

**2008 DIAMOND DRILLING
and
SOIL SAMPLING PROGRAM**

ON THE

HOWELL PROPERTY
FORT STEELE MINING DIVISION, BC

NTS: 82G027

Latitude 49 degrees 14' N, Longitude 114 degrees 42' W
(centre)

for

**Max Resource Corp.
and
Eastfield Resources Ltd.**

by

**J.W. (Bill) Morton, P.Geo
and
Geoffrey Goodall, P.Geo**

January 14, 2009

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Summary

A program of diamond drilling and soil sampling in two grid areas was undertaken on the Howell property between July 16 and August 20, 2008. Funding for the exploration program was provided by Max Resource Corp. as part of their earn-in requirements to the Howell property. A total of 1,312.5 metres of NQ size drilling was undertaken in 12 holes and the extension of an existing hole HW-606 (now HW-606-ext). Two soil sample grids totaling 243 samples were established during the drill program. \$457,213.92 was spent on exploration of the Howell property during the 2008 program.

The Howell Creek property is underlain by a thick sequence of Paleozoic carbonate and clastic rocks and older Proterozoic sedimentary units. Mid-Cretaceous syenite and trachyte intrusions occurring as sills, dykes, plugs and diatremes intrude these units. Gold mineralization occurs disseminated in limestone and with quartz stockworks in syenite intrusives and Proterozoic sediments. A number of objectives were included in the 2008 drill program which focused on follow up of the 2006 exploration program, new target generation based on anomalies identified in the 2004 airborne geophysical survey as well as further evaluation of Carbonate Replacement Type mineralization previously identified on Howell "A" Grid and Howe "A" Grid areas.

The 2008 drill program began in the Howell "A" grid area with an extension to the last hole of the 2006 drill program HW-606. The 2006 hole had returned anomalous mineralization throughout, ending in mineralized Devonian reefal limestone that graded 0.42 g/t gold over the final 42.7 metres. HW-606 had been terminated due to weather constraints at 66.5 in mineralized limestone grading 0.44 g/t. The hole was completed by re-entering the previous hole and drilling to a depth of 204.0 metres. Sampling returned weak to moderately anomalous concentrations of gold throughout, ranging from 17 ppb to a high value of 973 ppb gold. A revised intercept from 23.7 to 204.0 metres (180.3m) averaged 0.26 g/t Au including a 50.7 metre intercept from 23.7 to 74.0 metres that averaged 0.47 g/t Au. Further anomalous gold mineralization was encountered over a 1.4 metre interval from 124.3 metres depth that returned 973 ppb gold.

Hole HW-08-7 was drilled approximately 75 metres west of HW08-606 Ext. This vertical hole intersected coarse, angular, polymictic diatreme to a depth of 88.1 metres and limestone with minor dykes of intrusive to the end of the hole at 198.0 metres. The hole returned weakly anomalous gold concentrations in the 100 ppb range throughout with an elevated 3.9 metre intercept from 88.1 to 92.0 metres grading 0.65 g/t gold and a 6.0 metre interval from 132.0 to 138.0 metres grading 0.53 g/t gold including one sample grading 1,055 ppb.

Hole HW08-8 was located a further 75 metres west from HW08-7. This vertical hole cored into black shale believed to belong to the Tertiary aged Alberta Group and remained in this unit until the hole was lost at 73.0 metres. A steeply dipping fault was exposed during excavating of the drill road and is located approximately 20 metres east

of the collar of HW08-8. No samples were collected from this hole although it is recommended that some additional sampling be completed when work next resumes on the property.

Drill hole HW08-9 was drilled on the eastern side of Howell "A" grid to test the eastern contact of the favourable carbonate contact with the Alberta Group shale. The hole was drilled to the northeast at a 50 degree angle and intersected limestone to 19.6 metres, dolomite with felsic intrusive dykes to 38.8 metres, dolomite to 124.7 metres and Alberta Group shale to the end of the hole at 157.5 metres. Moderate to highly anomalous concentrations of gold were returned through the carbonate sequence. The mineralized interval in this hole from 8.5 to 120.5 metres (112.0 m) averaged 0.30 g/t Au including a 22.0 metre interval from 8.5 to 30.5 metres that averaged 0.78 g/t Au. The highest grade sample in this interval graded 1.34 g/t Au. The mineralized interval in hole HW08-9 is closely related to felsic intrusive dykes within the dolomite unit.

HW08-10 and HW08-11 were located on the ridge crest immediately above and east of Howell "A" grid. The holes were drilled to test gold mineralization associated with felsic intrusive rocks mapped and sampled in the area. Hole HW08-10 was drilled northeast at a dip of -75° . It was abandoned in siltstone at a depth of 57.0 metres. Samples collected from this hole returned anomalous concentrations of gold, with a high of 1.38 g/t Au over one metre at a depth of 9.0 metres. Drill hole HW08-11 was drilled vertically from the same setup and was abandoned at a depth of 21.5 metres, also in siltstone. Samples from this hole returned anomalous concentrations of gold to a high of 329 ppb Au at a depth of 9.5 metres.

Drill hole HW08-12 was drilled on the eastern side of The Howell "A" grid to test for Carbonate Replacement Deposit style mineralization in this area. The hole was drilled northeast at a dip of 60° . It intersected limestone to a depth of 18.2 metres, felsic dyke intrusion to 23.0 metres and black shale of the Alberta Group to the end of the hole at 122.0 metres. Samples collected from the upper section of the hole returned unmineralized to weakly anomalous concentrations of gold to a high of 136 ppb.

Hole HW08-13 was drilled along the top of Howell "A" Grid ridge in a westerly direction at an angle of -75° . The hole intersected a sequence of siltstone and dolomite before the hole was abandoned due to driller error. Samples collected from the hole returned weakly anomalous concentrations of gold to an isolated high of 368 ppb Au. Elevated concentrations of zinc (180 ppm), lead (704 ppm) were associated with this mineralization.

Hole HW08-14 and HW08-15 were located on the eastern edge of Howell "A" grid, topographically above HW08-9. HW08-14 was drilled to the northeast at a dip of 60° to test the eastern contact of the carbonates with the Alberta Group shale. The hole intersected a sequence of siltstone, limestone and mudstone intruded by a series of feldspar porphyry dykes. The hole was abandoned at 53.0 metres. Hole HW08-15 was drilled from the same setup and orientation as HW08-14 but at an angle of -55° . The hole intersected the same sequence of rocks as described for HW08-14 which was

consequently not sampled. The hole was terminated at 77.0 metres within a clay rich fault gouge. Samples collected from HW08-15 returned moderately anomalous concentrations of gold with the interval from 23.3 metres to 68.0 (36.7 m) averaging 0.41 g/t Au. A 20.7 metre interval of mudstone intruded by felsic dyke extending from 23.3 to 44.0 metres returned an average of 0.53 g/t Au confirming that care is necessary before mudstones are assumed to belong to the younger unmineralized Alberta Group.

Drill holes HW08-16 and HW08-17 were drilled in the 29 Mile Creek valley to test a large airborne magnetic high anomaly. Hole HW08-16 was drilled vertically from a setup built on the main access road. The hole penetrated 29.5 metres of overburden before coring into feldspar porphyry intrusive rock to a depth of 104.2 metres and syenite intrusive to a depth of 113.0 metres. Both intrusive units were weakly to moderately magnetic, thereby providing an explanation for the geophysical signature. Samples collected from throughout the intrusions failed to return gold above detection limits.

Drill hole HW08-17 was drilled approximately 200 metres southeast of HW08-16 in an effort to locate the edge of the intrusive body. This hole was drilled vertically to a depth of 79.0 metres. Feldspar porphyry intrusive was cored from 12.5 metres to the end of the hole. Samples collected did not return any concentrations of gold.

The final hole of the 2008 drill campaign was located to the north on the edge of Howell Creek. Hole HW08-18 was drilled vertically to a 74.0 metres to test a small airborne magnetic feature. The hole cased 10.2 metres of overburden before coring black fine grained shale to the end of the hole at 74.0 metres. No samples were collected for analysis but some sampling should be considered when work next resumes.

A total of 602 core samples were collected and analyzed during this program. All core was logged by the project geologist and sampled in his presence. A total of 58 rock samples were collected in one metre channels from rocks exposed during drill pad construction. The rocks returned weakly to moderately anomalous levels of gold from detection limits to a high of 300 ppb gold.

Two grids (243 samples) were established in the 29 Mile Creek valley as part of the 2008 exploration program. Soil samples were collected from the grids at 25 and 50 metre intervals on lines spaced 25 and 50 metres apart. The eastern grid (on the south side of the valley), returned weak to highly anomalous concentrations of gold ranging from detection limits up to 714 ppb gold. A number of samples were also highly anomalous in silver, lead, zinc and copper. The second soil grid, located to the west on the north side of 29 Mile Creek valley and extending between proposed drill site "H" in the north and drill hole HW08-16 in the south returned a number of moderately anomalous gold values. This grid was positioned in an attempt to pinpoint the area where the intrusive rocks encountered in holes HW-16 and HW-17 cut carbonate rocks.

Mincord Exploration Consultants Ltd. of Vancouver provided the geological management for the project with Astraf Construction Ltd. of Jaffray BC providing a

track-mounted excavator for road clearing and drill site preparation. Lone Peak Drilling Ltd. of Kimberly, BC provided a JKS hydraulic diamond core drill.

1 INTRODUCTION AND TERMS OF REFERENCE

This report documents activities and results of the 2008 exploration program conducted on the Howell property and has been prepared at the request of Max Resource Corp. and Eastfield Resources Ltd. The report is authored by J. William (“Bill”) Morton, P. Geo. and Geoffrey Goodall, P. Geo., both registered professional geoscientists. This report summarizes the fieldwork carried out on the claims comprising the Howell Property, the results obtained and contains recommendations for further exploration.

This 2008 exploration report is based on fieldwork supervised by Geoffrey Goodall. The remainder of the report is based partly on published and unpublished fieldwork reports carried out by various private and public sector personnel.

2 RELIANCE ON OTHER EXPERTS

No experts additional to Bill Morton and Geoffrey Goodall were consulted for the 2008 program or have contributed to the preparation of this report.

3 PROPERTY DESCRIPTION AND LOCATION

The Howell claim group is located 40 km southeast of Fernie, B.C. (Lat. 49° 14' N, Long. 114° 42' W) some 17 kilometres west of the Alberta boundary and 22 kilometres north of the Montana border within the Fort Steele Mining Division. The Howell property consists of 11 staked (unpatented) mineral claims totaling 4,908 hectares.

Eastfield Resources Ltd. (“Eastfield”) owns the Howell property via an agreement with Teck-Cominco Ltd. and Placer Dome Inc. (now Goldcorp Inc). In 2008 Max Resource Corp. (“Max”) of Vancouver, BC, entered into an option agreement with Eastfield. Through this agreement, Max can earn a 60 % interest in the Howell Property by spending \$900,000 over four years, paying \$220,000 and issuing 150,000 shares. A listing of claim tenures is as follows:

TABLE 1: Claim Tenure Table

Claim Name	Record #	Area Hectares	Expiry Month	Year
Howell 1	209981	500	1-Nov	2011
Howell 2	209982	500	1-Nov	2011
Howell 3	209983	500	1-Nov	2011
Howell 4	210011	500	1-Nov	2010
Howell 5	210012	200	1-Nov	2010
Ysoo	366755	450	1-Nov	2010
Ysoo 2	537475	528	20-Jul	2010
Ysoo 3	537488	127	20-Jul	2010
Howell 6	530467	527	24-Mar	2010
Howell 7	530473	527	24-Mar	2010
Howell 8	589808	148	12-Aug	2009
Howell 9	537493	<u>401</u>	20-Jul	2010
Area		4908		

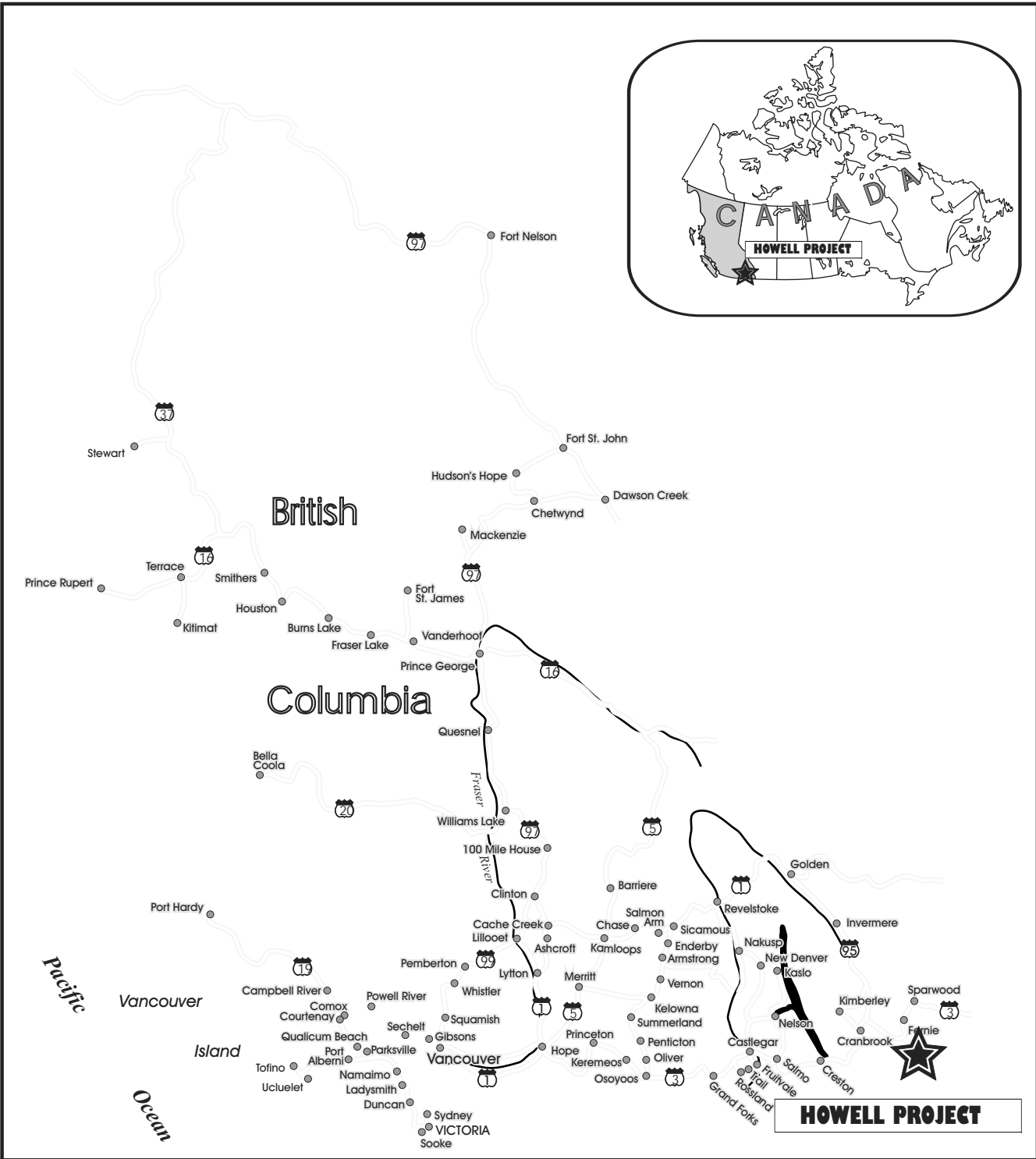
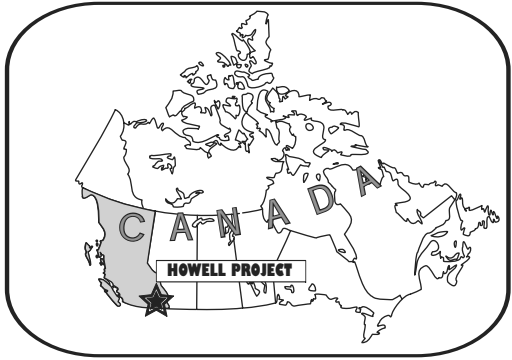
All claims Located in Fort Steele Mining Division, BC.

4 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Road access to the property is via a series of major logging roads that lead southerly from Highway 3 at Morrissey, approximately 15 kilometres southwest of the town of Fernie, (the Lodgepole, Harvey and Flathead forest access roads progressively lead into each other). At the 47-kilometre road marker, on the right side of the Harvey road, the Howell road leads to the centre of the property.

Elevations on the claim group range from 1490 metres (4900 feet) to 2400 metres (7900 feet) at the highest point on the property.

Vegetation is dominated by pine with lesser larch and Douglas Fir at the lower elevations and deciduous brush and alpine grasses at higher elevations. Extensive clear-cut logging has occurred over the last twenty years in much of the mature timber within the claim group and large areas of the claim are easily accessed by roads constructed during logging activities. Snow is typically gone by the third week of May and returns about the first week of November.



Pacific
Ocean

British

Columbia

Vancouver

Island

Vancouver

HOWELL PROJECT



Eastfield Resources Ltd.

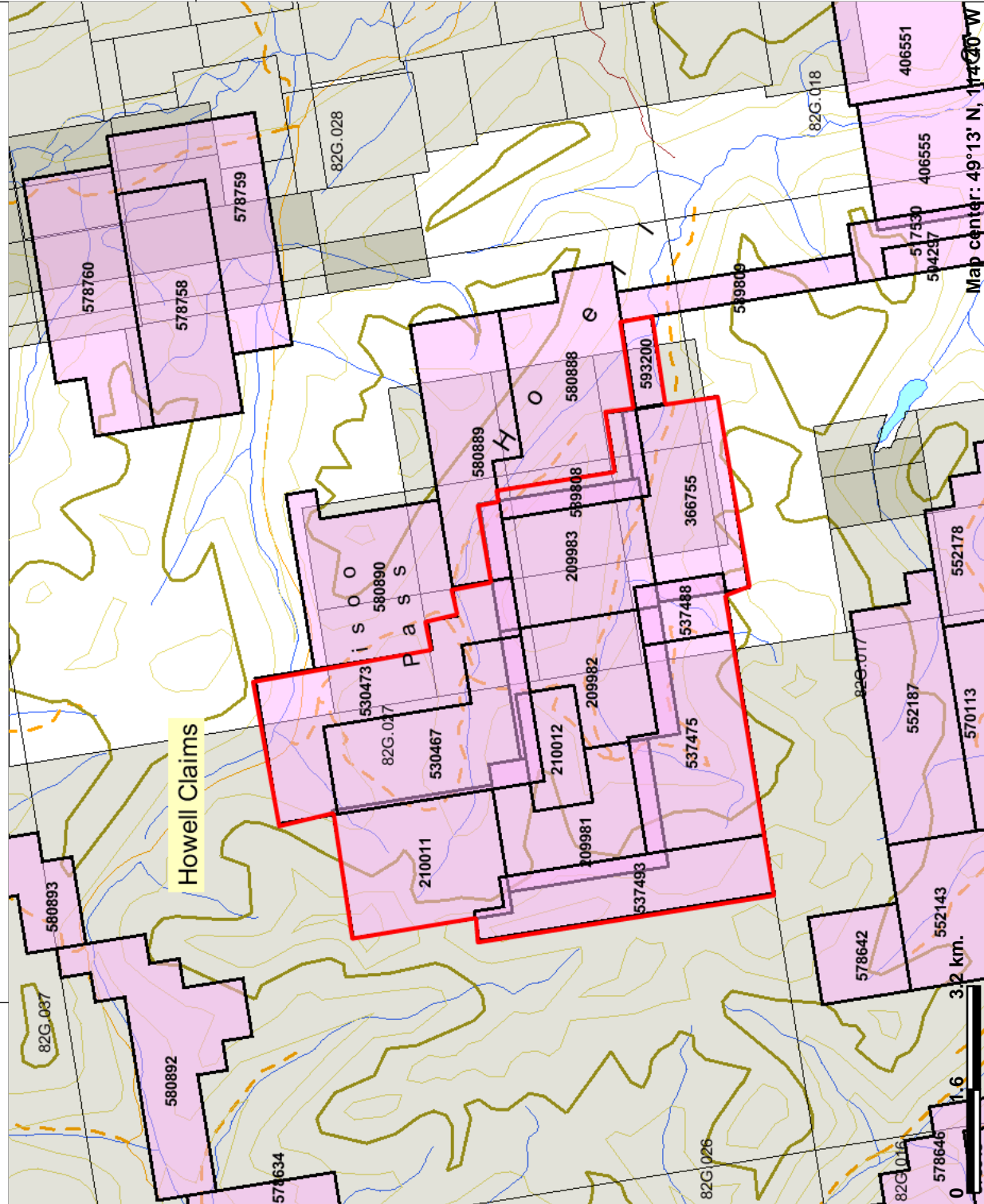
HOWELL
Fort Steele M.D., B.C.

Location Map

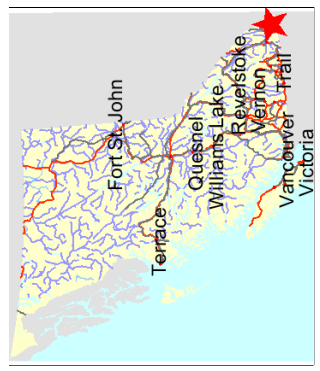
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Scale	as shown	NTS 82G18	1

Howell Claims

Howell Claims



Map center: 49°13' N, 114°20' W



Legend

- Indian Reserves
- National Parks
- Parks
- Mineral Tenure (current)
- Mineral Claim
- Mineral Lease
- Mineral Reserves (current)
- Placer Claim Designation
- Placer Lease Designation
- No Staking Reserve
- Conditional Reserve
- Release Required Reserve
- Surface Restriction
- Recreation Area
- Others
- Survey Parcels
- BCGS Grid
- Contours (1:250K)
- Contour - Index
- Contour - Intermediate
- Area of Exclusion
- Area of Indefinite Contours
- Annotation (1:250K)
- Transportation - Points (1:250K)
- Airfield
- Anchorage - Seaplane
- Ferry Route
- Helipoint
- Seaplane Base
- Air Field
- Airport
- Air Feature - Condition Unknown
- Airport - Abandoned

Scale: 1:93,292

This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

5 HISTORY

Early exploration in the vicinity of the Howell project was almost exclusively for hydrocarbons. In the early 1900's oil seeps on Sage Creek, located approximately seventeen kilometers southeast of the Howell claims (on the opposite side of the Flathead valley), attracted the attention of early oil exploration groups and a number of wooden derricks were constructed here. None of these early wells encountered commercial quantities of oil and the rigs were eventually abandoned. In the nineteen fifties Shell Oil Canada completed a 3500 metre oil and gas wildcat seven kilometers to the east of the claims and Pacific Atlantic completed a 2,700 well eighteen kilometers to the southeast of the claims. In 1971 Imperial Oil completed a 1400 metre wildcat on the present claim group near Harvey Creek at the Howell Creek road junction. In the late 1980's and early 1990's a consortium consisting of Shell Oil Canada and Chevron Canada completed extensive seismic surveys (on and in the area of the claims) and completed four drill tests (off the claims) for reservoir quantities of natural gas and carbon dioxide that if found could be piped to Southern Alberta with the carbon dioxide to be used for well injection purposes.

Coal was explored for by several groups at different times in the general area of the claims beginning in the mid 1900's and continuing to the 1980's. First approximately seven kilometers east of the northeast claim boundary near the now abandoned village of Flathead and later sixteen kilometers south of the claims in the valley of Cabin Creek at its confluence with the Flathead River (Sage Creek Coal). In 1997 Fording Coal completed several exploration holes in the upper Flathead valley (the Lodgepole Leases).

In 1985 Dome Exploration Canada, Limited initiated a program of silt sampling and soil sampling on the Howe 1 claim which encompasses an area including parts of the watersheds of Howell Creek and Twenty-Nine Mile Creek and which now is within the southern region of the Howell property. Anomalous responses of gold and arsenic were obtained.

In 1986 the Howe property was expanded to the Howe 1 to 7 claims and a program of geological mapping, soil sampling (523 samples) and rock sampling (73 samples) was completed. A 700 metre long linear gold anomaly was outlined.

In 1987 Placer Dome Inc. (formerly Dome Exploration Canada, Limited) expanded the soil survey with 712 additional samples, collected 227 rock samples and completed 163 metres of backhoe trenching on the Howe claims (now Ysoo claims). A soil anomaly 2000 metres long was outlined which appeared to have a stratabound source originating from the Cambrian Flathead Formation (quartz arenites and shales). Rock samples to 2,030 ppb gold were outlined and isolated zinc values from reconnaissance rock samples were obtained with one sample exceeding 10% zinc.

Cuttings from a seismic drill hole completed by the Shell/Chevron consortium on the adjacent Howell claims were sampled (by personnel working for Placer Dome Inc.) resulting in a gold analysis of 830 ppb over an (interpreted) 18 metre sample interval on what is now the Howell "A" Grid. Limited sampling on the western end of the Howell claims yielded results including 1,395 ppb gold in the Howell "E" grid. At the end of this program it was recommended that negotiations be initiated by Placer Dome Inc. with Cominco to include the Howell claims in the project.

In 1988 Placer Dome Inc. and Cominco pooled their respective claims in an agreement. Exploration expanded onto the Howell claims where Cominco had conducted surface programs beginning in 1983 and had identified several gold anomalies particularly in the area known as the Howell "E" Grid. Twenty-five reverse circulation holes totaling 2,666 metres were completed with ten of these holes (HRC 1-10) being from the Howe (now Ysoo and formerly Placer Dome owned) area south of Twenty-Nine Mile Creek and fifteen holes (HRC 11-25) being from the Howell claims (formerly Cominco owned) north of Twenty-Nine Mile Creek. In addition to drilling extensive soil grids were established in the Howe "A" grid, Howell "A" grid and in the Howell "E" grid area (western side of the claims) with 2,200 samples being collected. A number of anomalous rock samples were collected on all grids. On the Howe "A" grid (now in the Ysoo claim) gold values of 1.04 g/t and 2.73 g/t respectively were obtained from limestone while a sample of altered syenite on the Howell "A" grid returned a value of 1.97 g/t gold (with 2,043 ppm lead).

In 1989 Placer Dome Inc. completed an initial diamond drilling program with seven holes totaling 1,097 metres being drilled (4 on the Howell "E" grid and 3 on the Howell "A" grid). Results include hole HE-2 (Howell "E" grid) with 45 metres grading 0.33 g/t gold including 11 metres grading 0.60g/t and HA-4 (Howell "A" Grid) with 40.0 metres grading 0.57 g/t gold. An area of the Howell "E" grid was surveyed using VLF techniques and 631 additional soil samples were collected and analyzed.

In 1992 Phelps Dodge Corporation drilled five holes totaling 732 metres on the Howell "A" grid and collected 233 rock samples and completed 18.5 line kilometres of IP survey.

In 1999 Eastfield completed a program of mapping and sampling on the Ysoo 1 claim that had been staked in 1998 for both gold and base metal potential. Three exposures of syenite were known to exist in the Ysoo area (formerly the Howe claim group), two of which had been drill tested in 1987 by Placer Dome Inc. Seventeen rock samples were collected. Results included an argillically altered syenite dyke that returned 2,750 ppb gold (some distance from previous drilling) and a sheeted quartz stockwork in quartz sandstone (arenite) that returned 439 ppb gold.

In 2001 Goldrea Resources Corp. optioned the Howell property from Eastfield and commissioned Fugro Airborne Surveys Corp. to fly an airborne geophysical survey. The 158-line kilometer survey, which included magnetics and multi-channel

spectrometrics including total count, potassium, uranium and thorium, was flown in August of that year at a nominal terrain clearance of 60 metres.

In 2002 Goldrea Resources Corp. completed three diamond drill holes totaling 327.6 metres in the Howell "A" grid. The first hole (02-DDH-01) intersected 0.57 g/t gold over 152.4 metres while the third hole, located 125 metres to the east, intersected 0.65 g/t gold over 84.0 metres. Both holes predominantly cored limestone interrupted with minor porphyritic syenite and syenite breccia.

In 2003 Goldrea Resource Corp. drilled two more diamond drill holes in the Howell "A" Grid totaling 327.6 metres. Both holes intersected long intervals of low-grade mineralization (0.20 and 0.22 g/t gold) that although not economic was geologically interesting. Goldrea terminated their option on the Howell property,

In 2004 La Quinta Resources Corp. optioned the Howell property and completed 217 line kilometers of airborne geophysics including magnetics and multi frequency electromagnetics (again using Fugro Airborne Surveys Corp.). The survey complimented the survey completed in 2002 by including DigHem multifrequency electromagnetics which allowed a better interpretation of resistivity and detected discrete bedrock conductors. Although a number of indistinct conductors were detected one discrete conductor was found which was interpreted to be a conductive rock unit.

In 2006 La Quinta Resources Corp. completed a program of diamond drilling, talus fines sampling and rock geochemistry. Six holes totaling 884 metres were completed along with the collection and analysis of 40 talus fines samples and 129 rock samples. The most significant result of the 2006 program was hole HW-606 which returned 42.7 metres grading 0.42 g/t gold (Howell "A" Grid).

6 GEOLOGICAL SETTING

The Howell property is located within the Eastern Ranges of the Canadian Rocky Mountains on the ancestral North American Craton. Here the stratigraphic column is dominated with marine sediments that vary in age from the Pre-Cambrian Purcell and Belt Groups to younger Paleozoic carbonate and clastic sediments. Major structural complexities developed during the Laramide Orogeny when thrusting juxtapositioned older Purcell (Belt Series) rocks over Paleozoic carbonate and clastic sequences. A 10,500 foot (2700 metre) oil exploration well drilled by Pacific Atlantic in the 1950's nine kilometres to the east of the Flathead River and eighteen kilometers southeast of the Howell claims encountered 1200 metres of Purcell rocks before encountering younger Paleozoic carbonates for the remainder of the hole. The Lewis Overthrust, intersected by this hole, is one of the more significant faults in this region of the Canadian Rocky Mountains and is exposed in several locations on and around the Howell claims.

Basin and Range tectonics were operative in this area in late Cretaceous and Tertiary time and represent the northernmost extension of this structural province that is

more prevalent in the western United States. The Flathead Fault, one of the younger features in the area, is interpreted to be part of this regime and forms the edge of an extensional graben that developed during this event. Paleo-reconstruction of the Flathead Valley interprets 17,000 feet (4400 metres) of extension over the present surface exposure of the valley. Several southwesterly dipping normal faults (one being the Flathead Fault) are interpreted.

The immediate area of the Howell claims contains the only significant volumes of intrusive rocks known in the Eastern Ranges of the Canadian Rockies. These intrusive rocks are dominantly alkalic in composition and occur as dykes, sills and stocks that include monzonite, syenite and trachyte varieties often appearing to have been emplaced along faults. It has been speculated that trachytic volcanics outcropping nearby in the Crowsnest Pass area of Alberta are the volcanic equivalents of these rocks.

A folded thrust along the western edge of the Howell claims has put Devonian age Fairholme limestone on top of Triassic age Spray River Group rocks. The upper plate has been observed by some workers to host irregular plugs and dykes of clay-altered trachyte. Where the trachyte is located on the trace of the fault it is intensely clay altered, moderately foliated and limonitic: suggesting that the trachyte predates the thrusting. However at least one phase of the stock has been described as a massive, relatively fresh, intact intrusive breccia consisting of variable amounts of trachyte blocks and fragments of shale and limestone. This unit cross-cuts the foliated trachyte suggesting that this later phase post dates the faulting. In 1987 Dome Mines Canada, Limited reported a syenite intrusion immediately to the south of the (then) Howe 1 claim intruding the limestone in the footwall of a [thrust] fault again suggesting that the intrusion is younger than the fault. The relative abundance of limestone fragments in places in the intrusive breccias on the Howell property have led to interpretations that the breccias are diatremes. The presence of limestone clasts within the syenite also supports the hypothesis that the syenite is younger.

6.1 PROPERTY GEOLOGY

The Howell Claim Group is situated within the Lewis Overthrust Belt in which Palaeozoic carbonates and Precambrian sediments (Proterozoic) are in contact along faults. Within the Howell claim group the relationship of Palaeozoic, Mesozoic and Cretaceous sediments is complex and a number of faults, both thrust and normal, have been mapped or interpreted to explain contact relationships, and have resulted in an interpretation referred to as the “Howell Structure”.

Within the Howell Structure two fault bounded regions of Proterozoic and Paleozoic strata have been interpreted to overly Cretaceous marine shales of the Alberta Group and seemingly to be separated and surrounded to the north and east by this shale. Both of these fault bounded regions, referred to as the Eastern and Western Outliers, have been intruded by a number of alkalic intrusives and both have areas of extensive

generally low-grade gold mineralization. Some difficulty exists in completely accepting this interpretation in part caused by the difficulty in discriminating between Cretaceous (Alberta Group) marine shale, Mississippian (Exshaw Group) shale and Triassic (Spray River Group) shale, which also occur within the claim group. Misinterpretation is particularly problematic because the presence of the Cretaceous age Alberta Group shale implies a position in the stratigraphy which is “post gold mineralization” in age. An additional difficulty with this interpretation is that both the Eastern and Western Outliers have been mapped as entities surrounded by thrust faults that dip towards each other in a manner difficult to envisage.

Also to be reconciled is how the extensive interval of alkalic intrusive found interfingering in Paleozoic carbonate strata in an Imperial Oil wildcat well, drilled four kilometres to the north, fits this model. The Imperial Oil well, drilled in 1971, is well within surface occurrences of Alberta Group shale which continues to 326 metres in this well before crossing a fault and encountering Mississippian (Mesozoic) strata which persists to 1038 metres before encountering a sequence of Cambrian and Devonian (Paleozoic) carbonates interfingering with syenite (beginning at 1278 metres). Reconciling the first occurrence of intrusive in this well back to the Northern Fault (on the Howell “A” grid) results in a contact (or fault) dipping north at 15 degrees. This hypothesis predicts that the permissive Paleozoic carbonate strata would be encountered at a 100 metre depth 400 metres to the north of the surface trace of the Northern Fault.

Towards the southern region of the claims a north-west trending structure named the Twenty-Nine Mile Fault separates predominantly Cambrian and Devonian carbonate strata on the southwest from predominantly Cretaceous and Proterozoic strata to the immediate northeast. Alkalic intrusives exist on both sides of this fault implying that they (at least in part) postdate the fault. The Twenty-Nine Mile fault has been variously interpreted to be normal and thrust with an interpretation of it being a thrust probably making it older. This fault represents a logical locus for higher grade mineralization such as has been found in float and in a discovery trench on the nearby Crowsnest property where high-grade gold mineralization is thought to be fault controlled and can occur with grades in excess of 600 g/t gold (± 20 ounces per ton).

On the “E” grid (western region of the claims and south of the 29 Mile Fault), drilling demonstrates that syenite sill-like bodies here exhibit sheared and brecciated contacts with the enclosing and silicified Proterozoic strata.

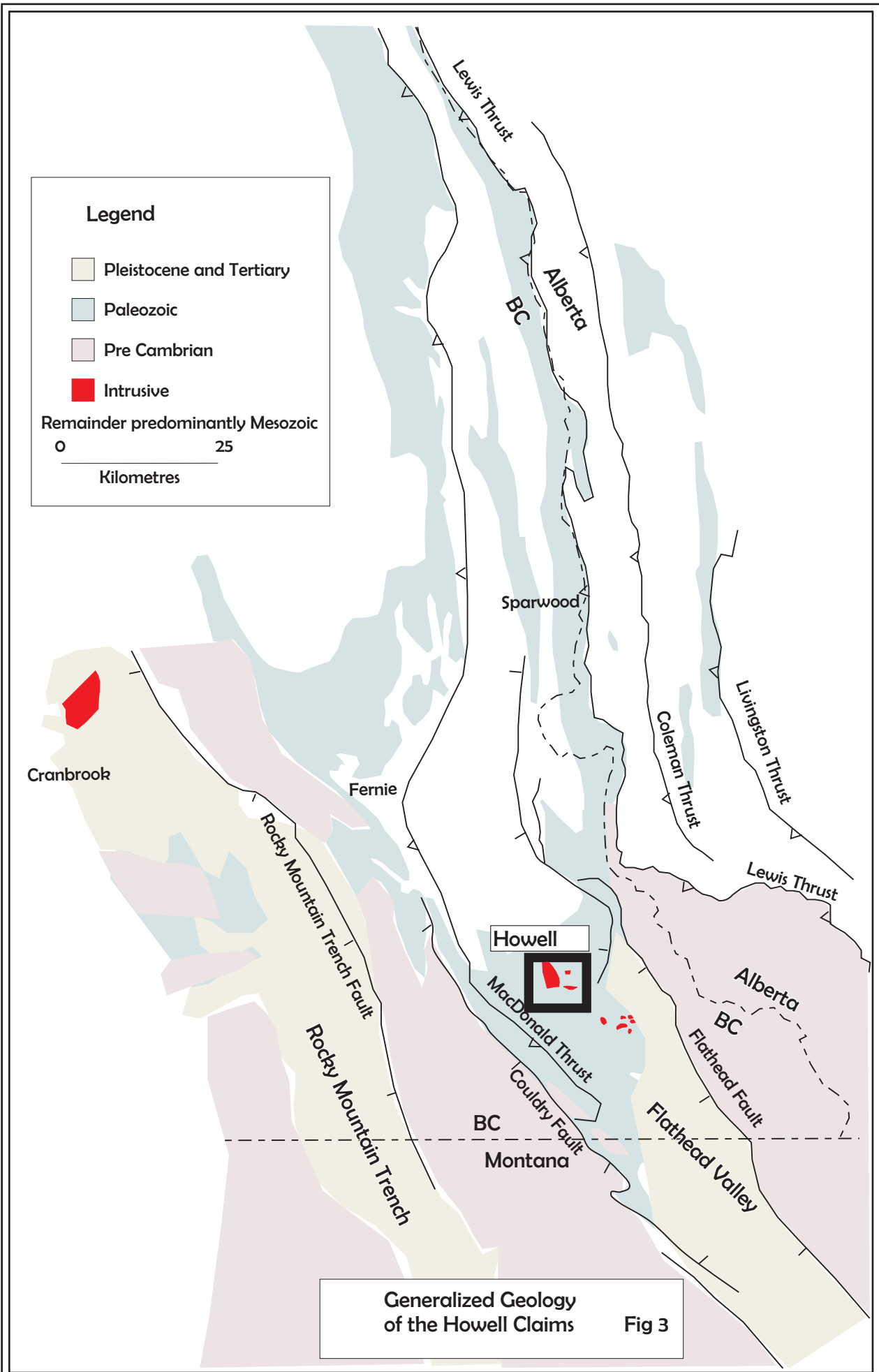
Legend

- Pleistocene and Tertiary
- Paleozoic
- Pre Cambrian
- Intrusive

Remainder predominantly Mesozoic

0 25

Kilometres



Generalized Geology of the Howell Claims Fig 3

STRATIGRAPHIC AND GEOLOGICAL MODEL

(Modified from L.M Clark 1964)

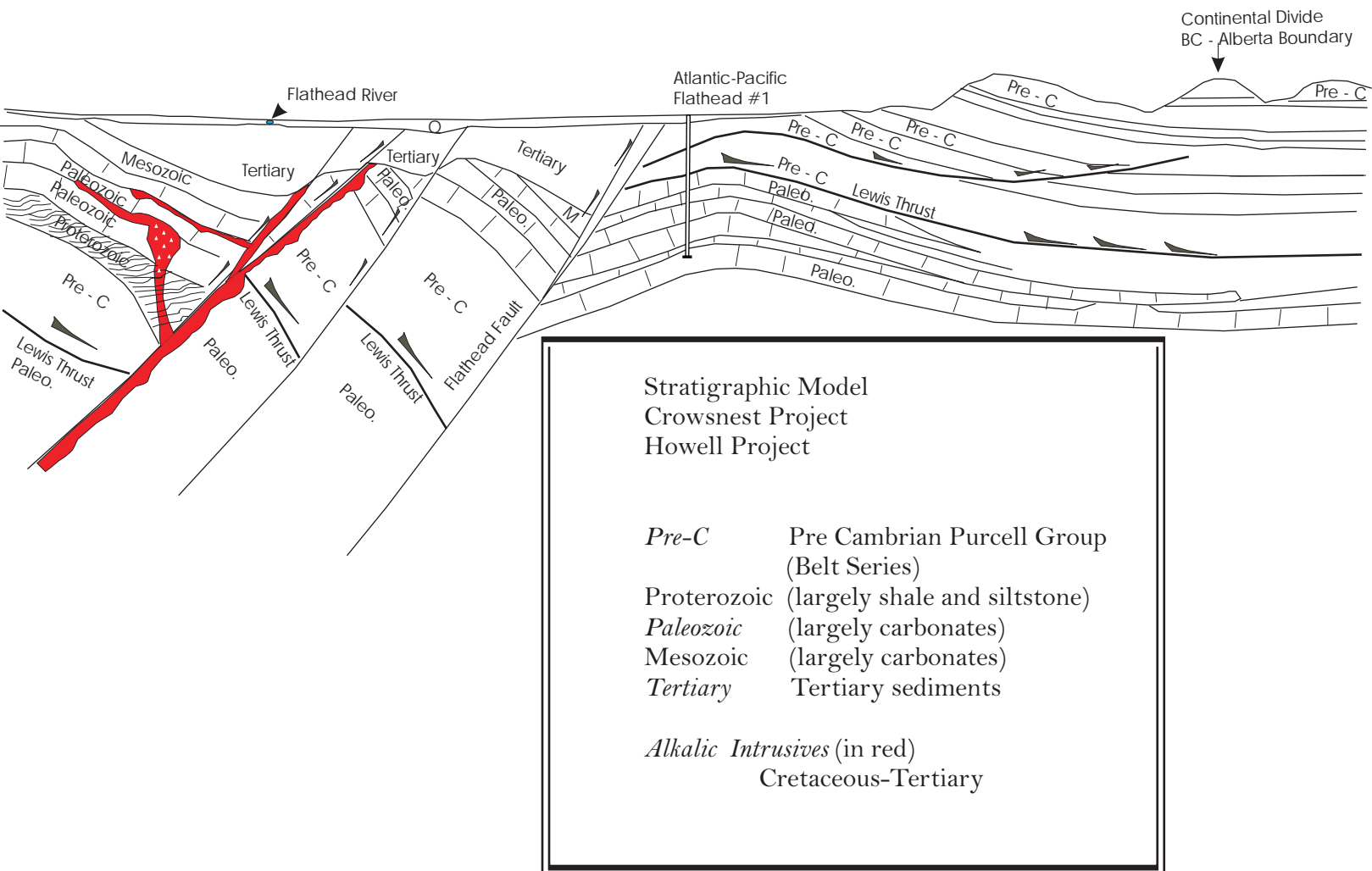


FIG. 3

6.2 BASE METAL OCURRENCES

In addition to disseminated gold mineralization occurrences of significant base metals in siltstone and limestone and of massive pyrite in limy units have been observed in several areas and are believed to represent a Carbonate Replacement Deposit (CRD) style of mineralization. Some of these occurrences include:

HRC-02 (Howe/Ysoo area - Howe "A" grid), 2.40% Zn, 0.40% Pb and 15.3 g/t Ag over 7.5 metres occurring with 10 to 20% pyrite in siltstone/shale (from 105.0 to 112.5 metres) persisting to the bottom of the hole. One of the 2008 soil grids was established south and east of this hole and resulted in the establishment of a number of high gold, silver, lead and zinc values (gold to 714 ppb, silver to 130 ppm, lead to 13,600 ppm and zinc to 9,527 ppm). The results of this soil survey require evaluation and suggest that further soil sampling should be undertaken to expand this grid.

HRC-15 (Howell Grid "A"), 1.87% Zn, 1.98% Pb., 51.5 g/t Ag and 0.32 g/t Au over 7.6 metres occurring in dolomite (from 53.3 m to 60.9 m).

7.0 DEPOSIT TYPES

The integral component of the deposit model for the Howell project is the association between gold and alkalic intrusive rocks - particularly in a setting where the intrusives in question have been emplaced in a regime of extensional tectonics. Many of the analogues that can be cited are "world class gold deposits" and include Lanolam (Lahir) with resources of 422 million tonnes grading 2.95 g/t gold (40 million ounces gold), Porgera (PNG) with current and previous production resources of 23 million ounces gold and Cripple Creek (Colorado) also with current and previous production resources of 23 million ounces gold. Cripple Creek, the geographically and geologically closest analogue, is still in production with low-grade resources currently being mined. by AngloGold Ashanti. Located about 1500 kilometres to the south-south-east of Howell, Cripple Creek shares many similarities with Howell including a comparable setting on the ancestral North American craton and gold mineralization associated with a Tertiary age alkaline complex occurring in a horst and graben structural setting. The bulk of the mineralization at Cripple Creek is within or spatially associated with heterolithic breccias interpreted to be diatremes. Low-grade gold mineralization occurs with pyrite in micro-fractures and as disseminations while high-grade mineralization is fracture controlled and occurs with gold-silver tellurides. by AngloGold Ashanti, located about 1500 kilometres

Drill Hole Location Map Figure 4

to the south-south-east of Howell. Low-grade gold mineralization occurs with pyrite in micro-fractures and as disseminations while high-grade mineralization is fracture controlled and occurs with gold-silver tellurides. High-grade mineralization is often associated with larger areas of low-grade mineralization commonly in the contact areas of the Cripple Creek Breccia. Historically the greatest amount of gold produced at Cripple Creek has been the high-grade variety. The common association of alkalic diatremes at both Cripple Creek and Howell is noted. What is at variance is the occurrence of significant carbonate hosted mineralization on the “A” Grid on the Howell property versus Tertiary aged volcanics at Cripple Creek. Gold mineralization, such as occurs in hole HRC-25 at Howell with an intercept of 57.9 metres grading 1.23 g/t gold, occurs almost entirely in limestone.

Carbonate Replacement Deposit mineralization (CRD) also forms a viable model for Howell. CRD deposits which can assume tonnages in excess of 50 million tonnes (more commonly 10-15 million tonnes), are associated with high temperature aureoles (>250°C) generated by igneous intrusives cutting carbonates in miogeosynclinal settings. Limestones and dolomites form the predominant host rocks while the orebodies themselves assume a morphology consisting of major pods, lenses, mantos and pipes of Pb-Zn-Ag-Cu-Au sulfides transgressing the stratigraphy in skarn and massive sulphide habit. Carbonate minerals, quartz, fluorite and sulphate form the predominant gangue mineralogy. A number of examples exist in the Central Colorado Mineral Belt and in a number of deposits in Mexico including Santa Eulalia (Cinco de Mayo) with combined current and historic resources of 48.0 million tonnes grading \pm 350 g/t silver and 15% combined lead zinc.

8 MINERALIZATION

Mineralization on the Howell properties can be summarized into four modes of occurrence:

The first and so far most significant form of mineralization is in the form of low grade disseminated gold in limestone and dolomite such as occurs on the Howell “A” grid e.g. HRC-25 with an intercept of 57.9 metres grading 1.23 g/t gold. Mineralization of this style is associated with minor amounts of pyrite, minor silicification with occasional millimeter scale quartz veinlets and often geochemically anomalous concentrations of arsenic. Alkalic dykes and or diatremes usually cross cut the carbonate or are at least close by.

The second form of mineralization is as well developed quartz stockwork mineralization generally hosted in Paleozoic clastic sediments and monzonite intrusive. Quartz veinlets range from mm to centimeter scale and can occupy 20 to 30% of the volume of the rock in multiple orientations associated with some bleaching. Anomalous concentrations of lead and or molybdenum are noted. Fluorite predominantly occurring as veinlets is ubiquitous. Mineralization of this variety occurs on the road heading south down to 29 Mile Creek and in the “E” grid in the western region of the property. Alkalic diatreme

breccias occur in and around area of this style of mineralization which is exemplified by hole HE-2 (“E” Grid) with 27 metres grading 0.39 g/t Au including 11metres grading 0.60 g/t Au.

The third form of mineralization occurs as base metal (precious metal enriched) replacement in limestone, dolomite and limy sediments in proximity to intrusive units. This style of mineralization has recently been referred to as CRD (carbonate replacement deposit) mineralization. Two examples of this style are RCH-02 with 7.5 metres grading 2.4% Zn, 0.4% Pb and 15.3 g/t Ag (south of 29 Mile Creek) and HRC-15 with 7.6 metres grading 1.87% Zn, 1.98% Pb, 51.5 g/t Ag and 0.32 g/t Au (eastern end of the Howell “A” grid). A soil grid established in 2008 to the north of hole RCH-02, drilled in 1988 by Placer Dome Inc. south of 29 Mile Creek, suggests a continuation of this style of mineralization.

A fourth style of mineralization consisting of weak chalcopyrite with more ubiquitous pyrite in alkalic porphyry was identified in drilling completed in 2006 (holes HW-604 and HW-605). In hole HW-604 the upper 40 m of the hole, consisted of mostly potassium feldspar flooded fine porphyry syenite with trace pyrite on fractures. Hole HW-605 intersected 15m of weak copper mineralization mostly hosted by a fine-grained mafic sill (?) intruded in a much silicified and veined younger shale sequence (possibly belonging to the Alberta Group). Hole HW-604 is located to the south of the stockwork mineralization referred to as the third style of mineralization while HW-605 is located on the eastern side of this same stockwork mineralized area.

9 EXPLORATION

The main focus of the 2008 exploration program on the Howell property was drill testing of select targets. The drill program began with the extension of the last hole of the 2006 program, which had been terminated early due to inclement winter weather conditions. The western and eastern portions of the Howell “A” grid were further explored by drilling in 2008 as well as an initial drill test of mineralized rocks on the ridge crest above Howell Grid “A”. Two holes were drilled along Howell Grid “A” Ridge to the south to test for Carbonate Replacement Deposit style mineralization, two holes were drilled within a large magnetic feature in the 29 Mile Creek valley and one hole was drilled to the north on a smaller weak magnetic feature near Howell Creek. A total of 1,312.5 metres of NQ sized core was drilled in 13 holes during the period July 16 to August 20, 2008. 602 core samples were collected and submitted for analyses. In addition, diatreme core samples from hole HW08-7 were collected and submitted for identification of kimberlite indicator minerals. Drilling was completed by Lone Peak Drilling located in Kimberley, BC.

Additionally, grids were established over two areas within 29 Mile Creek valley to provide control for a soil geochemical sampling program in this area. A total of 243 soil samples were collected and analyzed for multi-element geochemistry and gold. A

significant gold-silver-lead-zinc soil anomaly was outlined on the southeast side of 29 Mile Creek and anomalous gold concentrations were returned from the soil sampling on the western grid located on the north side of the Twenty-nine Mile Creek Valley.

A total of 58 rock samples were collected from rocks exposed during drill pad preparation at HW08-7. These samples were collected as continuous one metre long channel samples across argillically altered intrusive rocks. The rocks returned weak to moderately anomalous concentrations of gold to a high of 300 ppb Au.

10.1 DRILLING

The 2008 drill program began in the Howell “A” grid area with an extension to the last hole of the 2006 drill program HW-606. The original hole returned anomalous mineralization throughout, ending in mineralized Devonian reefal limestone that graded 0.42 g/t gold over the final 42.7 metres. The 2006 hole had been terminated due to weather constraints at 66.5 in mineralized limestone grading 0.44 g/t. Drill hole HW08-606 Ext was completed by re-entering the previous hole and drilled to a depth of 204.0 metres. Sampling returned weak to moderately anomalous concentrations of gold throughout, ranging from 17 ppb to a high value of 973 ppb gold. A revised intercept from 23.7 to 204.0 metres graded 0.26 g/t Au over 180.3 metres including a 50.7 metre intercept from 23.7 to 74.0 metres that graded 0.47 g/t Au. Further anomalous gold mineralization was encountered over a 1.4 metre interval from 124.3 metres depth that returned 973 ppb gold.

Hole HW-08-7 was drilled approximately 75 metres west of HW08-606 Ext. This vertical hole intersected coarse, angular, polymictic diatreme to a depth of 88.1 metres and limestone with minor dykes of intrusive to the end of the hole at 198.0 metres. The hole returned weakly anomalous gold concentrations in the 100 ppb range throughout with an elevated 3.9 metre intercept from 88.1 to 92.0 metres grading 0.65 g/t gold and a 6.0 metre interval from 132.0 to 138.0 metres grading 0.53 g/t gold including one sample grading 1055 ppb.

Hole HW08-8 was located a further 75 metres west from HW08-7. This vertical hole cored into black shale believed to belong to the Tertiary aged Alberta Group and remained in this unit until the hole was lost at 73.0 metres. A steeply dipping fault was exposed during excavating of the drill road and is located approximately 20 metres east of the collar of HW08-8. No samples were collected from this hole although it is recommended that some additional sampling be completed when work resumes on the property.

Drill hole HW08-9 was drilled on the eastern side of Howell “A” grid to test the eastern contact of the favourable carbonate contact with the Alberta Group shale. The hole was drilled to the northeast at a 50 degree angle and intersected limestone to 19.6 metres, dolomite with felsic intrusive dykes to 38.8 metres, dolomite to 124.7 metres and Alberta Group shale to the end of the hole at 157.5 metres. Moderate to highly

anomalous concentrations of gold were returned through the carbonate sequence. The mineralized interval in this hole from 8.5 to 120.5 metres averaged 0.30 g/t Au including a 22.0 metre interval from 8.5 to 30.5 metres that averaged 0.78 g/t Au. The highest grade sample in this interval graded 1.34 g/t Au. The mineralized interval in hole HW08-9 is closely related to felsic intrusive dykes within the dolomite unit.

HW08-10 and HW08-11 were located on the ridge crest immediately above and east of Howell "A" grid. The holes were drilled to test gold mineralization associated with felsic intrusive rocks mapped and sampled in the area. Hole HW08-10 was drilled northeast at a dip of -75° . It was abandoned in siltstone at a depth of 57.0 metres (driller inexperience). Samples collected from this hole returned anomalous concentrations of gold, with a high of 1.38 g/t Au over one metre at a depth of 9.0 metres. Drill hole HW08-11 was drilled vertically from the same setup and was abandoned at a depth of 21.5 metres, also in siltstone and also due to driller inexperience. Samples from this hole returned anomalous concentrations of gold to a high of 329 ppb Au at a depth of 9.5 metres.

Drill hole HW08-12 was drilled on the eastern side of the Howell "A" grid to test for Carbonate Replacement Deposit style mineralization in this area. The hole was drilled northeast at a dip of 60° . It intersected limestone to a depth of 18.2 metres, felsic dyke intrusion to 23.0 metres and black shale believed to belong to the Alberta Group to the end of the hole at 122.0 metres. Samples collected from the upper section of the hole returned unmineralized to weakly anomalous concentrations of gold to a high of 136 ppb.

Hole HW08-13 was drilled along the top of Howell "A" Grid ridge in a westerly direction at an angle of -75° . The hole intersected a sequence of siltstone and dolomite before the hole was abandoned due to driller inexperience. Samples collected from the hole returned weakly anomalous concentrations of gold to an isolated high of 368 ppb Au. Elevated concentrations of zinc (180 ppm), lead (704 ppm) were associated with this mineralization. This hole was abandoned well above its target depth.

Hole HW08-14 and HW08-15 were located on the eastern edge of Howell "A" grid, topographically above HW08-9. HW08-14 was drilled to the northeast at a dip of 60° to test the eastern contact of the carbonates with the Alberta Group shale. The hole intersected a sequence of siltstone, limestone and mudstone intruded by a series of feldspar porphyry dykes. The hole was abandoned at 53.0 metres. Hole HW08-15 was drilled from the same setup and orientation as HW08-14 but at an angle of -55° . The hole intersected the same sequence of rocks as described for HW08-14 which was consequently not sampled. The hole was terminated at 77.0 metres within a clay rich fault gouge. Samples collected from HW08-15 returned moderately anomalous concentrations of gold with the interval from 23.3 metres to 68.0 (36.7 metre interval) metres averaging 0.41 g/t Au. A 20.7 metre interval of mudstone intruded by felsic dyke extending from 23.3 to 44.0 metres returned an average of 0.53 g/t Au confirming that care is necessary before mudstones are assumed to belong to the younger unmineralized Alberta Group.

Drill holes HW08-16 and HW08-17 were drilled in the 29 Mile Creek valley to test a large airborne magnetic high anomaly. Hole HW08-16 was drilled vertically from a setup built on the main access road. The hole penetrated 29.5 metres of overburden before coring into feldspar porphyry intrusive rock to a depth of 104.2 metres and syenite intrusive to a depth of 113.0 metres. Both intrusive units were weakly to moderately magnetic, thereby providing an explanation for the geophysical signature. Samples collected from throughout the intrusions did not return gold above detection limits.

Drill hole HW08-17 was drilled approximately 200 metres southeast of HW08-16 in an effort to locate the edge of the intrusive body. This hole was drilled vertically to a depth of 79.0 metres. Feldspar porphyry intrusive was cored from 12.5 metres to the end of the hole. Samples collected did not return significant values of gold.

The final hole of the 2008 drill campaign was located to the north on the edge of Howell Creek. Hole HW08-18 was drilled vertically to a 74.0 metres to test a small airborne magnetic feature. The hole cased 10.2 metres of overburden before coring black fine grained shale (believed to belong to the Alberta Group) to the end of the hole at 74.0 metres. No samples were collected for analysis but some sampling should be considered when work next resumes.

All drill core was logged by the project geologist and sampled in his presence. A total of 602 core samples were collected and analyzed during this program. A number of drill holes were not completed to the intended target depth due either to poor ground conditions and/or driller inexperience/error. Of the 13 holes drilled (12 new), seven were completed to the satisfaction of the supervising geologist. The remainder of the holes had to be abandoned or terminated early due to lack of productivity and progress.

Beginning in 1988 and continuing until 2008, 62 drill holes totaling 6,457 metres have been drilled in various parts of the extensive Howell property, as summarized in the following table:

TABLE 2: Drill History Table

Year	Company	Number of Holes	Metres
1988	Placer Dome Inc	25 reverse circulation	2,666
1989	Placer Dome Inc.	7 diamond drill	1,096
1992	Phelps Dodge Corporation	6 diamond drill	732
2002	Goldrea Resources Corp.	3 diamond drill	328
2003	Goldrea Resources Corp.	2 diamond drill	322
2006	La Quinta Resources Corp.	6 diamond drill	883.5
2008	Max Ventures Ltd.	13 diamond drill	1,312.5
Total		62	6,457m

TABLE 3: Significant drill intercepts Table

Hole	From (m)	To (m)	Width (m)	Gold g/t	Area - Grid
HRC-15	53.3	60.9	7.6	1.87% Zn 1.98% Pb 53.2 g/t Ag	Howell "A" Grid (in dolomite)
HRC-21	48.0	121.9	73.9	0.24	Howell "A" Grid
including	48.0	64.5	16.5	0.39	As above
HRC-22	51.0	123.4	72.4	0.48	Howell "A" Grid
including	51.0	62.5	11.5	1.01	As above
HRC-23	0.0	62.5	62.5	0.44	Howell "A" Grid
HRC-24	0.0	34.0	34.0	0.24	Howell "A" Grid
and	56.5	95.5	39.0	0.33	As above
HRC-25	0.0	123.4	123.4	0.71	Howell "A" Grid
including	0.0	57.9	57.9	1.23	As above
including	48.8	57.9	9.1	2.99	As above
HA-1	124.0	140.0	16.0	0.41	Howell "A" Grid
HA-2	0.0	221.0	221.0	0.21	Howell "A" Grid
including	87.0	124.0	37.0	0.42	As above
HA-3	3.0	187.5	184.5	0.25	Howell "A" Grid
including	3.0	43.0	40.0	0.57	As above
HA-4	63.0	89.0	26.0	0.41	Howell "A" Grid
HA-7	138.0	156.0	18.0	0.36	Howell "A" Grid
HA-8	130.0	145.0	15.0	0.34	Howell "A" Grid
HW-02-DDH-1	3.0	152.4	149.4	0.57	Howell "A" Grid
HW-02-DDH-3	2.0	84.0	82.0	0.65	Howell "A" Grid
including	39.0	78.0	39.0	0.95	As above
HW-08-06 ext	23.7	204.0	180.7	0.26	Howell "A" Grid (extension of HW-606)
Including	23.7	74.0	50.7	0.47	As above
HW-08-07	88.1	92.0	3.9	0.65	Howell "A" Grid
and	132.0	138.0	6.0	0.53	As above
HW-08-09	8.5	129.0	120.5	0.30	Howell "A" Grid
including	8.5	30.5	22.0	0.78	As above
HW-08-10	8.0	10.0	2.0	0.79	Howell "A" Grid
HW-08-15	23.3	68.0	44.7	0.41	Howell "A" Grid
including	23.3	44.0	20.7	0.53	As above
HRC-2 Intercept at bottom	105.0	112.5	7.5	2.4% Zn 0.4% Pb 15.3 g/t Ag	Howe "A" Grid (Ysoo Area)
HRC-3	64.0	72.0	6.0	0.57	Howe "A" Grid (Ysoo Area)
HRC-8	80.0	114.0	34.0	0.27	Howe "A" Grid

					(Ysoo Area)
HRC-9	6.0	27.0	21.0	0.22	Howe "A" Grid (Ysoo Area)
(and)	82.5	123.4	41.0	0.31	As above
(including)	115.4	123.4	8.0	0.61	As above
HRC-10	6.0	43.0	37.0	0.33	Howe "A" Grid (Ysoo Area)
HE-1	45.0	58.0	13.0	0.32	Howell "E" Grid
HE-2	28.0	35.0	7.0	0.30	Howell "E" Grid
and	45.0	72.0	27.0	0.39	As above
including	58.0	69.0	11.0	0.60	As above

10.2 TRENCHING

Several minor trenching programs have previously been conducted using mechanical excavators and the more significant results subsequently drill tested and most trenches converted to drill access roads. Specific results are included in the project database but are not reviewed in this report.

11 SAMPLING METHOD AND APPROACH

Drill core from the 2008 campaign was processed at a secure logging facility built on the property. Core was logged and sample intervals marked by the project geologist to properly represent lithology, mineralogy and alteration. Up to four core boxes were photographed at a time with a sign providing the hole identification, and the interval photographed, and the digital photographs were renamed as per the interval photographed. Recovery was measured between drill blocks and recorded in the database. The drill contractor provided 4 foot long by 1 foot wide core boxes to hold the NQ core. Geoffrey Goodall directly supervised the splitting of 100% of the core by a geotechnician along with the bagging and shipping of the samples. Pre-numbered double tag sample books were used. The hole identification and interval sampled were recorded on the first tag that stayed in the book. The second tag with the identical sample number was removed from the book and inserted in the 6 mil polypropylene sample bag further identified by sample number with the half core sample sent to be assayed. The second half of the core was left in the box for further record. A handwritten identical number was marked on a metallic tag which was stapled with a red flag strip at the end of each sample. Most samples were taken across a width of 3 m. The shorter intervals of <3 m typically contain a visual increase in sulphide mineralization, alteration variation and/or quartz veining. A quick geological log was completed prior to splitting the core to record structures and large geological features. The core was logged in detail using both the core's broken surfaces and the drilled smooth surface after the core was split. Data was entered on an Excel spreadsheet in the core logging shack. A total of 602 split core

samples were collected and submitted for analyses. A total of 21 standard pulps were inserted approximately every 20th sample for quality control. Two gold and copper standard pulps, purchased from and certified by Canadian Lab Services, were used during the drilling – standards CDN-CM3 and CDN-CGS6. Sample intervals, geological descriptions and core recovery are included in Appendix A and B.

After collection all samples were locked in 6mil polypropylene plastic bags with a zip tie with a sample tag. The bags were registered in a ledger and placed 4-5 at a time in a numbered rice bag for a total weight of roughly 40-60lbs. The rice bags were in turn zip tied and recorded, the last rice bag holding the sample list and analytical instructions for the laboratory. The shipment of rice bags was brought directly to Cranbrook under the supervision of the project geologist or his representative for shipping by bonded courier. Each shipment was submitted to Acme Analytical Laboratories in Vancouver (ACME) and confirmation of receipt of samples was returned by email.

12 SAMPLE PREPARATION, ANALYSIS AND SECURITY

To provide control on the assaying quality and accuracy, a quality control program was set in place whereby after each 20th sample a control standard pulp purchased at CDN Resources Lab in Delta was introduced between core samples. Two standards were used: CDN-CS-1C (0.99g/t Au +/-0.08 g/tAu) and CDN-CS-P3 (0.30 g/t Au +/-0.04 g/t Au). Acme Analytical Laboratories (ACME), of Vancouver, was retained to analyze our samples. At the laboratory, the 4-6kg samples were crushed to 10 mesh then pulverized to 150 mesh. For the ICP-ES (Inductively Coupled Plasma – Atomic Emission Spectrometer –Acme Group 1D) analysis, samples were reduced to 0.5gm then dissolved by Aqua Regia (leached with 3ml 2-2-2 HCL-HNO3-H2O at 95 deg C for one hour, diluted to 10ml) and analyzed by ICP-ES for 30 elements. All samples were analyzed for gold by fire assay (FA - ACME's group 3B). ACME's fire geochemistry Au analysis uses 30gm sample fusion and the doré is dissolved in Aqua Regia. Fire Assay is recommended for the precise detection of Au content of less than 10ppm.

ACME inserted 18 of its own standard (OxF-41) and repeated 12 sets of samples twice for their “in house” quality control. Overall analyzed standard values confirmed the reliability of ACME's Au analysis, as most of the Au standards we inserted fell within acceptable deviation range (+/-2SD). Two of our higher control pulps and one of our lower control pulp returned lower values than expected. ACME's standards fell well within their 2SD range, which suggests that the analytical problem is not significant. The Repeatability sets demonstrated that the same core pulp analyzed repeatedly provided repeatable values, with an acceptable correlation coefficient of 0.93 and 0.97.

All Fire Assay certificates and ICP certificates are included in APPENDIX DATA. Both ICP and FA results were sent to us within 5 to 8 weeks of shipping. Acme Analytical Laboratories Ltd. is an accredited (ISO 9001:2000) laboratory.

13 ADJACENT PROPERTIES

The Howell claim group is located northwest of the Crowsnest property also owned by Eastfield. Crowsnest like Howell is an alkalic intrusive associated gold prospect.

14 MINERAL PROCESSING AND METALLURGICAL TESTING

The Howell property has no reported metallurgical testwork that would define gold size and distribution, amenability to gravity concentration and grindability. Placer Dome Inc did a single bottle role determination in the late 1980's that was largely inconclusive.

15 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

The Howell property has no measured, indicated, or probable mineral resource.

16 OTHER RELEVANT DATA AND INFORMATION

A complete interval assay database has been created. Previous geological logs need to be interpreted and coded to merge with the digital lithological interval database established after the 2006 exploration program.

17.0 INTERPRETATIONS AND CONCLUSIONS

While the Howell 2008 exploration program failed to intersect high-grade gold mineralization, the program was successful in extending the western and eastern contacts of the Howell "A" grid target area. The extension to drill hole HW-606 (HW08-606 Ext) returned anomalous concentrations of gold over the entire length of the hole. Drill hole HW08-7, drilled 75 metres west of HW08-606 Ext, returned weak to moderately anomalous gold concentrations throughout, with elevated samples generally related to contacts with intrusive dykes within the favourable carbonate rock sequence. Hole HW08-8 remained entirely within shale thereby implying the definition of the western edge of the favourable carbonate host rocks in this area. Drill hole HW08-9, drilled near the eastern contact of the Howell "A" grid host rock sequence, returned weak to highly anomalous concentrations of gold throughout, including a 17 metre interval averaging 882 ppb gold. These results confirm the extent and generally consistent nature of the mineralization throughout this target area.

Drill holes HW08-10 and HW08-11 were drilled on the ridge crest immediately above the Howell "A" grid area. These holes were drilled to test gold mineralization encountered from surface sampling of intrusive rocks. Neither hole was completed to

depth; both holes were abandoned. However, drill hole HW08-10 did return a highly anomalous gold concentration of 1380 ppb from 9.0 to 10.0 metres indicating the potential of this area.

To the south along the ridge, drill holes HW08-12 and HW08-13 were drilled to test the potential of a Carbonate Replacement Deposit type model associated with carbonate rocks in this area. Hole HW08-12 drilled through 18.2 metres of limestone and 4.8 metres of intrusive rock before intersecting unmineralized Alberta Group shale. Drill hole HW08-13, located 100 metres northeast, intersected a sequence of siltstone and dolomite rocks that returned non to weakly anomalous concentrations of base metals. An eleven metre interval from 32 to 43 metres returned elevated concentrations of gold (high of 368 ppb), zinc (high of 180 ppm) and lead (high of 704 ppm).

Drilling in the Twenty-nine Mile Creek area (HW08-16 and HW08-17) confirmed the strong airborne magnetic anomaly as an intrusive body. Although unmineralized where tested, the contact edge where it has intruded limestone/dolomite warrants further testing. The short drill hole (HW08-18) near a small magnetic feature on Howell Creek did not intersect intrusive rocks or mineralization.

The eastern soil grid (on the south side of the 29 Mile Creek valley), returned weak to highly anomalous concentrations of gold ranging from detection limits up to 714 ppb gold. A number of samples were also highly anomalous in silver, lead, zinc and copper suggesting CRD style mineralization. Further evaluation of this multi-element anomaly is required.

18.0 RECOMMENDATIONS

The most immediate priority for the Howell project is to evaluate the results obtained in 2008 on the southeastern soil grid. Sample L2920, 500E, for example, returned 714 ppb Au, 13,600 ppm Pb, 130 ppm Ag, 7,363 ppm Zn and 375 ppm Sb. Of the 119 samples collected on the southeastern grid 16 exceeded 100 ppm gold (maximum 714 ppb), 27 exceeded 500 ppm zinc (maximum 9527 ppm) and 9 exceeded 400 ppm lead (maximum 14,000 ppm). The southeastern grid was established in 2008 to fill in an area to the north of manto style zinc, lead, silver mineralization identified in reverse circulation drilling completed by Placer Dome in 1988 (HRC-2 with 7.5 metres grading 2.4% Zn, 0.40% Pb and 15.3 g/t Ag. At the bottom of the hole) Reconnaissance prospecting in this area, previously completed in 1999 by Eastfield, sampled a 300 metre northeast trending syenite intrusive that returned a value of 2750 ppb gold from the single sample collected. Review of a subsequent airborne geophysical survey completed in 2004 collaborated this feature and highlighted it for the current program. A program of diligent geological field evaluation and targeted prospecting is now warranted.

The second grid established in 2008 (here referred to as the northwestern grid) consisted of 125 samples and was likewise prospective with an average gold value in the soil of 50.4 ppb. This grid was established to field check an area where a northern trending airborne magnetic feature appears to occur in predominantly carbonate

stratigraphy much as is the case at the Howell “A” grid located several hundred metres further to the north. A program of geological field evaluation and targeted prospecting here is also warranted.

Future drilling on the Howell property should include the stockwork quartz zone which occupies the area between the “E” grid and the 29 Mile Creek hill. Prior drilling completed at these two end points (roughly 2.0 kilometres distant from each other) has not included the central area, which although more topographically challenging, contains the most anomalous soil gold and molybdenum values. A helicopter portable drill will be required to test this area.

It is also recommended that further drilling testing of the Howell “A” grid area be undertaken in an effort to fully outline the zone of mineralization. Drill testing of the upper ridge anomaly should also be undertaken by experienced drillers with suitable equipment in order to identify the extent of mineralization in this area.

Completion of the process of making all historical data digital should proceed to allow comparison, visualization and planning utilizing modern GIS and other geological software. Various lithologies from the historical drilling phases need to be correlated and coded with the same set of lithological codes. Simple structural surface data can then be used to build cross sections that respect surface data and basic structural projection rules.

19.0 STATEMENT OF COSTS (2008 Program)

Professional Fees	J.W. (Bill) Morton P.Geo, 1 1/2 day	\$1,020	June, 2008
Professional Fees	J.W. (Bill) Morton P.Geo, 1 day	\$680	July 14, 2008
Field Personnel Fees	J. P Charbonneau, 7 days	\$2,940	July 9-15, 2008
Field Personnel Fees	D. Jackson, 7 days	\$2,730	July 9-15, 2008
Field Personnel Fees	M. Boissonneault, 5 days	\$1,925	July 11-15, 2008
Professional Fees	J.W. (Bill) Morton P.Geo, 1 day	\$680	July 29, 2008
Professional Fees	Glen Garratt P.Geo, 1/2 day	\$340	July, 2008
Professional Fees	Geoff Goodall P.Geo, 18 days	\$13,050	July, 2008
Field Personnel Fees	B. Rowan, 16 days	\$7,200	July, 2008
Field Personnel Fees	J. P Charbonneau, 14 days	\$5,880	July 16-31, 2008
Field Personnel Fees	D. Jackson, 5 days	\$1,950	July 16-31, 2008
Field Personnel Fees	M. Boissonneault, 13 days	\$5,005	July 16-31, 2008
Field Personnel Fees	J. Pin, 12 days	\$5,700	July 16-31, 2008
Professional Fees	Glen Garratt P.Geo, 1/2 day	\$340	August, 2008
Field Personnel Fees	J. P Charbonneau, 15 days	\$6,300	Aug 1-15, 2008
Field Personnel Fees	M. Boissonneault, 5 days	\$1,925	Aug 1-5, 2008
Field Personnel Fees	M. Boissonneault, 10 days	\$4,100	Aug 6-15, 2008
Field Personnel Fees	J. Pin, 6 days	\$2850	Aug 1-6, 2008
Professional Fees	Geoff Goodall P.Geo, 24 days	\$17,400	Aug, 2008
Professional Fees	Lynda Erdman P.Geo, 2 days	\$1,450	Aug, 2008
Field Personnel Fees	J. P Charbonneau, 4 days	\$1,680	Aug 18-21, 2008

Field Personnel Fees	M. Boissonneault, 2 days	\$820	Aug 16-17, 2008
Field Personnel Fees	B. Rowan, 20 days	\$9000	Aug, 2008
Field Personnel Fees	Francois Larocque, ½ day	\$210	Aug 21, 2008

Total Personnel	<u>\$95,175.00</u>
Total Drilling, 1313 metres of NQ core,	\$213,538.6
Camp Rental, Mincord, 35 days @ \$475 day,	\$14,875.00
Generator Rental, Mincord, 35 days @ \$50 day,	\$1,750.00
ATV Mincord, one unit, 35 days, @ \$75 day,	\$2,625.00
ATV Val Geo-Tech, one unit, 34 days @ 68.45 day,	\$2,327.25
ATV Global Geoscience, one unit, 37 days, @ \$80 day,	\$2960.00
Truck, Val Geo-Tech, 36 days @ \$84.99,	\$3,059.60
Truck, Global Geoscience, 39 days @ \$80 day,	\$3120.00
Truck, Morton 1 1/2 days @ \$80,	\$120.00
Truck, Enterprise Rental, 3 days,	\$316.90
Truck, Boissonneault, 6 days @ \$80 day,	\$480.00
Truck, Larocque, ½ day,	\$40.00
Truck, Budget,	\$393.14
Vehicle Repair,	\$2299.76
Trailer, Boissonneault, 36 days @ \$65 day,	\$2340.00
Trailer Rental, Global, Project Duration,	\$450.00
Computer, Printer, Global Geoscience, +35 days @ \$15,	\$525.00
Miscellaneous Equipment Global Geoscience, +39 days,	\$3985.00
Radio Rental Mincord, (3 units), 39 days @ \$5 each,	\$585.00
Core Splitter Mincord, 35 days @ \$5 day,	\$175.00
GPS Rental, Charbonneau, +11 days @ \$5 day,	\$55.00
Scheduled Flights,	\$1,571.33
Travel Expenses,	\$4,990.25
Field Equipment and Supplies,	\$14,766.84
Communications,	\$3,379.47
Food,	\$8,296.21
Accommodation,	\$1,727.05
Miscellaneous,	\$32.91
Fuel,	\$1,713.07
Excavator, 125.5 hours at \$194.84 (all in),	\$24,449.05
Expediting,	\$1,118.49
Freight,	\$2,534.10
Map Reproduction,	\$100.77
Assay, 905 samples @ 27.68 per sample,	\$25,048.13
Subtotal	\$440,922.92
GST,	<u>\$16,290.99</u>
Grand Total	\$457,213.92

20.0 AUTHOR QUALIFICATIONS

Author Qualifications JW. (Bill) Morton P.Ge

I, J.W. Morton am a graduate of Carleton University Ottawa with a B.Sc. (1972) in Geology and a graduate of the University of British Columbia with a M. Sc. (1976) in Graduate Studies.

I, J.W Morton have been a member of the Association of Professional Engineers and Geoscientists of the Province of BC (P.Ge.) since 1991.

I, J.W. Morton have practiced my profession since graduation throughout Western Canada, the Western USA and Mexico.

I, J.W Morton supervised the work outlined in this report.

Signed this 14 day of January, 2009

Author Qualifications Geoffrey Goodall, P.Ge

I, Geoffrey Goodall, P.Ge. do hereby certify that:

1. I was employed as a Consulting Geologist by:
Mincord Exploration Consultants Ltd.
110-325 Howe Street
Vancouver, BC, V6C 1Z7
2. I graduated with a B.Sc. in Geology from the University of British Columbia in 1984
3. I am a member of the Association of Professional Engineers and Geoscientists of British Columbia since 1991.
4. I have worked continuously as a geologist since graduation from University throughout British Columbia, western United States, Mexico, Central and South America, Africa, Europe and the South Pacific.
5. I am a co-author of the technical report titled Report on the 2008 Field Program Filed for Assessment Work on the Howell Property, dated November 30, 2008.
6. I have spent 35 days during July to August, 2008 on the Howell property as the project geologist and supervised the work from the drill road access building, drill pad building, through drilling, core logging and analysis. I have personally logged the core, marked the sample intervals and supervised all sampling of the core.