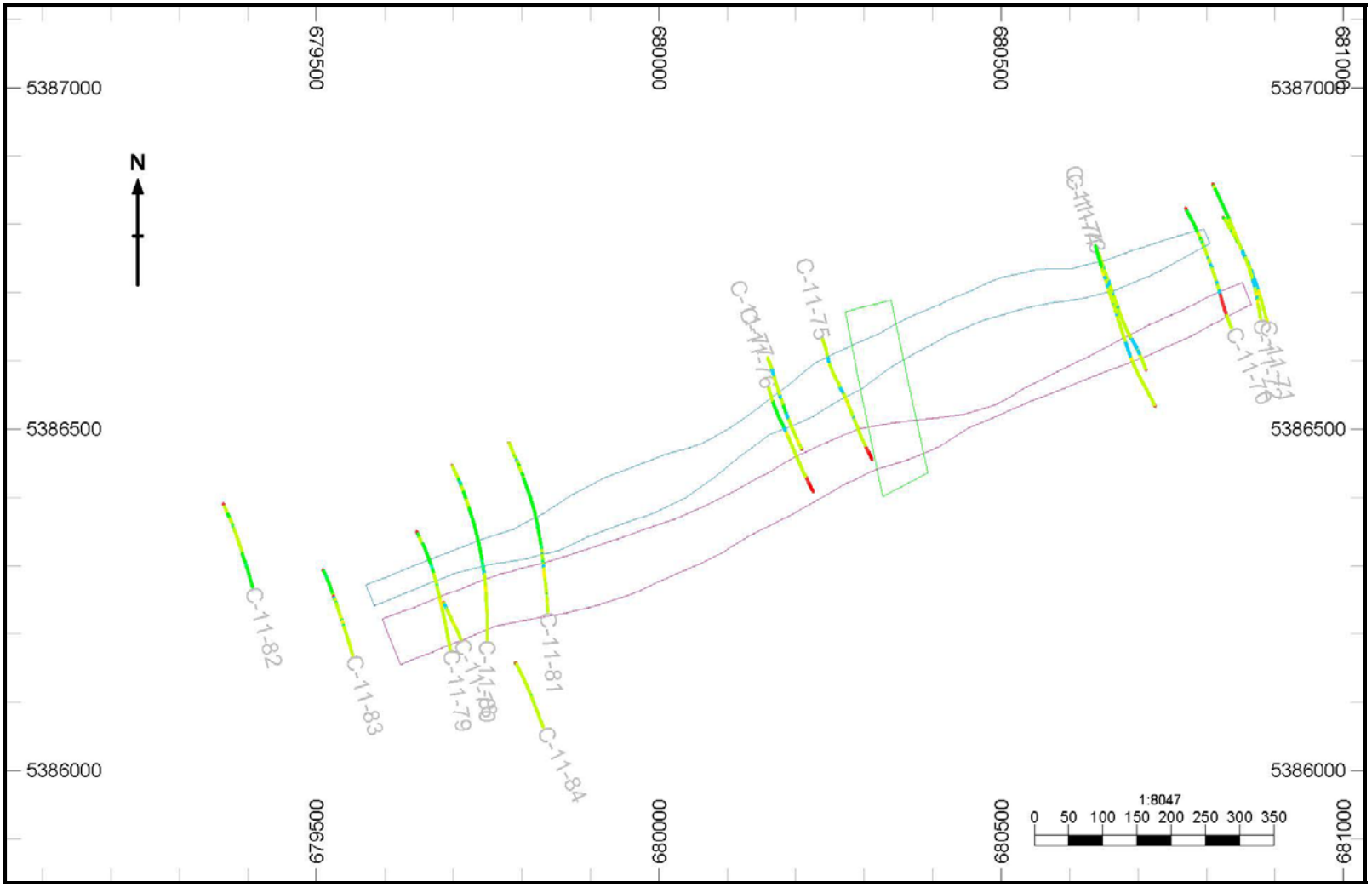
Drillhole	From (m)	To (m)	Width (m)	Gold (g/t)
C-11-70 (EC-1)	233.10	234.90	1.80	2.27
C-11-71 (EC-1)	75.80	77.10	1.30	1.77
and	158.75	191.50	32.75	1.03
including	181.70	189.85	8.15	3.61
including	186.50	189.85	3.35	8.26
C-11-72 (EC-1)	266.85	273.50	6.65	1.15
including	270.00	273.50	3.50	1.70
C-11-73 (EC-1/EC-2)	37.00	42.00	5.00	0.38
and	48.00	77.00	29.00	0.65

table continues…

Drillhole	From (m)	To (m)	Width (m)	Gold (g/t)
including	48.00	53.20	5.20	2.22
including	50.00	52.00	2.00	4.81
and	242.50	247.00	4.50	4.42
including	242.50	246.00	3.50	5.56
C-11-74 (EC-1/EC-2)	117.55	137.00	19.45	0.53
including	120.55	123.00	2.45	2.18
and	268.90	274.00	5.10	0.36
and	283.00	293.75	10.75	0.30
C-11-75	172.65	180.00	7.35	3.13
Including	172.65	174.00	1.35	11.65
	197.00	199.00	2.00	10.95
C-11-76	152.00	160.50	8.50	1.06
C-11-77	79.00	96.00	17.00	1.21
including	94.00	96.00	2.00	3.44
C-11-78	56.40	59.50	3.10	1.04
	76.00	78.00	2.00	2.15
	85.40	89.00	3.60	1.36
C-11-80	314.00	316.10	2.10	1.44
	333.00	335.00	2.00	0.56
C-11-81	281.95	283.30	1.35	1.86
	308.65	309.65	1.00	1.33
	342.05	343.10	1.05	1.58
	350.70	352.70	2.00	0.50
C-11-83	31.50	34.00	2.50	1.61
	49.00	51.50	2.50	1.08
	70.30	73.95	3.65	1.03
including	70.30	71.95	1.65	2.16

Eleven diamond drillholes have been completed within the area covered by the mineral resource subsequent to the site visit in March, and prior to the issues of this technical report. The location of the drillholes and the results of the boreholes have been provided in Section 10. The results of these drillholes have been reviewed against the resource model and are deemed to not have material impact on the resource model, as the grades in both the drillholes and resource model were similar and would not change any of the resource classification within the resource model.

Figure 10.1 Summer Drilling Map



10.3 CORE LOGGING

Core is delivered by the drillers to the secure logging facility on a daily basis. Box intervals are converted from imperial to metric units and rounded to the nearest 5 cm. Scratch tags are stapled onto the end of the core boxes stating hole-id, box number and the interval contained in the box in metres.

Geotechnicians fit core together to the best of their ability so that the recovery and rock quality designation (RQD) can be determined. Recovery is calculated by measuring the recovered core length divided by the true length. RQD is based on the total length of core greater than twice the diameter within an interval divided by the length of the interval. Driller's breaks are discounted. Any issues with core fit, blocks, or recovery are brought to the project geologist's attention.

Sample intervals are determined by lithology, mineralization and alteration. Samples should not cross lithological breaks unless a unit is less than 0.5 m wide. Within lithological units, sample breaks should be chosen based on a variation of mineralization and alteration. No samples are taken in isolation. Maximum samples lengths are up to 3 m with minimum sample length being 0.5 m. When significant mineralization is present, sample lengths are kept to a 1 m maximum length.

Core logging information is entered directly into a lap top computer, utilizing Microsoft Excel®. Sample intervals were selected, marked, numbered, recorded in assay booklets and then entered by the supervising geologist.

Drill logs contain a cover sheet, core box intervals, RQD and recovery and downhole survey information, along with individual attributes and detailed lithological descriptions.

Prior to taking core photos, core is orientated to show the dominant foliation, shearing or bedding, making a mirror image of the split core once it is cut and is hosed wet. Core photos are taken with the hole-id, box number and from-to intervals. A series of photos are taken and are then stitched using a photo stitch program. This is completed immediately after photographing the core and before core is split to ensure a high quality image is retained.

During core cutting, care is taken to ensure that the two core halves are as equal as possible perpendicular to the foliation and shearing. One half of the core is retained in the core box for future reference, while the other half being placed in a sample bag with the sample tag for the interval. Sample bags are pre-labeled with a sample number and sample tags are inserted at the bottom of the bag before core is added. The sample bags are subsequently sealed with a zip tie. Quality assurance/quality control (QA/QC) sample numbers are double-checked against what has been recorded in the log, prior to shipping.

When shipping samples to the lab, an inventory list is checked-off and then double-checked against a lab submittal form, when bags are loaded into rice bags for

transport. A record of the samples contained in each rice bag is kept for each shipment. Rice bags are labeled with sample numbers contained in the bag as well as client name, address and phone number. Core samples are kept in a secure location in camp at all times. Samples are submitted directly to the lab by employees of Coast Mountain Geological Ltd.

11.0 SAMPLE PREPARATION, ANALYSES, AND SECURITY

11.1 DIAMOND DRILLING

Throughout the 2010 and 2011 drilling programs, a total of 6,333 core samples were taken. In addition, a total of 254 blanks, 250 standards, 169 coarse reject duplicates and 161 pulp duplicates were inserted into the sampling stream.

Drill core was sampled by cutting the core into two equal halves using a stationary rock saw at the field camp in Kashabowie, Ontario. One half of the core was placed in a sample bag with the corresponding numbered sample tag, while the other half was retained in the core box for future reference. Samples were submitted directly to the ALS Minerals laboratory in Thunder Bay, Ontario by employees of Coast Mountain Geological Ltd. ALS is registered to International Organization for Standardization ISO 9001:2008, and a number of analytical facilities have received ISO 17025 accreditations for specific laboratory procedures.

Upon receipt of the samples at ALS preparation facility in Thunder Bay, the samples were prepared in the following fashion using ALS codes:

- WEI-21 samples weighted
- LOG-23 sample login with barcode
- DRY-21 high temperature sample drying
- CRU-32 crushed to 90% less than 2 mm
- WSH-21 crushers “washed” with silica sand between each sample
- SPL-21 sample split using a riffle splitter
- PLU-32 pulverized 100 g to 85% passing <75 µm.

The pulps are then shipped to ALS analytical facility in Vancouver for analysis.

Multi-element inductively coupled plasma (ICP) was carried out on all samples using four acid near total digestion with ICP-atomic emission spectroscopy (ICP-AES) determination for 33 elements (ALS code ME-ICP61). Fire assay for gold was completed with an ICP-AES finish (ALS code Au-ICP21). Any samples exceeding the upper detection limit of 10 ppm Au was re-analyzed by fire assay with a gravimetric finish.

At no time were employees, direct or indirect, of Foundation or Alto involved in the preparation or analysis of the samples submitted to ALS.

Core is stored at the residence of Joe Hackyl. At the end of the drill programs all core will remain at the Hackyl residence for the long-term storage.

It is Tetra Tech's option that the sample preparation, security and analytical procedures are sufficient to support a resource estimate.

11.1.1 QA/QC PROGRAM

A QA/QC program is in place for the sampling and analysis of the drill core. Sampling intervals were determined by changes in lithology, mineralization and alteration. Sample length typically varied between 1 and 2 m, with samples up to 3 m, and as short as 0.5 m used sparingly.

- Winter 2010: In each group of 20 samples one standard, one blank, one coarse reject duplicate and one pulp duplicate was inserted.
- Summer 2010 & Winter 2011: In each group of 20 samples one standard, one blank were inserted, while in each group of 40 samples one coarse reject duplicate and one pulp duplicate was inserted.

Standards – randomly inserted within the 20 samples.

- 100 g is submitted.
- Four to ten standards have been selected throughout the winter and summer programs, with gold values ranging between 0.29 to 4.75 g/t insertion of each of these standards is to be kept about equal over the course of the program.
- Standards are sourced from WCMminerals, Burnaby BC. The list of standards used are PM 197, PM 404, PM 410, PM 427, PM 428, PM 431, PM 434, PM 438, PM 439, PM 441, PM 443.

Duplicates – are best placed within mineralized zones.

- The coarse reject duplicates are second pulps or re-splits. This is done after crushing of entire drill core sample to better than 90% -2 mm.
- For most samples at this stage a 250 g split off is to be pulped. For these coarse rejects duplicates there is a second 250 g split off (the coarse reject duplicate or second pulp). This sample is assigned a separate sample number and run in a separate batch (fire assay + ICP) this provides a check on the adequacy of the sample preparation.

Pulp Duplicates – A 30 g sample is split-off from the 250 g pulp for fire assay. This duplicate is a second 30 g split for the fire assay (no ICP). It is assigned a separate sample number and is fire assayed in a separate batch (different furnace load). This provides a measure of accuracy of the initial determination performed by the lab and an estimate of the analytical variance plus the pulp sub-sampling variance. A decision has been made to not quarter split the drill core to do field duplicates, as

they are not from the same location and are therefore not strictly a duplicate. Quarter splitting core results in submitting samples half the size of what is submitted in the rest of the drillhole and introduces geo-statistical problems. The second half of the drill core is not submitted as this leaves no reference of the core and is not strictly a duplicate as it is not from the same location. True duplicates can only be made by splitting two representative samples from broken core.

Blanks – These are inserted before, within or immediately after a mineralized zone. This is used to monitor lab contamination or miss-sequencing during sample preparation and analysis. The blanks are 750 g of white marble.

Check Assays – Five percent of the pulps from the 2010 winter drill program have been submitted to Acme for check assays. These pulps have been selected randomly from results over 0.15 g/t Au.

- pulp fineness checked
- check on condition and orderliness of sample transmittals
- fire assay gold using as close a procedure as possible to ALS.

11.2 SURFACE WORK

One hundred and ninety two rock samples were collected during the 2010 summer field program, described and bagged by the geologist in the field. Grab samples were taken during mapping and prospecting activities and were located by handheld GPS. Sample lithology, alteration, and mineralization were described for all grab samples. All samples were assigned a unique sample number with a sample identification tag put into each sample bag and the sample number written onto the bag. Samples were brought to the field camp, where a blank and a standard were inserted into every 20-sample series. In total, seven blanks and six standards were inserted into the sample series. Five different standards were used. Multi-element ICP was carried out on all samples using four acid near total digestion with ICP-AES determination for 33 elements. Fire assay for gold was completed with an ICP-AES finish. Any samples exceeding the upper detection limit of 10 ppm Au was re-analyzed by fire assay with a gravimetric finish.

12.0 DATA VERIFICATION

Tetra Tech validated supplied diamond drillhole data files against the original drillhole logs and assay certificates. The validation of the data files was completed on 36 of the 116 drillholes in the total database or 31% of the dataset. Data verification was completed on collar coordinates, end-of-hole depth, downhole survey measurements, -from and -to intervals, assay sampling intervals and gold grades. No errors were identified in the survey or lithology files.

The collar file contained 17 entries that required correction, primarily due to minor discrepancies with X, Y, Z locations or hole lengths. This represented about 9% of the entire collar data set. Corrections were made to the data set if locations differed by more than 1 m. Rounding differences with coordinates were not considered errors (Table 12.1).

Table 12.1 Drill Collar Corrections

BHID	Old X	Corrected X	Reason
CSM06-01	680115.74	680119	X coordinate from log
CSM06-09	680366.89	680368	X coordinate from log
CSM06-12	680669.50	680668	X coordinate from log
C-10-17	680074.04	680076	X coordinate from log
K-41	680083.64	680085.0011	X coordinate from log
BHID	**Old Y**	**Corrected Y**	**Reason**
CSM06-01	5386526.96	5386537	Y coordinate form log
CSM06-04	5386325.49	5386332	Y coordinate form log
CSM06-09	5386450.82	5386455	Y coordinate form log
CSM06-12	5386630.93	5386640	Y coordinate form log
C-10-17	5386405.76	5386407	Y coordinate form log
C-10-19	5386744.18	5386736	Y coordinate form log
K-41	5386287.51	5386281.998	Y coordinate form log
BHID	**Old Z**	**Corrected Z**	**Reason**
CSM06-01	477.17	485	Z coordinate from log
CSM06-04	474.67	488	Z coordinate from log
CSM06-09	490.92	494	Z coordinate from log
CSM06-12	480.15	482	Z coordinate from log
C-10-17	475.19	478	Z coordinate from log
K-41	474.99	485	Z coordinate from log
EC-89-5	471.50	485	Z coordinate from log
BHID	**Old Length (m)**	**Corrected Length (m)**	**Reason**
C-10-49	486.82	489.8	Length from log

The assay files contained 516 entries that were corrected, primarily due to a lack of valid data but also due to input errors. This represented a 5.3% error rate within the data set. Corrections were made to the data set if the difference in the assays were greater than 0.1 g/t or if no valid data was available. All assays values entered as trace (TR) were converted to half the limit of reporting and were not considered errors Table 12.2.

Table 12.2 Assay Corrections

Borehole ID	Sample No.	Old Assay (g/t)	Corrected Assay (g/t)	Reason
C8804	All	-	-	Used database values
C-11-52	All	-	-	Used results from certificate
C-11-56	J625021	0.001	0.496	Result from assay certificate
C-11-59	J625296	0.005	0.054	Result from assay certificate
C-11-59	J625297	0.054	0.006	Result from assay certificate
C-11-60	J628949	0.486	0.157	Result from assay certificate
C-11-60	J628955	0.001	0.007	Result from assay certificate
C-11-60	J628975	4.700	0.014	Result from assay certificate
C-11-60	J628993	0.001	0.015	Result from assay certificate
C-11-60	J628995	2.030	0.055	Result from assay certificate
C-11-60	J629011	0.004	0.348	Result from assay certificate
C-11-60	J629014	0.478	0.027	Result from assay certificate
C-11-60	J629031	0.001	0.004	Result from assay certificate
C-11-60	J629034	1.570	0.006	Result from assay certificate
C-11-62	J629065	0.474	0.009	Result from assay certificate
C-11-62	J629081	0.437	0.001	Result from assay certificate
C-11-64	J629172	0.180	0.018	Input error, used assay certificate value
C-11-65	J625622	1.480	0.164	Input error, used assay certificate value
C-11-67	J629346	0.040	0.004	Input error, used assay certificate value
C-11-68	J629426	0.006	0.009	Input error, used assay certificate value
C-89-17	64.7	TR	0.001	Changed to half limit of reporting
C-89-17	65.7	TR	0.001	Changed to half limit of reporting
C-89-17	66.7	TR	0.001	Changed to half limit of reporting
C-89-17	67.7	TR	0.001	Changed to half limit of reporting
C-89-17	71.6	TR	0.001	Changed to half limit of reporting
C-89-17	72.6	TR	0.001	Changed to half limit of reporting
C-89-17	73.6	TR	0.001	Changed to half limit of reporting
C-89-17	85.6	TR	0.001	Changed to half limit of reporting
C-89-17	160481	TR	0.001	Changed to half limit of reporting
C-89-17	160482	TR	0.001	Changed to half limit of reporting
C-91-30	All	-	-	Used results from certificate
C-90-24	All	-	-	Used results from certificate

Tetra Tech confirmed the locations of twelve surface drillhole collars during a site visit. Tetra Tech collected the collar locations using a hand held Garmin GPS unit. Table 12.3 displays the results of the collar validation. The accepted error for the GPS unit is typically a ±5 m range.

Table 12.3 Drill Collar Check

Borehole ID	Foundation			Tetra Tech		
	Easting	Northing	Elevation	Easting	Northing	Elevation
CSM06-02	680185	5386489	482	680181	538492	No Elevation
CSM06-03	680279	5386524	490	680286	5386537	No Elevation
CSM06-10	680458	5386589	483	680458	5386592	No Elevation
CSM06-11	680577	5386585	485	680576	5386586	No Elevation
CSM06-12	680668	5386640	482	680666	5386632	No Elevation
C-10-14	680072	5386501	474	680067	5386505	No Elevation
C-10-16	680012	5386427	477	680010	5386428	No Elevation
C-10-18	679859	5386406	477	679859	5386407	No Elevation
C-10-20	679859	5386406	477	680377	5386725	No Elevation
C-10-38	680738	5386700	493	680743	5386704	No Elevation
C-89-18	680109	5386442	475	680108	5386441	No Elevation
C-11-67	680109	5386442	481	680108	5386441	No Elevation
K-44	680339	5386747	467	680343	5386745	No Elevation

No elevation was taken during the collar validation. Although the hand held GPS is not deemed to be truly accurate, it is recommended that Foundation have all the collar locations surveyed.

Hole K-44 could not be accurately verified due to water surrounding the hole.

Through the validation process and a review of the procedures emplaced during data collection, Tetra Tech is of the option that the data is of sufficient quality to support a resource estimate.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

A scoping level metallurgical test program was completed on samples originating from the Osmani Gold Deposit. The material collected for testing would reflect the overall general characteristics of the mineral deposit as a whole as currently geologically understood, yet would not be at a level sufficient to support a prefeasibility study.

The metallurgical test work was carried out by SGS Canada on a 60 kg master composite that was created using four individual core sample batches taken from the deposits two gold horizons, the EC-1 and EC-2 zones. Metallurgical test results of the master composite show the best recovery is achieved using a combination of gravity and leaching, yielding gold recovery of 96.1%.

Four individual sample batches, each weighing 20 kg, were placed in four securely tied rice bags and shipped to SGS Canada in Vancouver where a portion of each was combined into one master composite sample for the test program. Each sample was also subjected to variability metallurgical testing. The direct head grade assay obtained from the master composite is 3.28 g/t Au.

The following tests were conducted on the master composite sample: two gravity separation tests, three whole ore rougher kinetics floatation tests, one whole ore open circuit floatation test, one gravity tails rougher floatation test, one gravity tails leaching tests, four variability rougher kinetics floatation tests and four variability leaching tests. The tests generating the highest gold recovery from the master composite were gravity tests (G2), rougher floatation tests (F1) and the leach tests (L1). Highlights of these tests are presented in Table 13.1.

From this level of testing it is unknown if there are any processing factors or deleterious elements that could have a significant impact on economic extraction.

Table 13.1 Metallurgical Test Summary

Test	Grade (g/t, mg/L)	Recovery (%)	Product
Gravity (G2)	655	24.8	Mozley Concentrate
Floatation (F1)	46.7	94.4	Rougher Floatation Concentrate
Floatation (F4)	124	81.3	Second Clearer Floatation Concentrate
Leach (L1)	2.28	95.6	48 Hour Pregnant Leach Solution
Gravity (G2) + Floatation (F5)	655, 33.7	94.8	Mozley Concentrate + Rougher Floatation Concentrate
Gravity (G2) + Leaching (L3)	655, 1.38	96.1	Mozley Concentrate + 48 Hour Pregnant Leach Solution

14.0 MINERAL RESOURCE ESTIMATES

14.1.1 DATABASE

Foundation maintains all drillhole data in Microsoft Excel®. The headers, survey, lithology, assays and numerous other tables were exported to CSV format then transferred to Tetra Tech. The CSV files were created on April 5th, 2011. The Property has been drilled by 116 drillholes. However, only drillholes within the areas of interest and with exploration potential were included in the resource estimate.

The resource estimation was conducted using Datamine® Studio 3 version 3.20.5321.0.

Table 14.1 summarizes the number of drillholes used in the resources estimate for each zone. Some holes intersect only one zone while other holes intersect both zones.

Table 14.1 Drill Data Set

	Project Total	EC-1	EC-2
No. of Holes	116	85	77

14.1.2 SPECIFIC GRAVITY

SG measurements have not been collected on the Project. The SG value of 2.78 was used in the resource estimate is typical of the rock type quartz feldspar porphyry. Similar deposits in the area have also used a similar specific gravity value.

14.1.3 EXPLORATORY DATA ANALYSIS

ASSAYS

The mineral resource was calculated from a total of 11,693 assays (Table 14.2) which were sampled during the 2010 and 2011 drilling programs as well as historically sampled from previous drilling programs. Complete assay information was provided for gold.

Table 14.2 DDH Assay Statistics

Zone	Field	No. of Samples	Minimum	Maximum	Mean	Standard Deviation
EC-1	Au g/t	4494	0.00	34.49	0.43	1.39
	Length	4823	0.00	29.40	1.49	1.34
EC-2	Au g/t	3519	0.00	37.71	0.37	1.26
	Length	3679	0.01	53.00	1.49	1.61

GRADE CAPPING

Raw assay data was examined to assess the amount of metal that is at risk from high-grade assays. The Datamine® Decile function was used to determine if grade capping was required for gold in the various zones. Tetra Tech elected to apply a top cut to the grades that exceeded 40% metal content in the ninetieth (90^{th}) decile. Table 14.3 shows a summary of the top cuts that were applied to the various zones datasets.

Table 14.3 Grade Capping

Zone	Sample No.	No. of Samples Capped	Grade Range Capped	Capping Value	Capped (%)
EC-1	4494	58	5.905 to 34.49	5.89	3.30
EC-2	3519	44	5.76 to 37.71	5.70	3.50

COMPOSITES

Gold assay data were composited into 1 m downhole intervals, honouring the interpreted geological solids. A 1 m composite length was selected, to reflect the majority of the assays, which are dominantly around 1 m long, and corresponds to approximately one half- to one third of the cell size to be used in the modelling process. A backstitching process was used in the compositing routine, to ensure that all captured sample material was included. The backstitching routine adjusts the composite lengths for each individual drillhole, in order to compensate for the last sample interval. This results in individual boreholes with composites that vary in length from 0.90 to 1.07 m, but retain a 1 m mean composite length. Table 14.4 summarizes the statistics of the boreholes after capping and compositing.

Table 14.4 DDH Composite Statistics

Zone	Field	No. of Samples	Minimum	Maximum	Mean	Stand Deviation
EC-1	LENGTH	1099	0.940	1.070	1.000	0.020
	AU_GT	794	0.003	9.077	0.475	0.857
EC-2	LENGTH	1182	0.900	1.020	1.000	0.012
	AU_GT	486	0.003	17.650	0.691	1.707

14.1.4 GEOLOGICAL INTERPRETATION

Three-dimensional wireframe models of mineralization were developed for the two zones based on a gold cut-off of greater than 0.2 g/t and a minimum 2 m horizontal width. Bedrock subsurface was also created using a digital terrain model based on the data provided in the drill logs.

Sectional interpretations were digitized in Datamine® Studio 3 version 3.20.5321.0 software, and these interpretations were linked with tag strings and triangulated to build three-dimensional solids. Table 14.5 tabulates the solids and associated volumes. The solids were validated in Datamine® and no errors were found.

The zones of mineralization interpreted for each area were generally contiguous; however, due to the nature of the mineralization there are portions of the wireframe that have grades less than 0.4 g/t, yet are still within the mineralizing trend.

The non-assayed intervals were assigned void (-) value. The author believes that non-assayed material should not be assigned a zero value, as this does not reflect the true value of the material.

Table 14.5 Wireframe Statistics

Zone	Wireframe Dimensions						Volume (m^3)
	Minimum X	Maximum X	Minimum Y	Maximum Y	Minimum Z	Maximum Z	
EC-1	679593	680867	5386151	5386714	38	515	30,957,629
EC-2	679572	680808	5386216	5386794	40	511	22,815,149

14.1.5 SPATIAL ANALYSIS

Variography was completed for gold in the two zones individually, using Datamine® Studio 3 version 3.20.5321.0 software. Downhole variograms were compiled to assess the nugget effect and correlograms were modelled to examine spatial continuity in the zones.

Table 14.6 summarizes results of the variography.

Table 14.6 Variography Results

VDESC	VREFNUM	VANGLE1	VANGLE2	VANGLE3	VAXIS1	VAXIS2	VAXIS3	NUGGET	ST1	ST1PAR1	ST1PAR2	ST1PAR3	ST1PAR4
Z1	1	-22	-30	225	3	2	1	0.2	1	17	16	14	0.176
Z5	1	-24	0	225	3	2	1	0.4	1	18	7	15	0.108

14.1.6 RESOURCE BLOCK MODEL

Individual block models were created in Datamine® for the two zones, using one parent model as the origin. The model was not rotated.

Drillhole spacing varies from 25 to 50 m. A block size of 10 x10 x 10 m was selected to accommodate more closely-spaced drilling.

Subcelling of the block model was at 1 m. This allows the parent block to be split once in each direction and to more accurately fill the volume of the wireframes. This more accurately estimates the tonnes in the resource.

Table 14.7 summarizes details of the parent block model.

Table 14.7 Parent Block Model

Origin			Cell Size (m)			Number of Cells		
X Origin	Y Origin	Z Origin	XINC	YINC	ZINC	NX	NY	NZ
679400	5386050	-40	10	10	10	160	85	60

Interpolation of the two zones was completed using three estimation methods:

- nearest neighbour (NN)
- inverse distance squared (ID2)
- ordinary kriging (OK).

The estimation was designed for three passes. In each pass, a minimum and maximum samples number is required, as well as a maximum samples number from a given borehole in order to satisfy the estimation criteria. Table 14.8 and Table 14.9 summarize the interpolation criteria for the two zones.

Table 14.8 Estimation Criteria

Zone	Edesc	EREFNUM	VALUE_IN	VALUE_OU	NUMSAM_F	SVOL_F	SREFNUM	IMETHOD	POWER	VREFNUM
EC-1	Estima Param 1	1	AU_Cap	AucapNN			1	1	2	1
	Estima Param 2	2	AU_Cap	AucapID			1	2	2	1
	Estima Param 3	3	AU_Cap	AucapOK	numsam	svol	1	3	2	1
EC-2	Estima Param 1	1	AU_Cap	AucapNN			1	1	2	1
	Estima Param 2	2	AU_Cap	AucapID			1	2	2	1
	Estima Param 3	3	AU_Cap	AucapOK	numsam	svol	1	3	2	1

Table 14.9 Search Criteria

SREFNUM	SMETHOD	SDIST1	SDIST2	SDIST3	SANGLE1	SAXIS1	SANGLE2	SAXIS2	SANGLE3	SAXIS3
1	2	30	15	50	-24	3	90	1	0	2
SVOLFAC1	**MINNUM1**	**MAXNUM1**	**SVOLFAC2**	**MINNUM2**	**MAXNUM2**	**SVOLFAC3**	**MINNUM3**	**MAXNUM3**		
1	8	15	2	4	15	4	2	10		
OCTMETH	**MINOCT**	**MINPEROC**	**MAXPEROC**	**MAXKEY**						
1	2	1	4	4						

14.1.7 RESOURCE CLASSIFICATION

Several factors are considered in the definition of a resource classification:

- NI 43-101 requirements
- Canadian Institute of Mining, Metallurgy and Petroleum guidelines
- spatial continuity based on variography of the assays within the drillholes
- authors experience in similar deposits.

14.1.8 MINERAL RESOURCE TABULATION

The resource reported as of September 2011 has been tabulated in terms of a gold cut-off grade. The mineral resources for the two zones at the Osmani Gold Deposit are tabulated in Table 14.10 and Table 14.11 for the Indicated and Inferred Resources, respectively. The resources are tabulated using various cut-off grades for gold up to an upper bound of greater than 1.20 g/t Au.

Table 14.10 EC-1 Tonnes & Grades

Total Class	ID Cut-off	Tonnes (t)	Au (g/t)	Au (oz)
IND	0.20	2,267,700	0.65	47,604
	0.25	1,929,100	0.73	45,198
	0.30	1,769,400	0.77	43,797
	0.35	1,544,900	0.83	41,473
	0.40	1,371,900	0.89	39,374
	0.45	1,254,300	0.94	37,774
	0.50	1,121,400	0.99	35,741
	0.55	1,035,900	1.03	34,304
	0.60	952,500	1.07	32,758
	0.65	863,500	1.12	30,976
	0.70	799,400	1.15	29,582
	0.75	707,700	1.21	27,441
	0.80	636,500	1.25	25,664
	0.85	579,900	1.30	24,165
	0.90	527,100	1.34	22,676
	0.95	479,700	1.38	21,268
	1.00	449,100	1.41	20,308
	1.05	400,800	1.45	18,726
	1.10	359,800	1.50	17,304
	1.15	323,700	1.54	15,998
	1.20	280,000	1.59	14,353

table continues…

Total Class	ID Cut-off	Tonnes (t)	Au (g/t)	Au (oz)
INF	0.20	37,577,000	0.56	672,317
	0.25	32,167,000	0.61	633,151
	0.30	27,866,000	0.66	595,179
	0.35	24,058,000	0.72	555,464
	0.40	20,732,000	0.77	515,445
	0.45	17,705,000	0.83	474,163
	0.50	15,364,000	0.89	438,432
	0.55	13,116,000	0.95	400,548
	0.60	11,154,000	1.02	364,333
	0.65	9,416,000	1.09	329,468
	0.70	8,120,000	1.15	301,376
	0.75	7,081,000	1.22	277,231
	0.80	6,221,000	1.28	255,844
	0.85	5,559,000	1.33	238,251
	0.90	5,009,000	1.38	222,814
	0.95	4,582,000	1.43	210,098
	1.00	4,194,000	1.47	197,945
	1.05	3,802,000	1.51	185,023
	1.10	3,458,000	1.56	173,115
	1.15	3,126,000	1.60	161,139
	1.20	2,841,000	1.65	150,357

Table 14.11 EC-2 Tonnes & Grades

Total Class	ID Cut-off	Tonnes (t)	Au (g/t)	Au (oz)
IND	0.20	3,546,300	0.61	70,068
	0.25	3,089,500	0.67	66,784
	0.30	2,745,200	0.72	63,726
	0.35	2,420,600	0.78	60,338
	0.40	2,144,800	0.83	57,023
	0.45	1,870,100	0.89	53,268
	0.50	1,685,800	0.93	50,452
	0.55	1,478,000	0.99	46,943
	0.60	1,298,900	1.04	43,626
	0.65	1,154,400	1.10	40,715
	0.70	1,063,500	1.13	38,755
	0.75	960,100	1.18	36,348
	0.80	880,600	1.21	34,362

table continues…

Total Class	ID Cut-off	Tonnes (t)	Au (g/t)	Au (oz)
IND	0.85	779,600	1.26	31,677
	0.90	720,400	1.30	30,015
	0.95	658,300	1.33	28,182
	1.00	591,000	1.37	26,069
	1.05	529,400	1.41	24,046
	1.10	449,300	1.47	21,283
	1.15	377,600	1.54	18,685
	1.20	316,100	1.61	16,353
INF	0.20	17,986,000	0.56	321,841
	0.25	14,767,000	0.63	298,676
	0.30	12,812,000	0.68	281,509
	0.35	11,205,000	0.73	264,700
	0.40	9,801,000	0.79	247,822
	0.45	8,672,000	0.83	232,420
	0.50	7,638,000	0.88	216,684
	0.55	6,624,000	0.94	199,599
	0.60	5,821,000	0.99	184,765
	0.65	5,236,000	1.03	173,025
	0.70	4,718,000	1.07	161,783
	0.75	4,151,000	1.11	148,577
	0.80	3,685,000	1.16	136,999
	0.85	3,189,000	1.21	123,810
	0.90	2,708,000	1.27	110,323
	0.95	2,303,000	1.33	98,254
	1.00	2,022,000	1.38	89,450
	1.05	1,716,000	1.44	79,378
	1.10	1,455,000	1.50	70,362
	1.15	1,270,000	1.56	63,640
	1.20	1,077,000	1.63	56,351

Based on the results of similar gold projects located in the provinces of Ontario and Quebec, a 0.4 g/t Au cut-off was used to tabulate the total within the various categories. This based on the following parameters:

- 4:1 stripping ratio
- operating cost of $15.00/t at 5,000 t/d
- gold price of $US1139/troy oz
- US$ to Cdn$ conversion of 1.00
- gold recovery of 95%.

Table 14.12 summaries the resource estimate at the 0.4 g/t Au cut-off.

Table 14.12 Osmani Gold Deposit Resource Estimation

Class	Zone	Tonnes (t)	Au (g/t)	Gold (oz)
Indicated	EC-1	1,371,900	0.89	39,376
	EC-2	2,144,800	0.83	57,024
	Total	3,516,700	0.85	96,400
Inferred	EC-1	20,732,000	0.77	515,454
	EC-2	9,801,000	0.79	247,822
	Total	30,533,000	0.78	763,276

Note: ID2 method at 0.4 g/t cut-off

14.1.9 VALIDATION

The Osmani Gold Deposit gold grade models were validated by two methods:

- Visual comparison of colour-coded block model grades with composite grades on section and plan.
- Comparison of the global mean block grades for OK, ID2, NN and composites.

Visual Comparison

The visual comparisons of block model grades with composite grades for the two zones show a reasonable correlation between the values. No significant discrepancies were apparent from the sections and plans reviewed, yet grade smoothing is apparent (Figure 14.1 and Figure 14.2).

Eleven diamond drillholes have been completed within the area covered by the mineral resource subsequent to the site visit in March, and prior to the issues of this technical report. The location of the drillholes and the results of the boreholes have been provided in Section 10. The results of these drillholes have been reviewed against the resource model and are deemed to not have material impact on the resource model, as the grades in both the drillholes and resource model were similar and would not change any of the resource classification within the resource model.

Figure 14.1 Osmani Gold Deposit Resource Plan View

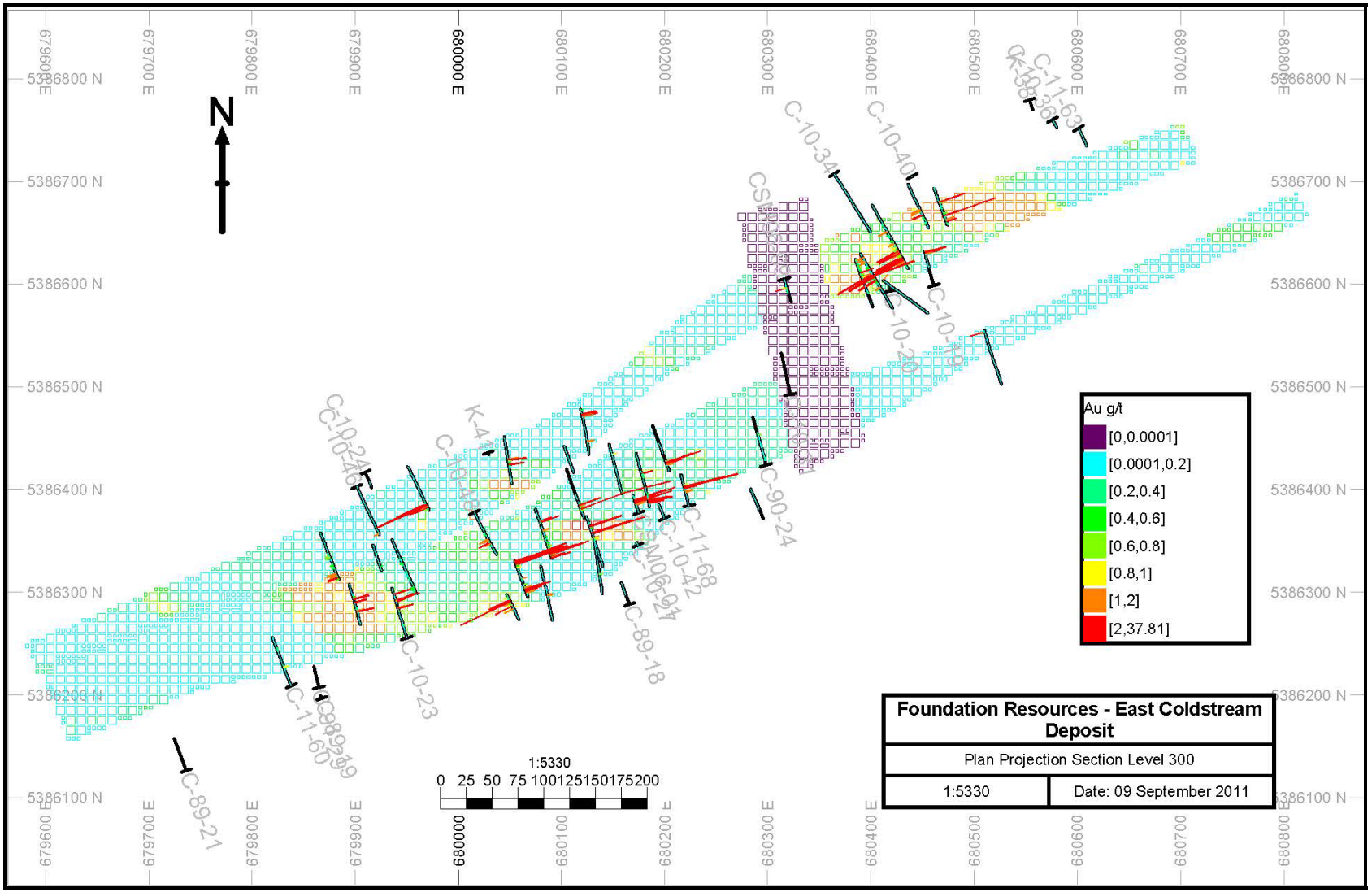
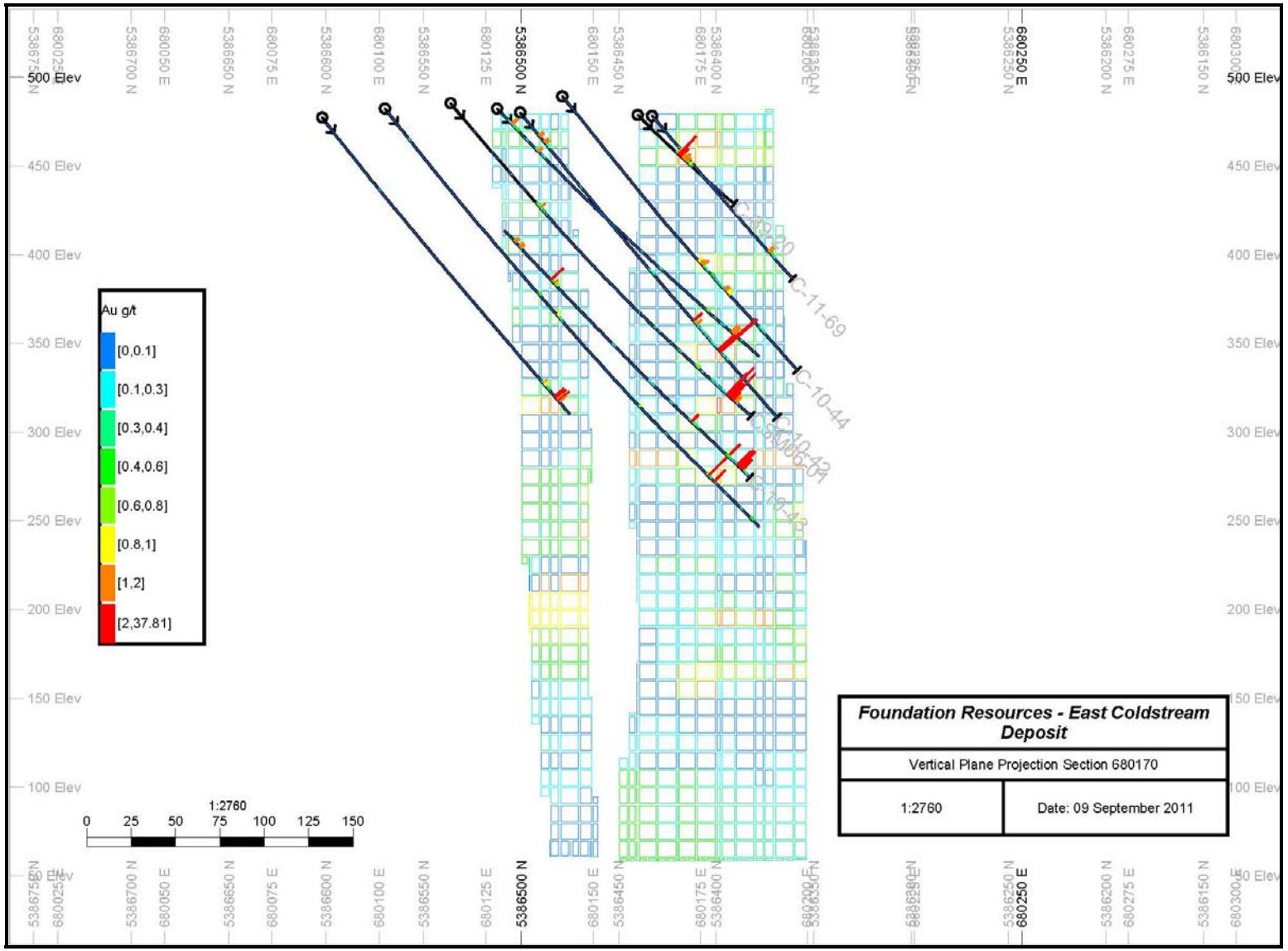


Figure 14.2 Osmani Gold Deposit Resource Cross Section



Global Comparison

The global block model statistics for the ID2 model were compared to the global OK and nearest neighbour model values as well as the composite capped drillhole data. Table 14.13 shows this comparison of the global estimates for the three estimation method calculations. In general, there is agreement between the OK model and ID2 model and NN model. There is a degree of smoothing apparent when compared to the diamond drill statistics. Comparisons were made using all blocks at a 0 g/t cut-off.

Table 14.13 Global Mean Statistics

Description	NN Mean Grade	AucapNN Mean Grade	ID2 Mean Grade	AucapID2 Mean Grade	OK Mean Grade	AucapOK Mean Grade
East Coldsteam	0.26	0.26	0.25	0.25	0.25	0.25

Table 14.14 Captured DDH Mean Statistics

Description	Mean Grade
EC-1	0.43
EC-2	0.38

15.0 ADJACENT PROPERTIES

Within a regional context, the Coldstream Property occupies a very favourable horizon, which hosts several past producers of nickel, copper, gold and PGM group. Some of this mineralization is shown in Figure 7.3 and listed below in Table 15.1

Table 15.1 Resources on Adjacent Properties

Project	Commodity/Resource*	Comments
Moss Lake Deposit – Moss Lake Gold Mines	Indication 40.3 Mt at 0.84 g/t Inferred 20.7 Mt at 0.78 g/t	No further work announced as of October 2011

*According to a News Release in the recent past (Press Release – July 14, 2010) by Moss Lake Gold Mines Ltd., the Moss lake gold deposit is estimated to contain an Inferred gold resource as shown above in Table 15.1

The information in the Table 15.1 is compiled from government publications (e.g. Osmani 1996; 1997) and from technical reports posted on Moss Lake Gold Mines websites and Sedar.com.

Tetra tech has been unable to verify the information disclosed above and the information is not necessarily indicative of the mineralization on the Property that is the subject of the technical report.

Tetra Tech considers the historical estimates relevant. It should be noted that the estimates were completed prior to adoption of the current standards embodied in NI 43-101 and therefore the results cannot be relied upon. The stated historic probable and possible reserves are likely similar to the current standards for Indicated and Inferred Resources, respectively.

A QP has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves. The issuer is not treating the historical estimates as current mineral resources or mineral reserves as defined in Sections 1.2 and 1.3 of NI 43-101 and the historical estimates should not be relied upon.

16.0 OTHER RELEVANT DATA AND INFORMATION

There is no other relevant data or information material to the Project.

17.0 INTERPRETATION AND CONCLUSIONS

Based on the review of the available information and observations made during the site visit, Tetra Tech concludes the following, in no particular order of perceived importance:

- The Osmani Gold Deposit is currently held 60% by Foundation and 40% by Alto.
- Foundation and Alto have entered into a LOI, whereby Foundation has the right to acquire the remaining 40% interest from Alto.
- The Osmani Gold Deposit is analogous to the shear-hosted quartz-carbonate vein lode gold typical of Western Ontario.
- The Osmani Gold Deposit is associated with sheared quartz-porphyritic felsic intrusive sills with mylonitic deformation, biotite and sericitic alteration and locally, silica alteration.
- Mineralization is currently defined in two parallel zones.
- Drilling and sampling procedures, sample preparation and assay protocols are conducted according to current with best practice.
- Verification of the drillhole collars, surveys, assays, core and drillhole logs indicates the Foundation data is reliable.
- Based on the QA/QC program, the data is sufficiently reliable to support the resource estimate generated for the Osmani Gold Deposit.
- The geological understanding is sufficient to support the resource estimation.
- The mineral models have been constructed in conformance to industry standard practices.
- At a gold cut-off grade of 0.4 g/t Au, the two zones contain an Indicated Resource of about 3.5 Mt with an average grade of 0.85 g/t Au. The Inferred Resource totals 30.5 Mt with an average grade 0.78 g/t Au.
- The SG value used to determine that tonnage was derived from the host rock, quartz feldspar porphyry. Similar deposits in the area have also used a similar specific gravity value.
- The Osmani Gold Deposit resource remains open both along strike and down dip.
- The author is not aware of any significant risks or uncertainties that would affect the reliability or confidence in the exploration information, and mineral resource, or the project's potential viability.

18.0 RECOMMENDATIONS

It is Tetra Tech's opinion that additional exploration expenditures are warranted. Exploration on the Project is proposed as two separate programs, which are independent of each other and can be run concurrently as the result of one program does not affect the work proposed in the second program.

18.1 PHASE 1 OSMANI GOLD DEPOSIT RESOURCE EXPANSIONS

Phase 1 is designed to investigate the strike extension of the current resource for the EC-1 and EC-2 zones, along with completing infill drilling to determine the exact nature of the diabase dike. This will entail a diamond drilling program.

The drilling campaign should be designed to target the potential northeast strike extensions of the EC-1 and EC-2 zones to a depth of approximately 350 m vertical. Some holes should be collared in to EC-1 zone in order to intersect EC-2 zone at a shallow depth. Drilling close to or through the diabase dike will be used to validate its location and potential influence with the resource.

Upon the completion of the drilling campaign, all drill collars completed should be surveyed and the drill database updated.

Table 18.1 summarizes the exploration program proposed.

Table 18.1 Phase 1

Project	Activity	Rate	Units	Cost
Osmani Deposit	5 diamond drillholes, (includes assays and cutting blades)	$200/m	1750	$350,000
Osmani Deposit	Logging and field equipment			$1,500
Indirect Costs	Salaries	$550/day	22	$57,500
	Fuel	$1000/month	0.75	$750
	Admin - Camp	$2500/month	0.75	$1875
	Consumable/Miscellaneous			$23,375
Total				**$435,000**

18.2 PHASE 2 COLDSTREAM PROPERTY TARGETS

Further exploration and drilling on the Coldstream property should include the Goldie zone, Span Lake deposit, Iris zone and Burchell prospect. A program should be

designed to target potential areas of interest in each zone to a depth of approximately 200 m vertical or to a depth that is required.

Table 18.2s ummarizes the exploration program proposed.

Table 18.2 Phase 2

Project	Activity	Rate	Units	Cost
Coldstream Targets	12 diamond drillholes (includes assays and cutting blades)	$200/m	2400	$480,000
Osmani Deposit	Logging and field equipment			$1,500
Indirect Costs	Salaries	$550/day	22	$57,500
	Fuel	$1000/month	0.75	$750
	Admin - Camp	$2500/month	0.75	$1,875
	Consumable/Miscellaneous			$23,375
Total				**$565,000**

19.0 REFERENCES

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20.0 CERTIFICATE OF QUALIFIED PERSON

I, Todd McCracken, P.Geo., of Sudbury, Ontario, do hereby certify:

- I am a Principal Geologist with Tetra Tech WEI Inc. with a business address at Suite 101, 957 Cambrian Heights, Sudbury, ON, P3C 5M6.
- This certificate applies to the technical report entitled Technical Report and Resource Estimate on the Osmani Gold Deposit, Coldstream Property, Northwestern Ontario dated December 12, 2011 (the "Technical Report").
- I am a graduate of the University of Waterloo, (B.Sc. Honours, 1992). I am a member in good standing of the Association of Professional Engineers and Geoscientists of Ontario, License #0631. My relevant experience is 19 years of experience in exploration and operations, including several years working in shear hosted gold deposits. I am a "Qualified Person" for purposes of National Instrument 43-101 (the "Instrument").
- My most recent personal inspection of the Property was between March 16 and 17, 2011 inclusive.
- I am responsible for Sections 1-20 of the Technical Report.
- I am independent of Foundation Resources Inc. and Alto Ventures Ltd. as defined by Section 1.5 of the Instrument.
- I have no prior involvement with the Property that is the subject of the Technical Report.
- I have read the Instrument and the Technical Report has been prepared in compliance with the Instrument.
- As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed and dated this 12th day of December, 2011 at Sudbury, Ontario.

"Original document signed and sealed by Todd McCracken, P.Geo."

Todd McCracken, P.Geo.
Principal Geologist
Tetra Tech WEI Inc.

APPENDIX A

2010 SURVEY SECTIONS

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E
1175S

1385E
1700S

1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1500

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ms

- > 35
- 30 – 35
- 25 – 30
- 20 – 25
- 17 – 20
- 14 – 17
- 11 – 14
- 8 – 11
- 5 – 8
- 3 – 5
- 1 – 3
- < 1

N

UTM Grid North

Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 50m Below Topography

0 100 200 300 400 500

meters

Foundation Resources Inc.

Interpreted Chargeability (ms)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate C−1

680000E
680500E
681000E
681500E
682000E
5388000N
5387500N
5387000N
5386500N
5386000N
5385500N
5385000N
1405E
1175S
1385E
1700S
1330E
1340E
1350E
1360E
1370E
1380E
1390E
1400E
1410E
1420E
1430E
1440E
1450E
1460E
1470E
1480E
1490E
1500E
1510E
600N
400N
200N
0N
-200N
-400N
-600N
-800N
-1000N
-1200N
Tx
Rc
1500
Geophysics Ltd.

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ms

- > 35
- 30 – 35
- 25 – 30
- 20 – 25
- 17 – 20
- 14 – 17
- 11 – 14
- 8 – 11
- 5 – 8
- 3 – 5
- 1 – 3
- < 1

N

UTM Grid North

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 75m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Chargeability (ms)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate C−2

Mapping By : S.J.V. Consultants Ltd. 11966−95A Avenue, Delta, British Columbia, Canada V4C 3W2 (604) 582−1100 www.sjgeophysics.com

680000E
680500E
681000E
681500E
682000E
5388000N
5387500N
5387000N
5386500N
5386000N
5385500N
5385000N
1405E
1175S
1385E
1700S
1330E
1340E
1350E
1360E
1370E
1380E
1390E
1400E
1410E
1420E
1430E
1440E
1450E
1460E
1470E
1480E
1490E
1500E
1510E
600N
400N
200N
0N
-200N
-400N
-600N
-800N
-1000N
-1200N
Tx
Rc
1500
Geophysics Ltd.

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ms

- > 35
- 30 – 35
- 25 – 30
- 20 – 25
- 17 – 20
- 14 – 17
- 11 – 14
- 8 – 11
- 5 – 8
- 3 – 5
- 1 – 3
- < 1

N

UTM Grid North

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 100m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Chargeability (ms)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate C−3

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E
1175S

1385E
1700S

1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1500

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ms

- > 35
- 30 – 35
- 25 – 30
- 20 – 25
- 17 – 20
- 14 – 17
- 11 – 14
- 8 – 11
- 5 – 8
- 3 – 5
- 1 – 3
- < 1

N

UTM Grid North

SJ Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 150m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Chargeability (ms)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate C−4

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E
1175S

1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1385E
1700S

1500

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ms

- > 35
- 30 – 35
- 25 – 30
- 20 – 25
- 17 – 20
- 14 – 17
- 11 – 14
- 8 – 11
- 5 – 8
- 3 – 5
- 1 – 3
- < 1

N

UTM Grid North

Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 200m Below Topography

0 100 200 300 400 500

meters

Foundation Resources Inc.

Interpreted Chargeability (ms)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate C−5

680000E
680500E
681000E
681500E
682000E
5388000N
5387500N
5387000N
5386500N
5386000N
5385500N
5385000N
1405E
1175S
1330E
1340E
1350E
1360E
1370E
1380E
1390E
1400E
1410E
1420E
1430E
1440E
1450E
1460E
1470E
1480E
1490E
1500E
1510E
600N
400N
200N
0N
-200N
-400N
-600N
-800N
-1000N
-1200N
Tx
Rc
1385E
1700S
1500
LEGEND
Survey Stations
Remote Stations
Highway
Local Road
Rivers
Elevation Contours (50 ft)
Wetlands
Lakes
Area of Low Model Confidence
ms
> 35
30 – 35
25 – 30
20 – 25
17 – 20
14 – 17
11 – 14
8 – 11
5 – 8
3 – 5
1 – 3
< 1
N
UTM Grid North
SJ Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 250m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Chargeability (ms)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate C−6

680000E
680500E
681000E
681500E
682000E
5388000N
5387500N
5387000N
5386500N
5386000N
5385500N
5385000N
1405E
1175S
1385E
1700S
1330E
1340E
1350E
1360E
1370E
1380E
1390E
1400E
1410E
1420E
1430E
1440E
1450E
1460E
1470E
1480E
1490E
1500E
1510E
600N
400N
200N
0N
-200N
-400N
-600N
-800N
-1000N
-1200N
Tx
Rc
1500
LEGEND
Survey Stations
Remote Stations
Highway
Local Road
Rivers
Elevation Contours (50 ft)
Wetlands
Lakes
Area of Low Model Confidence
ms
> 35
30 – 35
25 – 30
20 – 25
17 – 20
14 – 17
11 – 14
8 – 11
5 – 8
3 – 5
1 – 3
< 1
N
UTM Grid North
Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 300m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Chargeability (ms)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate C−7

680000E
680500E
681000E
681500E
682000E
5388000N
5387500N
5387000N
5386500N
5386000N
5385500N
5385000N
1405E
1175S
1510E
1500E
1490E
1480E
1470E
1460E
1450E
1440E
1430E
1420E
1410E
1400E
1390E
1380E
1370E
1360E
1350E
1340E
1330E
400N
200N
0N
200N
400N
600N
800N
1000N
1200N
1500
1385E
1700S
Tx
Rc
LEGEND
Survey Stations
Remote Stations
Highway
Local Road
Rivers
Elevation Contours (50 ft)
Wetlands
Lakes
Area of Low Model Confidence
ms
> 35
30 – 35
25 – 30
20 – 25
17 – 20
14 – 17
11 – 14
8 – 11
5 – 8
3 – 5
1 – 3
< 1
N
UTM Grid North
SJ Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 400m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Chargeability (ms)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate C−8

Mapping By : S.J.V. Consultants Ltd. 11966−95A Avenue, Delta, British Columbia, Canada V4C 3W2 (604) 582−1100 www.sjgeophysics.com

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E
1175S

1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

1330E 1340E 1350E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1385E
1700S

1500

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ohm−m

- > 200000
- 160000 − 200000
- 125000 − 160000
- 100000 − 125000
- 75000 − 100000
- 50000 − 75000
- 40000 − 50000
- 30000 − 40000
- 20000 − 30000
- 10000 − 20000
- 5000 − 10000
- < 5000

N
UTM Grid North

Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 50m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Resistivity (ohm−m)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate R−1

Mapping By : S.J.V. Consultants Ltd. 11966−95A Avenue, Delta, British Columbia, Canada V4C 3W2 (604) 582−1100 www.sjgeophysics.com

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E
1175S

1385E
1700S

1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1500

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ohm−m

- > 200000
- 160000 − 200000
- 125000 − 160000
- 100000 − 125000
- 75000 − 100000
- 50000 − 75000
- 40000 − 50000
- 30000 − 40000
- 20000 − 30000
- 10000 − 20000
- 5000 − 10000
- < 5000

N

UTM Grid North

Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 75m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Resistivity (ohm−m)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate R−2

Mapping By : S.J.V. Consultants Ltd. 11966−95A Avenue, Delta, British Columbia, Canada V4C 3W2 (604) 582−1100 www.sjgeophysics.com

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E
1175S

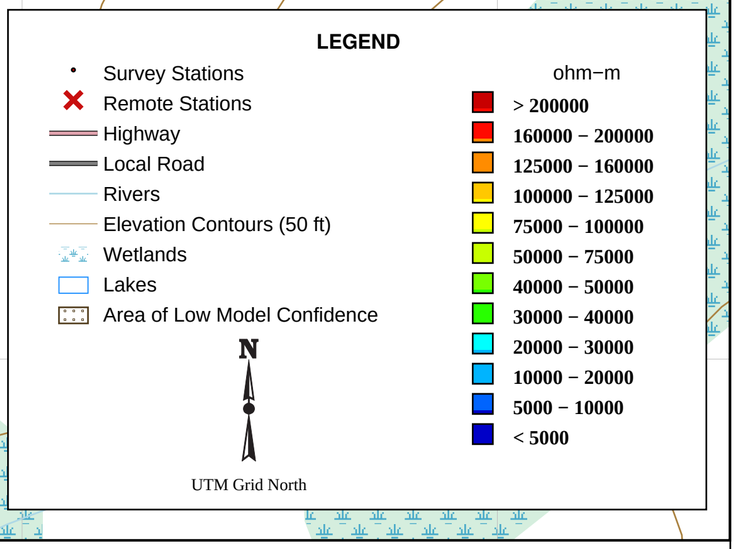
1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1385E
1700S

1500



SJ Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 100m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Resistivity (ohm−m)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate R−3

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E 1175S

1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1385E 1700S

1500

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ohm−m

- > 200000
- 160000 − 200000
- 125000 − 160000
- 100000 − 125000
- 75000 − 100000
- 50000 − 75000
- 40000 − 50000
- 30000 − 40000
- 20000 − 30000
- 10000 − 20000
- 5000 − 10000
- < 5000

N

UTM Grid North

SJ Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 150m Below Topography

0 100 200 300 400 500

meters

Foundation Resources Inc.

Interpreted Resistivity (ohm−m)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate R−4

Mapping By : S.J.V. Consultants Ltd. 11966−95A Avenue, Delta, British Columbia, Canada V4C 3W2 (604) 582−1100 www.sjgeophysics.com

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E 1175S

1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1500

1385E 1700S

Geophysics Ltd.

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ohm−m

- > 200000
- 160000 − 200000
- 125000 − 160000
- 100000 − 125000
- 75000 − 100000
- 50000 − 75000
- 40000 − 50000
- 30000 − 40000
- 20000 − 30000
- 10000 − 20000
- 5000 − 10000
- < 5000

N

UTM Grid North

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 200m Below Topography

0 100 200 300 400 500

meters

Foundation Resources Inc.

Interpreted Resistivity (ohm−m)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate R−5

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E
1175S

1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1500

1385E
1700S

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ohm−m

- > 200000
- 160000 − 200000
- 125000 − 160000
- 100000 − 125000
- 75000 − 100000
- 50000 − 75000
- 40000 − 50000
- 30000 − 40000
- 20000 − 30000
- 10000 − 20000
- 5000 − 10000
- < 5000

N

UTM Grid North

SJ Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 250m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Resistivity (ohm−m)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate R−6

680000E 680500E 681000E 681500E 682000E

5388000N 5387500N 5387000N 5386500N 5386000N 5385500N 5385000N

1405E 1175S

1330E 1340E 1350E 1360E 1370E 1380E 1390E 1400E 1410E 1420E 1430E 1440E 1450E 1460E 1470E 1480E 1490E 1500E 1510E

600N 400N 200N 0N -200N -400N -600N -800N -1000N -1200N

Tx Rc

1385E 1700S

1500

LEGEND

- Survey Stations
- Remote Stations
- Highway
- Local Road
- Rivers
- Elevation Contours (50 ft)
- Wetlands
- Lakes
- Area of Low Model Confidence

ohm−m

- > 200000
- 160000 − 200000
- 125000 − 160000
- 100000 − 125000
- 75000 − 100000
- 50000 − 75000
- 40000 − 50000
- 30000 − 40000
- 20000 − 30000
- 10000 − 20000
- 5000 − 10000
- < 5000

N

UTM Grid North

Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June−July, 2010

Instrumentation:
Receiver: SJ−24 Full−Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 300m Below Topography

0 100 200 300 400 500

meters

Foundation Resources Inc.

Interpreted Resistivity (ohm−m)

Coldstream Project

Coldstream Grid

Kashabowie, Ontario

Plate R−7

680000E
680500E
681000E
681500E
682000E
5388000N
5387500N
5387000N
5386500N
5386000N
5385500N
5385000N
1405E
1175S
1385E
1700S
1330E
1340E
1350E
1360E
1370E
1380E
1390E
1400E
1410E
1420E
1430E
1440E
1450E
1460E
1470E
1480E
1490E
1500E
1510E
600N
400N
200N
0N
-200N
-400N
-600N
-800N
-1000N
-1200N
Tx
Rc
1500
LEGEND
Survey Stations
Remote Stations
Highway
Local Road
Rivers
Elevation Contours (50 ft)
Wetlands
Lakes
Area of Low Model Confidence
ohm-m
> 200000
160000 - 200000
125000 - 160000
100000 - 125000
75000 - 100000
50000 - 75000
40000 - 50000
30000 - 40000
20000 - 30000
10000 - 20000
5000 - 10000
< 5000
N
UTM Grid North
Geophysics Ltd.

Project Information:
Survey by: SJ Geophysics Ltd.
3D Inversion by: S.J.V. Consultants Ltd.
Survey Date: June-July, 2010

Instrumentation:
Receiver: SJ-24 Full-Waveform Digital IP Receiver
Transmitter: GDD TX II
Array Type: 3D

Mapping Information:
Datum: NAD83
Projection: UTM Zone 15
Mapping Date: August, 2010

Planmap

3D Inversion Model

Depth: 400m Below Topography

0 100 200 300 400 500
meters

Foundation Resources Inc.

Interpreted Resistivity (ohm-m)

Coldstream Project

Coldstream Grid

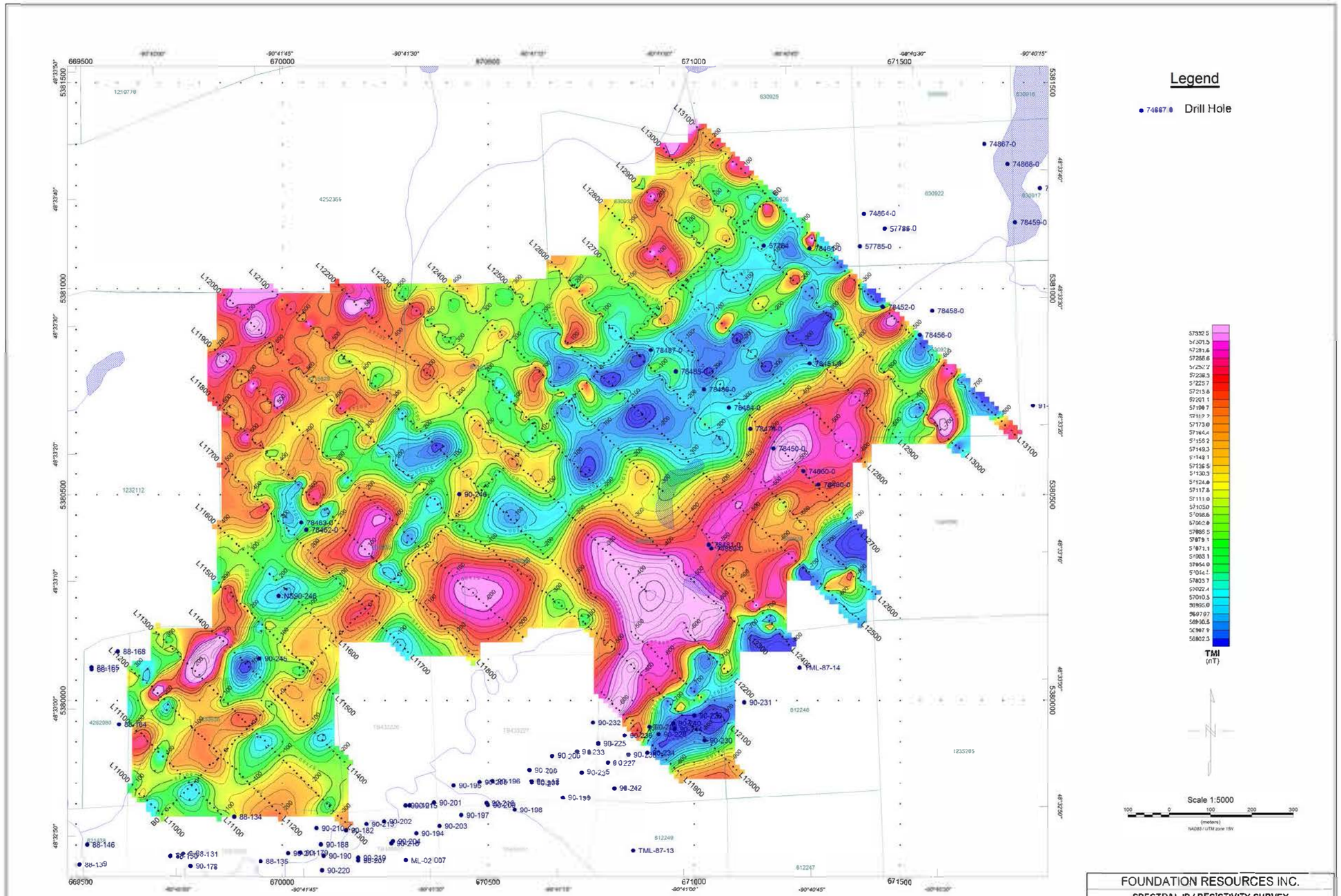
Kashabowie, Ontario

Plate R-8

Mapping By : S.J.V. Consultants Ltd. 11966-95A Avenue, Delta, British Columbia, Canada V4C 3W2 (604) 582-1100 www.sjgeophysics.com

APPENDIX B

2011 SURVEY SECTIONS

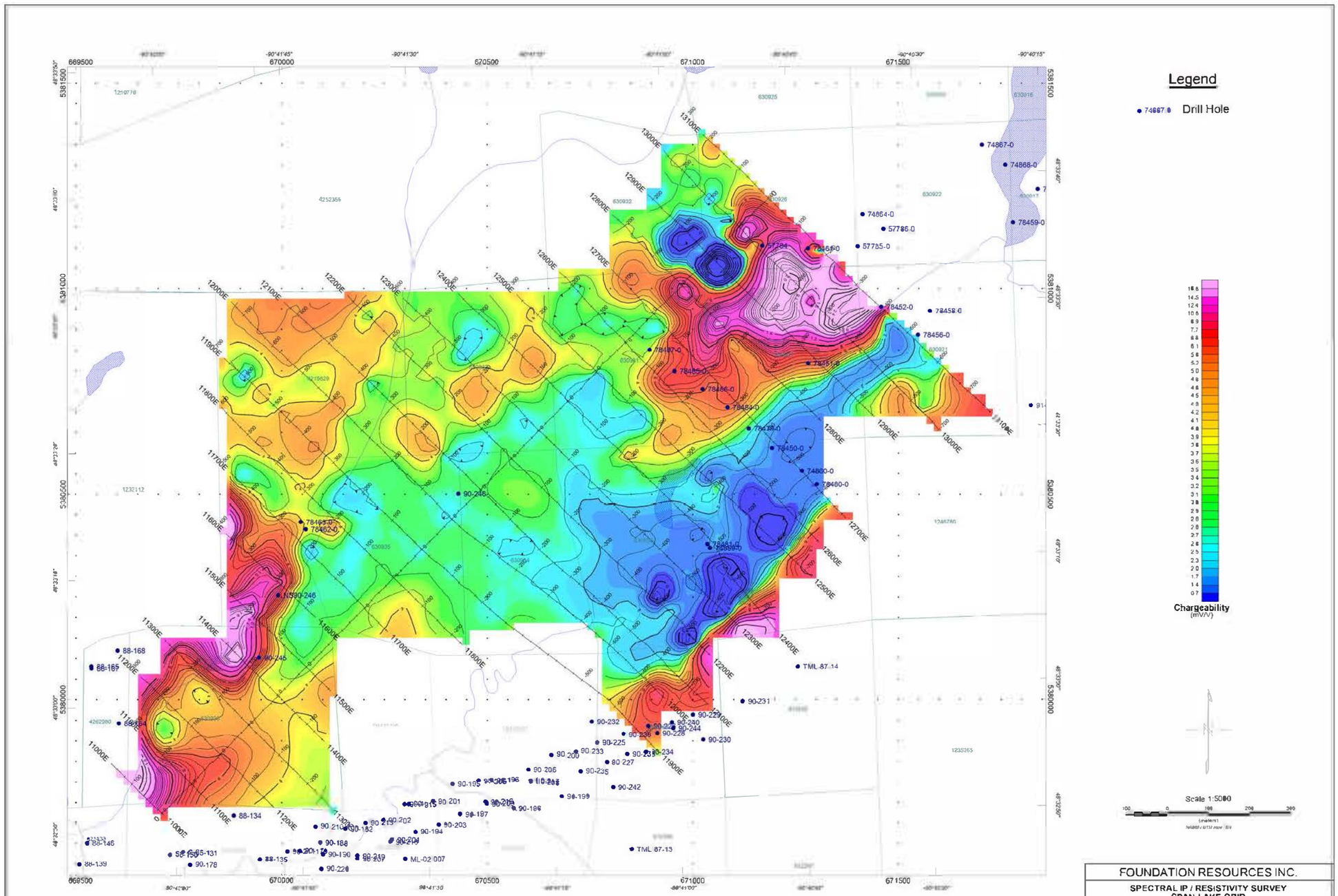


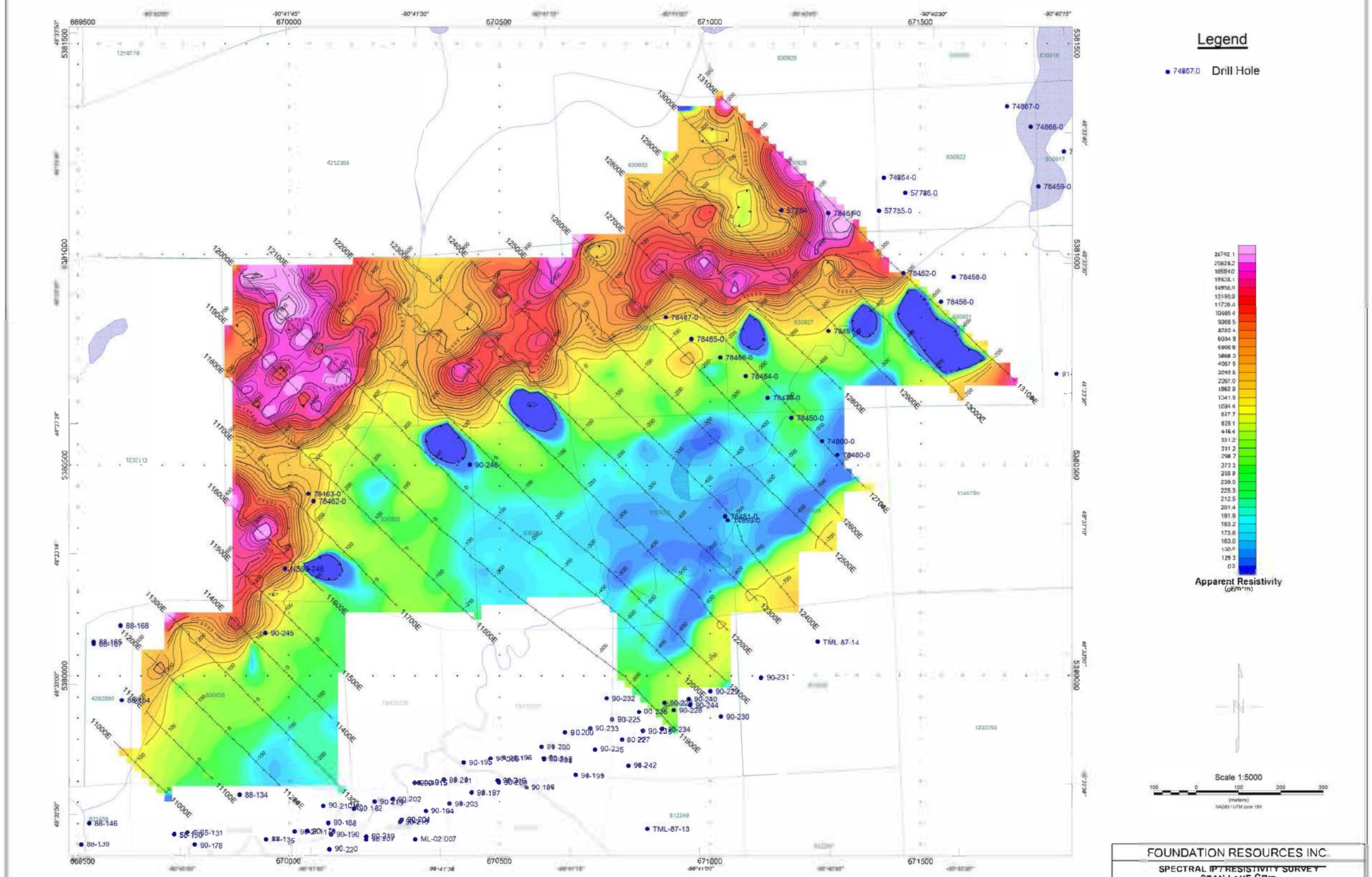
FOUNDATION RESOURCES INC.

SPECTRAL IP / RESISTIVITY SURVEY
SPAN LAKE GRID
COLDSTREAM PROJECT
SHEBANDOWAN AREA, NORTH-WESTERN ONTARIO
NTS: 52B/10

TOTAL MAGNETIC INTENSITY
Contours: 20, 100 nT
Instruments: Power and Base, GEM GSM-19
Topographic base map copyright © Department of Natural Resources Canada
Claims by © Queen's Printer for Ontario, 2011

JVX LTD. ref. no. 11-45. July 2011


669500
670000
670500
671000
671500
5381500
5381000
5380500
5380000
Legend
Drill Hole
Chargeability
(mV/V)
Scale 1:5000
FOUNDATION RESOURCES INC.
SPECTRAL IP / RESISTIVITY SURVEY
SPAN LAKE GRID
COLDSTREAM PROJECT
SHEBANDOWAN AREA, NORTH WESTERN ONTARIO
NTS 52B/10
CHARGEABILITY @ N=2
Array: Pole-Dipole, a = 25 & 50 m
Contours: 0.5, 2, and 10 mV/V
Instruments: (Rx) GDD and Iris Elrec Pro, (Tx) GDD Tx-II 1800W
Topographic base map copyright © Department of Natural Resources Canada
Claims by © Queen's Printer for Ontario, 2011
JVX LTD. ref. no. 11-45, July 2011



FOUNDATION RESOURCES INC.

SPECTRAL IP / RESISTIVITY SURVEY
SPAN LAKE GRID
COLDSTREAM PROJECT
SHEBANDOWAN AREA, NORTH WESTERN ONTARIO
NTS: 52B/10

APPARENT RESISTIVITY @ N=2

Array: pole-dipole, a = 25 & 50 m
Contours: 1kHz, 5kHz, & 25kHz @ mV/mA
Instruments: (Rx): GDD and Iris Elrec Pro, (Tx): GDD Tx-II 1600W

JVX LTD. ref. no. 11-45. July 2011

Legend

- 74867-0 — Drill Hole
- Weak IP Anomaly
- Moderate IP Anomaly
- Strong IP Anomaly
- A, B, C, D, E — Anomaly ID

TMI (nT)

Scale 1:5000

FOUNDATION RESOURCES INC

SPECTRAL IP / RESISTIVITY SURVEY
SPAN LAKE GRID
COLDSTREAM PROJECT
SHEBANDOWAN AREA, NORTH-WESTERN ONTARIO
NTS: 52B/10

COMPILATION MAP
IP ANOMALY CENTERS AND DRILL HOLES OVER MAGNETICS

JVX LTD. ref. no. 11-45, July 2011