COMMITTEE BAY PROJECT, NUNAVUT

ANNUAL EXPLORATION AND ENVIRONMENTAL REPORT 2008

The 2008 Committee Bay exploration program was completed between March 26 and Aug 18, 2008, and comprised follow-up drilling at Three Bluffs prospect and a fieldwork program covering much of the Committee Bay greenstone belt.

The new Boart Longyear LF-70 drills arrived in Yellowknife on June 13th and were flown by Hercules aircraft to Rankin Inlet on June 15, 2008. By June 28, all 40,000lbs of drills and ancillary equipment had been flown to Hayes camp by twin Otter and drill positioning on their first setups had begun. Drilling commenced at Bluff 7 with drill 106 on July 1, 2008. Drill 087 commenced drilling at Three Bluffs on July 2, 2008. Drilling was completed on August 5, 2008 with a total of 2678.32m completed in 16 drill holes in and around the Three Bluffs area (see drilling summary tables below).

Drill 106 (Refined Energy) completed three (3) drill holes at the Bluff 7 occurrence approximately 11km northeast of the Three Bluffs deposit for a total of 416.43m between July 1 and 8, 2008. The drill then began drilling "Bluff Regional" targets east of Three Bluffs and completed a further 811.39m of drilling in five (5) holes (although hole 08BR001 was lost in overburden) between July 9 and 30, 2008. Finally, the drill was utilized to complete one (1) drill hole in the Ledge iron formation immediately north of the Three Bluffs deposit totaling 159.84m between July 30 and August 2, 2008. In total, drill 106 completed 1387.66m of drilling in 9 holes between July 1 and August 2, 2008.

Table 1. 2007 Three Bluffs Regional Drill Hole Summary

HoleID	E_N83_Z15	N_N83_Z15	E_Grid	N_Grid	RL	Azm-true	Azm-grid	Dip	Depth (m)
08BL001	576962	7400504	7941.4	3753.2	319	319	0	-45	124.09
08BL002	576977	7400709	8090.9	3897.4	321	139	180	-45	153.01
08BL003	576890	7400403	7813.1	3719.5	324	319	0	-45	139.33
							Bluff 7 Sub-total		**416.43**
08BR001	579500	7397251	n/a	n/a	321	315	n/a	-45	33.53
08BR002	575311	7394971	n/a	n/a	329	315	n/a	-45	134.45
08BR003	572896	7393284	n/a	n/a	296	149	n/a	-58	279.09
08BR004	576099	7394446	n/a	n/a	356	331	n/a	-45	121.65
08BR005	579586	7397307	n/a	n/a	344	320	n/a	-55	242.67
							Regional Sub-total		**811.39**
							Regional Drilling Total		**1227.82**

(all holes completed by drill 106)

Drill 087 (CBR) completed a total of 1280.66m of drilling in seven (7) holes at, and along strike from, the west end of the Three Bluffs deposit between July 1 and August 5, 2008.

Table 2. 2008 Three Bluffs Drill Hole Summary

HoleID	E_N83_Z15	N_N83_Z15	E_Grid	N_Grid	RL	Azm-true	Azm-grid	Dip	Depth (m)
08TB072	569687.20	7392748.29	7130.59	4748.79	299.64	150	180	-49.6	185.37
08TB073	569713.08	7392762.62	7101.32	4747.70	299.39	150	180	-46.2	164.02
08TB074	569662.12	7392733.16	7160.16	4748.79	299.36	150	180	-54.9	203.36
08TB075	569431.83	7392652.01	6860.53	4788.24	301.18	150	180	-44.0	173.17
08TB076	569389.72	7392728.37	6860.68	4875.44	302.02	150	180	-45.0	177.44
08TB077	569067.16	7392443.13	6440.32	4782.10	311.41	330	0	-43.0	183.10
08TB078	568990.94	7392579.76	6439.80	4938.55	311.74	150	180	-46.4	204.20
08LE004	570250.00	7393567.00	8019.49	5192.50	315.00	150	180	-50.9	159.84
									1450.50

(all holes completed by drill 87, except 08LE004)

Three Bluffs

The intent of the 2008 drill program at Three Bluffs was to test for potentially mineralized horizons apart from, and extensions to, the deposit that could expand the known resource. To this end, three (3) holes (08TB072-074) were drilled in order to test around and below the intersection achieved in 2004 in the felsic unit immediately north of the deposit in drill hole 3T001, which averaged 11.4gAu/t over 3.2m. In addition, two (2) holes (08TB075-076) were drilled as a fence to test for a short ~60m western extension of the deposit and two (2) holes (08TB077-078) were drilled as a fence to test for a longer ~400m western extension of the deposit. Finally, one (1) hole was drilled at the Ledge iron formation immediately north of the deposit to test a discreet magnetic-electromagnetic anomaly. 2008 Three Bluffs drill hole locations are shown in Figures 2 and 3. Results are given in Table 3.

Table 3. 2008 Bluffs Drill Hole Assay Summary

Area/ Grid	Hole #	Gold (g/t)	Gold (oz/t)	Length (m)	From (m)	To (m)
Three Bluffs	08TB072	1.53	0.04	7.00	117.00	124.00
	and	1.75	0.05	4.75	145.00	149.75
	08TB073	2.19	0.06	8.21	101.29	109.50
	and	1.30	0.04	15.66	126.81	142.47
	08TB074	2.10	0.06	10.60	140.40	151.00
	including	3.13	0.09	0.48	144.00	144.48
	and	3.71	0.11	10.36	175.00	185.36
	including	7.57	0.22	3.35	182.01	185.36
	08TB075	2.46	0.07	14.46	75.40	89.86
	including	5.10	0.15	4.86	85.00	89.86
	and	9.60	0.28	1.91	87.95	89.86
	08TB076	1.39	0.04	4.22	173.00	177.22
	08TB077	25.53	0.74	13.97	37.00	50.97
	08TB078	1.33	0.04	1.21	58.59	59.80
	and	1.18	0.03	1.00	137.00	138.00
Ledge	08LE004	no significant assays				

Figure 1. 2008 Three Bluffs Area Drill Hole Locations.

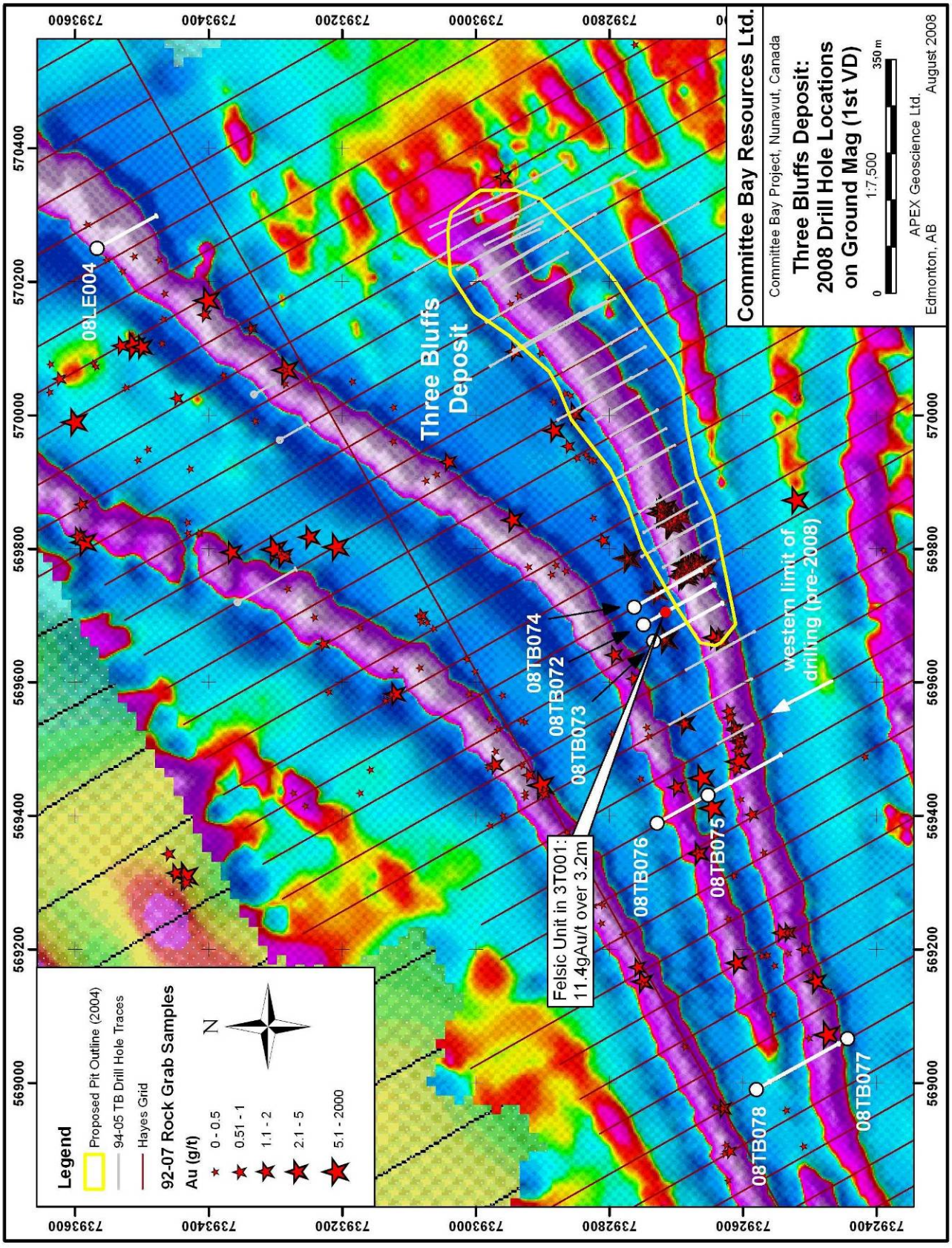


Figure 2. 2008 Three Bluffs Deposit – West End - Drill Hole Locations.

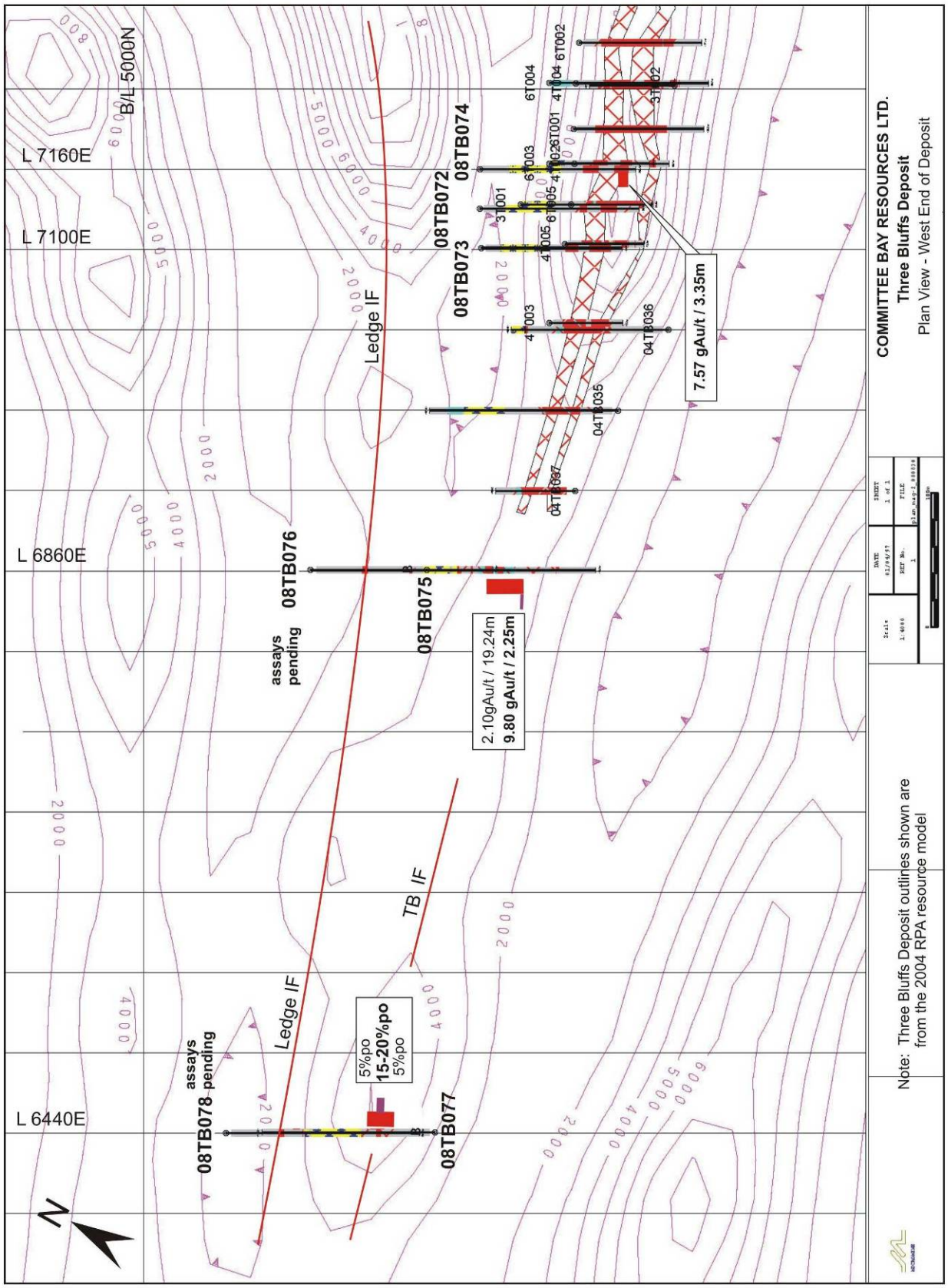


Figure 3. Three Bluffs Section 7130E.

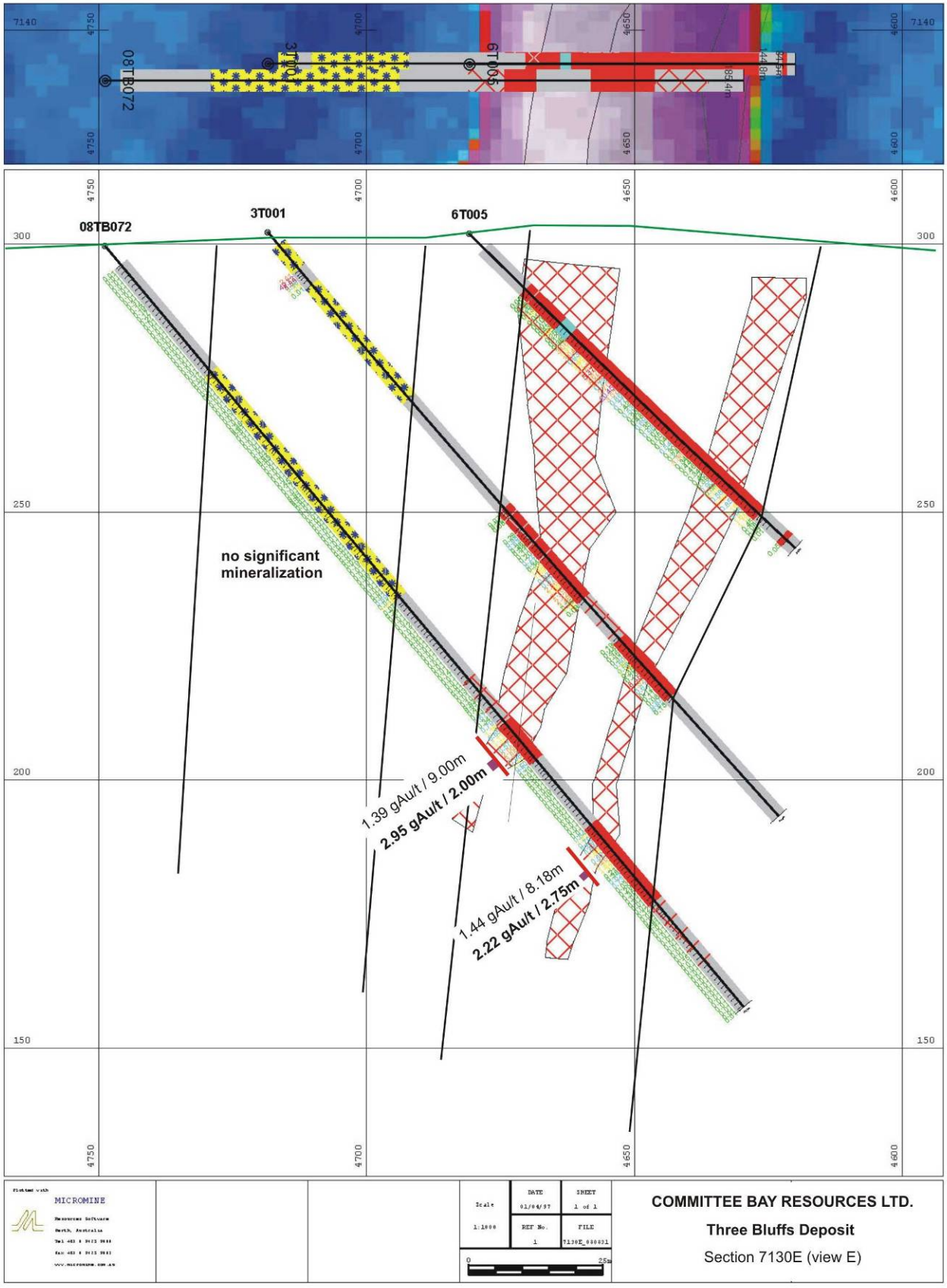


Figure 4. Three Bluffs Section 7100E

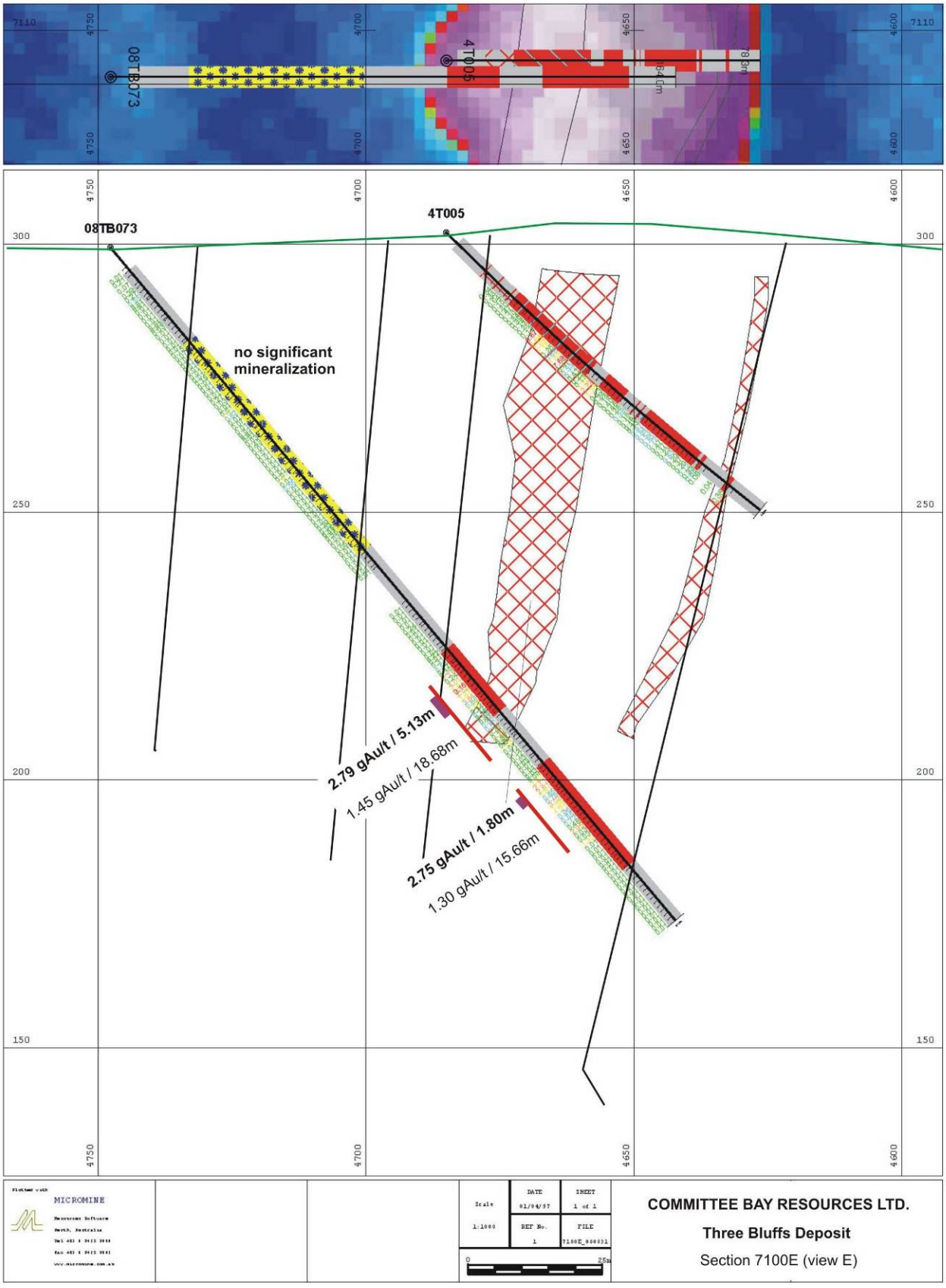


Figure 5. Three Bluffs Section 7160E

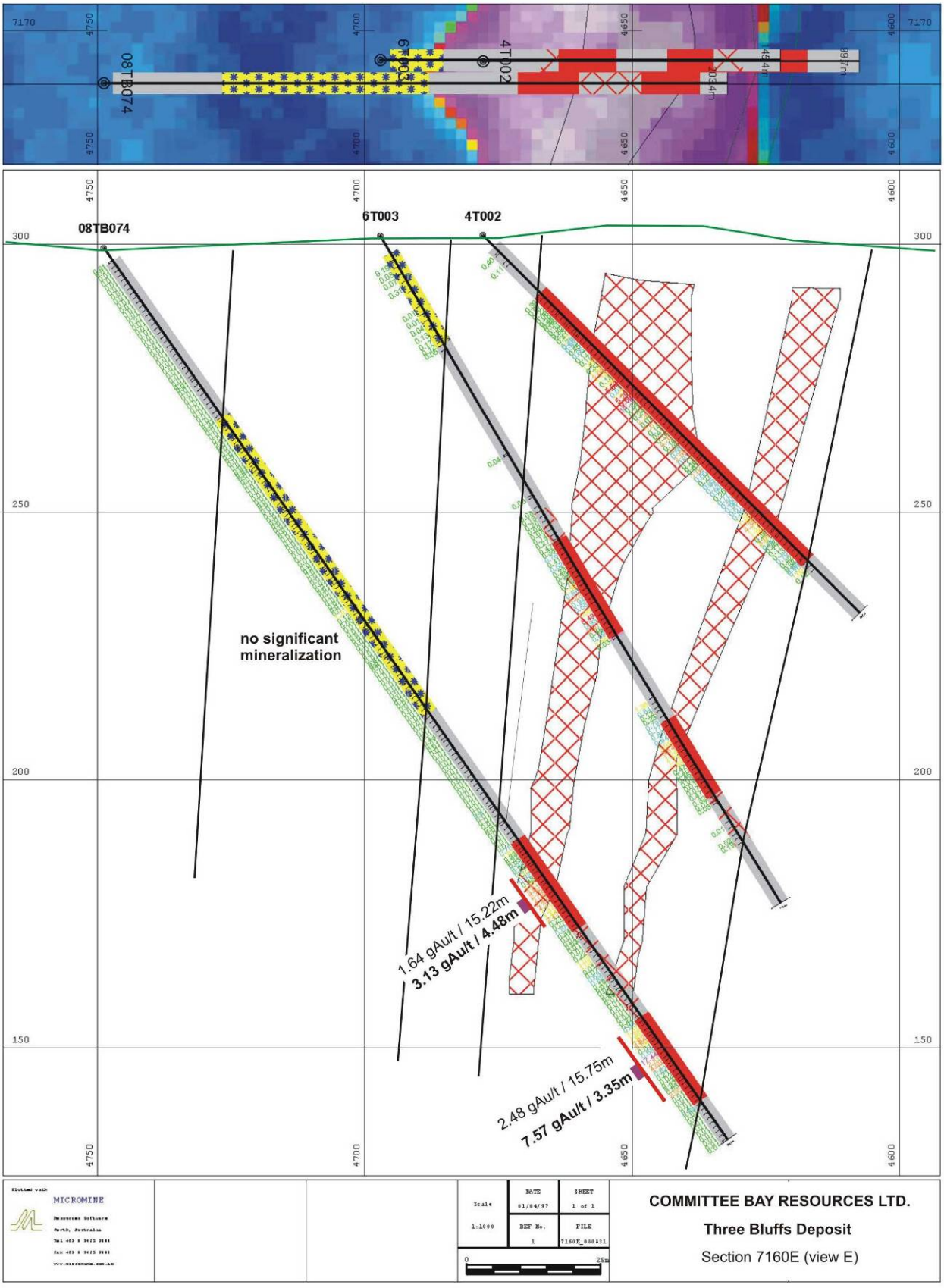


Figure 6. Three Bluffs Section 6860E

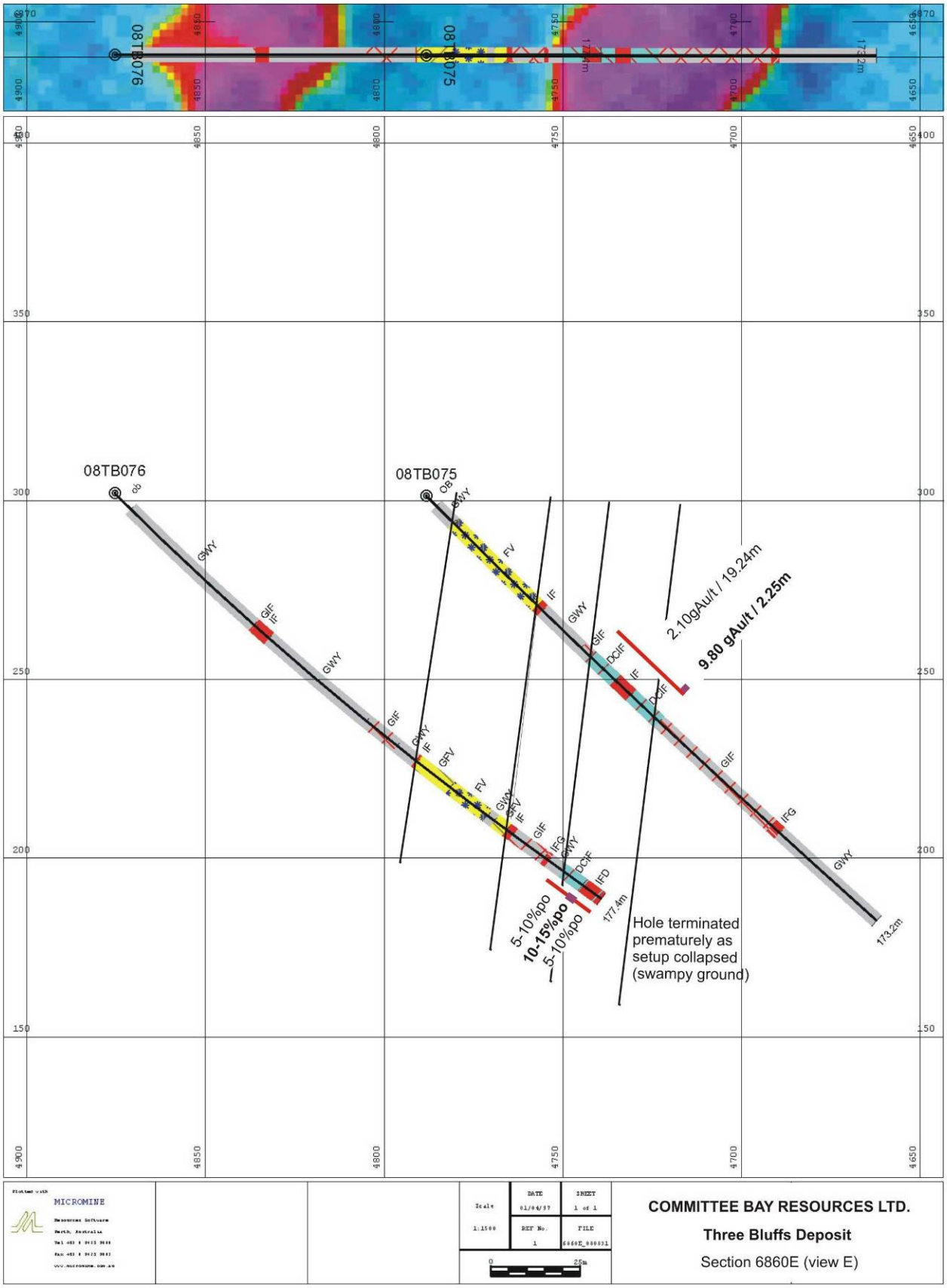
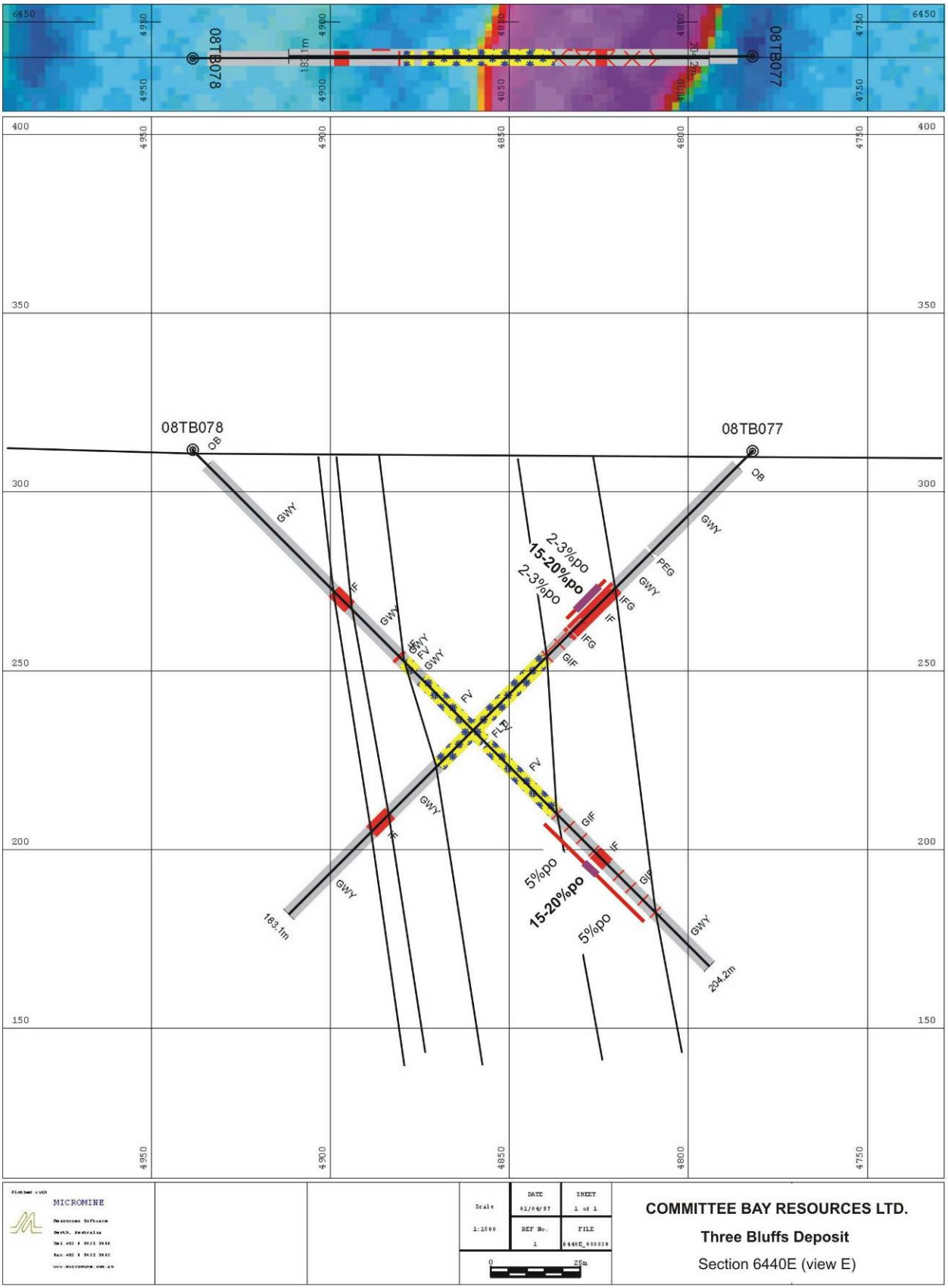


Figure 7. Three Bluffs Section 6440E



08TB072

This hole was collared on section 7130E (Figure 3) approximately 30m behind (north of) hole 3T001 at approximately 4750N in order to test the felsic unit into which the old hole was collared, which contains an altered (qtz veined) zone near its northern contact that averaged 11.4gAu/t over 3.2m. The new drill hole intersected a considerable thickness of felsic unit, from 30.76m to 85.52m, which contained alteration (silica-epidote-Kspar + py) near its northern contact with 1-3% py throughout. Also of note was the fact that the wackes north of the felsic unit were found to contain up to 3-5% disseminated py (> po). An unusual abundance (2-3%) of base metal sulphides (saphalerite and galena) was observed lower in the felsic unit between 58.51m and 60.12m. The drill holes was run through both limbs of the Three Bluffs deposit, (north limb: 105.48m - 125.23m GIF + IF, with 10-15% po>py from 116.07m to 125.23m in IF; south limb: 141.00m - 162.53m IF + IFG + GIF, with 10-15% po+py from 141.0m to 151.15m in IF). The hole was terminate in GWY at a depth of 185.37m.

The mineralized and altered IF encountered in both limbs was typical of that normally seen beneath the bluffs at the west end of the deposit in that it lacked the intense silicification and sericite development seen in the higher-grade portions of the deposit to the east. Not surprisingly, the assays returned are similar to those normally encountered beneath the west end of the deposit (see Table 3 above). No significant assays were returned from the felsic unit.

08TB073

This hole was collared on section 7100E 30m grid west of 08TB072 and thus 30m west and 30m north of hole 3T001 as a western step-out to continue testing of the felsic unit (Figure 4). Not unexpectedly, the drill hole intersected very similar units to hole 072 with an upper GWY with 1-5% dis py from 23.35m to 74.07m, followed by a thick package of felsic volcanic (Felsic Unit) with 1-2% py throughout and black, dendritic, possibly sulfidic veinlets (very fine grained gal-sph?) occur at the top of this unit. A largely unmineralized (and unaltered) cordierite and garnet porphyroblastic GWY was intersected from 74.07m to 94.02m. The GWY gives way to GIF from 94.02m to 99.10m with ~2% po, and 2%py, as clots in discrete actinolite-rich zones. The north limb IF was intersected between 102.87m to 112.56m with 10-15% po+py in semi-massive-to-disturbed net-textured zones. The central (core) GWY was intersected from 112.56m to 123.46m with a gradational upper contact with the iron formation. Of interest was the identification of 2 grains of gold in the core GWY at 117.05m associated with a dm-scale zone of actinolite and pyrite. The GWY graded into the south limb of the deposit through a zone of GIF from 123.46m to 126.81m with only 2% po+py in the IF interbands. The main south limb IF was intersected between 126.81m and 142.47m and contained 10-20% po+py as clots, semi-massive bands and net-textured/disturbed zones. The south IF gives way to GIF 150.28m with 2-3% po>py followed by unmineralized greywacke to the EOH at 164.02m.

As with hole 72, the mineralized IF encountered in both limbs of the deposit in hole 73 was typical of that normally seen beneath the bluffs at the west end of the deposit in that it lacked the intense silicification and sericite development seen in the higher-grade portions of the deposit to the east. Not surprisingly, the assays returned were similar to those normally encountered beneath the west end of the deposit (see Table 3 above). No significant assays were returned from the felsic unit.

08TB074

This hole was collared on section 7160E 30m grid east of 08TB072 and thus 30m east and 30m north of hole 3T001 as an eastern step-out to continue testing of the felsic unit in this area (Figure 5). Hole 74 was drilled grid south at an angle of -55^{o} and encountered 3.05 m of overburden/casing. From 3.05 to 46.13m, GWY with <2% py was intersected. The felsic volcanic unit was encountered from 46.13 to 105.95m and was characterized by quartz-sericite alteration with abundant quartz augen (quartz-eyes), and relict feldspar phenocrysts, and containing <2% disseminated pyrite. The felsic volcanic is cross-cut by a mafic dyke from 61.22 to 62.77m, which contains <1% disseminated py. The felsic unit also contains a lens of quartz-biotite GWY from 71.50 to 73.21m, which also contains some (~ 1%) disseminated py. A larger GWY unit was intersected from 105.95 to 130.54m containing 1-2 % po in veinlets between 106 and 108m and contains <1% disseminated py throughout. Greywacke grades into GWY with IF (GIF) from 130.54 to 134.83m containing 1-3% fine-grained disseminated py+po. Banded, to disturbed, sulfidized and silicified IF (comprising actinolite-grunerite-biotite-magnetite-quartz) runs from 134.83 to 154.06m and contains 15-20% semi-massive py+po. Greywacke with IF (GIF) was intersected from 154.06 to 175.25m and contained variable (~2-8%) po>py and graded into IF from 175.25 to 185.36m. The IF was strongly sulfidized and silicified with actinolite-grunerite-biotite-magnetite-quartz and contained up to 20-25% po>>py in laminated-to-disturbed, net-textured zones. The IF grades into IFG from 185.36 to 189.22m with ~10-12 % po>py and then into GIF from 189.22 to 194.76m, with <5% po+py. The hole was terminated in unmineralized GWY at 203.36 (EOH).

As with holes 72 and 73, the mineralized IF encountered in both limbs of the deposit in hole 73 was typical of that normally seen beneath the bluffs at the west end of the deposit in that it lacked the intense silicification and sericite development seen in the higher-grade portions of the deposit to the east. The assays returned were similar to those normally encountered beneath the west end of the deposit. However, taken as a whole, it is likely that the results from holes 72-74 would support a deepening of the inferred resource in this part of the deposit. No significant assays were returned from the felsic unit.

08TB075

Hole 75 was the first of two holes completed on section 6860E as a 60m westerly step-out from the previous (western) limit of drilling on the Three Bluffs deposit (Figure 6). 08TB075 was drilled grid south at -45 and, after casing 4.70m of overburden, GWY was intersected to 10.90m with 1-2 % fine-grained, disseminated py>po. Quartz-sericite-rich felsic volcanic, with quartz eyes and relict feldspar phenocrysts, was intersected form 10.90 to 43.92m and contained <1% disseminated po+py. Iron Formation with GWY (IFG) was intersected from 43.92 to 45.80m with <1% py and graded into unmineralized GWY from 45.80 to 59.72m. Greywacke with IF (GIF) was intersected from 59.72 to 63.68m and contained up to 8% py in very coarse, vuggy veins. Dacite with IF (DCIF) was intersected from 63.68 to 71.22m and was characterized by quartz-sericite-bioite mineralogy with local actinolite and 5-10% py+po. Iron formation with DC (IFD) was intersected from 71.22 to 80.33m and was strongly sulfidized with up to 25% semi-massive po+py, which graded into more DCIF from 80.33 to 90.52m that contained 5-10% po>py and was locally crenulated and kink-folded. Sulfide-poor GIF (silicate IF) was intersected from 90.52 to 110.74m and graded into unmineralized GWY from 110.74 to 134.63m. A small IF unit was encountered from 124.63 to 135.34m containing 5-10% po+py. Greywacke with <1% po+py was intersected from 135.34m to the end of the hole at 173.17m. Although no visible gold was observed in the IF in this hole, there is a significant amount of intense alteration

and sulphidization indicating that the deposit which would indicate an extension of the Three Bluffs deposit.

The mineralized IF encountered in both limbs of the Three Bluffs IF in hole 75 were typical of that normally seen beneath the bluffs at the west end of the deposit in that they lacked the intense silicification and sericite development seen in the higher-grade portions of the deposit to the east. It is likely that the results from hole 75 would support a ~60m extension of the inferred resource at the west end of the deposit. No significant assays were returned from the felsic unit.

08TB076

Hole 76 was the second of two "fence" holes completed on section 6860E as a 60m westerly step-out from the previous (western) limit of drilling on the Three Bluffs deposit (Figure 6). 08TB076 was drilled grid south at -45 north of hole 75 (undercutting it). The hole cased 6.40m of overburden. Virtually porphyroblast-free, unmineralized qtz-bio GWY was intersected from 6.40 to 89.62m, which included a small grunerite-rich, sulfide-poor, IF from 54.05 to 59.11m. The GWY graded into GIF from 89.62 to 94.90m with up to 10% py, and is locally interbedded with quartz-sericite felsic volcanic (FV). IFG was intersected from 94.90 to 113.39m and was interbedded with FV from 99.18 to 102.59m and GWY from 106.14 to 112.95m. The IFG zones contain 5-10% sulfides whereas the FV and GWY appear largely unmineralized. However, rare cpy is associated with green mica layers in the FV unit. Interbedded GWY and FV were intersected from 113.39 to 144.61m and comprises largely GWY from 121.68 to 124.85m. Both the FV and GWY units contain <2% sulfides. GIF was intersected from 144.61 to 146.88m and was silicate IF dominated with <2% sulfides. This unit graded into unmineralized GWY from 146.88 to 156.31m and then back into IFG from 156.31 to 160.98m containing 0.5% euhedral aspy porphyroblasts. GWY was intersected from 160.98 to 164.33m with up to 2% py. Quartz-sericite-biotite rich sulfidized DCIF was intersected from 164.33 to 177.44m and contained ~10% po+py in semi-massive to net-textrued bands. At this point the hole had to be terminated as the drill setup gave way as permafrost melted out beneath it.

The results from hole 76 are encouraging in that they, together with the results from hole 75, indicated a potential for expanding the Three Bluffs inferred resource to the west at least a further 60m.

08TB077

Hole 77 was the first of two holes completed on section 6440E as a larger 400m westerly step-out from the previous (western) limit of drilling on the Three Bluffs deposit (**Figure 7**). 08TB077 was drilled grid north at -45 and cased overburden for 3.05m. The entire drill hole was highly fractured and contained several zones of breccia and fault gouge (77.70 - 78.00m, 91.71 - 93.68m and 125.39 - 127.82m). Quartz-biotite GWY was intersected from 3.05m to 54.0m (with a pegmatite dyke at 39.6m to 40.5m), which graded into IFG from 54m to 55.5m and into IF to 67.1m followed by IFG to 72.8m. The IF-rich zone was followed by a GWY-rich zone (GWY to GIF) from 72.8m to 82m. A fairly thick felsic unit (FV) was intersected from 82.0 to 124.1m. The remainder of the hole intersected mainly GWY with an IF between 143.3m and 150.6m. The hole was terminated at 183.1m. In general, the stratigraphy on line 6440E is similar to that intersected on line 6860E (hole 75-6) but is significantly attenuated. Of note was the presence of up to 20-25% po+py in the IF unit between 55.5m and 67.1m. Three small grains of visible gold were observed in potassic altered (?) wackes (highlighted in red text above) at 50.75-50.97m. Although not located in the IF units, the visible gold together with the degree of alteration and

sulphidization in the nearby IF unit are very encouraging for such a long step-out west of the deposit.

08TB078

Hole 78 was the second of two holes completed on section 6440E as a larger 400m westerly step-out from the previous (western) limit of drilling on the Three Bluffs deposit (Figure 7). 08TB078 was drilled grid south to scissor hole 75 at -45^{o} and cased overburden for 6.10m. Unmineralized GWY was intersected from 6.10 to 81.50m, which was cut by a small felsic PEG dyke from 30.78 to 31.02m and hosted IF from 56.32 to 62.70m. The iron formation, believed to be the Ledge IF, was is strongly chloritized and locally sheared and was largely unmineralized except for a structurally complex zone between 58.50 and 48.90 m that contained a significant pyrite in the hinge of a fold structure. The GWY also hosts a small lens of unmineralized FV interbedded with GWY from 69.02 to 70.62m. IFG was intersected from 81.50 to 82.56m and contained up to 5% py. FV was intersected from 82.56 to 117.20m and was quartz-sericite rich with 2-3% disseminated and veinlet py. From 114.14 to 117.20m the FV unit is strongly brecciated and faulted (gouged). GWY was intersected from 117.20 to 121.61m and may be transposed through faulting. FV appears to be repeated (?) and was interested again from 121.61 to 142.0m and contained only minor (<2%) pyrite. IFG was intersected from 142.0 to 151.53m with 1% po and 3% pyrite and graded into GIF from 151.53 to 153.95m with po+py (5-10%) in discrete zones. DCIF was intersected from 153.95 to 157. 54m with ~1% po and ~3% py. Silicified and sulfidized actinolite-grunerite-magnetite IF was intersected from 157.54 to 164.27m and contained locally disturbed, net-textured and semi-massive pyrrhotite and pyrite (up to 15%). GIF with ~5% po+py was intersected from 164.27 to 182.14m and included a very coarse-grained felsic PEG from 170.70 to 171.03m. A small quartz-pyrite vein with a thin alteration halo between 171.03 and 173 m may be related to the vg host in 08TB077. GWY with rare, thin IF zones runs was intersected from 182.14 to 204.20m (EOH). The degree of alteration and sulphidization is encouraging for such a long step-out.

Ledge

A single drill hole was completed at the end of the 2008 drill program as a test of a magnetic and weak electromagnetic anomaly on the Ledge iron formation located immediately north of the Three Bluffs deposit on section 8020E (see Figures 1 and 2). Assays are still pending, but no significant alteration or mineralization was encountered in the hole.

08LE004

Hole 08LE004 was drilled grid south from 5207N on section 8030E (actually moved 10m west to 8020E due to uneven ground) at a dip of -45^{o}.

Hole 08LE004 cased overburden to 6.16m. The hole collared into GWY to 30.87m. Moderately disturbed IF was intersected from 30.87m to 67.54m and contained ~1% po and ~2% py as disseminations and stringers along foliation. The IF was characterized by 4 zones: 1) fine grained, moderatley disturbed IF with actinolite, magnetite, quartz, grunerite, 2) fine grained, moderatley disturbed IF with actinolite, magnetite, quartz, increased grunerite and presence of hornblende , 3) fine grained, moderatley disturbed IF with actinolite, magnetite, quartz, increased hornblende to zone 2, garnet bands (mm-15mm), 4) fine grained, moderatley disturbed IF with actinolite, magnetite, quartz, grunerite. The IF was intersected by massive, intermediate dyke material from 49.13 to 49.48m and from 60.04 to 60.75m. Komatiite was intersected from 76.54m to 69.60m. From 69.60m to 75.86m IF with ~1% po and ~2% py was intersected. Komatiite was intersected again between 75.86 and 89.74m. IF was intersected again between 89.74 and 90.77m and contained ~1% po and ~2% py. GWY was intersected from 90.77m to the end of the hole at 159.84m. No significant alteration or mineralization was encountered in the hole.

Bluff 7

Three drill holes were completed at the Bluff 7 prospect in 2008 (Figure 8) in order to test a discrete zone of apparent magnetite destruction in a thin but mineralized iron formation located approximately 11km along strike from Three Bluffs to the northeast. Surface samples of silicified and sulphidized iron formation have returned assays up to 15.7 gAu/t. Iron formation was intersected at the same horizon in all three drill holes (see Figure 9) but significant mineralization was only encountered in hole 1. Assay results from the 2008 drill holes were somewhat disappointing, however, the iron formation intersected in hole 08BL001 was very well mineralized and averaged 4.0 gAu/t over 3.69m. This interval resembled very closely the better mineralized iron formation from Three Bluffs in terms of the amount of silicification and the amount and morphology of po mineralization (i.e. disrupted foliation and net-textures).

Table 4. 2008 Bluff 7 Prospect Drill Hole Assay Summary

Area/ Grid	Hole #	Gold (g/t)	Gold (oz/t)	Length (m)	From (m)	To (m)
Bluff 7	**08BL001**	4.00	3.60	0.12	57.50	61.10
	including	**6.88**	**1.71**	**0.20**	**59.39**	**61.10**
Bluff 7	**08BL002**	1.89	0.42	0.06	100.52	100.94
Bluff 7	**08BL003**		no significant intersection			

08BL001

The first drill hole at the Bluff 7 occurrence was collared beside line 7950E and was drilled grid north (~319^{o}) toward the main concentration of rock samples that have previously returned assays up to 15.7gAu/t from felsenmeer of sulphidized IF, which exhibits a curious negative magnetic signature (mag destruction?), see Figures 8 and 9. The drill hole intersected GWY with abundant cm-scale pegmatite bands and several larger (dm-scale) tonalitic dykes from the collar to 53.81m. The wackes contained several thin (dm-scale) IF/IFG units with no significant alteration or mineralization. From 53.81m to 57.50m a dark green highly foliated (schistose) amphibolites unit (meta-basalt or mafic dyke?) was intersected, but contained no sulphide mineralization. Immediately below the mafic unit (dyke ?) was a complex but well mineralized and highly altered zone of IF from 57.50m to 61.10m. Alteration of the IF increases downhole away from the mafic unit and includes significant silicification and sulphidation of the unit to the point where the last 1-2m (59.39m-61.10m) looks very much like the well-mineralized "disrupted" IF from the Three Bluffs deposit. The hole continued in GWY with pegmatite dykes and no further mineralization or alteration to a depth of 124.09m

08BL002

The second drill hole at the Bluff 7 occurrence was collared beside line 8100E approximately 150m grid east of hole 1. The hole was drilled grid south in order to test the same magnetic feature tested by hole 1 except that in this area, along strike grid east from hole 1, the magnetic feature changes to a positive anomaly. A small boulder field comprising angular mineralized (rusty) IF blocks occurs around hole 2, from which a high assay of 5.28gAu/t has previously been achieved. The drill hole was set back further from the magnetic anomaly than hole 1 to

insure that any blind sources of the rusty boulders would be intersected by the hole. Hole 08BL002 intersected GWY with abundant cm-scale pegmatite to dm-scale tonalitic dykes from the collar to 98.62m. The wackes contained several thin (<1m) IF/IFG units with no significant alteration or mineralization. IF (banded sil-mt-act) was intersected between 98.62m to 101.42m. However, unlike hole 1, there was very little alteration of the IF with the exception of a 14cm zone from 100.66m to 100.80m that contained 10-15% po. No further mineralization or alteration was observed as the hole continued in GWY, with pegmatite dykes and rare <1m unaltered IF intervals, to a depth of 153.01m.

08BL003

The third drill hole at the Bluff 7 occurrence was collared beside line 7800E approximately 150m grid west of hole 1. The hole was drilled grid north to test the same magnetic feature tested by hole 1, which as with the hole 2 area was also expressed in this area as a positive anomaly. Hole 08BL003 intersected GWY with abundant cm-scale pegmatite to dm-scale tonalitic dykes from the collar to a final depth of 139.33m. The hole intersected two thin (<1m) IF (banded sil-mt-act) units between 90.5m and 91.4m and between 98.4m and 98.6m. The upper IF unit was weakly altered with ~5% dis po throughout while the lower unit contained only 1-2% dis po.

Figure 8. 2008 Bluff 7 Prospect Drill Hole Locations

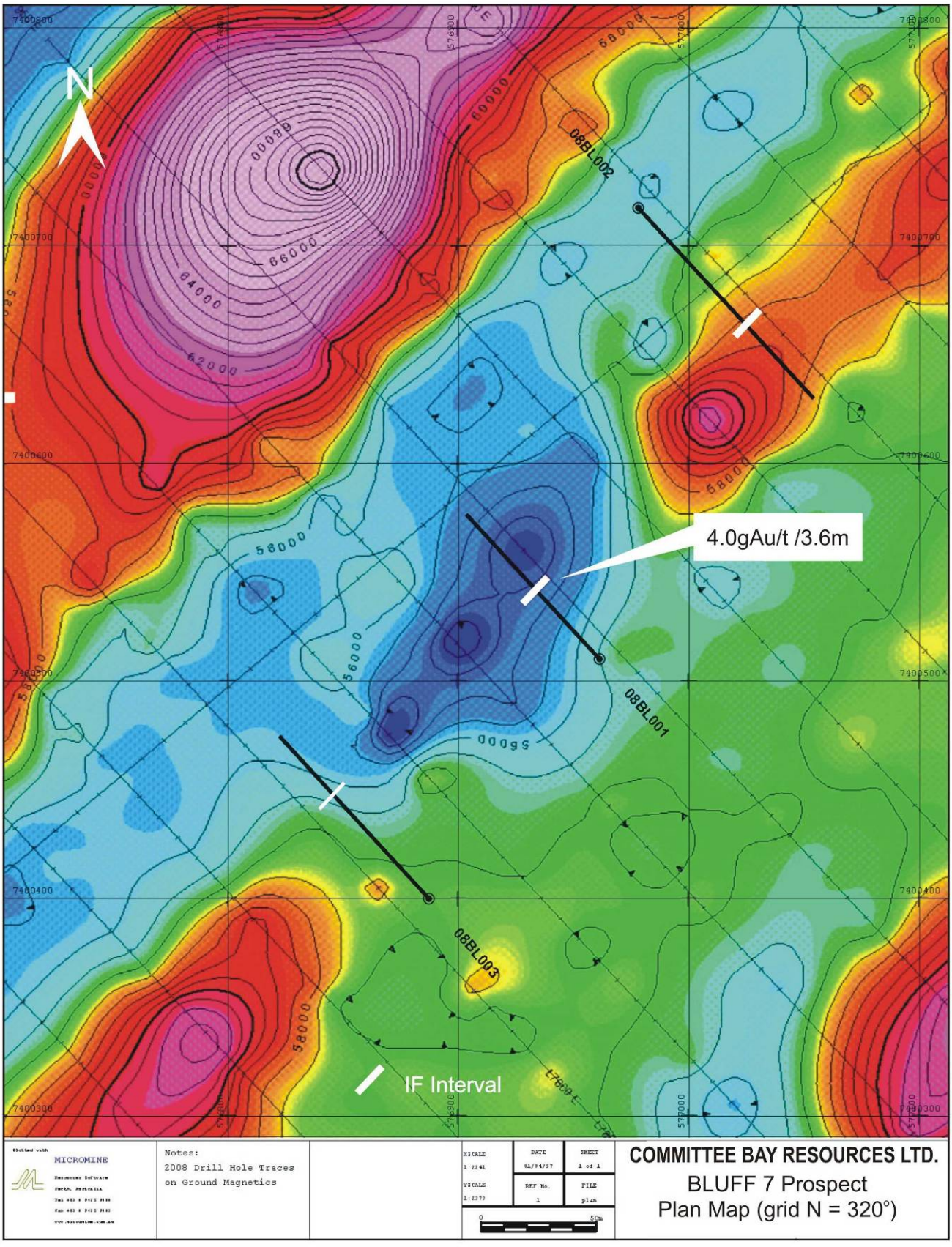
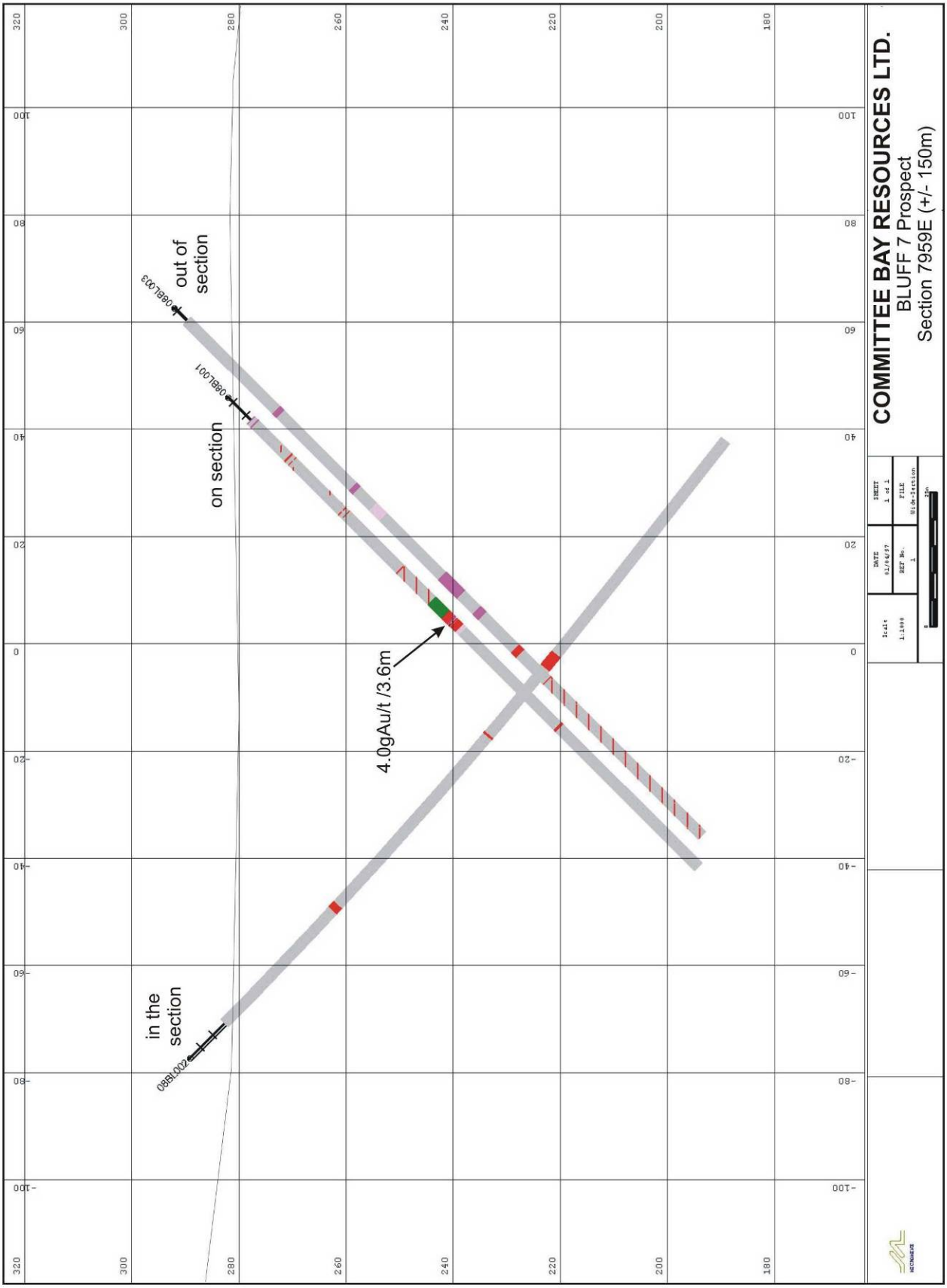


Figure 9. 2008 Bluff 7 Prospect Cross-Section (projecting all holes to section 7960E).



Three Bluff Regional Targets

Four drill holes were completed at 4 other regional drill targets east along strike form Three Bluffs (see Figure 10), hole 1 being lost in overburden. All 4 holes can be considered technical successes in that iron formation was encountered in all of the holes and in places showed evidence of weak alteration. However, no significant assay results have thus far been returned with assays for only one hole (hole 5) still outstanding.

Table 5. 2008 Bluff Regional Drill Hole Assay Summary

Area/ Grid	Hole #	Gold (g/t)	Gold (oz/t)	Length (m)	From (m)	To (m)
TB Regional	08BR001		lost in overburden			
TB Regional	08BR002		no significant intersection			
TB Regional	08BR003		no significant intersection			
TB Regional	08BR004		no significant intersection			
TB Regional	08BR005		no significant intersection			

08BR001

Hole 08BR001 was collared at the northeast end of a very intense magnetic anomaly coincident with a broad electromagnetic (EM) feature (see Figures 10 and 11). Unfortunately, hole 1 was lost in overburden at a depth of 24.34m. This anomaly was eventually drilled by hole 5 (see below).

08BR002

Hole 08BR002 was collared at the northeast end of a very intense magnetic anomaly coincident with a broad electromagnetic (EM) feature (see Figures 10 and 12). Hole 08BR002 was drilled to the northwest at 575309E and 7394965N, with a dip of -45 degrees and required 3.66m of casing (overburden). From the collar to 17.92m the hole encountered massive basalt, with Act-Hbld-Bio, 1-4% po and 1% py. The basalt continued from 17.92 to 29.62m, but contained minor interbeds of Grt-Gru (possibly minor iron formation). Mineralization in this unit consisted of 1-4% po. Massive komatiite was next intersected, from 29.62 to 54.21m, and contained Act-Hbld-Bio, with localized TLC-TRM and CHL-ACT-TLC. A small unit of iron formation was next intersected from 54.21 to 56.17m, which was QZ-ACT-BT-rich, with minor GRU-GRT-MG, and contained up to 5% po and 3% py. Similar komatiite to the above unit was then intersected from 56.17 to 73.90m, but only contained 1% po. The next unit consisted of basalt, from 73.9 to 90.43m, which contained ACT-HBL-CHL-BT, with localized BT-rich zones. Chert-rich iron formation was then intersected from 90.43 to 107.42m and contained ACT-HBL-BT, with localized GRT-GRU. Mineralization in this unit consisted of up to 8% po, ~0-2% py and one zone of 1-2% cpy. The IF was in contact (structural?) with tonalite, which was moderately foliated and appeared to have no mineralization, the end of the hole at 134.45m. No significant mineralization was intersected.

Figure 10. Other 2008 Three Bluffs Regional Hole Locations.

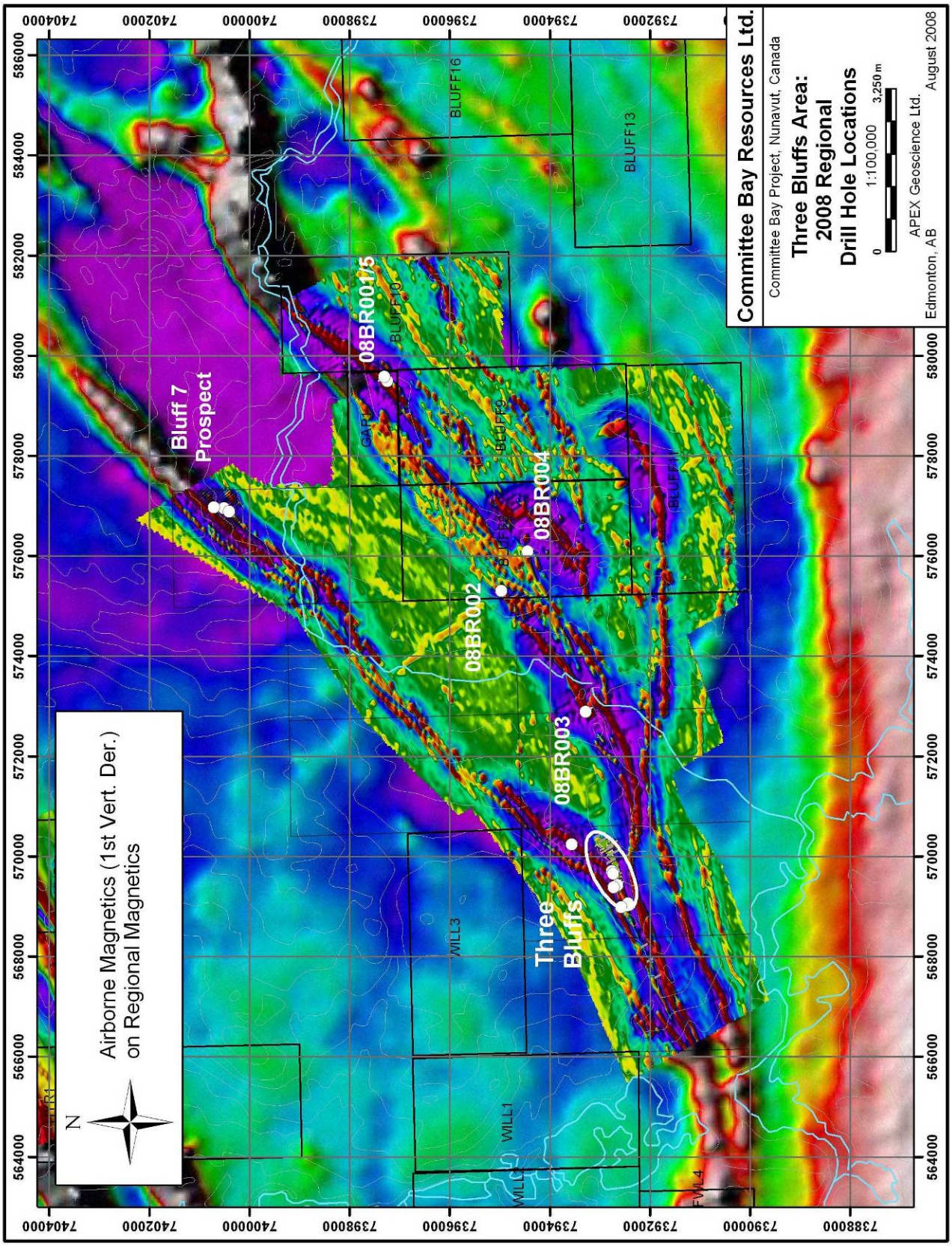
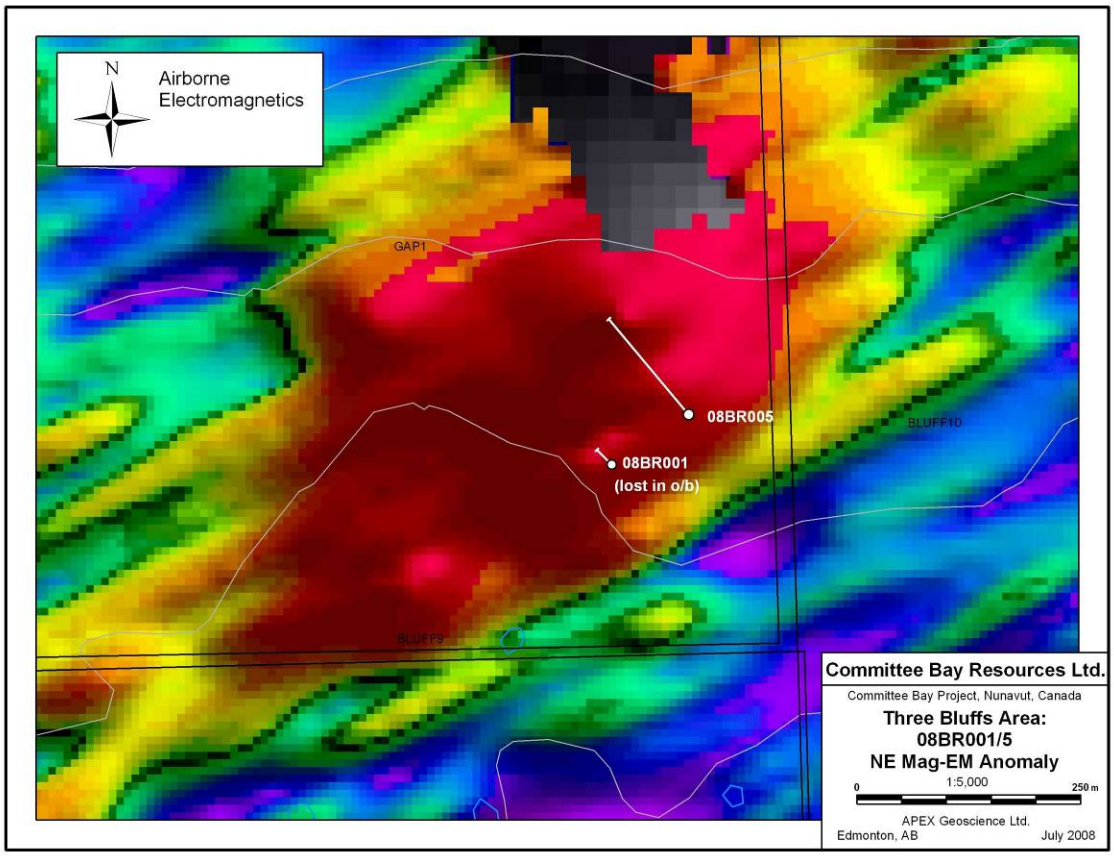


Figure 11. 08BR001/5 Drill Hole location map on a) EM and b) Magnetics.

a)



b)

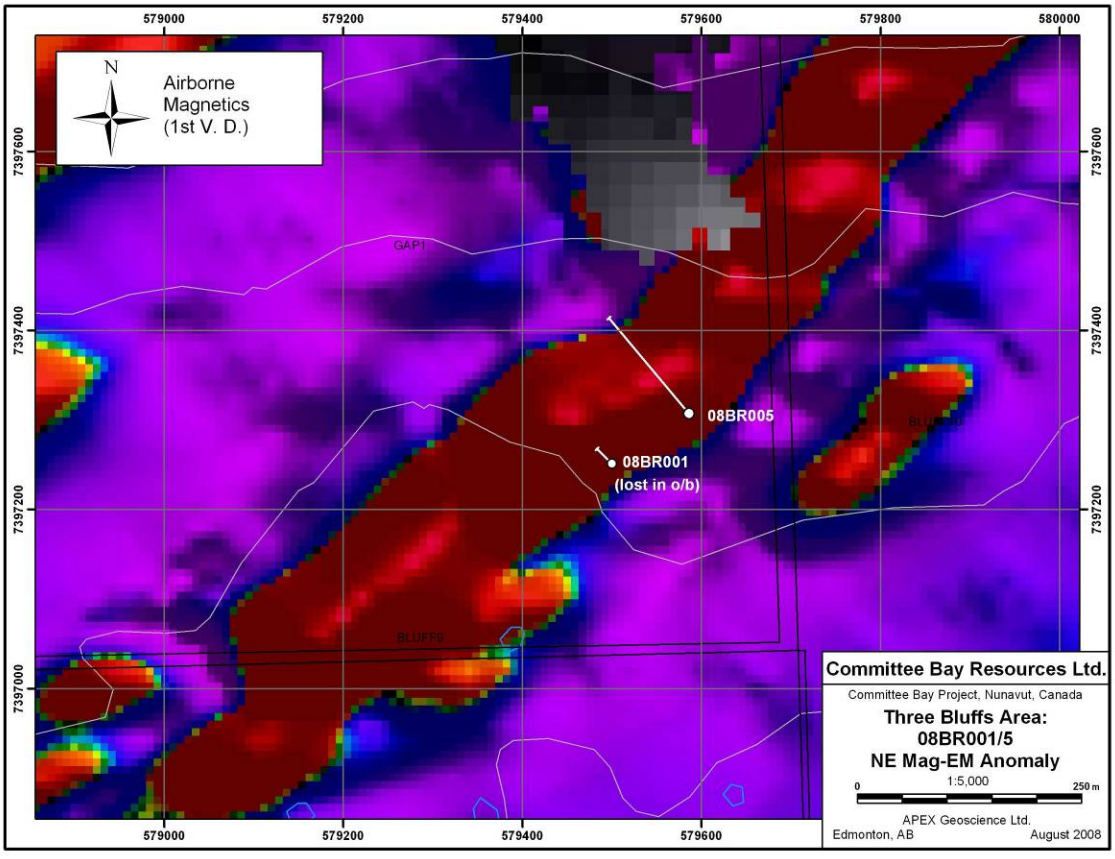
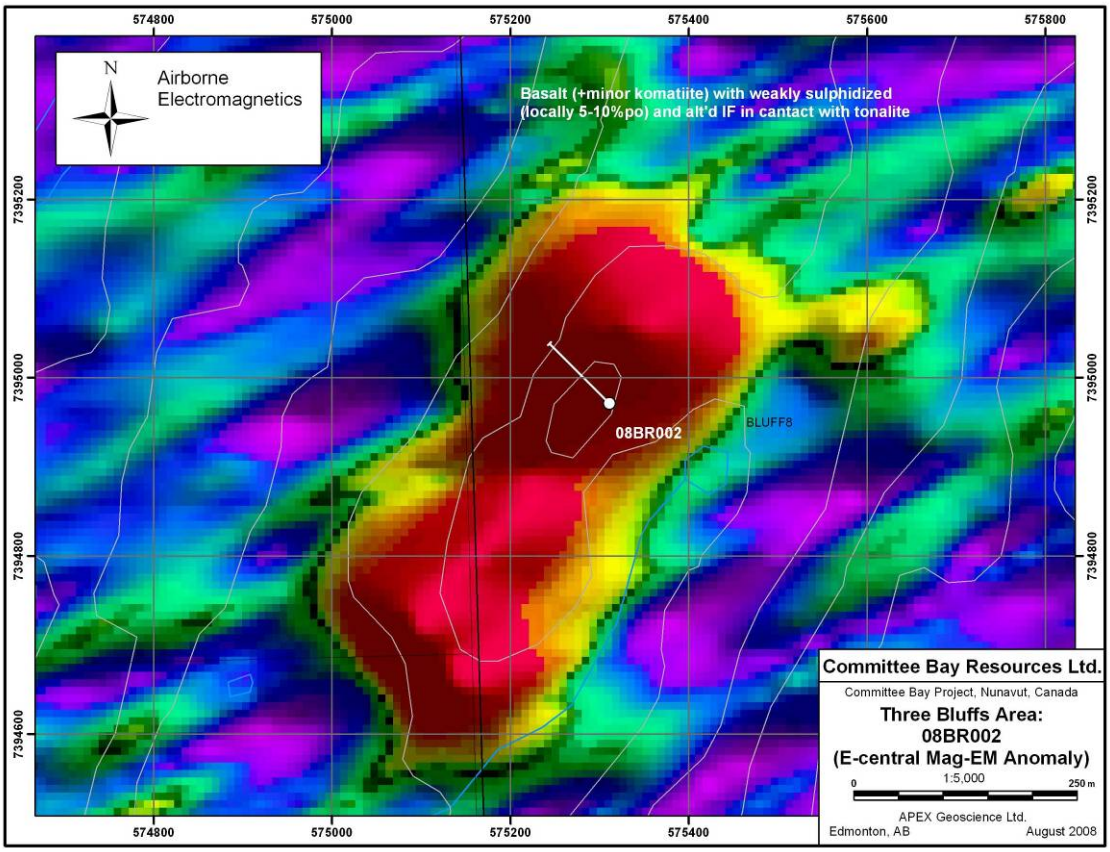
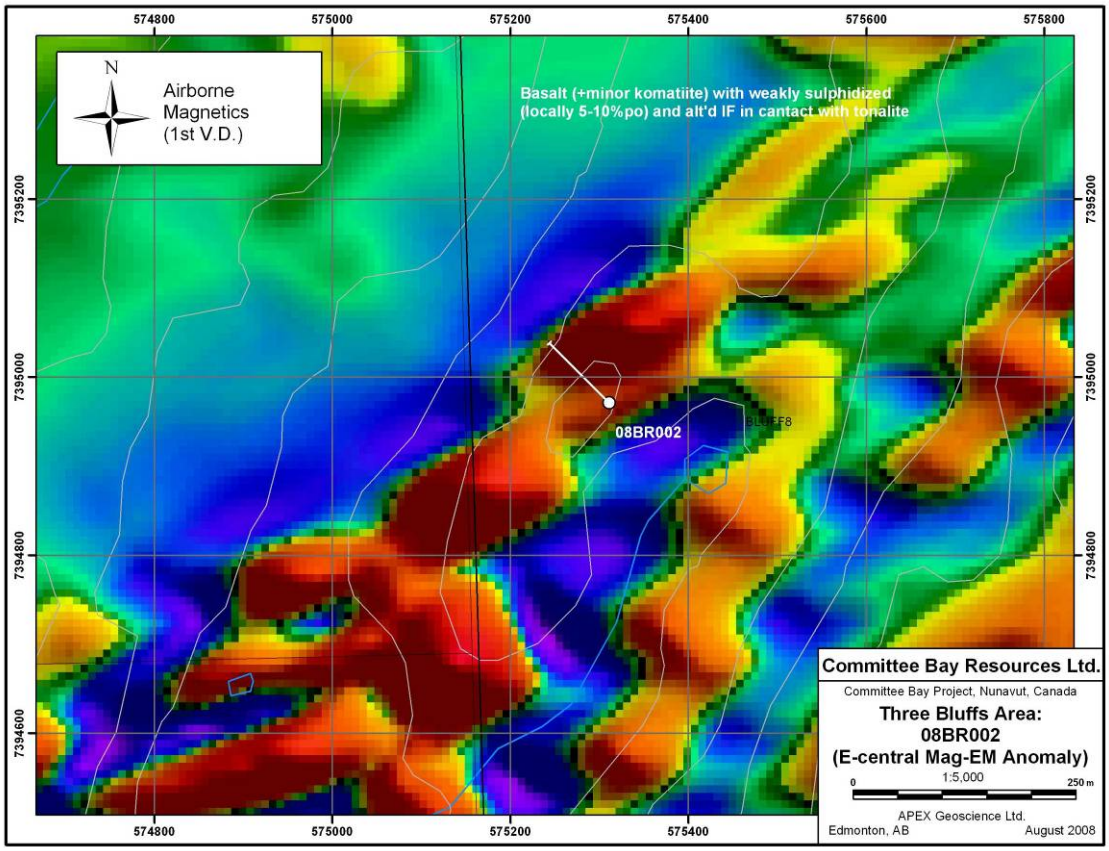


Figure 12. 08BR002 Drill Hole location map on a) EM and b) Magnetics.

a)



b)

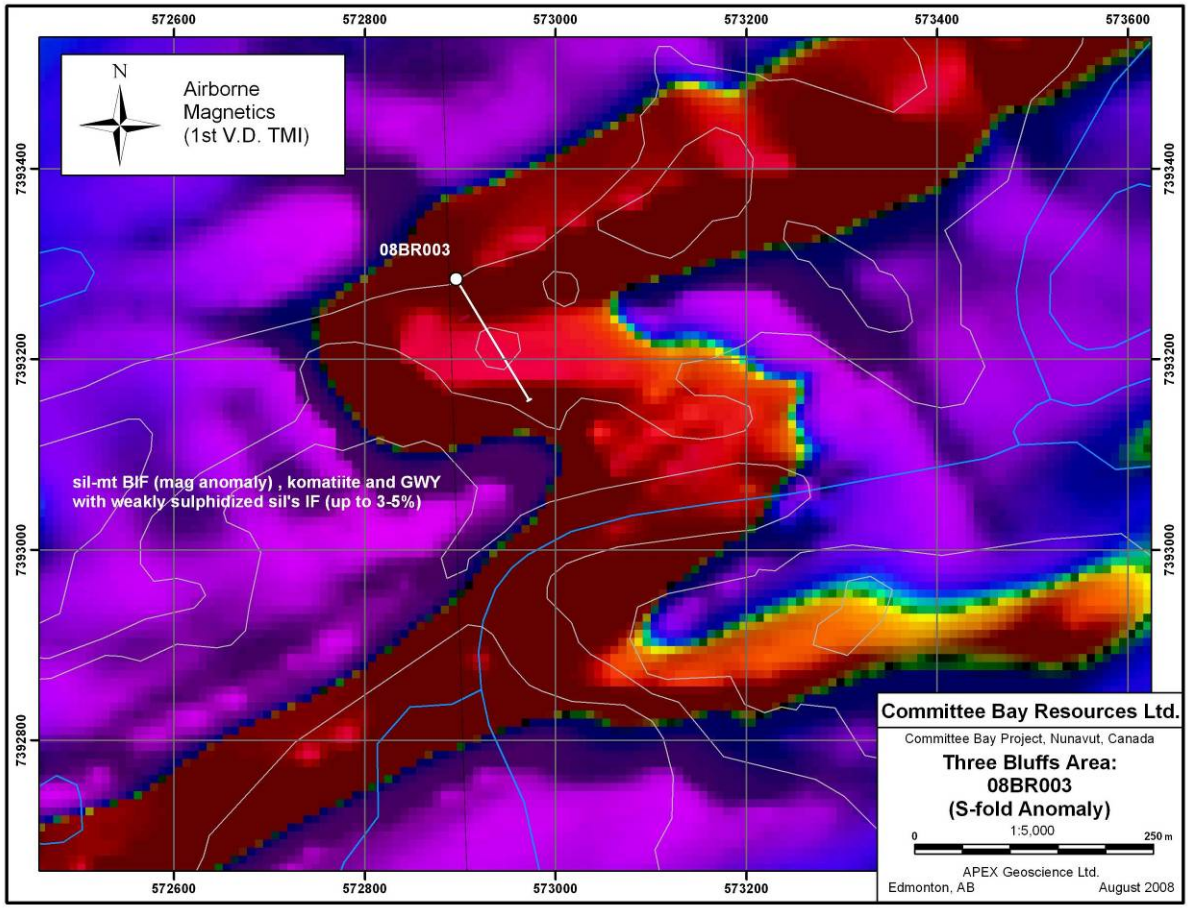


08BR003

Hole 08BR003 was collared approximately 2.5km east of the Three Bluffs deposit and was intended to test the "S-Fold" magnetic anomaly (see Figures 10 and 13). Hole 08BR003 was drilled at 572879E and 7393286N with an azimuth of 149 degrees and a dip of -60 degrees. The hole cased overburden to 32.62m. Unfortunately, the target was located very close to the hayes River and could not be drilled from the south due to the proximity to the river. A large swamp was located all along the north side of the target and so the collar location chosen was the best compromise available. The compromised collar location and thick overburden resulted in the hole collaring into the target iron formation when bedrock was finally encountered. No significant mineralization was intersected.

Quartz-rich (cherty) IF was intersected beneath the casing from 32.32 to 45.07m. The IF contained abundant MG (up to 15%) and VFG to FG po (1%), py (1-5%) and minor aspy (1%). Komatiite was next intersected from 45.07 to 98.00m, but appeared to have no mineralization. The next intersected unit consisted of QZ-rich (cherty) IF from 98.00 to 148.22m with 15% MG, minor ACT-GRT bands and a localized po (1-2%) and py (1-3%). At 135m the chert was replaced by QZ, which continued for the rest of the unit. From 142.98 to 164.88m, QZ-rich (non-cherty) IF, with minor GWY (IFG - 60:40), was intersected and was characterized by localized zones of ACT-GRT, GRU and medium-grained ACT-HBL. This unit contained 1% po and 3% py. The final unit was intersected from 164.88 to 279.09m (EOH) and consisted of QZ-rich GWY with minor to moderate, mm to dm, Qtz veining. Near the base of the unit, bands of QZ-ACT occur and contain minor po and py. Overall, the unit appeared to have <1% py.

Figure 13. 08BR003 Drill Hole location map on Magnetics (1st V.D.).



08BR004

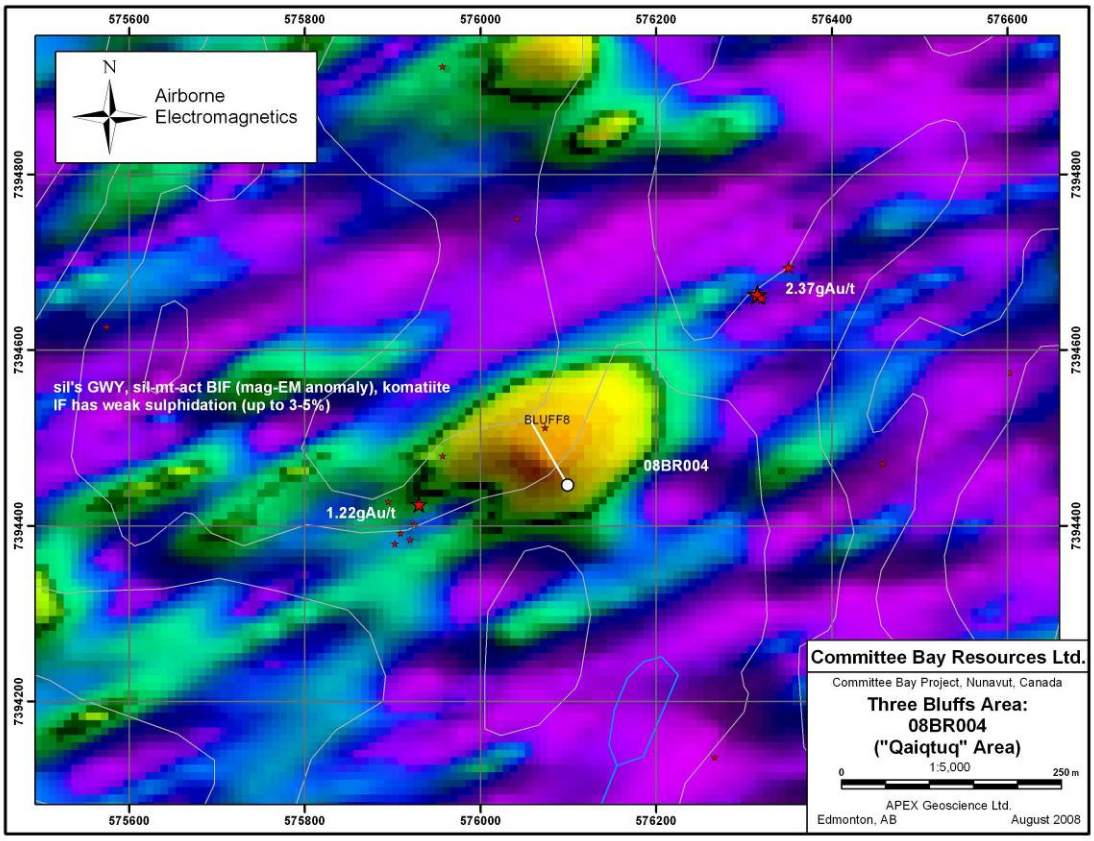
Hole 08BR004 was collared approximately 5km east of the Three Bluffs deposit and was intended to test an area with coincident magnetic and electromagnetic anomalies see (Figures 10 and 14) along with surface rock samples with anomalous to weakly mineralized gold values (up to 2.37 gAu/t). Hole 08BR004 was drilled at 576096E and 7394444N with an azimuth of 330 degrees and a dip of -45 degrees. The hole cased overburden to 21.34m. The first intersected unit consisted of fine- to medium-grained QZ-rich GWY from 21.34 to 58.00m with localized zones of GRT-CRD, <1% po and 2% py. A small Qtz-vein with GRT-rich margins cross-cuts this unit from 37.95 to 38.30m. Iron Fm was the next intersected unit from 58.00 to 86.63m and consisted of QZ-ACT-HBL-MG-GRU, with moderate to strong band disturbance. Towards the base of the unit QZ-GRU abundance increases, which also appears to correlate to an increase in po content. At the top of the unit po ranges from 1-2%, but increases to 6% at the base of the unit. Pyrite ranges from 4-6% at the top of the unit, but decreases to 2% at the base of the unit. The next intersected unit consisted of ACT-HBL-GRT-rich basaltic komatiite from 86.63 to the end of the hole at 121.65m with minor TRM-rich zones. Localized brecciation occurs at the base of this unit (from 101.92 to 121.65m), with the open spaces having been filled by Qtz-Carb. Overall, mineralization in this unit consists of 2% disseminated po.

08BR005

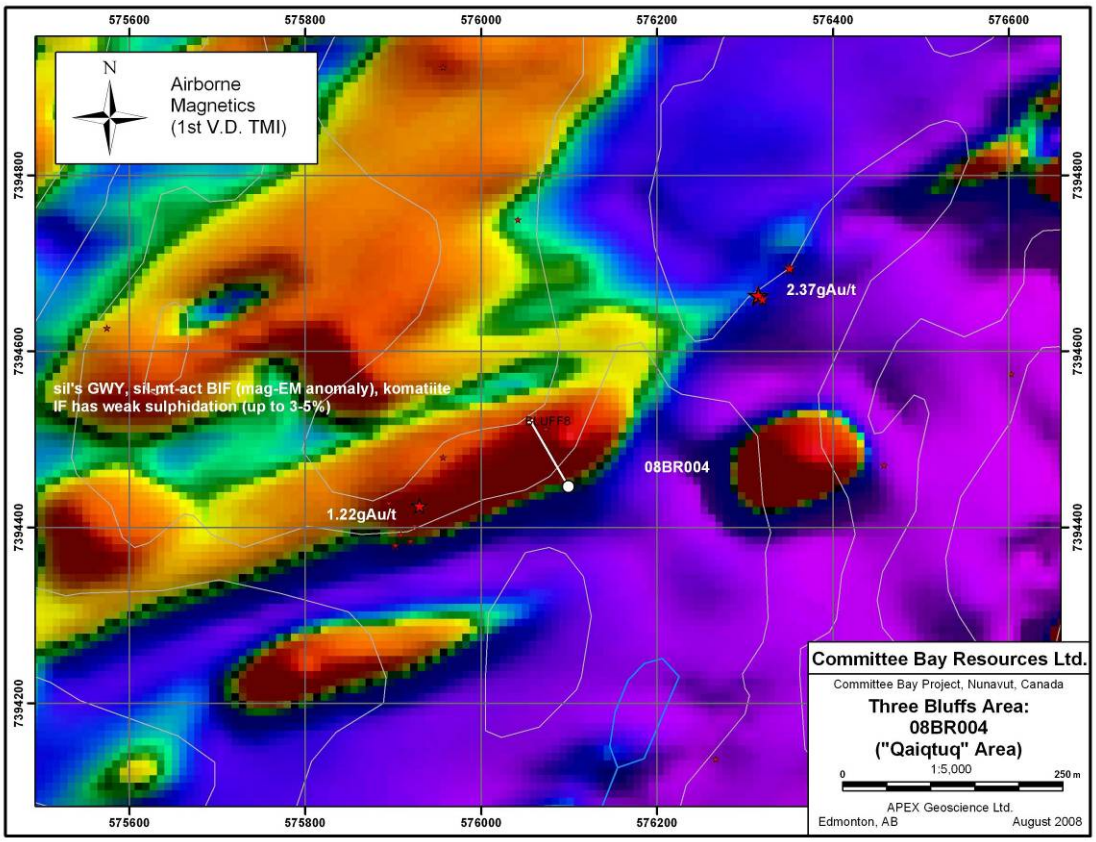
Hole 08BR005 was collared approximately 50m northeast of hole 1 and was intended to complete a test of the Mag-Em anomaly where hole 1 had been lost in overburden. (see Figures 10 and 11). Hole 08BR005 was drilled at 579585E and 7397305N, with an azimuth of 320 degrees and a dip of -55 degrees. The hole cased overburden to a depth of 29.43m. The first unit intersected consisted of phaneritic med- to crs-grd diorite with finer grained intervals. The second intersected unit at 64.43m consisted of uniformly banded IF comprising fine to medium grained, light qtz and alternating dark magnitite/actinolite bands 1mm to 10mm, 1-2 % py and po as disseminations and stingers following foliation throughout the section, with occasional 10cm intervals of 5% sulphides. The third intersected unit at 113.00m consisted of uniform moderately foliated K, medium grained, minor qtz viens, moderately magnetic, and has minor discontinuous mm-scale quartz and dolomite viens throughout the section. There is a gradational contact to IF commencing at 132.36m. The IF consists of light qtz and alternating dark magnitite/actinolite bands 1mm to 10mm t hick, strongly magnetic, 1-2 % disseminated and stinger po-py throughout the section and occasional 10cm intervals of 5% sulphides. Uniform massive K was intersected again at 156.38m. This K unit is medium grained with minor qtz viens, has sharp a contact with the underlying IF, is weakly magnetic and has minor discontinuous mm-scale qtz-carb viens throughout. The IF was intersected at 158.57m and, as above, comprised light qtz and alternating dark 1-10mm mag-act-gru bands with strongly magnetic and 1-2 % disseminated and stinger py-po throughout and occasional 10cm intervals of 5% sulphides. The next interval at 184.65m alternates back to uniform massive K, which was medium grained, weakly magnetic, contained minor discontinuous mm-scale qtz-carb viens throughout, was weakly foliated and has intervals of increased talc content (25%). IF was intersected again at 225.49-231.25m and was fine to medium grained, light qtz and alternating 1-10mm dark magnitite/actinolite bands, moderately magnetic, with 1-2% po-py as disseminations and stingers throughout and occasional dolomite veins cross cutting foliation. The last unit intersected at 231.25m to the end of the hole 242.67m was a uniform moderately foliated K section, which was medium grained, with minor qtz viens, moderate magnetism and minor discontinuous qtz-carb veins throughout.

Figure 14. 08BR004 Drill Hole location map on a) EM and b) Magnetics.

a)



b)



Exploration

Regional Exploration, Assessment Work and Grid Work

The fieldwork portion of the 2008 Committee Bay exploration program resulted in the collection of 662 rock grab samples and 1170 till samples. The majority of these samples were collected in areas requiring assessment credits where little or no previous sampling had been conducted. In addition, target specific exploration work was conducted at and around West Plains, Deformation Zone, Ghost, Cop, Castle Rock, the southeast tonalite area and the Ellice Hills area. Anomalous gold assays were received from samples at the Kinng Gold, Castle Rock, Deformation Zone, and just north of Bullion camp prospects (Figure 15). Of the samples collected in the 2008 season, 187 till and 82 rock samples were collected on Kitikmeot IOL lands covering an approximate total area of 17 hectares.

Cop

The Cop grid area was re-visited earlier this year and the old grid established in 2005 (600m x 800m) was extended to the south (see Figure 16) and approximately 47.9 line-km of ground magnetic surveying was completed. There is very little magnetic response from the main Cop outcrop (located immediately east of the 2005 drill hole locations shown in Figure 15). However, the high-intensity magnetic responses on the west side of the grid, which were mapped as magnetite-rich iron formations shows an interesting pattern. In a gross scale, the Cop stratigraphy appears to wrap around to the west. From the 2005 Cop drilling, we know that the iron formation at Cop is silicate-rich and mt-poor and thus difficult to track directly by its magnetic signature. However, the Cop "horizon" can be inferred relative to the magnetic anomaly to the west. Thus, the EM anomalies on the east side of the main magnetic feature should be prioritized as drill targets. Furthermore, the duplicated magnetic anomalies at the north end of the Cop grid may not be a fold structure, as previously thought, but it could be a structural repetition and thus the lower intensity magnetic feature between the two high intensity features may actually be the Cop iron formation.

Castlerock

Norm Duke completed a site visit to the Castlerock area and was impressed by the lithological diversity and the structural setting of the occurrence. Duke completed a 1:10,000 map of the area and further defined the structural wedge of iron formations and komatiites that host the gold showings in the area (Castlerock North and South) – the map is currently being digitized in Edmonton. The prospective wedge of rocks is located on the west side of Castlerock Lake (Howling Wolf Lake?) and is delineated by two converging faults that strike roughly 020 and 040 degrees, the eastern of which is presumed to be located beneath the lake and is interpreted mainly from the 2005 airborne magnetic data. Internal to this wedge the iron formations are locally folded, altered (+/- sulphidized) and mineralized. It was eventually decided that ground magnetic data would be collected for the area to assist future detailed mapping and sampling and potential drill hole targeting. A grid was quickly established and surveyed in early August. A total of 24 line-km of magnetic surveying was completed on grid lines along the 2km long baseline striking approximately 013 degrees. The new magnetic data indicates additional complications and potential structural offsets in the iron formation that hosts the South showing, which will be a target for future exploration (Figure 17).

Figure 15. 2008 Sample Locations.

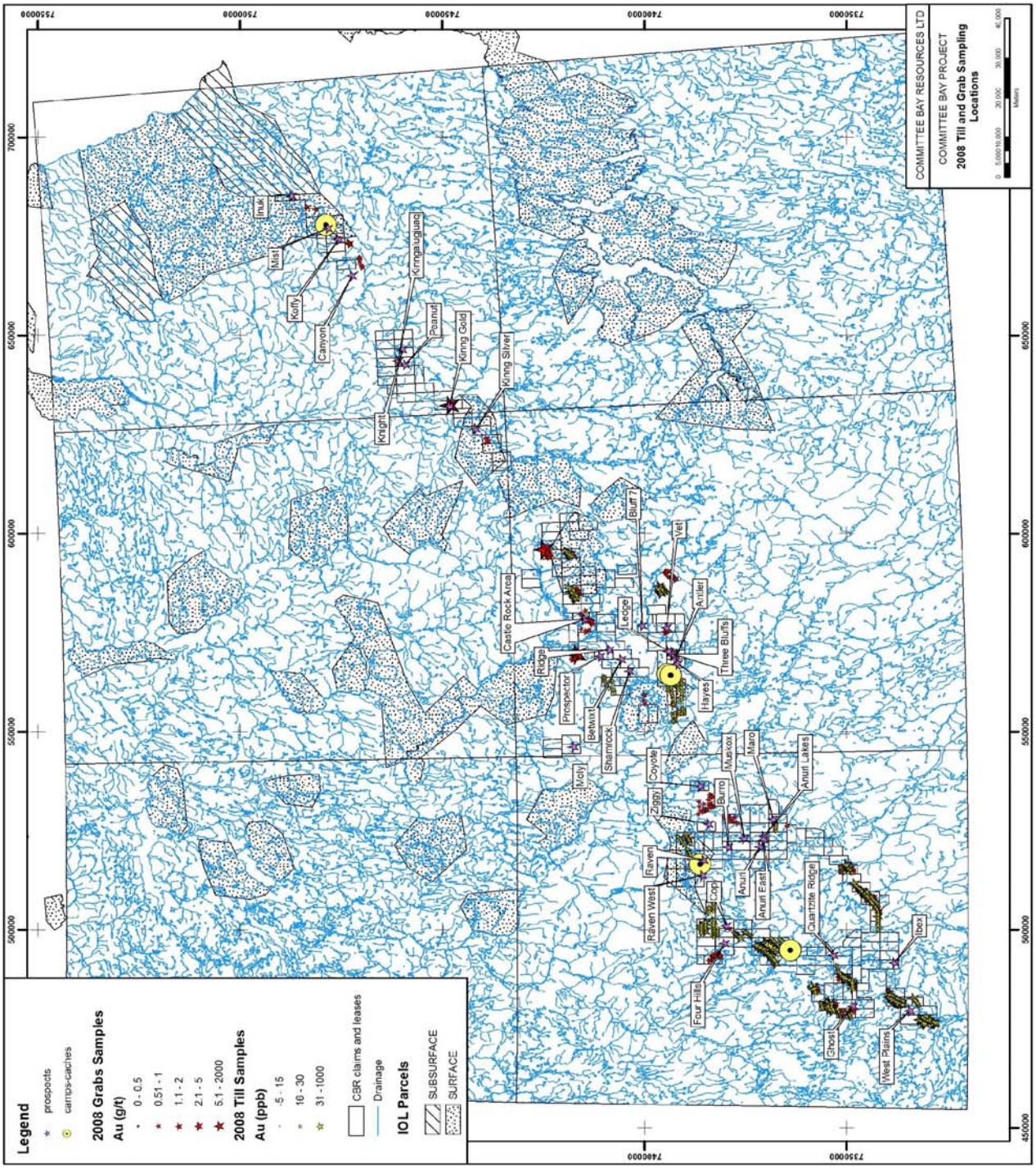


Figure 16. 2008 COP Ground Magnetics.

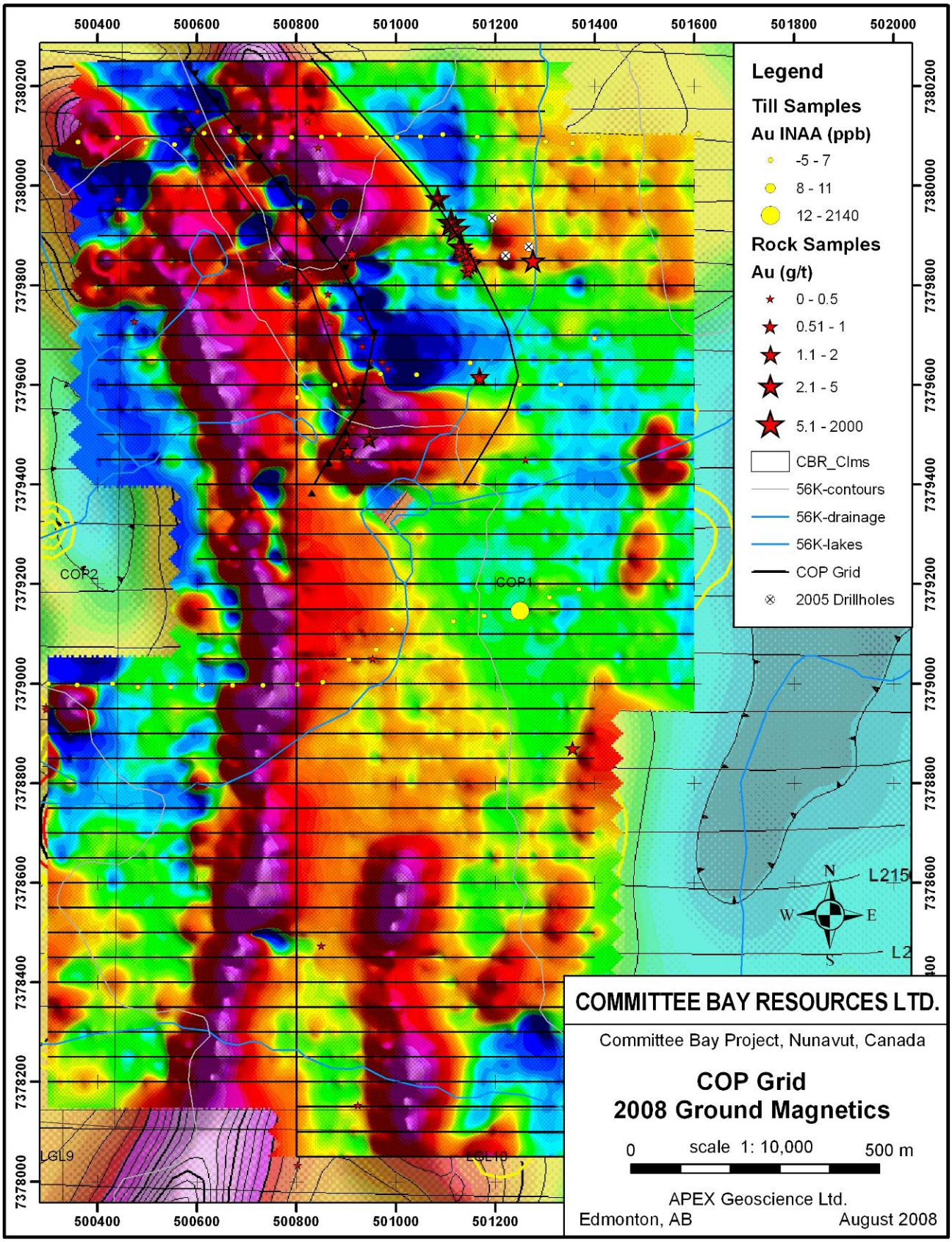
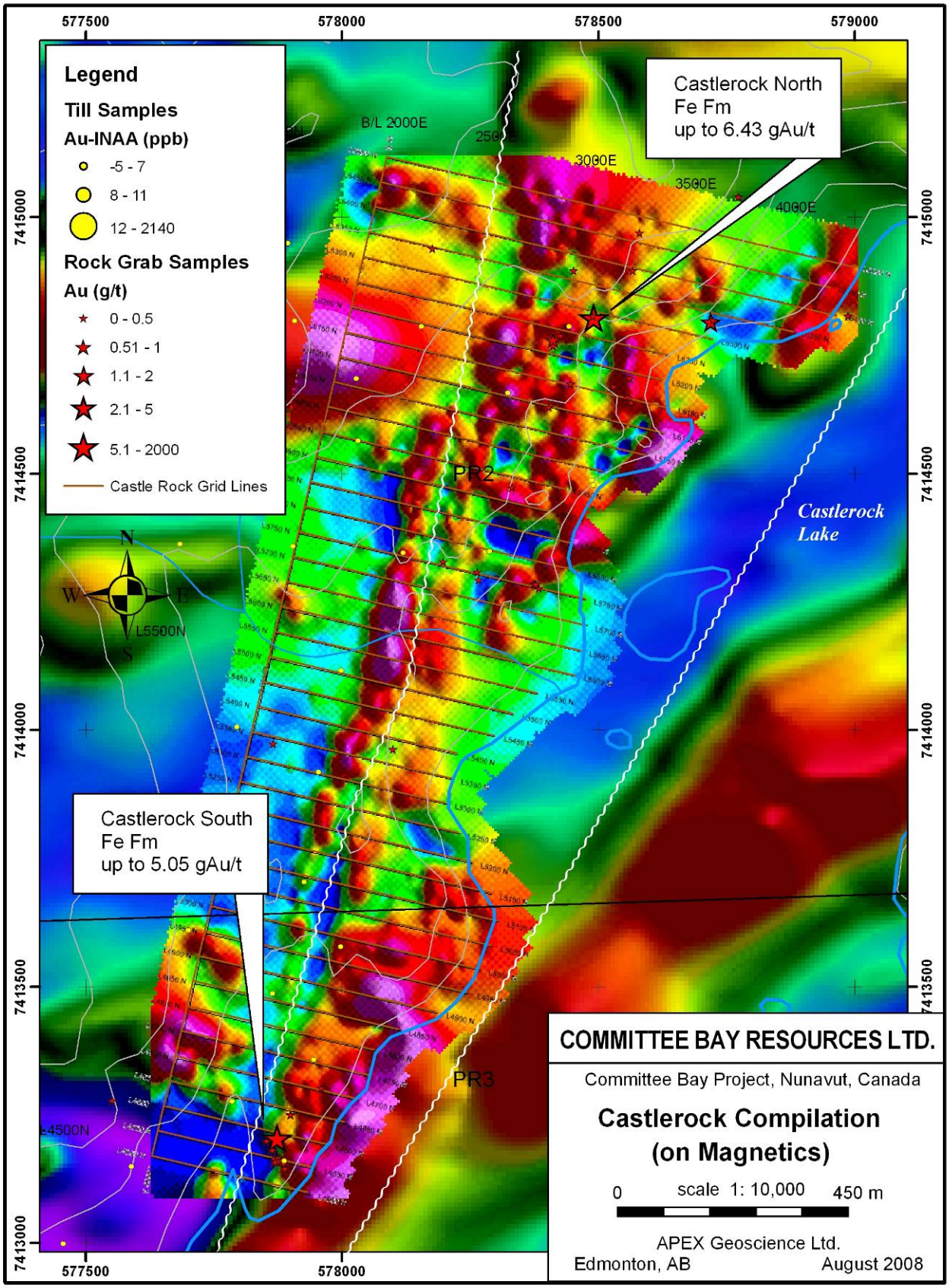


Figure 17. 2008 Castlerock Ground Magnetics.



Activity

The following table outlines the man-day and locations of activity during the 2008 field season

Camp Site	Season	Date In	Date Out	Man Days	Activity
Hayes	Spring	26-Mar	24-April	222	Open, build ice strip and mob-in fuel
	Summer	13-Jun	18-Aug	1502	Drill at Three Bluffs, sampling, close camp
Bullion	Spring				No activity out of Bullion this spring
	Summer	19-July	26-July	73	Open, small sample program, close camp
Ingot	Spring				No activity out of Ingot Camp this spring
	Summer				No activity out of Ingot Camp this summer
Crater	Spring				No activity out of Crater Camp this spring
	Summer				No activity out of Crater Camp this summer

Hayes Camp

Hayes Camp was opened on March 26nd. in order to build an ice strip for mobbing in supplies for the 2008 season. Camp was shut down August 18th. 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 - 2008

Consumables at Hayes Camp	
Quantity	**Item**
230	P-50
95	Jet B
2	Gas
114	Propane
775	Salt (bags)
760	Core Boxes

Bullion Camp

Bullion Camp was open on July 19th in order to complete a small sampling program. Bullion was shut down on July 26th. Complete inventories of camp equipment were taken and a list of fuels remaining on-site is provided below.

Consumables at Bullion Camp	
Quantity	**Item**
20	P-50
6	Jet B
1	Gas
5	Propane
0	Salt (bags)
0	Core Boxes

Consumables at Crater Camp	
Quantity	**Item**
9	P-50
0	Jet B
1	Gas
5	Propane
20	Salt (bags)
0	Core Boxes

Consumables at Ingot Camp	
Quantity	**Item**
53	P-50
0	Jet B
0	Gas
0	Propane
0	Salt (bags)
0	Core Boxes

Fuel Caches

A small fuel cache (>7 drums) were utilized during the 2008 season to help facilitate drilling at the Three Bluffs drill sites. All fuel and empty drums were removed from these sites prior to final shut down of the program.

2008 Environmental Issues

All exploration activities were conducted out of the Hayes, 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.

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 (in a containment Berm) and then removed from the ice when pumping was complete. Once the lake ice had melted the water pump was placed on the shore (in a containment Berm) 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.

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. A small amount of chlorine (1 teaspoon) was added to the camps drinking water to eliminate the presence of chloroform bacteria's in the potable water. No bacteria presence was detected and 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. 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. Fuel Containment Berms 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 meters of high water level was conducted. Fuel barrels used for drill operation were placed in Containment Berms 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 and was then burned in the incinerator.

No spills occurred on the Committee Bay project in 2008.

2008 Employees and Firms

Most directly employed personnel (geologists, drill crew, helicopter pilots and engineers etc.) for the 2008 exploration program were hired in-house or through our consultancy APEX Geoscience Ltd, of Edmonton. A total of 11 Inuit staff were hired in the 2008 season, from Repulse Bay, Kugaaruk and Rankin Inlet, to perform a variety of jobs including, camp management, camp helpers and maintenance crews, core splitters etc. All transportation and training was supplied by Committee Bay Resources Ltd. A total of $135,000.00 was spent on Inuit salaries and wages in the 2008 season. Community consultations were also conducted early in the 2008 season. Of the $3.7 M spent on the 2008 exploration program, approximately $1.07 M was spent in the north and $.8 M of that was spent with Inuit owned suppliers. Significant Inuit and Northern suppliers include:

- M+T Enterprises (Rankin Inlet)
- First Air
- Calm Air
- Canadian North
- Great Slave Helicopters
- Unaalik Aviation (Rankin Inlet)
- Toromont Arctic (Rankin Inlet)
- The Northern Store (Rankin Inlet)
- Umingmak (Rankin Inlet)
- Siniktarvik Hotel (Rankin Inlet)

It is expected that the 2009 exploration program in the Committee Bay project will have a budget in excess of $0.5 M. This budget allowance will enable us to continue to hire local Inuit crew members and to further spending in the northern regions.

Committee Bay Resources provides both on the job training and certificate based training to all its hired Inuit personnel. On the job training would consist of instruction directly related to the type of work that the person is employed for, some examples are; Helicopter safety, camp assistant and camp manager positions, core cutting/splitting and the loading and off-loading of various aircrafts. Certificate based training may consist of First Aid training and possible field related opportunities such as surveying and sampling. Committee Bay has also covered costs of conducting elders and family tours to the camps and drilling locations as part of community relations.

Northern Businesses

Aurora Northern Contractors
Bassett Petroleum
Weaver & Devore Trading Ltd.
Great Slave Helicopters
Discovery Mining Services
Northern Communications
Northern Metallic
Gardewine North
Kivalliq Marine
Churchill Marine Tank Farm
Work Place Plus
Northern Store, Rankin Inlet
Polar Tech
Ron's Auto
Red Top Variety Shop
Wild Wolf Café
Canadian North Airlines

Inuit Owned Businesses

First Air
Calm Air
Kissarvik CO-OP Ltd.
Kowmuk's Taxi
M&T Enterprise Ltd.
Toromont Arctic
J&D Catworks
Calm Air
Unaalik Aviation
Ookpik Aviation Inc.
Sakku Arctic Technologies Inc.
Sakku Drugs Ltd.
Inns North
Siniktarvik Hotel and Conference Centre
Sugar Rush Café
Tittaq Keewatin Office Products
Treasures Airport Shop
Treasures Gift Shop
Umingmak Supply Ltd.
The Nanuq Lodge