2005 GROUND MAGNETIC SURVEYS

Raven Grid Extension

The Raven grid was extended to the northwest in April 2005 during the spring drill program at Raven in anticipation of potential step-outs to the northwest. A total of 6.5line-km of magnetic data was collected. The magnetic data shows that the magnetic high that occurs along the south and southwest edges of the main grid continues onto the grid extension but its strike changes abruptly to the west rather than northwest. Overall, magnetic relief is low on the grid extension and there were no significant anomalies or features, other than an extension of the main mag-low, that correlate with the mineralized trend at surface.

Anuri Grid

A grid was established at the apparent head of the Anuri boulder train in the summer of 2005. The initial grid measured 600m x 600m with 50m spaced N-S wing lines. Later, the grid was extended to the northwest in order to cover the remainder of the boulder train. A total of 29.85line-km of magnetic data was collected from the Anuri grid. The data highlights a discrete magnetic high that extends for approximately 150m in an E-W direction that is coincident with an airborne EM anomaly and is located in proximity to the sulphidized and quartz veined amphibolite outcrop at Anuri. There is an apparent break in the magnetics that strikes northeast north of which weak magnetic features in the area of the boulder train appear to define north to northwest trends.

Muskox Grid

The Muskox occurrence, located 3km northeast of Anuri, is defined by gossanous outcrops associated with komatiite and interflow sediments (iron formation) that contain semi-massive po with minor cpy. A grid was placed over the Muskox and the southern Muskox Extension areas in 2005 and a total of 18.2line-km of magnetic data was collected. Unfortunately, the intensity of the magnetite in the interflow iron formation at Muskox overwhelmed the magnetometers and the data was not of sufficient quality to be of use.

2005 PROSPECTING PROGRAM

Introduction

Field work conducted during the 2005 field season comprised prospecting, mapping, till sampling and a limited amount of ground geophysical surveying. A total of 1,697 rock samples were collected in 2005 (Figure 7). Of these, 368 samples were taken from Kitikmeot Inuit Owned Lands. None were taken from Kivalliq Inuit Owned Lands

During 2005, prospecting and rock sampling was completed out of all four camps on the belt. Prospecting work was focused on the northeast tonalite (Raven-Anuri) area in order to follow up on Au mineralization identified in previous years and to further examine this area of

prospective geology. It should also be noted that a considerable number of claims, particularly those in the central portion of the belt, required prospecting in 2005 largely as a result of the need for assessment work as well as to examine areas of the belt that had seen little or no previous gold exploration.

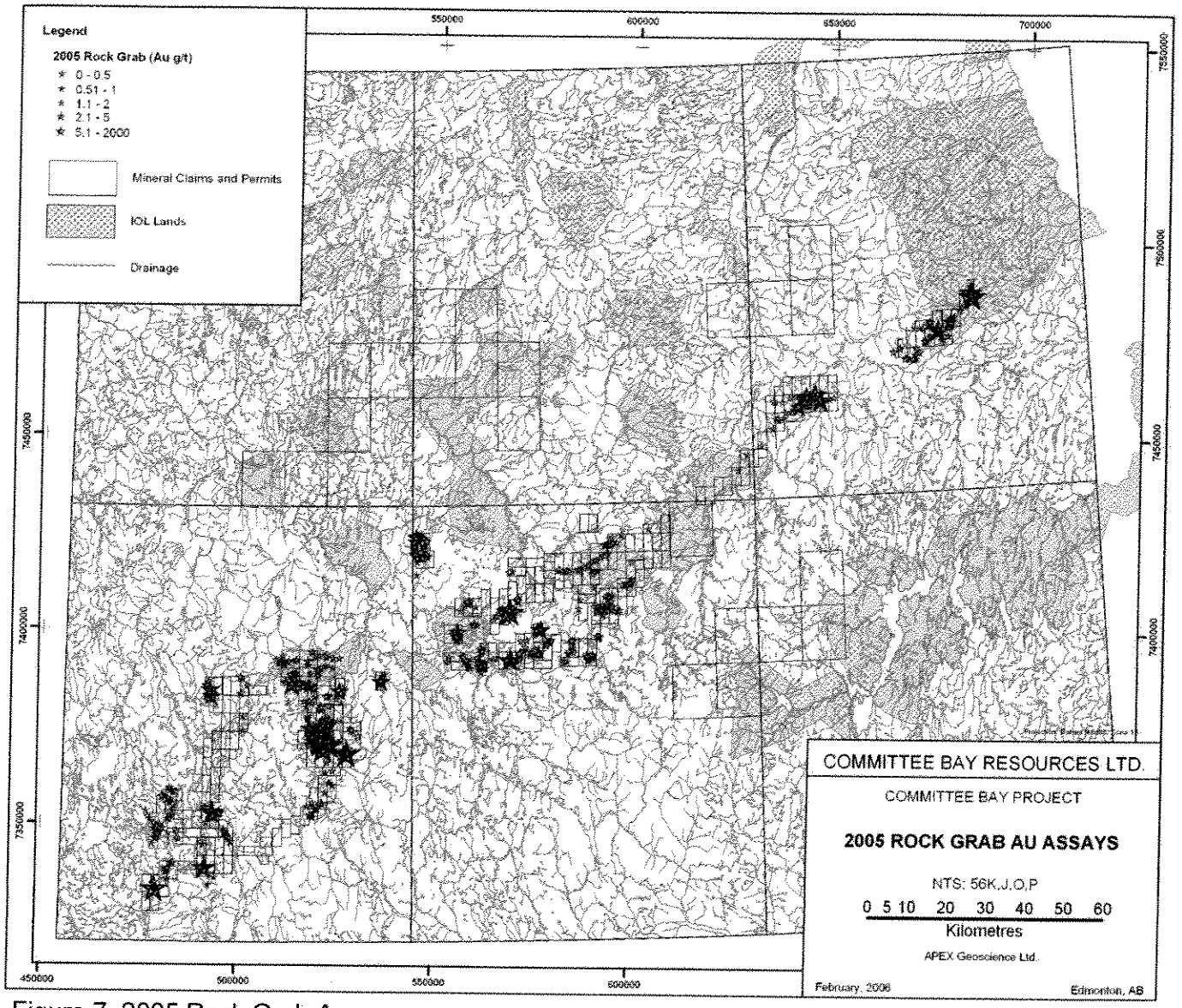

Figure 7. 2005 Rock Grab Assays

Gold values are considered "anomalous" if they exceed 0.5 gAu/t and silver values are considered "anomalous" if they exceed 1 gAg/t.

A total of 1697 rock samples was collected during the 2005 field season, 87 of which were anomalous in gold including 21 samples which graded >5 gAu/t (Table 5). Of the 87 samples that assayed in excess of 1 gAu/t, 40 were collected form the Anuri boulder train

early in the 2005 field season when efforts were focused on identifying its' up-ice extent (source area). The two highest grab sample assay results (89.6 and 8,830.5 gAu/t) were returned from samples of high-grade material at the Inuk occurrence. Anomalous silver values were discovered in 496 samples including 85 samples that contained >10 gAg/t.

Table 3. Statistical Summary of 2005 Rock Grab Sample Assays.

n > 1gAu/t	87
n > 2gAu/t	50
n > 5gAu/t	21
n > 10gAu/t	11
Max (gAu/t)	8830.5

Occurrence / Area Summary

West Plains

Eight grab samples were taken from the West Plains area during limited sampling in 2005. The sampling was dominated by quartz veins in iron formation and volcanic rocks with pyrite as the dominant sulphide. The high assay was 5.47 gAu/t accompanied by two possibly anomalous samples of 0.33 and 0.18 gAu/t. The drilling at West Plains indicates that more sampling of the surrounding volcanic rocks needs to be conducted. Anomalous silver values of 1.6 and 2.9 gAg/t were identified with the former returned from the sample with 5.47 gAu/t (sample 05JHP062). Additional metals were not significantly anomalous in this area except for a single sample which contained 9,669ppm arsenic indicating localized arsenopyrite.

Ibex

The Ibex showing comprises pegmatite proximal quartz veins and associated arsenopyrite hosted in iron formation. Arsenopyrite mineralization is also present within hornfelsed greywackes/psammites north of the iron formation units. Outcrop in the area is extensive but largely comprises rounded knobs of barren, magnetite-rich, iron formation with lesser greywackes/psammites. Of 14 grab samples taken in 2005, the high assay of 4.32 gAu/t was the only anomalous gold value. This sample (05JRP342) also contained the highest silver abundance from the Western Tonalite area of 10.1 gAg/t. Several samples of mafic to ultramafic compositions contain chromium and nickel abundances > 1300 and 500 ppm, respectively, suggesting that unrecognized volcanic rocks are present in the area though not aerially extensive. Anomalous tin in several samples explain Sn-in-till anomalies from 2005 till samples down-ice of Ibex.

Ghost

The Ghost occurrence comprises several westerly striking, garnetiferous silicate iron formations, present as 10m wide outcrops (Williamson, 1998), with sulphide- and gold-bearing zones located on the flanks of the iron formations. The altered/mineralized zones are poorly exposed as felsenmeer, frost heaved boulders and overburden. Arsenopyrite

and pyrite are visible in several outcrops. Sampling around Ghost in 2005 consisted of 22 samples of iron formation, greywacke and quartz veins with pyrite and lesser arsenopyrite as the dominant sulphides. One sample contained anomalous gold (0.51 gAu/t, 05AGP023) and another possibly anomalous (0.17 gAu/t, 05MKP016). These two samples also contained the highest arsenic quantities of the Ghost sampling indicating a relationship between arsenopyrite and gold mineralization. This is consistent with Ghost sampling from 2004. Anomalous tungsten abundances mimic the anomalous arsenic whilst anomalous and elevated tin is distributed throughout the Ghost area. Sampling in 2005 did not improve upon the high assay of 16.43 gAu/t from the Ghost collected in 2003.

Quartzite Ridge

The Quartzite Ridge occurrence lies west of an extensive topographic high comprising a large exposure of Proterozoic quartzite located along the southwest edge of the Central Tonalite. Previous anomalous samples from the area have originated from ultramafic volcanic rocks (up to 37.7 gAu/t) and iron formation. The source of the 37.7 gAu/t ultramafic boulder remains unclear and so sampling in 2005 was focused on the topographic high in the hopes that the boulder had been shed off the high. An altered/mineralized zone in greywacke and quartzite, containing between 5 and 20% pyrite, was discovered this year and was extensively sampled but failed to return any anomalous, and only 4 possibly anomalous, gold values (0.15-0.25 gAu/t) from 37 samples. A sample of pyrite-bearing quartz vein material from the Quartzite Ridge occurrence sampling proved to be mineralized returning an assay result of 4.8 gAu/t (05JHP004). This sample was collected in an area of previously known anomalous gold and did not clarify the source of the high-grade boulder. Four samples contained anomalous silver ranging from 1-4.1 gAg/t including 05JHP004 (see above) which assayed 2.7 gAg/t. A cluster of samples from the Quartzite Ridge contain anomalous Ni and Zn, up to 726.2 and 1506 ppm, respectively, consistent with anomalies in tills from that area. Till samples anomalous in Ni and Zn have also been identified south (up-ice) from Quartzite Ridge indicating at least two sources of these metals.

Map Sheet 56K Reconnaissance Sampling

Reconnaissance prospecting and sampling was concentrated in three areas; south of Quartzite Ridge (claims LGL 31, 32 and 37), north of Ghost (claims RBL 3-7) and west of Four Hills (claims COP 9 and 10). In excess of 100 samples were collected in reconnaissance work, two of which were anomalous in gold (1.06 and 1.41 gAu/t) and were collected in the area west of Four Hills. Seven samples were possibly anomalous (0.17-0.32 gAu/t) coming from all three areas of focus. Fourteen samples yielded silver values greater than 1 gAg/t including the highest value of 8.7 gAg/t from the area south of Quartzite Ridge. Prospecting was conducted south of Quartzite Ridge in order to follow up on a previously identified grab sample anomalous in gold as well as high levels of base metals in 2004 till samples. Historic sampling has comprised variably quartz veined iron formation and amphibolite with variable quantities of pyrite and pyrrhotite. Twenty-two samples were taken from the area in 2005 from lithologies typical of previous work. Three samples

contained possibly anomalous gold abundances (0.19-0.32 gAu/t) and another four had silver values > 1 gAg/t. Two samples from 2005 had zinc abundances of 6,483 and 10,000 ppm, the latter representing the maximum detection value, whose location correlates well with zinc anomalies in 2004 till sampling. These two zinc-rich samples also contain anomalous silver, 1.3 and 2.3 gAg/t respectively. Newly acquired 2005 airborne geophysical data and gold-in-till from the Geological Survey of Canada (GSC) led to sampling work north of Ghost in 2005. Parallel iron formations to those hosting the Ghost occurrence appear to strike north and gold-in-till anomalies suggest they could be gold-bearing. Fourty-seven samples were taken in the area with two reporting possibly anomalous values of 0.19 and 0.22 gAu/t. Iron formation, with lesser amphibolite and greywacke, were the dominant lithologies sampled and typically contained pyrite (up to 15%) and lesser pyrrhotite. Arsenic levels were high in three samples including 4044 ppm and two with maximum detection values (10,000 ppm). This suggests that some arsenopyrite (or arsenian-pyrite) is present in the mineralization but an association with gold content is not yet clear.

Four Hills West

Local GSC gold-in-till anomalies west of Four Hills warranted attention given the high-grades of historic surface sampling from nearby occurrences (up to 48.07 gAu/t at Four Hills) and the lack of previous sampling in this area. Iron formation and amphibolite were sampled most extensively containing pyrite (up to 10 modal %) with rare pyrrhotite and arsenopyrite. The results of twenty-two 2005 samples were encouraging as two samples were anomalous (1.06 and 1.41 gAu/t) and another two were possibly anomalous in gold (0.17 and 0.3 gAu/t). Four samples were anomalous in silver including a high of 5.2 gAg/t which came from the same sample with 1.06 gAu/t. The majority of samples taken in this area contained anomalous levels of tin, potentially comparable to the Sn-in-till footprint of Three Bluffs.

Raven West

2005 airborne geophysical data indicated that the magnetic low in which Raven occurs continued west into an area of poor bedrock exposure. Boulder prospecting over this area led to the collection of 43 samples including a sample of sulphide-bearing quartz vein material, approximately 4 km west of the Raven occurrence on claim YKS 1, which returned an assay of 3.57 gAu/t. Other sampling over this magnetic low comprised varied amphibolites and quartz veins dominated by pyrite and lesser arsenopyrite. Tin and Zn were commonly anomalous west of Raven, the latter approaching 0.5% in several samples. These two elements were commonly anomalous in the same sample.

Muskox Area

Attention was drawn to the Muskox area by a large electromagnetic signature from an area 4.5-5km northeast of Anuri. The main Muskox area is recognized by a series of very rusty, friable outcrops of semi-massive pyrrhotite which occurs as two distinct bands separated by approximately 25 m. Rock sampling from outcrop consisted largely of altered

volcanic rocks, semi-massive sulphides and a quartz-biotite rock (sediment?) for a total of 150 samples. Sampling from outcrop returned a high assay of 1.99 gAu/t. Other assay results reached a maximum of 3.84 gAu/t from a boulder which could have been sourced from outcrop overlying a southern extension of the Muskox EM anomaly.

Copper was anomalous through much of the area particularly in the semi-massive sulphide sampling of the Muskox outcrops where chalcopyrite was frequently noted. Thirteen samples contained > 0.5% Cu and often also contained anomalous tin values. A number of samples also contained anomalous zinc abundances and were located mainly along the east sulphide horizon (limb?).

Anuri

Samples of altered volcanic rocks (komatiites) collected in 2005 from the Anuri boulder train returned assay results of up to 20.68 gAu/t (n>1gAu/t = 40, n>2gAu/t = 29, n>5gAu/t = 12, n>10gAu/t = 6). A single outcrop of coarse grained amphibole (tremolite?) with quartz veining and abundant coarse euhedral pyrite was located in the vicinity of the head of the Anuri boulder train. This outcrop was referred to as the "Anuri outrop" and samples assayed up to 1.03 gAu/t. In addition, 5 samples were collected from a large outcrop of quartz vein located 750m west of the Anuri outcrop from which a sample returned an assay of 2.78 gAu/t. The Anuri outcrop geology is comparable to that observed in samples comprising the boulder train. The Anuri occurrence is unique to the belt in that it is host to abundant anomalous metals including copper, silver, bismuth, nickel, tungsten and zinc. Approximately one-third of belt wide samples from 2003-2005 (n=3922) anomalous in the first four metals occur in the Anuri boulder train. A correlation matrix of 208 surface samples taken from the boulder train indicates strong correlations of gold with copper, bismuth and tungsten. The Anuri drill core geochemical data supports these correlations. These elements have an interesting pattern in the till sampling (see 2005 Till Sampling).

Anuri East

Seven samples of altered volcanic rocks (komatiites) were collected from the Anuri East area located approximately 1.5km east of the Anuri outcrop. The area is characterized by relatively abundant angular, rusty boulders commonly with greater than 5% sulphide. Of these samples, two assayed in excess of 1 gAu/t with a maximum of 4.65 gAu/t.

Anuri Lakes

Eleven samples of quartz-veined intrusive rocks were collected from the Anuri Lakes area located approximately 2km east of the Anuri outcrop. These samples originated from felsenmeer, large angular boulders and the two highest assays were from outcrop. Of these samples, five assayed in excess of 1 gAu/t, two assayed in excess of 2 gAu/t and a maximum assay of 5.79 gAu/t was achieved. Additional anomalous metals from around Anuri Lakes included copper, zinc, lead and silver, the former three with percent level abundances. Excellent correlation was noted between gold and silver assays with 6

samples containing over 10 gAg/t including a high of 137.7 gAg/t. This suite of metals is similar to that observed at Anuri and suggests a correlation which is supported by the 2005 geophysical data.

Maro

The Maro occurrence comprises an area of abundant rusty, angular boulders scattered around a 6m outcrop of granitoid. Seven samples of quartz veins in altered volcanic and sedimentary rocks(?) were collected from the area located approximately 7km east southeast of Anuri. All samples taken contained at least 10% pyrite. Of these samples, three assayed in excess of 1 gAu/t with a maximum assay of 18.2 gAu/t. Copper, zinc, silver and tin had numerous anomalous values in this sampling including abundances of > 1% for copper and zinc and 176.1 gAg/t.

Other Anomalous Samples in the Anuri Area

A sample of quartz vein (?) was collected approximately 1.5km southeast of Anuri and returned a result of 9.88g/t Au. This result was not considered to be an occurrence because the sample comprised a small rounded boulder that was sampled in its entirety. However, it does point to the possibility of identifying new occurrences further to the southeast of Anuri along the eastern contact of the Central Tonalite, which will be examined in greater detail next year. In addition, a sample of quartz vein was collected approximately 5km northwest of Anuri and returned a result of 1.27 gAu/t.

Moly

A total of 77 rock samples was collected from the Moly area this year comprising mostly quartz veined biotite gneiss and mafic volcanic rocks with sulphide content typically over 5%. Of these samples, only one sample assayed greater than 1 gAu/t and returned a result of 1.64 gAu/t. This sample is located 6.5km northwest of the 3 gAu/t sample collected last year.

Tin, tungsten and zinc was anomalous in numerous samples throughout the area. Anomalous arsenic was restricted to the sampling along the west and copper (several >0.5%) to the east, no arsenopyrite or chalcopyrite were noted in the sample data.

Claim LL 4

A sample of altered iron formation was collected this year on the LL 4 claim approximately 10km northeast of Hayes camp and returned a result of 1.10 gAu/t.

Betwixt

A total of 18 samples of altered iron formation was collected from around the Betwixt area. Only one of these samples assayed greater than 1 gAu/t returning a result of 10.36

gAu/t. This high-grade boulder was found roughly 1 kilometre south (up-ice) of previous high-grade samples from Betwixt. Another sample located 1.5km southwest of this sample assayed 1.54 gAu/t.

Kinng Mtn

A total of 11 samples of altered iron formation outcrop was collected from around the Kinngalujuaq Mountain occurrence area. The iron formation was often quartz veined and contained up to 40% combined pyrite/pyrrhotite. Only one of these samples assayed greater than 1 gAu/t returning a result of 2.54 gAu/t. The high assay result for Kinng Mtn remains 2.80 gAu/t (1993).

Knight

The Knight occurrence resembles Kinng Mtn as quartz veined, locally sulphide-rich iron formation is present as outcrop. A total of 15 samples of altered iron formation was collected from around the Knight occurrence area. Only one of these samples assayed greater than 1gAu/t returning a result of 2.52 gAu/t. The high assay result for Knight remains 4.15gAu/t (1995).

A total of three samples of altered iron formation was collected approximately 1km north of the Knight occurrence. One of the samples assayed 2.18 gAu/t. It is uncertain whether or not the 2005 samples collected north of Knight represent down-ice dispersion from the main Knight area.

Inuk

A total of 8 samples of altered/mineralized iron formation was collected at the Inuk occurrence during the mapping program conducted by Bill Barclay. Of these samples 4 returned assay results in excess of 1 gAu/t with high values of 14.81, 89.6 and 8830.5 gAu/t. The latter betters the previous high-grade value at Inuk, and the belt, of 1893.6 gAu/t (1994).

A sample of altered iron formation was collected approximately 1 km north of the Inuk occurrence and returned a result of 2.23 gAu/t. It is uncertain whether or not this sample represents down-ice dispersion for the main Inuk occurrence.

2005 MAPPING PROGRAM

During the 2005 field season, areas east and southwest of the Central Tonalite (CT) were mapped at a scale of 1:25,000 in order to improve on previous 1:100,000 scale mapping and to provide a regional context for mineral prospects in these areas. Roughly 75 man-days were devoted to mapping the eastern CT area, and about 16 man-days were spent on the area southwest of the CT. In addition, four man-days were devoted to detailed mapping (1:1,000 scale) at the Lowlands occurrence in the West Plains area and three man-days were spent collecting structural data at the Raven prospect. The 2005 mapping work was

completed by Andrea Mills, M.Sc., Edith Martel, M.Sc., and Norm Duke, Ph.D., who co-authored a report summarizing their work (Appendix 6), which is summarized in the following discussion.

2005 TILL SAMPLING PROGRAM

Introduction

Field work conducted during the 2005 field season comprised prospecting, mapping, till sampling and a limited amount of ground geophysical surveying. A total of 2,061 till samples were collected in 2005. Of these, 559 samples were taken from Kitikmeot Inuit Owned Lands. None were taken from Kivalliq Inuit Owned Lands. Figure 8 illustrates the distribution of gold in the 2005 till samples.

Till sampling covered large areas of poor boulder and outcrop exposure in the Committee Bay belt in 2005. Till lines were typically traversed north of (down-ice from) magnetic and/or electromagnetic anomalies. Till samples were assayed for gold by INAA followed by a 41-element geochemical package. Anomalous levels of gold are defined as values of 14 ppb or above. Elevated gold values are defined as values between 8 an 14 ppb

Occurrence / Area Summary

Quartzite Ridge / Ibex Area

Two nine-kilometre-long till lines approximately 8 kilometres apart were sampled in 2004 in the Quartzite Ridge / Ibex area. Given the results of this sampling and the prospectivity of the area increased sample density was required. Two more lines of the same length were sampled in 2005 for a total of 88 samples. Seven samples contained elevated gold along these lines, none of which were down-ice of known gold occurrences. A cluster of samples was taken between these two lines to follow up on a buried electromagnetic anomaly. Of the ten samples in this cluster 1 was anomalous and 3 were elevated in gold.

Ghost

Till sampling in the Ghost region was largely focused on magnetic and/or electromagnetic anomalies from new airborne geophysics data and along the strike extent of the iron formations that host the Ghost occurrence. Large portions of the area have very poor outcrop and boulder exposure. Field work to the north of Ghost, on claims RBL 4-7, was driven by several GSC gold-grain-in-till anomalies and assessment requirements. Five till samples contained elevated gold around the Ghost area. None of these samples correspond to a known electromagnetic anomaly and one duplicates a GSC gold-grain-in-till anomaly.

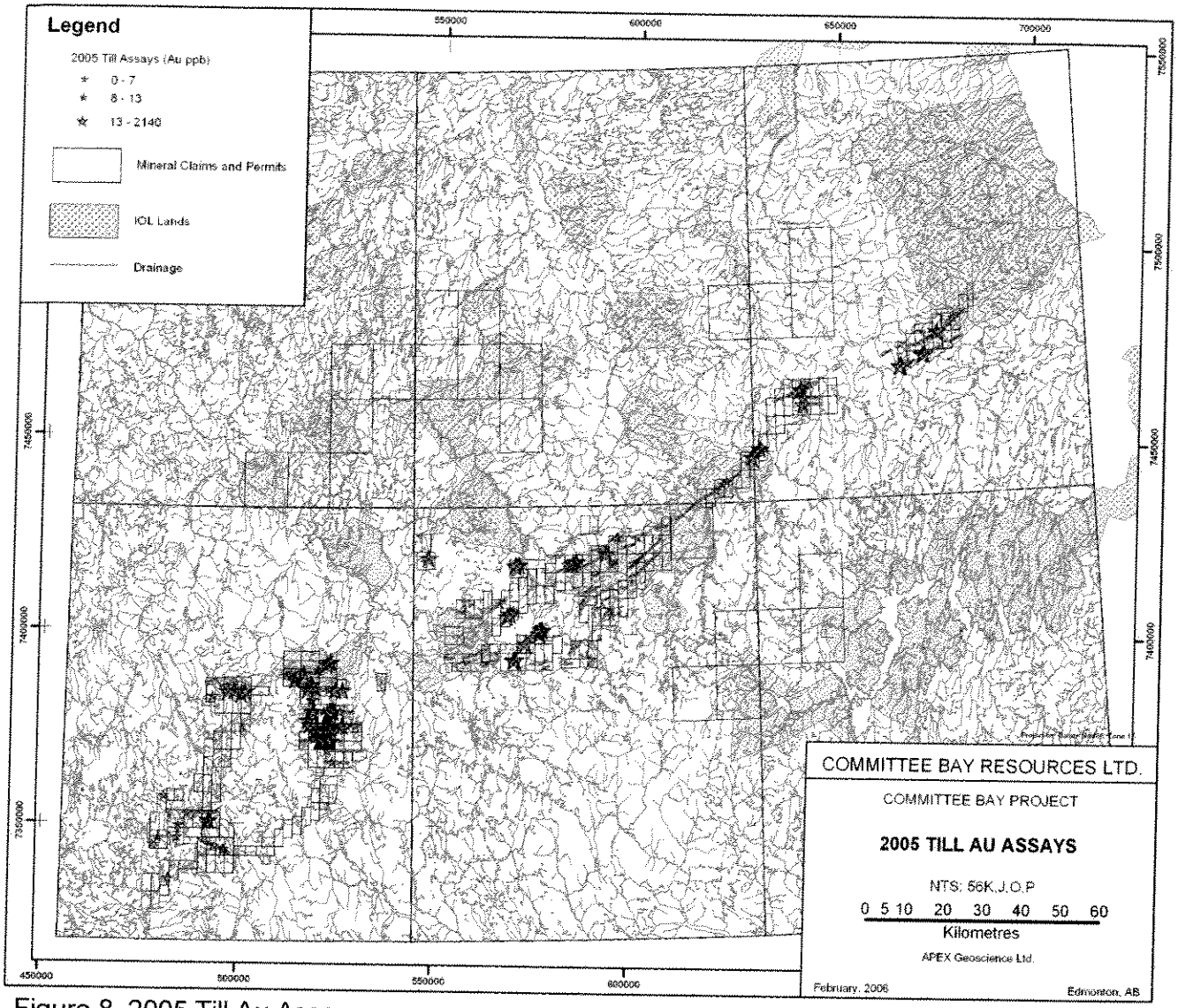

Figure 8. 2005 Till Au Assays

North of Cop / Four Hills

The Cop 10-14 mineral claims have very poor exposure of outcrop, felsenmeer and boulders so the area was traversed with a set of till lines. A total of 60 samples were taken, four of which were anomalous and two more elevated in gold. These anomalous and elevated samples lie north (down-ice approx. 3-4 km) of the Four Hills and Cop occurrences suggesting that they were the source of the gold.

Map Sheet 56K Reconnaissance Sampling

Twelve samples were taken in regional exploration to fulfill assessment obligations when rocks were not available for sampling. One sample was elevated in gold northeast of West Plains.

Northeast Tonalite Area

The entire Northeast Tonalite area was covered with 8 till sampling lines averaging 8-9 km long with additional sampling at several focused areas including Anuri, Muskox and several covered electromagnetic anomalies. A total of 583 till samples was taken from Northeast Tonalite. Anomalous nickel is very common throughout the area owing to the abundance of rocks with mafic to ultramafic compositions.

Ziggy to Wedge

Till lines in this area ran east-west from Ziggy, followed the Raven magnetic trough and the magnetic/electromagnetic anomaly trending northeast from Wedge. Eight samples were anomalous in gold present sporadically along the lines and often associated with known anomalous gold-in-rock. Another 16 samples comprised elevated gold including 5 present southeast and along strike of the Raven occurrence. Two other elevated gold samples originated from down-ice of a buried electromagnetic anomaly approximately 4 km south of Raven.

Burro to Maro

Till sampling over this area comprised 378 samples 39 of which were anomalous and another 29 elevated in gold. These samples typically came from the detailed sampling over Muskox or down-ice of Anuri. Anomalous/elevated samples form a continuous 3.5 km line commencing west of Anuri and ending north of Anuri Lakes. This gold pattern is mimicked by anomalous copper, silver, bismuth and tungsten, consistent with the correlation coefficients depicted from Anuri grab and core sampling. Unlike gold, however, these metals are anomalous on the till line south of Anuri and seem to correspond well with the contact of the Central Tonalite and supracrustal rocks. This pattern suggests that the length of the Central Tonalite-supracrustal contact could be favourable for gold exploration. The detailed sampling grid over Muskox also produced abundant anomalies of copper, silver and tungsten.

Moly

Thirteen till samples were taken from the Moly area including one with an anomalous gold value which was removed from previous anomalous gold-in-rock samples. The polymetallic signature of rock samples was evident in the tills as anomalous levels of copper, silver, arsenic, bismuth, molybdenum and tungsten were frequent.

Shamrock / Betwixt

A single 5 km line of till samples was traversed north of Shamrock/Betwixt trending northeast. One elevated gold value was achieved out of 18 samples. Two closely spaced parallel lines were sampled south of Betwixt north of a prominent magnetic anomaly. Three elevated and two anomalous gold values were received out of the 28 total samples. Questions arose about the possibility of the high-grade rock samples from Betwixt being sourced from Three Bluffs. The anomalous tills discussed above carry a different chemistry than those from Three Bluffs including a paucity of anomalousness in silver, arsenic, bismuth, molybdenum and particularly tin. Three Bluffs exhibits a very large tin-in-till footprint evident in the dense till sampling from 2004 while none of the tills from south of Betwixt are anomalous or elevated in tin. It seems reasonable that the Betwixt boulders are sourced locally from the magnetic high (iron formation) and are not transported blocks from Three Bluffs.

Ledge to Bluff 7

A total of 247 till samples was taken along parallel lines down ice of the iron formation between Ledge and Bluff 7 and over a detailed grid on Bluff 7. Nineteen of these samples were anomalous or elevated in gold, all but one coming from the Bluff 7 grid. These anomalous samples are spread throughout the grid including several that are present up-ice of known gold-in-rock samples suggesting multiple gold sources. All anomalous/elevated gold-in-till samples were overlying or down-ice of magnetic highs, likely iron formation. Other anomalous/elevated metals over the Bluff 7 occurrence include copper, bismuth and abundant tin, the latter very similar to the Three Bluffs till coverage of 2004.

North of Prospector (JT 1 and 2)

Several till sampling lines were carried out in this area to cover assessment work where very little prospecting as been done. Of the 14 samples on the northern line 3 were anomalous and 1 was elevated in gold. This line is 6 km north of Prospector, likely too far a distance to be sourced from there. The southern line did not have any anomalous gold values. Twenty-two samples were taken among the two lines and 14 samples were anomalous/elevated in tungsten and molybdenum.

Northeast of Castle Rock (LL 12 and 15)

Two lines of till samples were taken down-ice of magnetic highs approximately six kilometers northeast of Castle Rock. Over a 3 km span 2 till samples were anomalous and another 5 were elevated in gold. The area has not witnessed any prospecting in previous years and warrants follow-up. The area displays similar anomalous metals to occurrences like Three Bluffs and Anuri in that silver, bismuth, tungsten, molybdenum, lead and zinc are anomalous or elevated in a significant number of samples with a relatively tight spatial distribution.

Map Sheet 56J Reconnaissance Sampling

Work on the LL 5-8 (west of Shamrock), FWL 1-4 and Will 1-2 (west of Hayes Camp) claims was designed to cover assessment work in poorly exposed and sampled regions. A total of 92 till samples was taken from these areas with no anomalous or elevated gold values.

Regional till sampling was also performed east of Bluff 7 and Castle Rock trending northeast toward Kinng Silver covering Bluff, LL and FS claims. This area was covered by over 400 till samples and covered assessment work for a large area of under-explored supracrustal rocks. One sample was anomalous and another 5 comprised elevated gold values. With the lack of prospecting in much of this area the source of the gold-in-till is unknown so all six anomalous/elevated values require significant prospecting follow-up.

Kinng Silver / Kinng Gold

Till sampling was conducted north of the northeast-trending supracrustal rocks that host the Kinng Silver and Kinng Gold occurrences. Three tills contained elevated gold levels all within 2.5 km of the Kinng Silver occurrence. The tills around Kinng Silver show additional anomalous metals similar to the limited sampling over Kinng Silver in 2004. A trend of roughly 3.5 km of till samples has anomalous gold, silver, arsenic, bismuth, molybdenum, copper, lead and zinc. Another 2 anomalous and 3 elevated gold values were received proximal to Kinng Gold, these till samples are down-ice of known gold-in-rock areas. Only bismuth is anomalous in tills proximal to Kinng Gold.

Kinngalugjuaq / Peanut / Knight

Two east-west till lines were traversed north of Peanut-Knight and Kinngalugjuaq with 2 anomalous and one elevated gold results, present down-ice of known gold-in-rock areas. A third till line was carried out 2-3 km northwest of Kinngalugjuaq paralleling a belt of discontinuous magnetic highs, presumably supracrustal rocks. On this line a cluster of 1 anomalous and 4 elevated gold-in-till samples are present over a length of <1.5 km. Prospecting has never been done within several kilometers of these till samples. Bismuth and lesser copper are also anomalous on the three lines.

Canyon / Koffy / Mist / Inuk

A total of 202 till samples was taken along two parallel lines following the supracrustal rocks from Inuk to Canyon. Of these, 6 were anomalous and 3 were elevated in gold including 2 down-ice from Mist. Most of the anomalous/elevated gold-in-till samples originated from 3 km south of Koffy-Canyon in areas with very limited past prospecting. Similar to the Kinngalugjuaq/Peanut/Knight area only bismuth and copper are anomalous in the till samples.

ACTIVITY

The following table outlines the man-day and locations of activity during the 2005 field season

Camp Site	Season	Date In	Date Out	Man Days	Activity
Hayes	Spring	14-Mar	8-Jun	1212	Open build ice strip and airborne magnetics
	Summer	9-Jun	9-Sep	2071	Thee Bluffs, Antler drilling, sampling, close camp
Bullion	Spring	6-Apr	27-May	613	Open camp, Raven drilling, close for break-up
	Summer	5-Jul	4-Aug	331	Open, drill at West Plains, sampling, close camp
Ingot	Summer	22-Jun	2-Sep	1102	Build camp, Raven, Anuri drilling, sampling, close
Crater	Summer	6-Aug	27-Aug	196	Open, prospecting, Surveying, close camp

Hayes Camp

Hayes Camp was opened on March 13th in order to build an ice strip for mobbing in supplies for the 2005 season. Camp was shut down September 9th with a skeleton crew staying in camp during break-up to finish some maintenance. Twin Otter was utilized to move crew and equipment to and from Rankin Inlet. Complete inventories of camp equipment were taken and a list of fuels remaining on-site is provided below.

Fuel Remaining - 2005

Consumables at Hayes Camp and Three Bluffs	
Quantity	**Item**
160	P-50
185	Jet B
6	Gas
29	Propane
115	Salt (bags)
160	Core Boxes

Consumables at Bullion Camp, Four Hills and West Plains	
Quantity	**Item**
134	P-50
24	Jet B
1	Gas
4	Propane
12	Salt (bags)
22	Core Boxes

Consumables at Crater Camp	
Quantity	**Item**
17	P-50
14	Jet B
0	Gas
3	Propane
0	Salt (bags)
0	Core Boxes

Ingot Camp

Ingot was newly constructed summer 2005 to support the drilling at Raven and Anuri drill sites along with sampling and prospecting. Camp was opened on June 22nd and shut down September 2nd. As per all camps, Ingot utilized the use of the Twin Otter to mobilize and de-mobilize personnel and equipment to and from Rankin Inlet. Below is a list of consumables left on site.

Consumables at Ingot Camp, Raven and Anuri	
Quantity	**Item**
111	P-50
20	Jet B
1	Gas
5	Propane
303	Salt (bags)
0	Core Boxes

Fuel Caches

A number of small fuel caches (>7 drums) were utilized during the 2005 season to help facilitate prospecting and Airborne Surveys. All fuel and empty drums were removed from these sites prior to final shut down of the program.

2005 ENVIRONMENTAL ISSUES

All exploration activities were conducted out of the Hayes, Crater, Ingot and Bullion Camps. Committee Bay Resources Ltd. adhered to all regulations concerning water and environmental issues and ensured that contractors and sub-contractors were also in compliance. No unauthorized discharges were conducted during the 2005 field season.

The exploration camps were occupied by no more than 35 people at any one time and daily water usage is estimated to be between 2-4 cubic metres. Water was pumped from nearby lakes into a covered, plastic receptacle from which water for cooking, drinking, and washing was drawn. When the lakes were ice-covered a hole was augured and the pump placed on the ice but removed from the ice when pumping was complete. Once the lake ice had melted the water pump was placed on the shore and removed back to camp when pumping was complete. The suction hose was outfitted with a meshed intake to prevent the uptake of sand, ice and fish and was kept off the lake bottom to prevent disturbance of lake bottom sediment.

The quality of potable water was maintained through three different practices undertaken by Committee Bay Resources Ltd. Water was stored in a plastic tank designed for water storage and was isolated from potential contamination by a screw on lid replaced after every filling. Water quality test kits were used to detect the presence of chloroform bacteria's in the potable water. Three tests were performed at each camp, once at the opening of camp, once during the camp occupation and once near the shutdown of the camp. No bacteria presence was detected. Lastly, each full tank of water was treated with approximately 1 teaspoon of chlorine bleach as a safeguard. No cases of nausea or diarrhea were reported to the first aid attendants.

Grey water from the kitchen and washing facilities was routed by ABS piping to sumps which were located at least 30m away from the high water level of nearby lakes. The sumps were monitored and bermed to ensure they did not overflow.

Fuels stored on site included propane, Jet B, gasoline and diesel. The latter three were cached in the same vicinity and are differentiated by distinct barrel colors. Fuel barrels were stored on their side with the bungs horizontal and checked daily for leakage. One barrel was found to have a leak during the season. This leaking barrel was immediately pumped out to a non-leaking barrel. Since the leakage from the barrel was approximately 20 liters, a spill report was filled out and filed. In this instance, sand contaminated with fuel was collected and burned in the burn barrel/incinerator to remove the fuel and absorbent pads were placed on any remaining ice near the leakage. Water sampling was conducted on the lake closest to the leakage and results came back with no results of contamination. The filed spill report is attached. When necessary, fuel was pumped via a wobble pump into 20-25 litre gas cans for the fueling of snow machines, an all terrain vehicle and small gas generators. Drip trays and absorbent padding was used to catch drips when fuel was being moved. Spill kits containing absorbent matting, safety gloves and goggles, plastic bags, absorbent peat

and containment socks were stationed at the fuel cache, the main generator, the helicopter pad and the drill.

Strict practices were also used at the drill site regarding water usage and fuel/garbage contamination. Water consumption while the drill was operating is estimated at 7-8 gallons per minute, pumped from nearby lakes. Drill cuttings and used water was kept in natural depressions to ensure it did not flow back into surrounding bodies of water and to allow for the cuttings to settle out. No drilling on ice or drilling within 30 metres of high water level was conducted. Fuel barrels used for drill operation were placed in containment receptacles in case of fuel leakage or spill. A spill kit was kept at the drill site at all times in case of a spill emergency. All Garbage and fuel at the drill site was removed after each hole was complete, in addition, a final garbage inspection was carried out once the drill program was finished.

A spill report was filed on the 11th July, 2005 at 9.00 am. The spill was detected during a routine camp inspection on the evening of 10th July 2005, where an oily sheen was observed in a small gully south of the camp site, adjacent to the incinerator. The spill of not more than 40 litres of P-50 Diesel occurred in a gully close to camp, during April/May, likely as a result of refueling leak. 3 boxes of Enviromat were used to soak up the fuel that was visible from the ice and snow and to collect the diesel "sheen" on a small creek in the gully. A boom was places at the mouth of the gully of the creek where it enters Sandpit Lake. Contaminated matting material was stored in old fuel drums before being removed form the site. Subsequent daily monitoring was initiated. The filed spill report is attached. Because of the possibility that Sandspit Lake (camp drinking water) may have been contaminated, a comprehensive water testing program, was initiated. Committee Bay Resources hired Gartner Lee Limited of Yellowknife to conduct water sampling and monitoring of the affected site to make sure any further contamination of the lake was mitigated. The full Gartner Lee report is included with this annual report. Results from the water testing indicate that contamination of Sandspit Lake was negligible.

No amendments were made to the Committee Bay Resources Ltd. Spill contingency plan.

2005 EMPLOYEES AND FIRMS

Most directly employed personnel (geologists, drill crew, helicopter pilots and engineers etc.) for the 2005 exploration program were hired in-house or through our consultancy Apex Geoscience Ltd, of Edmonton. A total of 25 Inuit staff were hired in the 2005 season, largely from Repulse Bay and Pelly Bay, to perform a variety of jobs including, cook helpers, camp management, camp helpers and maintenance crews, core splitters etc. All transportation and training was supplied by Committee Bay Resources Ltd. A total of $242,560.00 was spent on Inuit salaries and wages in the 2005. Community consultations were also conducted early in the 2005 season.

Of the $8.4 M spent on the 2005 exploration program, approximately $3.65 M was spent in the north and $1.72 M of that was spent with Inuit owned suppliers. Significant Inuit and Northern suppliers include:

- M+T Enterprises (Rankin Inlet)
- First Air
- Umingmak (Rankin Inlet)
- Siniktarvik Hotel (Rankin Inlet)
- PPD (Rankin Inlet)
- The Northern Store (Rankin Inlet)
- Ookpik Aviation (Baker Lake)
- Toromont (Rankin Inlet)
- J&D Cat works (Rankin Inlet)
- Calm Air

It is expected that the 2006 exploration program in the Committee Bay project will have a budget in excess of $3 M. This budget allowance will enable us to continue to hire local Inuit crew members and conduct community consultations prior to the field season, in addition to further spending in the northern regions.

Northern Businesses

Aurora Northern Contractors
Weaver & Devore Trading Ltd.
Great Slave Helicopters
Discovery Mining Services
Buffalo Airways
Northern Metallic
Hyska's Insurance Agency
The Matchbox Gallery
Northern Store, Rankin Inlet
Wild Wolf Café
Canadian North Airlines
Force One
Medics North Emergency
Midnight Sun Energy
Ron's Auto
Superior Propane
Work Place Plus

Inuit Owned Businesses

First Air
M&T Enterprise Ltd.
Puulik Translation Ltd.
Siniktarvik Hotel and Conference Centre
Treasures Airport Shop
Treasures Gift Shop

Umingmak Supply Ltd.
Ookpik Aviation
Calm Air
J&D Cat works
PPD (Rankin Inlet)
SK Construction (Baker Lake)
Kivalliq Air
Unaalik Aviation 2004 Inc.