

Revised October 6, 2003

Technical Report

**Review of Proposed Astoria II Bulk Sample Project
(Revision 1)**

Quebec

Prepared for:

Yorbeau Resources Inc.

By:

David B. Armstrong, P.Eng.

CERTIFICATE of AUTHOR

I, David Bourne Armstrong, P. Eng., CMA do hereby certify that:

1. I am a Professional Engineer working as an independent contractor residing at

2 Welbrooke Place
Toronto, Ontario
M9B 5A3
2. I graduated with a degree in Bachelor of Science, Mining Engineering from Queen's University in 1970.
3. I am a member of the Association of Professional Engineers of Ontario and the Society of Management Accountants of Ontario.
4. I have worked as a mining engineer for a total of 33 years since my graduation from university.
5. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.
6. I am responsible for the preparation of the technical report titled Review of Proposed Astoria II Bulk Sample Project (Revision 1) and dated October 6, 2003, relating to the Astoria II property. I visited the Astoria II property on August 18, 2003, for 5 days.
7. I have not had prior involvement with the property that is the subject of the Technical Report.
8. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
9. I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.
10. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

Dated this 6th Day of October, 2003



David Bourne Armstrong P. Eng, CMA

TABLE OF CONTENTS

1.	SUMMARY	2
2.	INTRODUCTION AND TERMS OF REFERENCE	4
3.	DISCLAIMER	5
4.	PROPERTY DESCRIPTION AND LOCATION	6
5.	ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY	10
5.1.	Physiography	10
5.2.	Climate	10
5.3.	Local Resources	10
5.4.	Access.....	11
5.5.	Project Infrastructure.....	11
6.	HISTORY	13
6.1.	Early Work	15
6.1.1.	North Zone.....	15
6.1.2.	Cadillac–Larder Lake Break	16
6.2.	Augmitto Exploration Resource’s Program	16
6.3.	Mineral Processing and Metallurgical Testing.....	18
7.	GEOLOGICAL SETTING	20
7.1.	Regional Geology.....	20
7.2.	Local Geology	20
8.	DEPOSIT TYPES.....	24
9.	MINERALIZATION	25
10.	EXPLORATION	26
11.	DRILLING	27
12.	SAMPLING METHOD AND APPROACH	28
13.	SAMPLE PREPARATION, ANALYSIS AND SECURITY	29
14.	DATA VERIFICATION	30
15.	ADJACENT PROPERTIES	32
16.	MINERAL PROCESSING AND METALLURGICAL TESTING.....	33
17.	MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES.....	34
18.	OTHER RELEVANT DATA AND INFORMATION	35
19.	INTERPRETATION AND CONCLUSIONS	36
19.1.	Interpretation	36
19.2.	Conclusions.....	37
20.	RECOMMENDATIONS.....	38
21.	REFERENCES.....	46
22.	ILLUSTRATIONS	47

FIGURES

4-1	Location Map.....	7
5-1	Property Map.....	12
7-1	Regional Geology	21
7-2	Property Geology.....	22
20-1	Bulk Sample Plan.....	40
20-2	Flow Sheet of Proposed Sampling Process	42
20-3	Flow Sheet of Proposed Sampling / Assaying Process	43

TABLES

4-1	Astoria II List of Mining Leases and Claims	8
6-1	Summary of Work Completed on Beauchastel Property.....	13
6-2	Summary of Work Completed on the Cinderella Property	15
6-3	Beauchastel Property – Reserve¹ / Resource¹ Estimate	17
20-1	Budget Cost – Astoria II Bulk Sampling Program.....	44

1. SUMMARY

Yorbeau Resources Inc. (Yorbeau) has asked David B. Armstrong, P. Eng. (Armstrong) to provide an independent Qualified Person's review of a proposed surface bulk sampling program to be carried out at Yorbeau's Astoria II property in Quebec, Canada.

Armstrong served as the Qualified Person responsible for preparing the technical report as defined in National Instrument 43-101, Standards of Disclosure for Mineral Properties and in compliance with form 43-101F1 (Technical Report). Yorbeau's Consultants, R. Kanwar, Geologist, and T. Gledhill, P. Eng. (Ontario) and Yorbeau's Site Geologist, A. LeClair provided technical information for the report. Armstrong visited the property from August 18 to 22, 2003.

The Astoria II property is located in Beauchastel and Rouyn Townships, County of Rouyn-Noranda-Temiscamingue, Province of Quebec and lies 4.5 miles southwest of the City of Rouyn-Noranda. The property consists of a Mining Lease and 12 contiguous mining claims.

Access to the property is provided by the Rouyn-Beaudry Highway (# 391), which crosses the northwest corner of the mineral lease. Electric power and natural gas is readily available. Local communities such as Rouyn-Noranda and Val D'Or have a long mining history and are capable of supplying skilled labour, services and supplies for new mining activities in the area.

The property has been explored by a number of companies since 1922. The original work focused on quartz veins occurring in andesites in the north part of the property. With the development of mines along the Cadillac-Larder Lake Break (in particular the Kerr Addison Mine), exploration work was focused on the area where this feature crossed the property. By the end of 1973, a Carbonate Zone had been identified along a strike length of approximately 8,400 feet on the Astoria II property.

From 1979 to 1988, Augmitto Explorations Limited carried out an extensive exploration program on the western part of the property. The work included surface and underground diamond drilling, underground development, underground sampling and a number of geological and metallurgical studies. The main focus of the program was to identify areas within the Carbonate Zone that could be mined selectively. In 1988 a mineral reserve¹ / resource was estimated by A.C.A. Howe based on mining selective areas. It is understood that this estimate was not approved by the regulatory agencies.

The Astoria II property is situated in the south-central part of the Archean Abitibi greenstone belt. This major volcano-sedimentary zone extends in an easterly direction for some 700 kilometers and is 200 kilometers wide. Two major east-trending fault zones, namely the Duparquet-Destor Break to the north and the Cadillac-Larder Lake Break to the south, traverse much of the southern area of the belt. The Astoria II Property lies on the Cadillac-Larder Lake Break.

On the property, two areas of mineralization, the North Zone and the Carbonate Zone have been distinguished. The bulk sampling program will be conducted within the Carbonate Zone.

In 1997 Yorbeau purchased the Beauchastel property and assets, which included technical files stored at the Beauchastel site. As key records were missing from the database, Yorbeau's Consultants carried out a number of checks to verify the remaining data and reported that this information could be relied on for the purposes of evaluating the work completed to date. Armstrong reviewed their work and agreed with this opinion.

Due to the coarse nature of the free gold in the deposit, diamond drilling and random rock sampling do not provide an adequate sample size to assess the grade of the material. To date no exploration program has successfully identified higher grade zones within the Carbonate Zone, which could be identified and mined selectively. Experience at the Kerr Addison Mine suggests that the Carbonate Zone could be bulk mined at an economic grade.

Yorbeau's Consultants have proposed that a surface bulk sampling program be carried out to estimate the gold grade in four areas of the Carbonate Zone as the first step in assessing the merits of bulk mining in this area. The program will consist of mining and crushing four separate 8,500 ton bulk samples, reducing the sample weight and particle size by passing the bulk samples through a sampling tower and assaying a small portion of each bulk sample to obtain a representative grade.

Armstrong has reviewed the objectives of the program, the basis for sample selection, the procedure for size reduction, the sample preparation procedures and the program budget. Based on this review he recommends that the program be carried out as proposed. The cost of the bulk sampling program is estimated to be \$743,000 including a 10% contingency allowance.

Future work will be dependent on the results of this initial investigation and may include additional surface sampling or an underground bulk sampling program.

Note 1

"Reserves and Resources" referred to here were prepared prior to the release of National Instrument 43-101 and are included only as an historical record.

2. INTRODUCTION AND TERMS OF REFERENCE

On August 11, 2003, David B. Armstrong, P. Eng., Ontario (Armstrong) was engaged as a Qualified Person by George Bodnar, President of Yorbeau Resources Inc. (Yorbeau) to prepare a Technical Report as required under National Instrument 43-11. The report was to comment on the merits of a surface bulk sampling program which Yorbeau proposes to carry out at their Astoria II property in Northwestern Quebec. The Technical Report was to be delivered to Yorbeau by the end of August 2003.

From August 18 through August 22, 2003 Armstrong visited the property to:

- Discuss the bulking sampling program with Yorbeau's technical personnel and consultants
- Inspect site conditions
- Review the relevant documentation on which the recommendation to carry out the sampling program was based (See Section 21)
- Review the budgeted costs for the proposed bulk sampling program

3. DISCLAIMER

Armstrong's review of the Astoria II information was completed based on information provided by Yorbeau staff and consultants as noted below:

- Tom Gledhill, P. Eng. (Ontario) – Technical Consultant to Yorbeau who provided the geological review and developed the methodology for reducing the bulk sample size.
- Ram Kanwar, (Geologist) – Technical Consultant to Yorbeau who completed Yorbeau's data verification and developed the surface bulk sampling plan.
- Aline LeClair, (Geologist) – Yorbeau Geologist who provided information with regard to the status of the company's land holding and operating permits.

4. PROPERTY DESCRIPTION AND LOCATION

The Astoria II property is located in Beauchastel and Rouyn Townships, County of Rouyn-Noranda-Temiscamingue, Province of Quebec and lies 4.5 miles southwest of the City of Rouyn-Noranda as shown in Figure 4-1.

The Astoria II Property consists of:

- a Mining Lease (BM786) which has historically been referred to as the Beauchastel Property
- 12 contiguous mining claims which have historically been referred to as the Cinderella Property

Armstrong reviewed a printed summary prepared by Ministre de l'Energie et Ressources, Quebec on August 19, 2003, confirming that the land included in the Astoria II Property was in good standing.

The surface area of the mining lease covers 510 acres. Yorbeau controls the surface rights to 250 acres within the mining lease which includes the main exploration area as well as the property infrastructure. The surface rights for the remaining area within the mining lease as well as the 12 contiguous claims are held by other parties with whom Yorbeau must negotiate for property access. In the event of mine development, surface rights can be expropriated under Quebec law.

The surface rights held by Yorbeau on the Astoria II Property have been surveyed by De Blois, Leclerc and De Blois who are located in Rouyn-Noranda, Quebec.

Table 4-1 is a summary of information related to these holdings

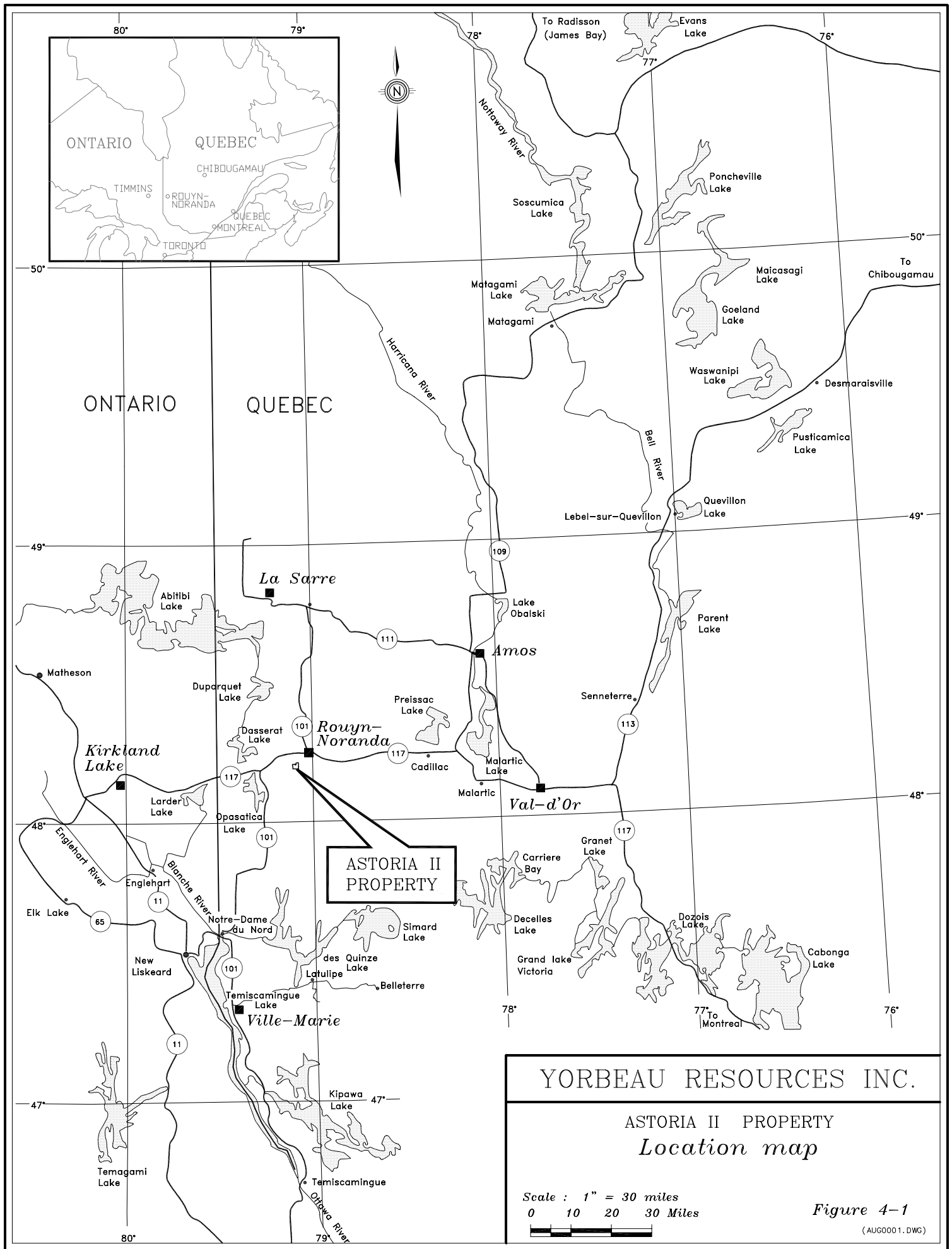
Yorbeau controls 100 percent of the mining lease number BM786, and this part of the property is not subject to any royalty, back-in rights, payments or other agreements and encumbrances. The 12 mining claims are subject to the following agreement between Yorbeau and Societe Miniere Alta Inc. (Alta).

Yorbeau will pay to Alta:

- A ½% Net Smelter Return royalty (the Royalty) subject to a maximum payment of \$50,000 per year
- A payment of \$50,000 per year as an advance on the Royalty

Yorbeau has the option at any time after May 8, 2002, to purchase back the royalty for a payment to Alta of \$500,000.

Yorbeau is responsible for reclamation work on the Mining Lease which includes removal of surface infrastructure, site grading and revegetation should the property be returned to the province.



YORBEAU RESOURCES INC.

ASTORIA II PROPERTY
Location map

Scale : 1" = 30 miles
 0 10 20 30 Miles



Figure 4-1

(AUG0001.DWG)

**Table 4-1
Astoria II List of Mining Leases and Claims**

Mining Lease	Range	Township	Lot	Claim Number (unpatented)	Area (acres)	Mining Rights Yorbeau	Expiry Date (d/m/y)	Work Required	Surface Rights Yorbeau	Comments
BM786	IV	Beauchastel	57	NA	510	100%	23/10/08		Partial	Surface area over Cadillac – Larder Lake Break are held by Yorbeau
BM786	IV	Beauchastel	58	NA		100%	23/10/08		Partial	Surface area over Cadillac – Larder Lake Break are held by Yorbeau
BM786	IV	Beauchastel	59	NA		100%	23/10/08		Partial	Surface area over Cadillac – Larder Lake Break are held by Yorbeau
BM786	IV	Beauchastel	60	NA		100%	23/10/08		3 rd Party	
BM786	IV	Beauchastel	61	NA		100%	23/10/08		Partial	Surface rights for area surrounding underground vent raise are held by Yorbeau
BM786	IV	Beauchastel	62	NA		100%	23/10/08		3 rd Party	
BM786	V	Beauchastel	57	NA		100%	23/10/08		3 rd Party	
BM786	V	Beauchastel	58	NA		100%	23/10/08		3 rd Party	
BM786	V	Beauchastel	59	NA		100%	23/10/08		3 rd Party	
BM786	V	Beauchastel	60	NA		100%	23/10/08		3 rd Party	
BM786	V	Beauchastel	61	NA		100%	23/10/08		3 rd Party	
NA	IV	Beauchastel	61	373203-3	7	100%	23/10/08	\$1,000	3 rd Party	
NA	IV	Beauchastel	62	373203-2	79	100%	23/10/08	\$2,500	3 rd Party	
NA	IV	Rouyn	1	373203-1	42	100%	26/10/04	\$1,000	3 rd Party	
NA	IV	Rouyn	2	373202-2	99	100%	26/10/04	\$2,500	3 rd Party	
NA	IV	Rouyn	3	373202-1	99	100%	26/10/04	\$2,500	3 rd Party	
NA	IV	Rouyn	4	371946-5	99	100%	27/10/04	\$2,500	3 rd Party	
NA	IV	Rouyn	5	371946-4	99	100%	27/10/04	\$2,500	3 rd Party	
NA	V	Rouyn	1	373161-5	49	100%	27/10/04	\$1,000	3 rd Party	
NA	V	Rouyn	2	373161-4	49	100%	27/10/04	\$1,000	3 rd Party	
NA	V	Rouyn	3	373161-3	49	100%	27/10/04	\$1,000	3 rd Party	
NA	V	Rouyn	4	373161-2	49	100%	27/10/04	\$1,000	3 rd Party	
NA	V	Rouyn	5	373161-1	22	100%	27/10/04	\$1,000	3 rd Party	

The following permits have been obtained by Yorbeau to enable them to proceed with the surface bulk sampling program as recommended in Section 20.

Quebec Ministry of the Environment

- Certificate of Authorization # 7610-08-01-70126-21 (200059742) for Bulk Sample # 1 (10, 000 tonnes) issued July 25, 2003
- Modification of the Certificate of Authorization # 7610-08-01-70126-21 (200059742) for Samples #2, 3 and 4 (30,000 tonnes) issued August 5, 2003.

Quebec Commission for the Protection of Agriculture Land and Activities

- Authorization # 332831 issued August 5, 2003

City of Rouyn – Noranda

- Certificate of Acceptance issued June 3, 2003

Quebec Ministry of Natural Resources

- Letter of Authorization for Bulk Sample # 3 (10,000 tonnes) on Claim # 3732032. (No authorization is required for Bulk Samples # 1, 2 and 4 as they are to be taken on the Mining Lease.)

The mining contractor is responsible for obtaining the required blasting permit.

5. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1. Physiography

The Astoria II property is situated in the Abitibi plateau, an immense raised area of feeble relief bounded on the west by the low ground of James Bay and falling off gradually towards the St. Lawrence River to the south.

Within the property area, relief ranges from 900 to 1,000 feet above sea level. The Pelletier River terrace forms a broad, north-south area of swamp along the western boundary of the property. A tributary river terrace traverses the southern part of the area in a general east-west direction with a large southerly meander around an area of higher relief in the southwest corner of the property. From the river terraces the land rises gradually to the east and north to a high point amongst an area of volcanic outcrops in the northeastern part of the property. The eastern boundary of the area is formed by a deeply incised stream valley. Outcrops are rare in the southern two-thirds of the area, which is covered by 10 to 30 feet of glacial drifts. A few areas have been cleared to bedrock during exploration work.

5.2. Climate

The climate in the area is Subarctic Continental Type included in a large Continental Polar Zone. Cold air masses from the north have a great influence on the temperature; resulting in short, cool summers and important fluctuations in temperature, which bring unseasonable frost.

Wind direction and speed have been recorded at the nearby weather station at Rouyn-Noranda for the past 35 years. The climate is influenced by dominant west winds of medium intensity. Light east winds occur in the summertime, while calm periods occur during the winter and early spring. North and west winds are generally strong and persistent, but they vary according to the season.

Average precipitation in the area is about 950 mm (37.4 inches) a year for rain and 300 cm. (11.8 inches) per year for snow. Rainstorms can be cyclonic and precipitation weak on wide fronts between continental polar and maritime air masses. Evaporation is weak and the climate can be humid at times. The first snowfall generally appears around November 14th and the snow disappears around April 28th, and on average it attains a maximum depth of 100 cm. (39.4 inches) around March 1st. The average temperature in the area for January is -16°C (3°F) and for July is 17.1°C (63°F).

5.3. Local Resources

Local communities such as Rouyn-Noranda, and Val D'Or have a long mining history and are capable of supplying skilled labour, services and supplies for new mining activities in the area.

Air transportation is provided from the Rouyn-Noranda airport to major centers in Quebec and Ontario on a daily basis.

Electric power is available at the property for the proposed program. Additional power would be available from Quebec Hydro whose main transmission lines parallel both access roads. A natural gas pipeline crosses the northwest corner of the mining lease.

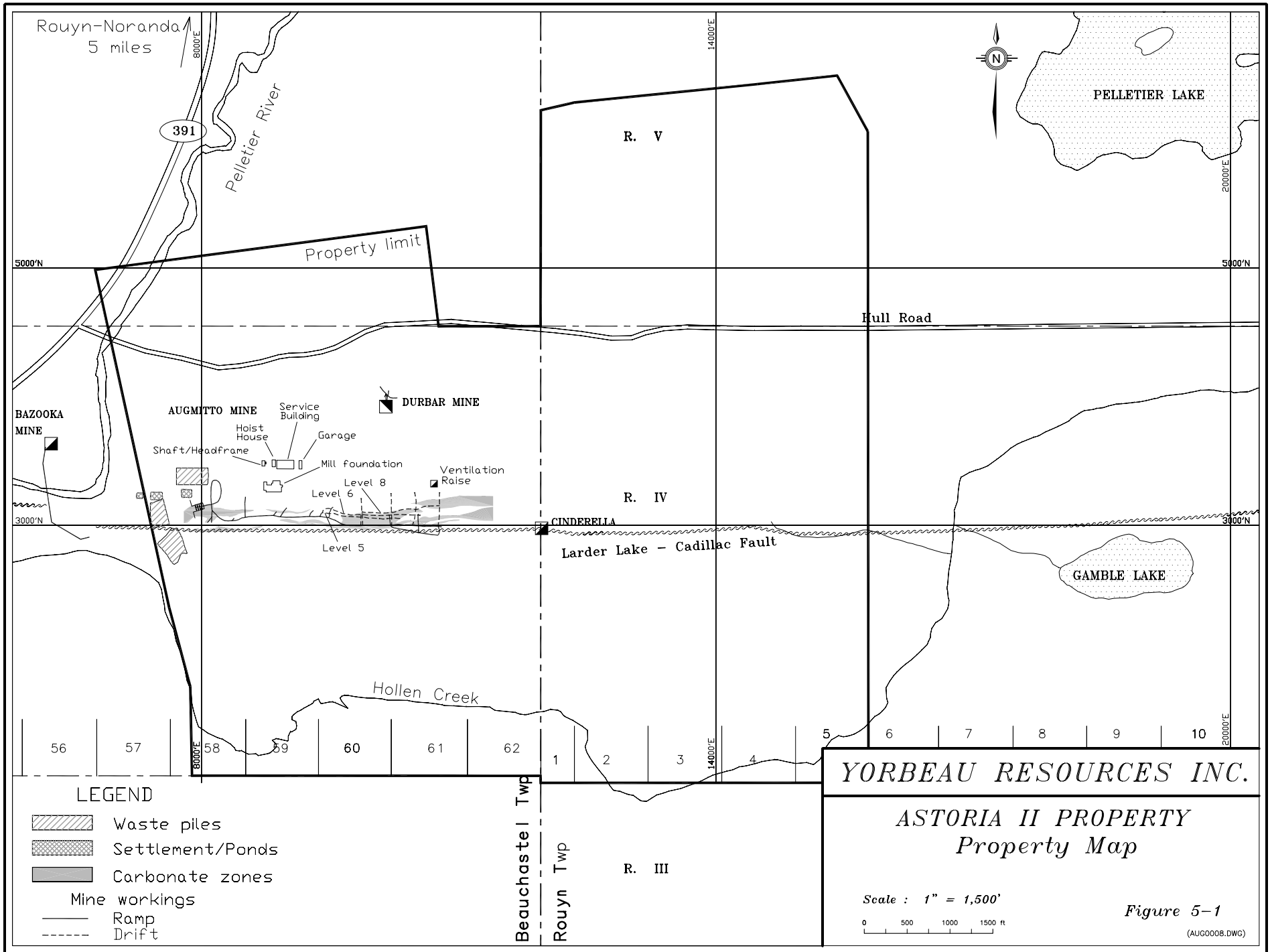
5.4. Access

Access to the property is provided by the Rouyn-Beaudry Highway (# 391), which crosses the northwest corner of the mining lease. A secondary road (Chemin Hull) near range line IV-V crosses the northern portion of the property in an easterly direction.

5.5. Project Infrastructure

The major infrastructure currently in place on the property (see Figure 5-1) consists of:

- An office and maintenance complex
- A 900' shaft, (20' by 8' size) and hoist house.
- The foundations and steel structure for a 1,000 ton per day process plant
- Access roads
- Electrical distribution lines
- A exhaust ventilation raise collar



Rouyn-Noranda
5 miles

391

Pelletier River

R. V

PELLETIER LAKE

Property limit

5000'N

5000'N

Hull Road

BAZOOKA
MINE

AUGMITTO MINE

DURBAR MINE

Shaft/Headframe
Hoist House

Service Building
Garage

Mill foundation

Ventilation Raise

Level 8
Level 6

R. IV

3000'N

3000'N

CINDERELLA

Larder Lake - Cadillac Fault

Level 5

GAMBLE LAKE

Hollen Creek

56

57

58

59

60

61

62

Beauchastele Twp

Rouyn Twp

R. III

YORBEAU RESOURCES INC.

ASTORIA II PROPERTY
Property Map

Scale : 1" = 1,500'



Figure 5-1

(AUG0008.DWG)

LEGEND

- Waste piles
- Settlement/Ponds
- Carbonate zones
- Mine workings
 - Ramp
 - Drift

6. HISTORY

Information available from the Quebec Ministre de l'Energie et Ressources and from records at the property provides a history of the work completed on the Astoria II property as summarized in Table 6-1 and 6-2.

Table 6-1
Summary of Work Completed on the Beauchastel Property

Years	Company	Description of Work
1922 – 1925	Huronian Belt Limited	North Zone – surface drilling and trenching on the #12 vein
1933 – 1934	Normont Mines	North Zone – surface diamond drilling (8 holes) – sank inclined shaft 94', completed 466' of lateral development – underground sampling. Work stopped due to a fire.
1936	Minexams Limited	North Zone – resampled the trench excavated by Huronian Belt Limited
1936	Durbar Gold Mines Limited	North Zone – surface diamond drilling (11 holes) Cadillac – Larder Lake Zone – surface diamond drilling (7 holes)
1943 – 1945	Siscoe – Moneta Limited	North Zone – surface diamond drilling (17 holes) Cadillac – Larder Lake Zone – surface diamond drilling (39 holes)
1953	Paul Tremblay	Cadillac – Larder Lake Zone – surface diamond drilling (2 holes)
1958	Boronite Copper Corporation	Cadillac – Larder Lake Zone – surface diamond drilling (12 holes) and trenching
1967	Pascar Oils	Cadillac – Larder Lake Zone – surface diamond drilling (3 holes). Prepared an evaluation report on the property.
1973	Kerr Addison	Cadillac – Larder Lake Zone – surface diamond drilling (12 holes)
1978	Paul Tremblay	Cadillac – Larder Lake Zone – Giant Yellowknife Mines prepared an estimate of reserves for the Cadillac – Larder Lake Zone
1979	Augmitto Explorations Limited	North Zone – surface diamond drilling (4 holes), dewatered, mapped and sampled previous pit work. Cadillac – Larder Lake Zone – Completed magnetic and electromagnetic surveys, cleaned and sampled surface showings and completed surface diamond drilling (4 holes)
1980	Augmitto Explorations Limited	Completed prefeasibility study for the property

Years	Company	Description of Work
1981	Augmitto Explorations Limited	North and Cadillac – Larder Lake Zones Lakefield Research of Canada Limited completed test work on material from the two zones.
1982 - 83	Augmitto Explorations Limited	Cadillac – Larder Lake Zone – Cleaned, mapped and sampled additional surface areas and completed surface diamond drilling (19 holes) Developed a -14% ramp underground (1,207'), drifts (454') and raises (201'). Mapped and took channel samples in the underground workings.
1983 - 1984	Augmitto Explorations Limited	Cadillac – Larder Lake Zone – Surface diamond drilling (45 holes) and completed a magnetic survey. Witteck Development completed metallurgical test work Underground diamond drilling (21 holes)
1984	Augmitto Explorations Limited	Cadillac – Larder Lake Zone Completed a study of the patterns of fracturing in the Cadillac – Larder Lake Zone
1985	Augmitto Explorations Limited	Cadillac – Larder Lake Zone Completed a petrography study of the rocks in this zone
1985 - 86	Augmitto Explorations Limited	Cadillac – Larder Lake Zone – Surface diamond drilling (47 holes) Extended the –12.5% ramp (1,140'), completed 5 cross-cuts (578'). Mapped and took channel samples in the underground workings. Completed a mineralogical and petrography study
1987	Augmitto Explorations Limited	North Zone Surface diamond drilling (43 holes) Completed a petrography study of the volcanic rocks Cadillac – Larder Lake Zone Surface air track drilling (177 holes) Surface diamond drilling (47 holes) Underground diamond drilling (274 holes) Extended the –12.5% ramp (1,364'), completed additional drifts (1,387') and cross-cuts (1,387'). Mapped and took channel samples in the underground workings. Completed Feasibility Study (A.C.A. Howe / F. Clyde Lendrum Limited) Completed metallurgical tests (Lakefield Research

Years	Company	Description of Work
		of Canada) Completed a study of silification versus gold mineralization Completed additional petrography studies.
1988	Augmitto Explorations Limited	Cadillac – Larder Lake Zone Underground diamond drilling (226 holes)
2002	Yorbeau Resources Inc.	North Zone Surface diamond drilling (14 holes)

Table 6-2
Summary of Work Completed on the Cinderella Property

Years	Company	Description of Work
1928	Rubec Mines Limited	North Zone - Completed trenching and sampling on a quartz vein in the volcanics
1946	Cinderella Gold Mines Limited	North Zone – surface diamond drilling (6 holes) Cadillac – Larder Lake Zone – surface diamond drilling (13 holes) Completed magnetic survey Mapped and sampled old trenches
1961	Pelletier Lake Gold Mines Limited	Completed geological mapping of the area
1979	Alta Copper and Metal Corporation Limited	Completed magnetic survey
1982	Q.C. Explorations Limited	Cadillac – Larder Lake Zone Surface air track drilling (40 holes) (Work suspended due to dispute with surface land owner.)

6.1. Early Work

6.1.1. North Zone

The original work focused on a number of quartz veins occurring in andesites in the north part of the property with specific interest in the No. 12 vein. The work included trenching, pitting, diamond drilling as well as a limited underground program but no operator was able to develop a successful operation. Historical records of this work are fragmented, and as they are not relevant to the proposed Bulk Sampling program, no further discussion is warranted.

6.1.2. Cadillac–Larder Lake Break

With the development of mines along the Cadillac-Larder Lake Break (in particular the Kerr Addison Mine), exploration work was focused on the area where this feature crossed the Beauchastel and Cinderella properties.

By the end of 1973, approximately 88 surface diamond drill holes had been drilled on the Astoria II property, and a Carbonate Zone had been identified along a strike length of approximately 8,400 feet.

6.2. Augmitto Exploration Resource's Program

Augmitto Resources carried out exploration work on the Beauchastel property from 1979 until November 1988 when the project was shut down due financial difficulties. Augmitto subsequently declared bankruptcy and in 1997 Yorbeau Resources purchased the Beauchastel Property.

Much of the information collected during the Augmitto exploration programs is on file at the property. The data was summarized in a 1988 report entitled "Beauchastel Project, Feasibility Study" which was prepared by A.C.A. Howe International, F. Clyde Lendrum Consulting Limited and J.N. Botsford P. Eng. (Ontario). This report included a section describing the various Augmitto exploration programs as outlined below.

In 1983, Augmitto completed a total of 4,000 feet of diamond drilling and during the latter part of that year, excavated an exploration ramp to investigate mineralization in the western part of the property.

In 1984, four thousand feet of underground and 23,838 feet of surface diamond drilling were completed and a reserve¹ of 366,830 tons grading 0.180 ounces per ton was calculated to a shallow depth in the western part of the property.

In 1985 – 86, 44,315 feet of surface diamond drilling were completed to extend the reserve¹ block east toward the Beauchastel boundary and to a depth of 1,300 vertical feet. Augmitto identified two Carbonate Zones (Upper and Lower) and reported that the Lower Carbonate Zone was continuous across the property. In addition the exploration ramp was extended 1,151 feet to the east and five cross-cuts totaling 583 feet were driven into the Lower Carbonate Zone. The Carbonate Zones were investigated by sampling the walls and backs and individual rounds. A.C.A. Howe reported that the results of these samples were not used to establish grades due to the wide spread of the results

In 1986-1987, a further 77,633 feet of surface drilling and 12,478 feet of underground drilling were completed. A.C.A Howe reported that the surface program failed to intersect the talc schist at depths greater than 2,000' due to ongoing drilling problems and the remaining part of the program focused on fill-in drilling. The program demonstrated the continuation of the Carbonate Zone to a depth in excess of 2,000'. Of

the 49 surface and 49 underground holes which intersected the Carbonate Zones, 18 surface holes contained visible gold and 53 holes had intersections that were greater than 0.10 ounces per ton.

The ramp was extended 1,377 feet and four cross-cuts (1,400 feet) and 1,400 feet of drifting were completed. Although the cross cuts were mapped and sampled, A.C.A. reported that “the (underground) material is heavily diluted and not representative of ore. For this reason therefore, only general comments may be made about the results to date”.

In 1988, the main ramp was extended west to a floor elevation of 9371 and two cross-cuts were driven 150 feet north from the ramp. 33,579 feet of underground drilling were completed from a number of the stope drifts to define the mineralized zones.

In January 1988, A.C.A. Howe prepared an ore reserve¹ / resource² estimate as shown in Table 6-3.

Table 6-3
1988 -A.C.A. Howe
Beauchastel Property - Reserve¹ / Resource² Estimate³

Carbonate Zone	Tons	Grade Oz. / ton	Gold Ounces
Drill Proven	639,198	0.200	127,802
Probable	658,005	0.181	118,825
Possible	194,076	0.159	30,965
Total (all categories)	1,491,279	0.186	277,593
Inferred Resource ²	700,000	0.186	130,200

Note 1

“Reserves and Resources” referred to in Section 6 were prepared prior to the release of National Instrument 43-101 and are included only as an historical record.

Note 2

A.C.A. Howe reported that the “Inferred Resource was estimated by extrapolation to a maximum of 400 feet beyond the probable and possible blocks in interpreted ore shoots”.

Note 3

Yorbeau has made no attempt to revise or update these calculations. The grade and dimensions of the mineralization remain unknown.

6.3. Mineral Processing and Metallurgical Testing

In 1981, Lakefield Research of Canada Limited (Lakefield) completed a metallurgical test program on 250 lbs of material from the Beauchastel property. The material was sampled on surface from the Cadillac – Larder Lake Break.

The calculated head assays were:

- Gold (Au) 2.48 g/t (0.072 oz. / ton)
- Silver (Ag) 1.76 g/t (0.051 oz. / ton)

Based on this test work Lakefield reported the following:

- Cyanidation of the mill feed extracted more than 98% of the gold under the following conditions:
 - 93% minus 200 mesh
 - 0.5 gpL NaCN
 - 0.25 gpL Ca(OH)₂
 - 24 hour retention time

With a coarser grind, a longer retention was required to give the same extraction.

- Use of gravity separation, amalgamation and flotation would extract more than 96% of the gold at a grind of 80% minus 200 mesh.

In 1987, Lakefield completed a second metallurgical test program on material from the Beauchastel property. The material was sampled from three underground headings driven across the Cadillac – Larder Lake Break.

The calculated head assays were:

- Gold (Au) 5.07 g/t (0.148 oz. / ton)
- Silver (Ag) < 2.0 g/t (0.058 oz. / ton)

As part of the test program Lakefield investigated a number of issues related to gold recovery including:

- Effect of fineness of grind
- Effect of retention time leach
- Effect of temperature on leach

Based on this program the following was determined:

- Gold recovery improved with the fineness of grind to 97.8% at a grind of 91% - 200 mesh
- Gold recovery increased with retention time. (F. Clyde Lendrum Consulting Limited recommended that process facilities be designed for a retention time of thirty-six hours.)
- Gold recovery was not affected by ambient temperatures between 68° F and 44.6° F.

The January 1988 Feasibility Study prepared by A.C.A Howe International Limited and F. Clyde Lendrum Consulting Limited reported that a recovery of 95% for gold could be anticipated using a normal cyanide mill process with further improvements in recovery expected with operating experience.

7. GEOLOGICAL SETTING

7.1. Regional Geology

The Astoria II property is situated in the south-central part of the Archean Abitibi greenstone belt. This major volcano-sedimentary zone extends in an easterly direction for some 700 kilometers and is 200 kilometers wide.

Dimroth et al. (1982) distinguish a northern internal zone and a southern external zone characterized, in the north, by volcanic cycles, which almost invariably commence with mafic flows, whereas in the south the major cycle starts with widespread ultramafic flows. Sediments within the two zones also exhibit characteristic differences; those in the north contain plutonic clasts in conglomerate horizons, while those in the south have few plutonic pebbles.

Two major east-trending fault zones, namely the Duparquet-Destor Break to the north and the Cadillac-Larder Lake Break to the south, traverse much of the southern zone.

As shown in Figure 7-1, the Astoria II Property lies on the Cadillac-Larder Lake Break, which historically has been a major gold producer from Kerr Addison in the west to the mines in the Malartic and Val d'Or camps.

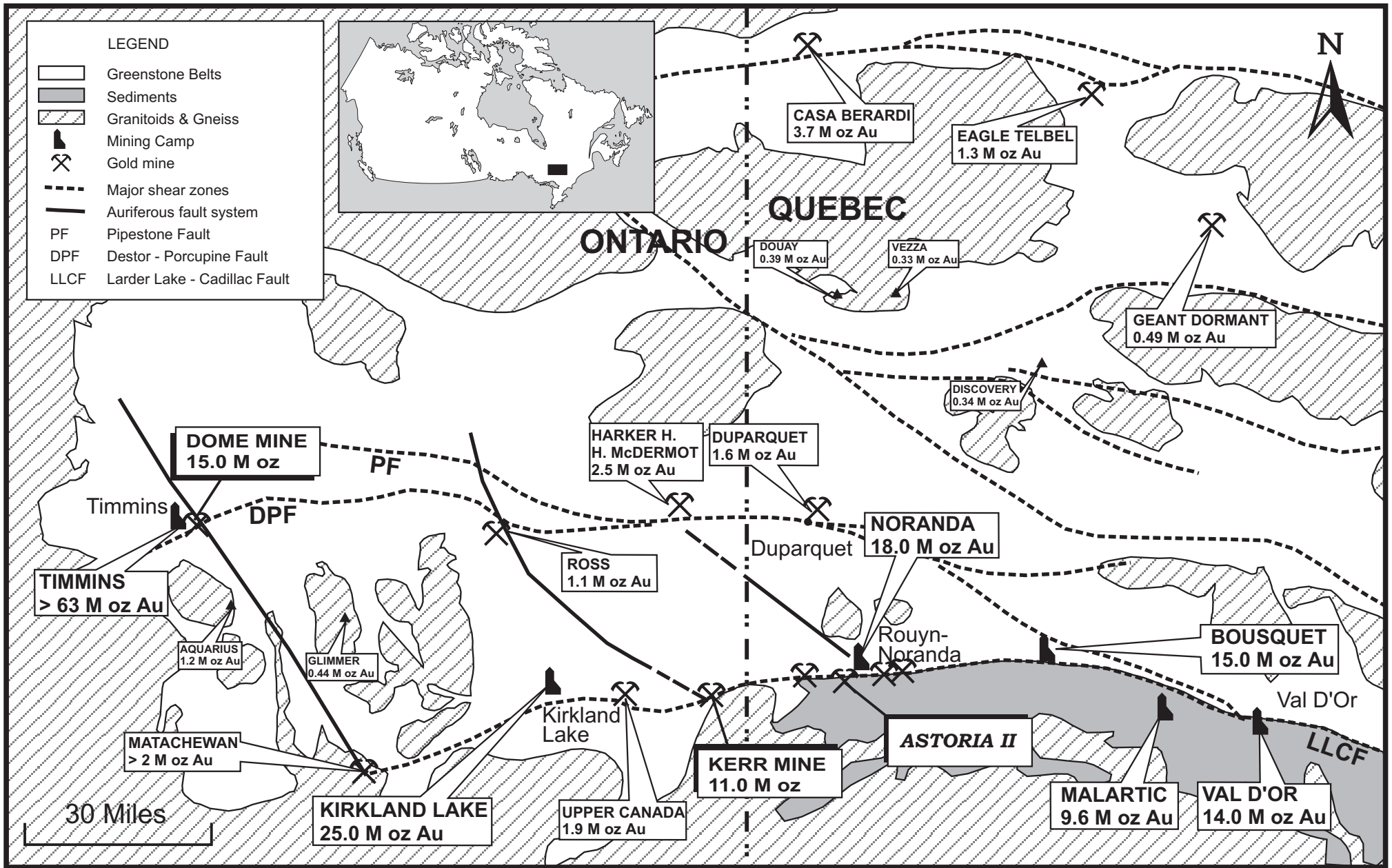
7.2. Local Geology

Figure 7-2 is a compilation map based on published data of the local geology of the Astoria II property. Two areas of mineralization, the North Zone and the Carbonate Zone, have been distinguished.

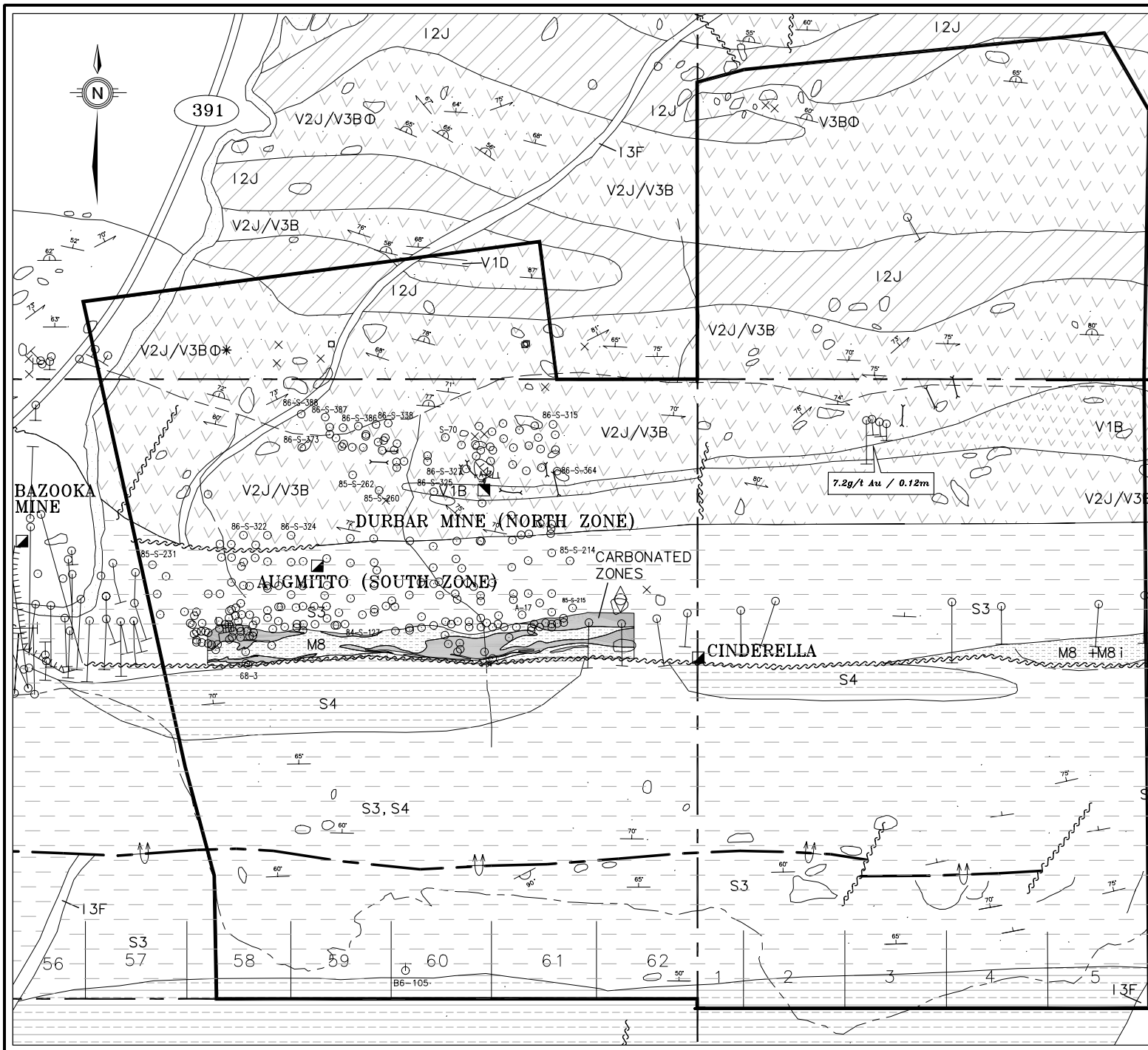
The North Zone is defined as the northern part of the Astoria II property underlain by the largely basic volcanics of the Abitibi Group north of the greywackes. As this portion of the Astoria II Property will not be explored within the proposed Bulk Sampling program, no further discussion of this area has been included in this report.

The Carbonate Zone is made up of the following major rock units as described below from north to south.

- A sequence of bedded greywackes interpreted to belong to the overturned north limb of the Temiskaming synclinorium. The unit dips north, although graded bedding observed along strike at outcrop and in drill cores has been taken to indicate that the units young to the south and hence are inverted. A major unconformity has been suggested to explain the opposite facing of greywackes and overlying andesites. Geochemical investigations of the sequence indicate a tholeiitic composition and the rocks appear to be locally derived tuffaceous volcanic material laid down in a basinal environment.



YORBEAU RESOURCES INC.
 ASTORIA II PROPERTY
 Regional geology



LEGEND

- S3 Wacke
- S4 Conglomerate
- V1B Rhyolite
- V1D Dacite
- V2J Andesite
- V3B Basalt
- I2J Diorite
- I3F Quartz Diabase
- M8 Schist
- * Variolitic, spherulitic
- ⊕ Pillow
- ▣ Shaft, vertical, incline
- ▣ Mine working
- ⊕ DDH incline
- ⊕ DDH vertical
- ▣ Mineralized intersection
- ⊕ Trenches
- x:⊕ Outcrop; isolate, area
- ~ Fault, Shear zone
- Geological contact
- ↘↘ Stratification; incline; unknown top, known top
- ↘↘ Stratification; undetermined dip; unknown top, known top
- ↘↘ Stratification; reverse; known top
- ↘↘ Foliation; S1 plan; incline
- ↘↘ Foliation; S2 plan; incline
- ↘↘ Anticlines deversed; presumed axial plan
- ↘↘ Synclines deversed; presumed axial plan

Scale : 1" = 1200'

0 400 800 1200 ft.

YORBEAU RESOURCES INC.

ASTORIA II PROPERTY
Property Geology

(AUG0009.DWG)

Figure 7-2

- Carbonate and talcose rocks which lie adjacent to the Cadillac-Larder Lake Break. The series dips steeply north and is concordant with the overlying greywacke. Geological and geochemical studies indicate that the units represent the alteration products of circulating fluids active on a sedimentary-volcanic sequence.

In the west and central portions of the property, three distinct units are recognized, namely Upper Carbonate, Talc Schist and Lower Carbonate. In the eastern area, extensive chloritisation and carbonatisation affects the entire sequence, and talc schist units interdigitate with the Upper Carbonate.

The predominant structural feature within the Astoria II boundaries is the north dipping Cadillac-Larder Lake Break, which crosses the central portion of the property. In the vicinity of this feature, work by Augmitto Resources shows a sequence of north-dipping strata with local, tight isoclinal folding. These strata have been affected by subsequent drag folding, faulting and thrusting.

The strike length of the Carbonate Zone has been well defined from 7400E on the western boundary to 11000E (a length of 3,600 feet) by diamond drilling and outcrops. To the east, 13 diamond drill holes by Cinderella Gold Mines Ltd. (1946) traced the zone a further 4,800 feet for a total strike length of 8,400 feet. The width of the zone varies from 70 feet to 300 feet over this length and the zone has been intersected to a depth of over 1,000 feet below surface.

8. DEPOSIT TYPES

The deposit which is the target of the proposed work program is the Carbonate Zone which occurs in sedimentary volcanic rocks in the hanging wall of the Cadillac-Larder Lake Break. These rocks have been carbonatized, brecciated and intruded by a miriade of small quartz veins which contain coarse particles of gold.

9. MINERALIZATION

Two distinct types of gold mineralization have been recognized within the Carbonate Zone.

- In the first type, which represents most of the gold values, gold occurs as specks, flakes and aggregates up to one half an inch (1/2 inch) in diameter hosted by white to honey-brown coloured quartz veins, veinlets and siliceous pervasions which form stockworks in a variety of carbonated rock types.
- In the second type, a minor amount of gold is present in pyrite, chalcopyrite and arsenopyrite and syenite dykes in rocks immediately above the carbonate sequence.

In addition to the above types, there is evidence of minor enrichment within talc-shist immediately above the Lower Carbonate, associated with remobilization of gold along fractures. To date the extent of the sampling in this unit has been limited. Further information will be obtained during the proposed bulk sampling program.

10. EXPLORATION

In 2002, Yorbeau completed a 14-hole diamond drill program on the North Zone. The results of this program are not related to the exploration of the Carbonate Zone and have not been included in this report.

11. DRILLING

No drilling has been completed within the Carbonate Zone since Yorbeau acquired the Astoria II property.

12. SAMPLING METHOD AND APPROACH

With exception of a number of samples that were reassayed as part of the data verification process, no samples have been taken within the Carbonate Zone since Yorbeau acquired the Astoria II property.

13. SAMPLE PREPARATION, ANALYSIS AND SECURITY

See Section 12 above.

14. DATA VERIFICATION

In 1997, Yorbeau purchased the Beauchastel property and assets.

These assets included Augmitto's technical files stored at the Beauchastel site but did not include records stored at Augmitto's other locations including the corporate office.

The technical data stored at site includes:

- Geological plans and sections documenting the:
 - surface and underground diamond drilling programs
 - underground exploration programs
- Diamond drill logs (with the exception of the 1986 Surface program)
- Technical reports

Although assays for most intersections were plotted on the appropriate cross-sections, the supporting assay certificates, however, have not been located.

Prior to proposing additional work on the Cadillac-Larder Lake Break area, R. Kanwar, Yorbeau Consultant, took steps to verify the quality of the underlying technical data as noted below:

- Attempted to contact the assay laboratories that were used during the various Augmitto exploration programs to obtain copies of the assay certificates. Due to the change in both ownership and staff at these facilities copies of the certificates could not be located.
- Reviewed the core for a limited number of diamond drill holes in conjunction with the corresponding diamond drill logs. Specific attention was paid to those areas where the Augmitto staff reported seeing visible gold. This review indicated that the logging of the core was completed in a professional manner and with the exception of an inconsistency in identifying talc schists, the logs could be relied on for future work.
- In two holes, reassayed a portion of the remaining sections of split core and compared them to the assays recorded on the Augmitto geological sections. Results of this work is noted below:

Hole 86-S-349

Intercept #1	Augmitto–	5.10'	@ 0.346 oz. / ton
	Yorbeau	5.10'	@ 0.536 oz. / ton

Intercept #2	Augmitto–	9.50'	@ 0.221 oz. / ton
	Yorbeau	10.00'	@ 0.295 oz. / ton

Hole 86-S-340

Intercept	Augmitto –	24.20'	@ 0.138 oz. / ton
	Yorbeau	24.20'	@ 0.178 oz. / ton

- Contacted a number of the technical staff that were working at the Beauchastel property during the Augmitto exploration program to discuss the quality of the data that was recorded during these programs. These contacts reported that data obtained during the various programs was accurately recorded and could be relied upon.

During Armstrong's site visit, he discussed the data verification work that Yorbeau had completed with R. Kanwar and reviewed a number of cross sections, drill logs and the recent assay reports. He inspected several outcrops within the Cadillac-Larder Lake Break and noted a number of visible gold showings. At one location several grab samples were taken showing visible gold. Two of these samples subsequently assayed 1.186 and 2.559 oz. / ton respectively.

He also discussed the quality of the Augmitto data with a personal contact who worked as a geologist at the Beauchastel property from 1986 – 88. This contact reported that he was confident that the data as recorded on the drill logs and plotted on the geological sections is an accurate record of data collected.

Consequently, Armstrong concurs with Yorbeau's technical personnel that the data recorded during the Augmitto exploration programs and stored at the Beauchastel site should be considered reliable for the assessment of work completed to date and for the design of future programs.

15. ADJACENT PROPERTIES

There is no information to report in this section.

16. MINERAL PROCESSING AND METALLURGICAL TESTING

No mineral processing or metallurgical test work has been completed since Yorbeau acquired the Astoria II property.

17. MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

No Mineral Resource or Mineral Reserve estimates have been prepared for this property based on the requirements of National Instrument 43 – 101.

Armstrong does not consider the historical resource estimate to be relevant to the proposed bulk sampling program.

If the surface program demonstrates that the grade of material mined on a bulk basis within the Carbonate Zone contains a minimum grade of 0.08 oz. / ton, an underground program will be required to determine whether these grades extend to depth.

With the successful completion of the underground program, a resource estimate will be prepared using the CIM definitions as required in NI 43-101.

18. OTHER RELEVANT DATA AND INFORMATION

No additional information is required for this Technical Report to be understandable and not misleading.

19. INTERPRETATION AND CONCLUSIONS

19.1. Interpretation

A review of the data that is available for the Carbonate Zone on the Astoria II property highlights the following:

- The Carbonate Zone on the Astoria II property has been identified on surface over a strike length of 8,400 feet. On the west side of the property the zone has been identified to a depth of 2,000 feet. The zone dips north at about 80 degrees and varies in width from 40 to 300 feet.
- The Carbonate Zone appears to fracture easily and these fractures are filled with quartz veins which generally strike north-south across the Carbonate Zone with dips near to vertical. Diamond drill holes drilled at right angles to the Carbonate Zone would tend to round parallel to the quartz filled veins and reduce the number of quartz vein intersections.
- The gold in the deposit occurs primarily as free gold and coarse with 80% of the gold particles greater than 0.30 mm. Diamond drilling is not an effective way to assess the grade of a deposit containing this type of gold mineralization.
- A.C.A. Howe reported in their 1988 Feasibility Study that the results from the underground sampling program could not be used to establish the grade of the mined material due to significant dilution and problems homogenizing the samples.
- From 1979 to 1988, Augmitto attempted to identify an economic mineral deposit at the Beauchastel property within the Carbonate Zone. Their geological model predicted that there were zones of higher-grade material within the area of interest, which could be identified and mined selectively. In 1988, A.C.A Howe estimated a reserve¹ of 1,491,279 tons grading 0.186 ounces per ton based on this geological model.

However, the data as currently presented does not support the conclusion that the gold mineralization in the Carbonate Zone can be mined selectively. Discussions with the OSC's technical staff who reviewed the Augmitto's ore reserve¹ estimate confirmed that the OSC was not prepared to accept the estimates as presented and were prepared to make a very significant reduction in the estimate unless additional supporting information was provided.

Note 1

"Reserves and Resources" referred to in Section 6 were prepared prior to the release of National Instrument 43-101 and are included only as an historical record.

- Based on metallurgical test work by Lakefield Research, gold recoveries in excess of 95% are attainable using conventional processing techniques.

19.2. Conclusions

- The work completed to date on the Astoria II property has focused on mining high grade zones within the Carbonate Zone. To date this work has been unsuccessful due to a lack of grade continuity in the quartz veining.
- The Cadillac-Larder Lake Break has hosted a large number of significant gold producers including the Kerr Addison and Kirkland Lake camps in the west to the Malartic and Val d'Or camps in the east.

Yorbeau's consultant, R. Kanwar, who consulted for a number of years at the Kerr Addison property, has noted the similarity between the Carbonate Zone at the Astoria II property and the Kerr Addison Mine. Similar observations have been made by others including George Moody, P.Eng. in a 1966 report on the Beauchastel property and by A.C.A. Howe in their 1988 Feasibility Study which was prepared for Augmitto.

These people have noted the difficulty in obtaining reliable estimates of grade by using diamond-drilling techniques due to the irregularity of the distribution of gold mineralization. They have also noted that areas within the green carbonate in the Kerr Mine were mined economically across the entire carbonate package, although the initial diamond drilling programs did not predict economic grades. "Rules of thumb" were developed over time to relate the diamond drill results to the likely hood of the zone containing ore grade material.

- To date on the Astoria II property, no exploration program to evaluate the feasibility of bulk mining the Carbonate Zone has been carried out.

20. RECOMMENDATIONS

In order to assess the bulk mining grade within the Carbonate Zone, Yorbeau's Consultants, R. Kanwar and T. Gledhill, have proposed that a surface bulk sampling program be completed.

During his site visit, Armstrong reviewed:

- The objective of the program
- The bulk sample size and location where the samples will be mined
- The proposed bulk sample reduction process
- The proposed sample preparation and assaying procedures
- The budgeted costs for the program

Program Objective

Yorbeau's Consultants have proposed a preliminary mineral deposit model within the Carbonate Zone based on the following assumptions:

- Average width – 80'
- Strike length – 6,000'
- Vertical depth 1,000' below surface
- Dip - 75 degrees
- Grade 0.08 to 0.12 oz. / ton

The objective of the bulk sampling program is to determine whether the grade of material mined on a bulk basis within the Carbonate Zone will grade within the predicted range of 0.08 to 0.12 oz. / ton.

The work completed to date on the Astoria II property shows that the assumptions made with regard to the zone's dimensions and dip are reasonable. There is no definitive information to support the proposed range of gold grade but the following issues indicate that this range of grades is possible:

- The work completed by Augmitto on the property indicated that there are numerous anomalous gold grades within the Carbonate Zone.
- Sampling methods used to date on the Astoria II property have been inadequate given the coarseness of the free gold.
- The gold is found in quartz veins which generally strike north-south. Most of the surface and underground diamond drill holes were drilled north-south which would reduce the likelihood of intersecting these veins.
- Historical experience in a similar geological setting at the Kerr Addison Mine showed that the grades obtained by bulk mining in the Carbonate Zone over an extended period of time were higher than those indicated by diamond drilling.

Armstrong's assessment¹ of the proposed mineralization model, based on the information that is currently available for the property indicates that the deposit could be economic using open pit mining techniques and a discount rate of 10% assuming:

- an average grade of 0.10 oz. / ton and a gold price of \$US 350 per ounce
- an average grade of 0.08 oz. / ton and a gold price of \$US 415 per ounce

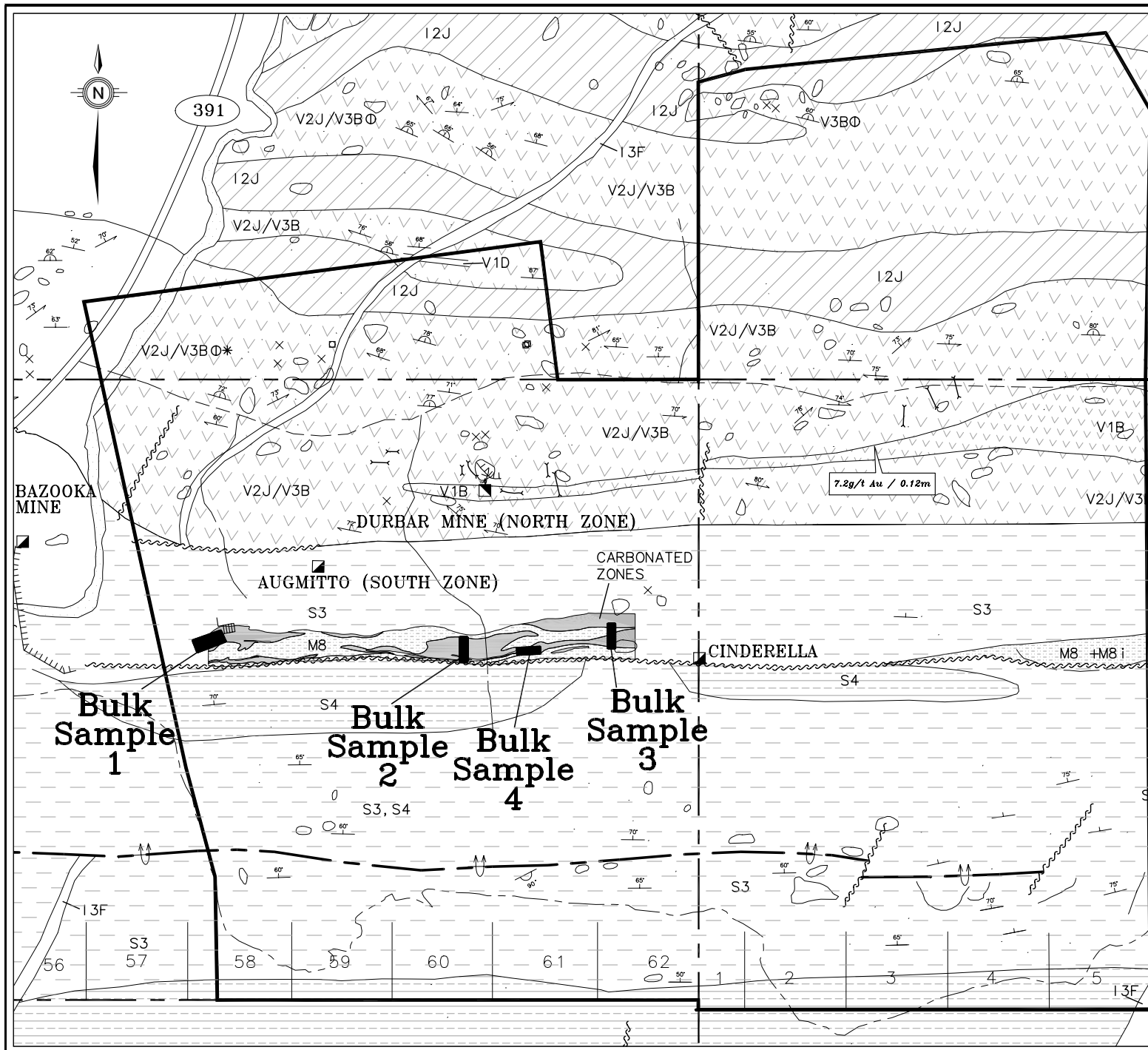
Note 1

This assessment was completed solely for the purposes of considering the viability of the proposed mineral deposit model in order to determine if it warranted further investigation.

Bulk Sample Location and Size

It is proposed to mine four, eighty-five hundred (8,500) ton bulk samples from within the Carbonate Zone on surface. The sample locations are shown on Figure 20 -1.

- The samples will be taken on surface to minimize the cost of this phase of the program. Access to underground workings completed by Augmitto would require that the mine be dewatered and underground services reestablished. Information obtained through surface sampling will be evaluated prior to considering the merits of an underground sampling program.
- The sample locations are situated along the strike of the Carbonate Zone over a distance of approximately 3,600 feet. Areas where the cost of removing the overburden was not prohibitive were selected to minimize the cost of this aspect of the program.
- The sample size is arbitrary but it is believed to be adequate to provide a representative grade in this area of the deposit.



LEGEND

- S3 Wacke
- S4 Conglomerate
- V1B Rhyolite
- V1D Dacite
- V2J Andesite
- V3B Basalt
- I2J Diorite
- I3F Quartz Diabase
- M8 Schist
- * Variolitic, spherulitic
- ⊙ Pillow
- ▣ Shaft, vertical, incline
- ▣ Mine working
- ⊙ DDH incline
- ⊙ DDH vertical
- ▣ Mineralized intersection
- ▣ Trenches
- ⊙ Outcrop: isolate, area
- ⊙ Fault, Shear zone
- Geological contact
- / Stratification; incline; unknown top, known top
- / Stratification; undetermined dip; unknown top, known top
- / Stratification; reverse; known top
- / Foliation; S1 plan; incline
- / Foliation; S2 plan; incline
- / Anticlines deversed; presumed axial plan
- / Synclines deversed; presumed axial plan

Scale : 1" = 1200'
 0 400 800 1200 ft.

YORBEAU RESOURCES INC.

ASTORIA II PROPERTY
 Bulk Sample Plan

(AUG0009.DWG)

Figure 20-1

Bulk Sample Reduction Process

There are currently no mineral processing facilities in place at the Astoria II property. In order to estimate the grade of the individual bulk samples, it is proposed to process the individual samples through a sampling plant in order to:

- Reduce the size of the material being sampled as it moves through the sample reduction process
- Reduce the amount of material which will be assayed to determine the grade of the individual bulk sample

The sampling process has been designed following the recommendations outlined in the Mining Engineer's Handbook by Peele. The size of the maximum diameter of the individual pieces in the sample will dictate the size of the sample selected for the next step in the sample reduction process.

Primary and secondary crushing will be used to reduce the pit run material to one half inch material or less with rolls crushers used to further reduce the sample to pass 20 mesh. Snyder and Vezin samplers will reduce the bulk sample (nominally 8,500 tons) to 0.0008% of the sample (nominally 136 lbs.).

This process has been designed to minimize any potential segregation of fines which could bias the outcome of the sampling reduction process. Fine material which will collect in the haulage trucks as the material is hauled to the sampling tower will be sampled in the field and assayed.

Figure 20-2 is a flow sheet showing the sample selection process from the pit run material in the bulk sample through to the sample with a particle size passing 20 mesh. Rejected material from any step in the process will be stored and can be used for additional testing as required.

Proposed Sample preparation and Assaying Procedures

Once the selected sample has been reduced to pass 20 mesh it will be riffled into four samples (each nominally 34 lbs.). Two of these samples will be archived at the mine site and each of the other two samples will be sent to different assay laboratories.

Each assay laboratory will be instructed to prepare their 34 pound sample following accepted gold assaying procedures including the provision for assaying for metallics.

Each assay laboratory will report a calculated head assay for the sample they receive based on the weighted average of three assays for the minus 150 mesh material and the assay for the material which collects on the 150 mesh screen.

Figure 20-3 is a flow sheet showing the proposed sample reduction and assaying process.

**Yorbeau Resources Inc. - Astoria II - Bulk Sampling Project
Flow Sheet of Proposed Sampling Process
Pit Run to 20 Mesh**

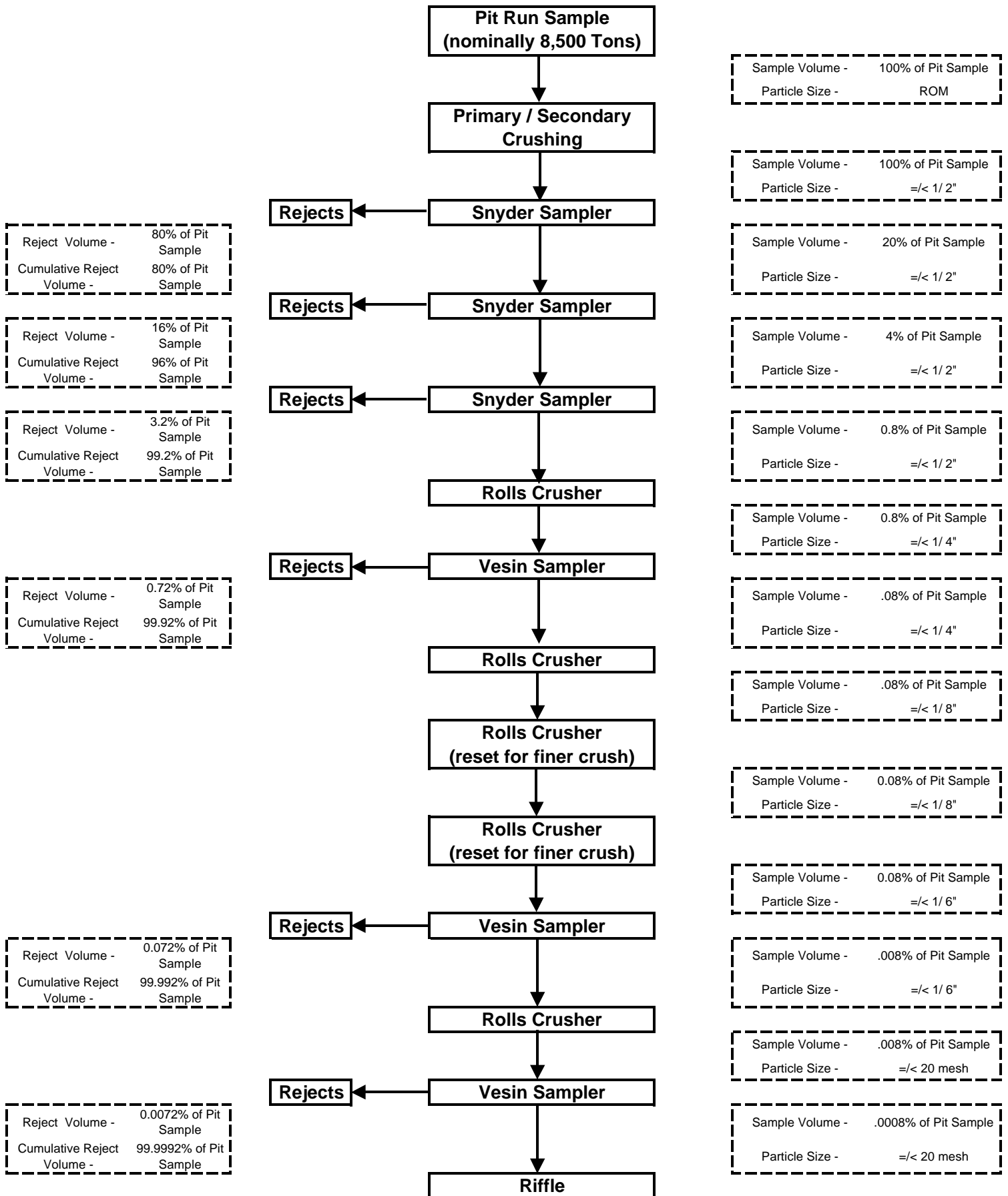


Figure 20-2

**Yorbeau Resources Inc. - Astoria II - Bulk Sampling Project
Flow Sheet of Proposed Sampling / Assaying Process
20 Mesh to Assay**

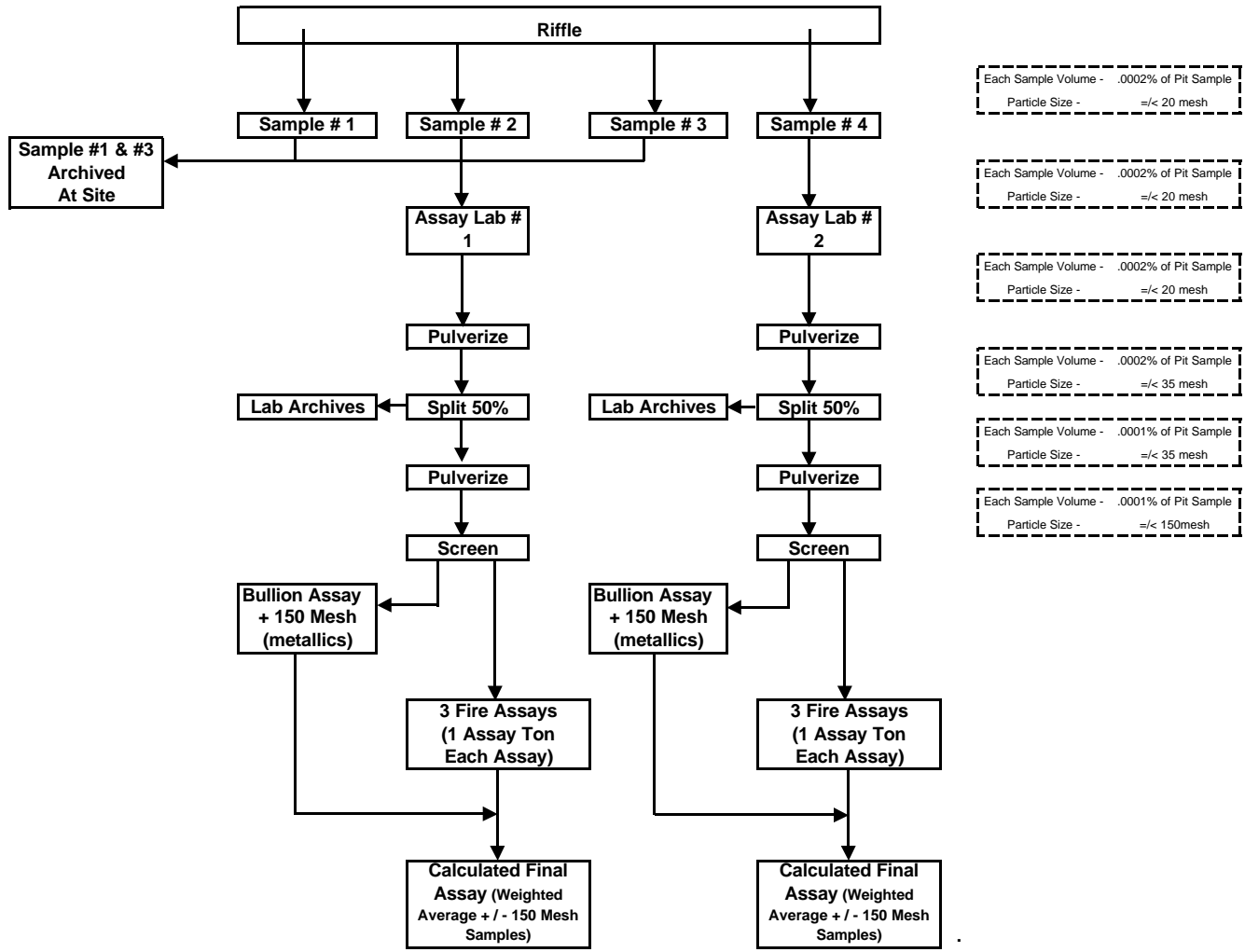


Figure 20-3

Program Costs

The budgeted costs for the proposed Bulk Sampling Program are listed in Table 20-1 below:

Table 20-1
Budget Cost – Astoria II Bulk Sampling Program

Contractor	
Removal of Overburden	\$25,378.00
Drill and Blast	\$136,200.00
Load and Transport	\$77,400.00
Crushing	\$147,000.00
Other Costs	\$53,390.00
Total	\$439,368.00
Sampling Tower	
Sample Tower Construction	\$32,500.00
Sample Tower Operation	\$23,600.00
Sampling / Crushing Equipment	\$39,000.00
Total	\$95,100.00
Staff - Consultants	
Local Overhead - Expenses	\$44,000.00
Assaying	\$13,000.00
Consultants	\$84,000.00
Total	\$141,000.00
Sub Total	\$675,468.00
Contingency 10%	\$67,546.80
Total Project Cost	\$743,000.00

The contractor costs are based on competitive quotes from three local contractors. The sampling tower will be constructed on site with additional equipment either rented or purchased for the project. Staff and Consultant costs are based on existing arrangements that are currently in place.

Armstrong recommends that the bulk sampling program be carried out as discussed above as an initial step to determine the grade of material that can be obtained by bulk

mining in the Carbonate Zone. The program must be closely controlled in the field and well documented to ensure that the data obtained is reliable and free from bias.

Future work will be dependent on the results of the bulk sampling program and may include:

- processing additional samples from the rejected portion of the four bulk samples to confirm initial results
- additional surface bulk sampling
- underground bulk sampling to assess the grade of the Carbonate Zone at depth

21. REFERENCES

- Feasibility Study Report on the Beauchastel Project prepared by A.C.A. Howe International Ltd. And F. Clyde Lendrum Consulting Ltd. for Augmitto Explorations Limited – 1988.
- A.C.A Howe International Limited - Vol. 1, Geology and Ore Reserves, Beauchastel Mine, 1988.
- Lakefield Research of Canada Limited, May 1981, - Augmitto Resources Ltd. – Project # 2444.
- Lakefield Research of Canada Limited, February 1987 - Progress Report No. 3.
- A Report on the Property of Paul Tremblay in Beauchastel Township, Quebec by George Moody, Engineer, September 12, 1966.
- April 17, 2000 memo from Tom Gledhill to George Bodnar.
- Mining Engineer's Handbook, Peele, 3rd Edition, Volume II, Section 29.
- Resume Des Travaux Anterieurs – Aline LeClair – Yorbeau Geologist, 2003.
- Geological Survey of Canada, Department of Mines and Technical Surveys, Memoir 315, Rouyn-Beauchastel Maps-Areas, Quebec, M. E. Wilson, 1959.
- Yorbeau Resources Inc. - 2002 Annual Report.
- Augmitto Explorations Limited - 1988 Annual Report.

22. ILLUSTRATIONS

Figure 4-1	Location Map	7
Figure 5-1	Property Map	12
Figure 7-1	Regional Geology	21
Figure 7-2	Property Geology	22
Figure 20-1	Bulk Sample Plan	40
Figure 20-2	Flow Sheet of Proposed Sampling Process	42
Figure 20-3	Flow Sheet of Proposed Sampling / Assaying Process	43