

Rockinghorse Property Summary

The Corporation holds a 100% interest in the Rockinghorse Property except for the claim which hosts the Anuri kimberlite, which is held 75% by Tahera and 25% by Kennecott. The mining lease hosting the Anuri kimberlite continues to be subject to the joint venture agreement. Tahera is the operator of the joint venture and both participants must now contribute to future exploration programs based on their proportionate ownership or dilute their interests.

Six kimberlites have been discovered on the property although only four remain on the current extents of the property. In 2001, Kennecott discovered the diamondiferous Anuri kimberlite, which is the primary focus of the Corporation's exploration programs. The Corporation conducted a drilling program on the Anuri kimberlite in the spring of 2005, from which a 944.4 kilogram sample has been analyzed to date. The results are encouraging, however further analysis and microdiamond modeling is required and if warranted a bulk sample would be required to estimate a reliable diamond grade and diamond valuation. Analysis of the 2005 sample data indicates that the kimberlite warrants a larger sample to be collected and processed via DMS. Although no modeling has been completed on the caustic sampling, the comparison of the results to Muskox and Jericho results indicates the potential of diamond recovery with a range that could overlap economic grades. Due to the remoteness of the Anuri kimberlite, the size of a large sample is difficult to decide upon by weighing cost vs potential. A small sample was taken in 2007 and collected about 26 tonnes of kimberlite using HQ sized drill core. The goal of the program would to get a better guide to the overall grade and diamond distribution of select phases of the Anuri kimberlite, however a sample of this size is not likely to be able to provide definitive grade prediction, merely indications or trends. Results are expected in Q4 2007.

In the coming years there is potential for more work on the property. This work would might include, but not be limited to: soil sampling; airborne or ground geophysics; target-testing drilling; delineation drilling; evaluation drilling.