1. Title Page

REPORT

on the

BLUE ICE, WASHBURN, YANKEE and TAHOE DIAMOND PROPERTIES

VICTORIA ISLAND
NTS 77C, D, E, F and G

NORTHWEST TERRITORIES
and
NUNAVUT

for

DIAMONDS NORTH RESOURCES LTD.

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Orequest Consultants Ltd.
March 19, 2002

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3. Summary

Diamonds North Resources Ltd. has acquired the Blue Ice, Tahoe, Washburn and Yankee properties, made up of claims and prospecting permits which cover a total area of 1,388,743.55 acres, located in the Northwest Territories and Nunavut on Victoria Island, one of the larger islands of the Canadian Arctic Island archipelago. The properties have potential for diamond deposits.

The area is underlain Archean aged rocks covered by a thin veneer of Proterozoic sedimentary rocks. The Archean rocks constitute an extension of the Precambrian, Slave craton which hosts the diamond deposits in the Lac de Gras area of the Northwest Territories to the south. There are also a large number of dykes in the area, as indicated in magnetic surveys, that are considered instrumental in the emplacement of kimberlites.

Exploration on the properties, comprising airborne and ground magnetic surveys, kimberlite indicator mineral sampling, drilling and pitting, has discovered 16 kimberlite occurrences, consisting of 11 pipes and 5 dykes. The known dykes are indicated by aeromagnetic surveys to have a total length of 14 km. Several of occurrences are diamondiferous and exhibit mineral chemistry that is highly favourable with respect to diamond potential. Some of the recovered diamonds are gem quality macro-diamonds. The occurrences have only received a limited amount of drilling in one or two discovery holes, and their grade and size has not been determined.

All of the known kimberlite occurrences have been found by aeromagnetic surveys. The non-magnetic Paleozoic carbonate rocks which host the kimberlites produce a benign background response, and, in effect, act as a filter which separates the distinctive ‘sharp’ magnetic signature of the ‘shallow’ kimberlites from the more ‘rounded’ anomalies due to deeper features within the basement. Collectively, the properties host a large number of magnetic anomalies that exhibit the same distinctive signature as the known kimberlites. The anomalies include both pipe-like and dyke-like features.

The properties also host a large number of magnetic anomalies due to ‘deep’ pipe-like features. These features occur at depth in either the basement or possibly at intermediate depths within Proterozoic sediments. Drilling was attempted on a few of these anomalies, but it was unsuccessful because none of the holes drilled deep enough to penetrate the intended target. Because these features are buried, indicator mineral sampling will not work as a screening method.

There are a number of unexplained kimberlite indicator mineral anomalies on the properties. These include some highly anomalous results from the Blue Ice property which point to multiple kimberlite sources, which cannot readily be explained by 2 nearby, known kimberlites on the Tahoe property. The exploration done to date on the properties has relied heavily on magnetic methods and the scope of the indictor sampling has been limited and is, by no means, thorough enough to eliminate the possibility of non-magnetic kimberlites on the properties.

The Blue Ice, Tahoe, Washburn and Yankee properties host diamondiferous kimberlites that have not been thoroughly evaluated for their economic diamond potential; magnetic anomalies with signatures that are similar to the known kimberlites; magnetic anomalies due to deep pipe-like bodies and kimberlite indicator mineral anomalies whose provenance has not been resolved.

An exploration program, consisting of drilling the known kimberlites pipes, trenching the known kimberlite dykes, drilling magnetic targets and more indicator mineral sampling is recommended for the properties.

4. Introduction and Terms of Reference

(a) This report presents summary evaluation of the Blue Ice, Washburn , Yankee and Tahoe diamond properties, located on Victoria Island in the Canadian Arctic, for Diamonds North Resources Ltd. The report is done by an independent Qualified Person as required by the National Instrument 43-101, Standards of Disclosure for Mineral Properties, according to the format and content specified in Form 43-101F1, Technical Report.

(b) The purpose of the report is to support the information in a prospectus for Diamonds North Resources Ltd.

(c) Most of the information contained in this report comes from previous work done in the area as documented in reports listed under Section 23. References

(d) The author has acted as a geophysical consultant on the properties since 1993 when they were operated by Major General Resources Ltd., and worked directly on the Yankee property, the Washburn property and the Tahoe property, when it was formerly known as the Pinkmon property, during the round of exploration carried out in the fall of 2000. A visit to the properties on behalf of Diamonds North Resources Ltd. is not deemed necessary, at this time, because there is nothing material to see on the properties that would affect the conclusions and recommendations reached in this report.

5. Disclaimer

The information contained in this report comes from previous work done on the properties as obtained from the reports referenced, herein. The author has not verified the historical work, but the work was done by a number of recognized exploration and mining companies, registered professionals and reputable contractors and service companies. As a result, the author has no reason to question the veracity of the results.

6. Property Description and Location

(a) The Blue Ice property has an area of 874,949.43 acres. The Washburn property has an area of 132,120.25 acres. The Tahoe property has an area of 311,910.37 acres. And the Yankee property has an area of 69,764.5 acres.

(b) The properties are located in the Northwest Territories and Nunavut on Victoria Island in the Canadian Arctic. They are scattered between latitudes 69º and 72º N and longitudes 107º and 111º W, on NTS sheets 77C, D, E, F and G as shown on Figure 1.

(c) The properties consist of the claims and prospecting permits, in the case of the Blue Ice and Tahoe property, described in Tables I, II, III and IV and as shown on Figure 2a, 2b, 2c and 2d. As illustrated, the claims and permits are not necessarily contiguous. Major General Resources Ltd. is the registered owner of the claims with the exception of the JC claims in the Tahoe property that are registered in the name of Diamet Minerals Ltd.

TABLE I
Claim Status
Yankee Property

CLAIM NAME	CLAIM #	AREA (Acre)	RECORD DATE	ANNIVERSAY DATE
CA 2	F68432	2852.5	1-Dec-99	1-Dec-01
CA 3	F68433	2852.5	1-Dec-99	1-Dec-01
CA 4	F68434	2852.5	1-Dec-99	1-Dec-01
CA 5	F68435	2852.5	1-Dec-99	1-Dec-01
CA 6	F68436	2852.5	1-Dec-99	1-Dec-01
CA 8	F68438	2852.5	1-Dec-99	1-Dec-01
CA 9	F68439	2852.5	1-Dec-99	1-Dec-01
CA 17	F68447	2852.5	1-Dec-99	1-Dec-01
CA 18	F68448	2852.5	1-Dec-99	1-Dec-01
CA 19	F68449	2852.5	1-Dec-99	1-Dec-01
CA 20	F68450	2852.5	1-Dec-99	1-Dec-01
CA 21	F68451	2852.5	1-Dec-99	1-Dec-01
CA 22	F68452	2852.5	1-Dec-99	1-Dec-01
CA 23	F68453	2852.5	1-Dec-99	1-Dec-01
CA 25	F68455	1549.5	1-Dec-99	1-Dec-01
CA 28	F68458	2852.5	1-Dec-99	1-Dec-01
CA 29	F68459	2852.5	1-Dec-99	1-Dec-01
CA 30	F68460	2852.5	1-Dec-99	1-Dec-01
CA 31	F68461	2852.5	1-Dec-99	1-Dec-01
CA 32	F68461	2852.5	1-Dec-99	1-Dec-01
CA 33	F68461	2852.5	1-Dec-99	1-Dec-01
CA 34	F68461	2852.5	1-Dec-99	1-Dec-01

CLAIM NAME	CLAIM #	AREA (Acre)	RECORD DATE	ANNIVERSAY DATE
CA 35	F68461	2852.5	1-Dec-99	1-Dec-01
CA 36	F68461	1549.5	1-Dec-99	1-Dec-01
CA 37	F68461	1500.0	1-Dec-99	1-Dec-01
CA 38	F68461	2410.5	1-Dec-99	1-Dec-01

TABLE II
Claim Status
Blue Ice Property

CLAIM NAME	CLAIM #	AREA (Acres)	RECORD DATE	ANNIVERSARY DATE
P2404	Permit	61458	01-Feb-02	31-Jan-07
P2583	Permit	68543	01-Feb-02	31-Jan-07
P2584	Permit	68543	01-Feb-02	31-Jan-07
P2585	Permit	68543	01-Feb-02	31-Jan-07
P2586	Permit	68543	01-Feb-02	31-Jan-07
Fox 1	F70315	206.60	30-Aug-01	30-Aug-03
Fox 2	F64197	310.00	30-Aug-01	30-Aug-03
Fox 3	F64198	206.60	30-Aug-01	30-Aug-03
Fox 4	F71322	206.60	30-Aug-01	30-Aug-03
SY 1	F71021	2537.80	05-Jun-00	05-Jun-02
SY 2	F71022	2508.90	05-Jun-00	05-Jun-02
SY 3	F71023	2582.50	05-Jun-00	05-Jun-02
SY 4	F71024	2582.50	05-Jun-00	05-Jun-02
SY 5	F71025	2582.50	05-Jun-00	05-Jun-02
SY 6	F71026	2582.50	05-Jun-00	05-Jun-02
SY 7	F71027	2537.40	05-Jun-00	05-Jun-02
SY 8	F71028	2530.90	05-Jun-00	05-Jun-02
SY 9	F71029	2582.50	05-Jun-00	05-Jun-02
SY 10	F71030	2582.50	05-Jun-00	05-Jun-02
SY 11	F71031	2582.50	05-Jun-00	05-Jun-02
SY 12	F71032	2582.50	05-Jun-00	05-Jun-02
SY 13	F71033	2529.40	05-Jun-00	05-Jun-02
SY 14	F71034	2518.80	05-Jun-00	05-Jun-02
SY 15	F71035	2582.50	05-Jun-00	05-Jun-02
SY 16	F71036	2582.50	05-Jun-00	05-Jun-02
SY 17	F71037	2582.50	05-Jun-00	05-Jun-02
SY 18	F71038	2582.50	05-Jun-00	05-Jun-02
SY 19	F71039	2519.90	05-Jun-00	05-Jun-02
SY 20	F71040	2481.00	05-Jun-00	05-Jun-02
SY 21	F71041	2582.50	05-Jun-00	05-Jun-02

SY 22	F71042	2582.50	05-Jun-00	05-Jun-02
SY 23	F71043	2582.50	05-Jun-00	05-Jun-02
SY 24	F71044	2582.50	05-Jun-00	05-Jun-02
SY 25	F71045	286.40	05-Jun-00	05-Jun-02
SY 26	F71046	282.50	05-Jun-00	05-Jun-02
SY 27	F71047	284.80	05-Jun-00	05-Jun-02
SY 28	F71048	288.50	05-Jun-00	05-Jun-02
SY 29	F71049	285.20	05-Jun-00	05-Jun-02
SY 30	F71050	264.70	05-Jun-00	05-Jun-02
KA 1	F66521	2582.50	07-Apr-99	07-Apr-01
KA 2	F66522	2582.50	07-Apr-99	07-Apr-01
KA 4	F66524	2582.50	07-Apr-99	07-Apr-01
KA 5	F66525	2582.50	07-Apr-99	07-Apr-01
KA 10	F66530	2582.50	07-Apr-99	07-Apr-01
KA 11	F66531	2582.50	07-Apr-99	07-Apr-01
KA 17	F66537	2582.50	07-Apr-99	07-Apr-01
KA 18	F66538	2582.50	07-Apr-99	07-Apr-01
KA 29	F66549	2582.50	07-Apr-99	07-Apr-01
KA 30	F66550	2582.50	07-Apr-99	07-Apr-01
KA 41	F66561	2582.50	07-Apr-99	07-Apr-01
KA 36	F66556	2582.50	07-Apr-99	07-Apr-02
KA 37	F66557	2582.50	07-Apr-99	07-Apr-02
KA 42	F66562	2582.50	07-Apr-99	07-Apr-02
KA 43	F66563	2582.50	07-Apr-99	07-Apr-02
KA 44	F66564	2582.50	07-Apr-99	07-Apr-02
KA 45	F66565	2582.50	07-Apr-99	07-Apr-02
KA 46	F66566	2582.50	07-Apr-99	07-Apr-02
KA 47	F66567	2582.50	07-Apr-99	07-Apr-02
KA 48	F66568	2143.48	07-Apr-99	07-Apr-02
KA 50	F66570	2582.50	07-Apr-99	07-Apr-02
KA 51	F66571	2582.50	07-Apr-99	07-Apr-02
KA 52	F66572	2582.50	07-Apr-99	07-Apr-02
KA 53	F66573	2582.50	07-Apr-99	07-Apr-02
KA 54	F66574	2582.50	07-Apr-99	07-Apr-02
KA 55	F66575	2582.50	07-Apr-99	07-Apr-02
KA 56	F66576	2427.55	07-Apr-99	07-Apr-02
KA 59	F66579	2556.68	07-Apr-99	07-Apr-02
KA 61	F66581	2582.50	07-Apr-99	07-Apr-02
KA 62	F66582	2582.50	07-Apr-99	07-Apr-02
KA 63	F66583	2582.50	07-Apr-99	07-Apr-02
KA 64	F66584	2582.50	07-Apr-99	07-Apr-02
KA 68	F66588	1756.10	07-Apr-99	07-Apr-02

KA 69	F66589	1084.65	07-Apr-99	07-Apr-02
KA 70	F66590	2298.43	07-Apr-99	07-Apr-02
KA 71	F66591	2582.50	07-Apr-99	07-Apr-02
KA 72	F66592	1291.25	07-Apr-99	07-Apr-02
KA 73	F66593	2582.50	07-Apr-99	07-Apr-02
KA 74	F66594	2582.50	07-Apr-99	07-Apr-02
KA 75	F66595	2515.36	07-Apr-99	07-Apr-02
KA 76	F66596	2246.78	07-Apr-99	07-Apr-02
KA 77	F66597	2582.50	07-Apr-99	07-Apr-02
KA 78	F66598	1562.41	07-Apr-99	07-Apr-02
KA 79	F66599	2324.25	07-Apr-99	07-Apr-02
KA 81	F66601	2582.50	07-Apr-99	07-Apr-02
KA 82	F66602	2582.50	07-Apr-99	07-Apr-02
KA 83	F66603	2582.50	07-Apr-99	07-Apr-02
KA 84	F66604	2582.50	07-Apr-99	07-Apr-02
KA 85	F66605	2259.69	07-Apr-99	07-Apr-02
KA 86	F66606	2066.00	07-Apr-99	07-Apr-02
KA 87	F66607	2582.50	07-Apr-99	07-Apr-02
KA 88	F66608	2582.50	07-Apr-99	07-Apr-02
KA 89	F66609	2582.50	07-Apr-99	07-Apr-02
KA 90	F66610	2582.50	07-Apr-99	07-Apr-02
KA 91	F66611	2582.50	07-Apr-99	07-Apr-02
KA 92	F66612	2582.50	07-Apr-99	07-Apr-02
KA 93	F66613	2582.50	07-Apr-99	07-Apr-02
KA 94	F66614	2582.50	07-Apr-99	07-Apr-02
KA 95	F66615	2582.50	07-Apr-99	07-Apr-02
KA 96	F66616	2582.50	07-Apr-99	07-Apr-02
KA 97	F66617	2582.50	07-Apr-99	07-Apr-02
KA 98	F66618	516.50	07-Apr-99	07-Apr-02
KA 99	F66619	2582.50	07-Apr-99	07-Apr-02
KA 100	F66620	516.50	07-Apr-99	07-Apr-02
KA 101	F66621	2285.50	07-Apr-99	07-Apr-02
KA 102	F66622	2582.50	07-Apr-99	07-Apr-02
KA 103	F66623	2479.20	07-Apr-99	07-Apr-02
KA 104	F66624	2582.50	07-Apr-99	07-Apr-02
KA 105	F66625	2582.50	07-Apr-99	07-Apr-02
KA 106	F66626	2582.50	07-Apr-99	07-Apr-02
KA 107	F66627	2582.50	07-Apr-99	07-Apr-02
KA 108	F66628	2582.50	07-Apr-99	07-Apr-02
KA 109	F66629	2582.50	07-Apr-99	07-Apr-02
EG1	F68303	2582.50	19-May-00	19-May-02
EG2	F68304	2582.50	19-May-00	19-May-02

EG3	F68305	2582.50	19-May-00	19-May-02
EG4	F68306	2582.50	19-May-00	19-May-02
EG5	F68307	1549.50	19-May-00	19-May-02
EG6	F68308	1549.50	19-May-00	19-May-02
EG7	F68309	1704.45	19-May-00	19-May-02
EG8	F68310	1258.70	19-May-00	19-May-02
EG9	F68311	1861.50	19-May-00	19-May-02
EG10	F68312	2582.50	19-May-00	19-May-02
EG11	F68313	2582.50	19-May-00	19-May-02
EG12	F68314	2582.50	19-May-00	19-May-02
EG13	F68315	2582.50	19-May-00	19-May-02
EG14	F68316	2582.50	19-May-00	19-May-02
EG15	F68317	2582.50	19-May-00	19-May-02
EG16	F68318	1871.30	19-May-00	19-May-02
EG17	F68319	2582.50	19-May-00	19-May-02
EG18	F68320	2582.50	19-May-00	19-May-02
EG19	F68321	2582.50	19-May-00	19-May-02
EG20	F68322	2582.50	19-May-00	19-May-02
EG21	F68323	2582.50	19-May-00	19-May-02
EG22	F68324	2582.50	19-May-00	19-May-02
EG23	F68325	1895.50	19-May-00	19-May-02
EG24	F68326	2582.50	19-May-00	19-May-02
EG25	F68327	2582.50	19-May-00	19-May-02
EG26	F68328	2582.50	19-May-00	19-May-02
EG27	F68329	2582.50	19-May-00	19-May-02
EG28	F68330	2582.50	19-May-00	19-May-02
EG29	F68331	2582.50	19-May-00	19-May-02
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EG32	F68352	2582.50	19-May-00	19-May-02
EG33	F68353	2582.50	19-May-00	19-May-02
EG34	F68354	2582.50	19-May-00	19-May-02
EG35	F68355	2582.50	19-May-00	19-May-02
EG36	F68356	2582.50	19-May-00	19-May-02
EG37	F68357	2582.50	19-May-00	19-May-02
EG38	F68358	2582.50	19-May-00	19-May-02
EG39	F68359	2582.50	19-May-00	19-May-02
EG40	F68360	2582.50	19-May-00	19-May-02
EG41	F68361	2582.50	19-May-00	19-May-02
EG42	F68362	2582.50	19-May-00	19-May-02
EG43	F68363	2582.50	19-May-00	19-May-02
EG44	F68364	2582.50	19-May-00	19-May-02

EG45	F68365	2582.50	19-May-00	19-May-02
EG46	F68366	2582.50	19-May-00	19-May-02
EG47	F68367	2066.00	19-May-00	19-May-02
EG48	F68368	2066.00	19-May-00	19-May-02
EG49	F68369	2582.50	19-May-00	19-May-02
EG50	F68370	2256.40	19-May-00	19-May-02
EG51	F68371	2066.00	19-May-00	19-May-02
EG52	F68372	2066.00	19-May-00	19-May-02
EG53	F68373	2169.30	19-May-00	19-May-02
EG54	F68374	2582.50	19-May-00	19-May-02
EG55	F68375	2066.00	19-May-00	19-May-02
EG56	F68376	2066.00	19-May-00	19-May-02
EG57	F68377	2582.50	19-May-00	19-May-02
EG58	F68378	2066.00	19-May-00	19-May-02
EG59	F68379	2582.50	19-May-00	19-May-02
EG60	F68380	2066.00	19-May-00	19-May-02
EG61	F68381	2582.50	19-May-00	19-May-02
EG62	F68382	2033.00	19-May-00	19-May-02
EG63	F68383	2582.50	19-May-00	19-May-02
EG64	F68384	2582.50	19-May-00	19-May-02
EG65	F68385	2066.00	19-May-00	19-May-02
EG66	F68386	2066.00	19-May-00	19-May-02
EG67	F68387	2582.50	19-May-00	19-May-02
EG68	F68388	1652.80	19-May-00	19-May-02
EG69	F68389	2066.00	19-May-00	19-May-02
EG70	F68390	2582.50	19-May-00	19-May-02
EG71	F68391	2582.50	19-May-00	19-May-02
EG72	F68392	2582.50	19-May-00	19-May-02
EG73	F68393	2582.50	19-May-00	19-May-02
EG74	F68394	2582.50	19-May-00	19-May-02
EG75	F68395	2582.50	19-May-00	19-May-02
EG76	F68396	2582.50	19-May-00	19-May-02
EG77	F68397	2582.50	19-May-00	19-May-02
EG78	F68398	2582.50	19-May-00	19-May-02
EG79	F68399	2582.50	19-May-00	19-May-02
EG80	F68400	2582.50	19-May-00	19-May-02
EG81	F68401	2582.50	19-May-00	19-May-02
EG82	F68402	2582.50	19-May-00	19-May-02
EG83	F68403	2582.50	19-May-00	19-May-02
EG84	F68404	2582.50	19-May-00	19-May-02
EG85	F68872	2582.50	19-May-00	19-May-02
EG86	F68873	2582.50	19-May-00	19-May-02

EG87	F68874	2169.30	19-May-00	19-May-02
EG88	F68875	2582.50	19-May-00	19-May-02
EG89	F68876	2582.50	19-May-00	19-May-02
EG90	F68877	2582.50	19-May-00	19-May-02
EG91	F68878	2582.50	19-May-00	19-May-02
EG92	F68879	2582.50	19-May-00	19-May-02
EG93	F68880	2582.50	19-May-00	19-May-02
EG94	F68881	2582.50	19-May-00	19-May-02
EG95	F68882	2582.50	19-May-00	19-May-02
EG96	F68883	1491.50	19-May-00	19-May-02
EG97	F68884	2582.50	19-May-00	19-May-02
EG98	F68885	950.40	19-May-00	19-May-02
EG99	F68886	1875.80	19-May-00	19-May-02
EG100	F68887	2582.50	19-May-00	19-May-02
EG101	F68888	1076.20	19-May-00	19-May-02
EG102	F68889	855.30	19-May-00	19-May-02
EG103	F68890	2582.50	19-May-00	19-May-02
EG104	F68891	929.80	19-May-00	19-May-02
EG105	F68892	1033.00	19-May-00	19-May-02
EG106	F68893	2582.50	19-May-00	19-May-02
EG107	F68894	2066.00	19-May-00	19-May-02
EG108	F68895	2582.50	19-May-00	19-May-02
EG109	F68896	2582.50	19-May-00	19-May-02
EG110	F68897	2582.50	19-May-00	19-May-02
EG111	F68898	2582.50	19-May-00	19-May-02
EG112	F68899	2582.50	19-May-00	19-May-02
EG113	F68900	2582.50	19-May-00	19-May-02
EG114	F68901	2130.10	19-May-00	19-May-02
EG115	F68902	1291.25	19-May-00	19-May-02
EG116	F68903	2582.50	19-May-00	19-May-02
EG117	F68904	2582.50	19-May-00	19-May-02
EG118	F68905	2582.50	19-May-00	19-May-02
EG119	F68906	2582.50	19-May-00	19-May-02
EG120	F68907	2582.50	19-May-00	19-May-02
EG121	F68908	2582.50	19-May-00	19-May-02
EG122	F68909	2582.50	19-May-00	19-May-02
EG123	F68910	2582.50	19-May-00	19-May-02

TABLE III
Claim Status
Washburn Property

CLAIM NAME	CLAIM #	AREA Acres	RECORD DATE	ANNIVERSARY DATE
TA 78	F64288	2582.50	06-Jul-98	06-Jul-02
MON 4	F66008	2582.50	11-Dec-98	11-Dec-01
MON 5	F66009	2582.50	11-Dec-98	11-Dec-01
MON 6	F66010	2582.50	11-Dec-98	11-Dec-01
MON 7	F66011	2582.50	11-Dec-98	11-Dec-01
MON 11	F65966	2582.50	11-Dec-98	11-Dec-01
MON 12	F65967	2582.50	11-Dec-98	11-Dec-01
MON 13	F65968	2582.50	11-Dec-98	11-Dec-01
MON 14	F65969	2582.50	11-Dec-98	11-Dec-01
MON 15	F65970	2582.50	11-Dec-98	11-Dec-01
MON 16	F65971	2582.50	11-Dec-98	11-Dec-01
MON 17	F65972	2582.50	11-Dec-98	11-Dec-01
MON 18	F65973	2582.50	11-Dec-98	11-Dec-01
MON 19	F65974	2582.50	11-Dec-98	11-Dec-01
MON 20	F65975	2582.50	11-Dec-98	11-Dec-01
MON 21	F65976	2582.50	11-Dec-98	11-Dec-01
MON 22	F65977	2582.50	11-Dec-98	11-Dec-01
MON 23	F65978	2582.50	11-Dec-98	11-Dec-01
MON 24	F65979	2582.50	11-Dec-98	11-Dec-01
MON 25	F65980	2530.85	11-Dec-98	11-Dec-01
MON 26	F65981	2530.85	11-Dec-98	11-Dec-01
MON 27	F65982	2530.85	11-Dec-98	11-Dec-01
MON 28	F65983	2530.85	11-Dec-98	11-Dec-01
MON 29	F65984	2582.50	11-Dec-98	11-Dec-01
MON 30	F65985	2582.50	11-Dec-98	11-Dec-01
MON 31	F65986	2582.50	11-Dec-98	11-Dec-08
MON 32	F65987	2582.50	11-Dec-98	11-Dec-08
MON 33	F65988	2582.50	11-Dec-98	11-Dec-01
MON 34	F65989	2582.50	11-Dec-98	11-Dec-01
MON 35	F65990	2582.50	11-Dec-98	11-Dec-01
MON 36	F65991	2582.50	11-Dec-98	11-Dec-01
MON 37	F65992	2582.50	11-Dec-98	11-Dec-01
MON 38	F65993	2582.50	11-Dec-98	11-Dec-01
MON 39	F65994	2582.50	11-Dec-98	11-Dec-01
MON 40	F65995	2582.50	11-Dec-98	11-Dec-01
MON 41	F65996	2582.50	11-Dec-98	11-Dec-04
MON 42	F65997	2582.50	11-Dec-98	11-Dec-01

MON 43	F65998	2582.50	11-Dec-98	11-Dec-01
MON 44	F65999	2169.30	11-Dec-98	11-Dec-01
MON 45	F66000	1549.50	11-Dec-98	11-Dec-01
MON 46	F66001	2169.30	11-Dec-98	11-Dec-01
MON 50	F66015	1084.65	11-Dec-98	11-Dec-01
MON 51	F66016	1807.25	11-Dec-98	11-Dec-01
MON 52	F66017	1807.75	11-Dec-98	11-Dec-01
MON 53	F66018	1446.20	11-Dec-98	11-Dec-01
MON 54	F66019	1549.50	11-Dec-98	11-Dec-01
MON 55	F66020	2582.50	11-Dec-98	11-Dec-01
MON 56	F66021	2066.00	11-Dec-98	11-Dec-01
MON 57	F66022	2066.00	11-Dec-98	11-Dec-01
MON 58	F66023	2324.30	11-Dec-98	11-Dec-01
MGJ 1	F64810	1446.20	24-Jun-98	24-Jun-02
MGJ 2	F64811	2530.85	24-Jun-98	24-Jun-02
MGJ 4	F64813	2530.85	24-Jun-98	24-Jun-02
MGJ 5	F64814	2530.85	24-Jun-98	24-Jun-02
MGJ 7	F64816	2530.85	24-Jun-98	24-Jun-02

TABLE IV
Claim Status
Tahoe Property

CLAIM NAME	CLAIM #	SIZE (Acres)	RECORD DATE	ANNIVERSARY DATE
P2253	Permit	65407.00	01-Feb-99	01-Feb-04
P2254	Permit	65407.00	01-Feb-99	01-Feb-04
P2255	Permit	65407.00	01-Feb-99	01-Feb-04
KA 49	F66569	2530.85	07-Apr-99	07-Apr-03
KA 57	F66577	903.88	07-Apr-99	07-Apr-03
KA 58	F66578	2375.90	07-Apr-99	07-Apr-03
KA 60	F66580	2582.50	07-Apr-99	07-Apr-03
KA 65	F66585	2582.50	07-Apr-99	07-Apr-05
KA 66	F66586	2582.50	07-Apr-99	07-Apr-03
KA 67	F66587	2517.94	07-Apr-99	07-Apr-03
KA 80	F66600	2582.50	07-Apr-99	07-Apr-04
JC 1	F68344	1290.00	10-Dec-99	10-Dec-01
JC 2	F68343	1635.00	10-Dec-99	10-Dec-01
JC 3	F68340	2046.00	10-Dec-99	10-Dec-01

JC 8	F68342	2296.00	10-Dec-99	10-Dec-01
JC 9	F68341	1899.00	10-Dec-99	10-Dec-01
JC 10	F68338	2391.00	10-Dec-99	10-Dec-01
JC 11	F68337	1234.00	10-Dec-99	10-Dec-01
JC 12	F68349	2557.00	10-Dec-99	10-Dec-01
JC 13	F68335	2216.00	10-Dec-99	10-Dec-01
JC 14	F68336	1165.00	10-Dec-99	10-Dec-01
JC 15	F68348	2530.00	10-Dec-99	10-Dec-01
JC 17	F68333	1724.00	10-Dec-99	10-Dec-01
JC 18	F68334	1523.00	10-Dec-99	10-Dec-01
JC 19	F68910	1549.50	25-May-00	25-May-02
JC 20	F68911	1549.50	25-May-00	25-May-02
JC 21	F68912	1879.70	25-May-00	25-May-02
JC 22	F68913	1867.70	25-May-00	25-May-02
JC 23	F68914	1854.10	25-May-00	25-May-02
JC 24	F68915	1844.30	25-May-00	25-May-02
JC 25	F68916	516.50	25-May-00	25-May-02
JC 26	F68917	2066.00	25-May-00	25-May-02
Mon 8	F66012	2582.50	11-Dec-98	11-Dec-08
Mon 9	F66013	2582.50	11-Dec-98	11-Dec-08
Mon 10	F66014	2582.50	11-Dec-98	11-Dec-08
Mon 59	F66024	2582.50	11-Dec-98	11-Dec-08
Mon 60	F66025	2582.50	11-Dec-98	11-Dec-08
Mon 61	F66026	2582.50	11-Dec-98	11-Dec-08
Mon 65	F66027	2582.50	11-Dec-98	11-Dec-04
Mon 68	F65906	2582.50	11-Dec-98	11-Dec-03
Mon 70	F65908	2582.50	11-Dec-98	11-Dec-03
Mon 71	F65909	2582.50	11-Dec-98	11-Dec-02
Mon 74	F66027	2582.50	11-Dec-98	11-Dec-02
Mon 75	F66028	2582.50	11-Dec-98	11-Dec-02
Mon 76	F66029	2582.50	11-Dec-98	11-Dec-08
Mon 77	F66030	2582.50	11-Dec-98	11-Dec-07
Mon 78	F66031	2582.50	11-Dec-98	11-Dec-08
Mon 79	F66032	2582.50	11-Dec-98	11-Dec-08
Mon 80	F66033	2582.50	11-Dec-98	11-Dec-08
Mon 81	F66034	2582.50	11-Dec-98	11-Dec-08
Mon 82	F66035	2582.50	11-Dec-98	11-Dec-08

Mon 83	F66036	2582.50	11-Dec-98	11-Dec-08
Mon 84	F66037	2582.50	11-Dec-98	11-Dec-08
Mon 85	F66038	2582.50	11-Dec-98	11-Dec-08
Mon 86	F66039	2582.50	11-Dec-98	11-Dec-03

(d) The Department of Indian Affairs and Northern Development (DIAND) administer mineral claims and prospecting permits in the Northwest Territories and Nunavut, according to the Canadian Mines Act.

The annual assessment work for claims is $2.00 per acre. The assessment work due for the first 2 years in life of a claim is deferred to the second year; thereafter the assessment work must be filed annually. A refundable extension payment may be posted in lieu of assessment to keep the claims in good standing. The assessment work report or the extension must be filed within 3 months of the anniversary date of the claim, which effectively extends the life of the claims for an additional 3 months beyond the anniversary date. And in practice, if assessment work has been filed, the claims remain in good standing until the assessment work has been approved. Claims have a maximum life of 10 years after which they must be taken to lease that requires a legal land survey.

Prospecting permits have a term of 5 years. Assessment work requirements on permits are; $0.10 per acre for the first two years, $0.20 per acre for the second 2 years and $0.40 for the fifth year. A report on the exploration work on a permit with a detailed statement of expenditures must be submitted within 60 days of the end of each work period.

(e) None of the claims has been surveyed by a legal land survey.

(f) There are no known significant man-made features on the property. Known kimberlite occurrences and sample sites are illustrated on the accompanying maps.

(g) The properties are subject to the following ownership interests and agreements.

Blue Ice Property

The Blue Ice property is 100% owned by Diamonds North Resources Ltd.

Tahoe Property

By agreement dated March 2, 2001, effective from August 26, 1999 Diamet Minerals Ltd. has and an option to earn a 51% interest in the claims by paying $24,374 (paid) and by incurring work related expenditures aggregating $4,500,000 in accordance with the following time schedule:

DATE: on or before April 30:	$ AMOUNT
2000	$200,000 (completed)
2001	an additional $530,000 (completed)
2002	an additional $800,000 (completed)
2003	an additional $1,240,000
2004	an additional $1,700,000
TOTAL	$4,500,000

Diamet Minerals Ltd. is a wholly owned subsidiary of BHP-Billiton Ltd.

The Mon claims of the Tahoe property listed in Table IV are subject to a letter agreement dated August 3, 2000 with Monopros Limited of Toronto, Ontario which gives Monopros a 1.5% gross overriding royalty to Monopros. In addition, the agreement provides that all diamonds recovered in commercial quantities, exceeding 1 million carats/year, from any mine constructed or developed on the claims are to be sold to the Central Selling Organization (CSO), or otherwise, as the CSO may direct on standard terms and conditions in force in current contracts between the CSO and other diamond producers. DeBeers Consolidated Mines Limited (DeBeers) indirectly owns all of the outstanding shares of Monopros. Monopros has informed the Company that DeBeers has a significant financial interest in the CSO. The agreement also provides that if a mill is designated and built to produce 1,000,000 carats or more per year from the claims, then, within one year of the mill being commissioned, a payment of $12,000,000 shall be paid to Monopros.

As of March 1, 2002 Diamet has incurred work expenditures currently estimated at $1,700,000 toward the aggregate $4.5 million required for it to exercise its option and acquire a 51% interest in the Tahoe property.

If Diamet exercises its option, a joint venture will be established a joint venture and thereafter, the parties shall have the right to contribute to future expenditures on a pro rata basis. If a party fails to contribute its proportional share of the expenditures of the joint venture its interest shall be reduced by application of the standard industry dilution provisions. If a party's interest is reduced to less than 10% by operation of standard dilution provisions, the interest of that party shall be relinquished to the other and the relinquishing party shall have no other interest in the Tahoe property and joint venture except a right to receive a 2% royalty on diamond production and a 2% net smelter return royalty on other mineral production from the Tahoe property. If the interest of a party to the joint venture is reduced to a royalty interest, the other party may purchase one-half of such royalty interest at any time within 90 days of commencement of commercial production in consideration of the payment of $5,000,000.

Once established, the joint venture shall be managed by management committee composed of one member of each of the Diamonds North Resources and Diamet. Each member of the management committee shall have a number of votes consistent with its participating interest in the joint venture. The operator of the joint venture shall be the participating party with the greatest participating interest in the joint venture. Initially, Diamet will be the operator.

Washburn Property

The Washburn property is subject to a joint venture agreement in the exploration and development of the property with Ascot Resources Ltd. The initial interests of the parties in the joint venture is the Diamonds North Resources 51.451965% and Ascot Resources 48.548035%. If a party fails to contribute its proportional share of the expenditures of the joint venture its interest shall be reduced by application of the standard industry dilution provisions. If a party's interest is reduced to 10% or less by operation of standard dilution provisions, the interest of that party shall be relinquished to the other and the relinquishing party shall have no other interest in the Washburn property and joint venture except a right to receive a royalty equal to 10% of net profits in the production from the Washburn property.

The joint venture is managed by management committee composed of one member of each party, in which each member has a number of votes consistent with its participating interest in the joint venture. Currently, Diamonds North Resources is the operators.

The Washburn property was initially acquired by Diamonds North Resources and Ascot Ascot for the cost of staking. For a time, the Washburn property was under option by Monopros Limited who did work on the claims which was in sufficient to acquire an interest.

Yankee Property

The Yankee property is subject to an agreement with Hawkeye Gold International Inc, Hawkeye acquired an initial 33-1/3% interest in the Yankee property by paying $49,000 as a reimbursement of estimated costs incurred by Diamonds North Resources on the property, issuing 100,000 common shares of Hawkeye and incurring expenditures aggregating approximately $200,000. Hawkeye may earn an additional 16-2/3% interest in the Yankee Claims by incurring expenditures aggregating $540,000 on or before September 30, 2002 and issuing an additional 50,000 common shares of Hawkeye. If Hawkeye acquires the additional 16-2/3% interest, the parties have agreed that their future joint activities in respect of the Yankee property shall be governed by a joint venture agreement, the particulars of which have not been finalized as of this date.

(h) The author is not aware of any pre-existing environmental liabilities on the properties for which Diamonds North Resources could eventually be found responsible. The regulations for environmental remedial measures for any significant surface disturbance, including access roads, trenches and drill sites are specified in the Territorial Lands Act for both the Northwest Territories and Nunavut. Basically, the land must be returned as near as possible to the condition that existed prior to the disturbance and all temporary equipment and facilities must be removed.

(i) To carry out exploration in the Northwest Territories and Nunavut that entails any appreciable impact on the land or water requires a Land Use permit and a Water permit. These permits may obtained, at a nominal cost, from the Land Administration Agency of DIAND and the Nunavut Water Board, respectively, in the case of Nunavut and the appropriate agencies of the government of the Northwest Territories. At this time, Diamonds North Resources through Major General Resources has requisite permits for Nunavut where the exploration camp will be located and the majority of the work will take place.

7. Accessibility, Climate, Local Resources, Infrastructure and Physiography

(a) Topographically, central Victoria Island is a flat to rolling peneplain at an average elevation of 150 m asl, that is riddled with numerous small lakes, many of which have no connected drainage, and a few large lakes. The surface is glacial till with boulder fields of slabby, frost heaved boulders of Paleozoic carbonate rocks. Bedrock outcrops of Paleozoic carbonate in the form of mounds and low hills rocks are scattered throughout the area. There are several long sinuous eskers, and raised beaches and strandlines are common.

(b) Vegetation is typical of Arctic tundra terrain with sparse lichens, moss, sedge, grasses, Labrador tea bushes and dwarf willow and stunted birch trees in and around watercourses.

(c) The properties are accessible by aircraft from Cambridge Bay which has a permanent population of around 2,000. Landing sites in the summer time for wheeled, fixed-wing aircraft are restricted to a few suitable eskers. In the winter, ski equipped fixed-wing aircraft can land on any number of the frozen lakes in the area. Larger, heavy-lift, fixed-wing aircraft, such as the Hercules C140 could land on the larger lakes in the winter following preparation of a landing strip. Heavy equipment could also be transported in overland in the winter by snowcat trains. Access in and around the properties for exploration is best achieved by helicopter.

(d) There are no human residents in the area. The closest community is Cambridge Bay on the Coronation Gulf about 200 km to the southeast from the center of the properties.

(e) The climate is severe in winter, averaging about –30º C, and thin snow cover, frozen ground, and Lake Ice generally persist from about Sept to June. Average summer temperature is about 10º C.

(f) Cambridge Bay is serviced by daily commercial flights from Yellowknife in the summer. Cambridge Bay has limited resources to support exploration and supplies and equipment are best brought in from Yellowknife which has a cadre of exploration service companies, owing to a long history of gold mining in the area and the recent exploration and development of diamonds the Lac de Gras area. Heavy equipment and fuel may also be brought from the south by the annual freighter service from Montreal.

8. History

Kimberlite exploration on Victoria Island began in 1993 with the acquisition of ground by Cominco Ltd. and by Major General Resources Ltd., the latter in joint venture with Ascot Resources Ltd. The parties recognized the possibility that the Archean rocks, beneath the thin Paleozoic carbonate rocks of the eastern half of Victoria Island, were part of the Slave Province, which was then proving to contain a number of diamondiferous kimberlite pipes in the Lac de Gras area and other areas to the south. This was a new concept, as the area was not then generally recognized as part of the Slave Province and had not received consideration for diamond exploration like the Slave Province. Key maps in a review paper on the Slave Province by Padgham and Fyson (1992) stop on the mainland Arctic coast, while a review paper on kimberlites in the Slave Craton by Pell (1997) mentions neither any exploration activity nor diamond potential on Victoria Island.

Fixed-wing airborne magnetic surveys were flown over parts of Victoria Island by Aeroquest Ltd. in 1993, and in the summer of 1994 kimberlite exploration on the Ascot-Major General ground included extensive kimberlite indicator mineral sampling of tills and eskers, geochemical sampling of lake sediment and tills, and ground magnetic surveys (Szabo and Sandberg, 1995). The Ascot–MAJOR GENERAL JV carried out follow-up sampling in 1995 and 2 high-resolution airborne magnetic surveys and ground magnetic surveys on 11 blocks were done. The heavy mineral sampling returned anomalous kimberlite indictor mineral results and the airborne magnetic surveys outlined an anomaly that later proved to be the Snowy Owl pipe and several linear magnetic features that proved to be kimberlite dykes.

Bedrock mapping and dating by the GSC, in association with the 1994 Ascot- Major General program under an Industrial Partners Project Agreement, established that the Wellington Inlier to the east of the area contains granitic rocks with an age of Archean age at 2,601+- 3 Ma, confirming that the basement is the northern extension of the Slave Province (LeCheminant at al, 1996).

In 1994, despite this confirmation of Archean basement, and of the presence of kimberlitic indicator minerals on the Major General-Ascot ground, there was some opinion that, since Victoria Island is so close to a significant centre of dike, sill and lava emplacement (LeCheminant and Heaman, 1989), the associated thermal plume had likely destroyed most diamonds in this part of the mantle. Proton Probe trace element analyses by W.L. Griffin and his group at the CSIRO in Australia, on samples sent from the Major General-Ascot JV, seemed to confirm such opinions. These data were interpreted as indicating a Proterozoic type of mantle, distinct from that below the central Slave, with a higher-temperature geotherm and less diamond potential. The most optimistic potential for diamonds was estimated by Griffin (1995) as no higher than 30ct/100t, likely uneconomic in this location. The Proton Probe data was later re-interpreted by G.H. Read (Read, 1996, 1997) as indicating a much cooler geotherm, and better diamond potential was predicted. Read thought that the garnet selection sent to Griffin had not included the sub-calcic garnets found in some samples, he suggested a cooler geotherm of about 38 mW/ m^2 was more likely, and that kimberlites could have sampled rocks within the “diamond window”. He also thought that eclogitic garnets which had been overlooked in the analysis

screening procedure, might be more common than previous reports had indicated, and therefore the eclogitic diamond contribution had been under-estimated.

Monopros began exploration on Victoria Island north of the Ascot-Major General ground in 1994, entering a reciprocal access and earn-in agreement with WMC International Mining Ltd. on a number of permits, with Monopros exploring for diamonds, and WMC for base and precious metals. A fixed-wing airborne geophysical survey was flown in 1995, and sediment sampling and regional mapping was done in 1994 and 1995 (Wood, 1998). In 1996–1997 Monopros collected 833 samples, mostly tills, for kimberlite indicator mineral analysis. They also covered all or part of 66 of 110 permits with a fixed-wing airborne magnetic survey, and in 1997 anomalies of high interest were followed up by a Dighem helicopter-borne magnetic survey on 22 blocks, totaling 5,200 line km (Smith, 1997). In 1997 Monopros (Wood, 1998) carried out reverse circulation drilling on 17 magnetic anomalies on their ground, drilling 26 holes totaling 1,128m, and found 6 kimberlite bodies, named Jaeger, Turnstone, King Eider, Snow Goose, Sandpiper and Snow Bunting, now located on certain Mon claims of the Tahoe property.

In 1998 Monopros drilled a total of 643.2 m, including 22 holes on their own ground to the north, only 2 of which encountered kimberlite in the Pintail and Sanderling pipes. Monopros also entered into a JV with Major General and Ascot on the Washburn Lake and other properties. The fixed-wing survey flown by Aeroquest in 1993 over this ground was re-processed, and detailed helicopter–borne surveys were flown over selected areas. In 1998 Monopros sampled 185 sediments for kimberlitic indicator minerals, mapped glacial deposits, and ground-checked magnetic anomalies. They also tested 8 magnetic anomalies with 12 vertical percussion drill holes, totaling 229m. Five new kimberlite bodies were found on the Major General/Ascot ground, named Phalarope, Longspur, Golden Plover, Snowy Owl and Whimbrel, all within 10 km of each other (Wood and Grenon, 1998).

Diamond drilling was undertaken by Monopros on the Major General/ Ascot ground in 1999 and 2 new kimberlites were located, named Arctic Tern and Horned Lark. Eight holes, totaling 854.2m, were drilled on 5 kimberlites. Diamonds recovered by caustic fusion from these kimberlites showed from 1 to 94 microdiamonds per 100 kg, the best result being from Snowy Owl, the largest pipe found to date. Final results from 4 holes in the Snowy Owl showed that the total 438 kg digested contained 790 diamonds, or 180 diamonds per 100kg, although 417 were derived from accidental crushing of a larger stone. Four of the diamonds were larger than 0.5mm, and later examination by Lakefield Research indicated the Golden Plover and Longspur are clear, white gem quality stones with little resorbtion. The diamonds recovered from the Snowy Owl pipe by Monopros have not yet been returned. Petrographic examination of 2 samples of Snowy Owl kimberlite indicated one was a hypabyssal macrocrystic kimberlite, and the other a lapilli-bearing olivine tuff, an unusual association (Scott-Smith, 1999). Monopros terminated the option with Major General-Ascot in 2000.

In 2000 Major General undertook kimberlite exploration on 3 properties: the Yankee claims in JV with Hawkeye Gold International Ltd. the Washburn claims in JV with Ascot Resources Ltd., and the Mon claims that are now part of the Tahoe property, previously owned by Monopros. On these 3 properties a total of 334 tills were collected, a 1,413 line km helicopter-borne magnetic survey was flown by SIAL Geosciences Ltd., and 38 km of ground magnetic surveys done

(LeCouteur, 2001a, 2001b). In 2001, a 67-line km ground magnetic survey was done, following up on some of the previous year's airborne anomalies.

Diamet Minerals Ltd. entered into an option agreement with Major General Resources Ltd. on the Homerun and other properties, and with Major General/Ascot on the Mariner and other properties in 1999. They staked an additional 60,000 acres, collected 984 tills and did some ground magnetic surveys in 1999, and did further till sampling and a helicopter aeromagnetic survey and staked a further 250,000 acres in 2000.

The most recent regional gravity map, shows a gravity low under eastern Victoria Island that is contiguous with the similar to the low underlying the Slave province to the south, and it is seems certain that the diamond-bearing Slave province extends onto Victoria Island. More significantly, kimberlite exploration on Victoria Island by a small number of explorers (Ascot-Major General, Monopros, Diamet) has been successful in locating kimberlite pipes and dikes. Most of these kimberlites contain diamonds and are mineralogically, highly favourable, and high-interest kimberlite indicator minerals, not derived from the known pipes, have been found in tills elsewhere on Victoria Island.

9. Geological Setting

Precambrian to Devonian

A generalized geological map of Victoria Island with a schematic cross section is shown in Figure 3, as derived from Thorsteinsson and Tozer (1962), Le Cheminant et al (1996) and Rainbird et al (1996).

On Victoria Island Archean granitic basement is overlain by Proterozoic sediments with minor volcanics, all overlain by Paleozoic sediments. The Proterozoic sedimentary sequence has several important unconformities within it, and is capped by mafic volcanics of late Proterozoic age. Unconformably overlying the Proterozoic rocks are flat-lying Paleozoic, Cambrian to Devonian carbonate rocks. Cutting the sedimentary sequence are at least 3 mafic dike sets of different ages, all apparently older than the Paleozoic cover rocks, which usually conceal them except from airborne magnetic surveys (see fig 18, from Campbell ,1998). Kimberlite dikes and pipes of probable Mesozoic age pierce the Paleozoic sediments. Quaternary unconsolidated cover, generally thin till, mantles the bedrock.

Pleistocene and Recent

In south-central Victoria Island the general sense of ice movement deduced from drumlinoid features is toward the west and north-west, but detailed studies indicate the situation is more complex in detail (Fyles,1962; Sharpe 1992,1993; Millard, 1994; Szabo and Sandberg, 1995, and Wood and Berenyi 1999), perhaps because the proximity of the area to the centre of advance of the main Late Pleistocene, Wisconsinan glaciation ice-sheets lead to several glacial advances and complex deglaciation patterns, or perhaps because of an even earlier glacial episode.

According to Vincent (1989), the Laurentide ice sheet reached its maximum extent about 18,000 years ago, and by about 9,000 years ago most of Victoria Island was free of ice. Following deglaciation a marine incursion covered the ice-depressed land which gradually uplifted due to isostatic rebound. The marine incursion is marked by shells found to about 150m ASL in this area, and by a succession of raised beaches. Some marine reworking of the till sheets has therefore occurred, but is not thought to have been so vigorous as to affect interpretation of kimberlitic indicator minerals from tills.

Several aspects of the foregoing geology are important to kimberlite exploration in the area and enhance its effectiveness, including the following:

1) The eastern half of Victoria Island is apparently floored by Archean basement, as indicated by Archean dates on basement rocks (Le Cheminant et al,1996) and gravity mapping (Miles et al, 2000). It appears this Archean basement is the northern extension of the Slave Craton (figs 14,15). As it is well-known that kimberlites tend to be restricted to Archean cratons ("Clifford's Rule"), demonstration of the presence of Archean basement on that part of Victoria Island underlying the properties is vital for the emplacement of kimberlites.

2) Mafic dykes (and sills) are prevalent in the area as outlined by aeromagnetic surveys. Dyke systems are often cited as creating the zones of weakness along which the kimberlite intrusions later ascend. The McKenzie dykes, for example, achieve their highest density of 1 dyke every kilometer in the heart of the Lac de Gras diamond field.

3) The flat-lying, generally non-magnetic carbonate cover tends to mute the typically noisy magnetic expression of the basement rocks, and kimberlites that pierce the cover can stand out in contrast. Magnetic surveying is therefore an effective method of exploration for kimberlites in the area. Both magnetically negative and positive kimberlite occurrences are known on Victoria Island.

4) The Paleozoic carbonates contribute little heavy mineral detritus to the tills, the heavy mineral concentrate yields are typically very small, and grains of kimberlitic origin should have a good chance of being detected even from small bodies, as they are not swamped by non-kimberlitic sources. Till sampling for indicator minerals is therefore quite effective.

5) The good development of a blanket of basal glacial till in the area, which has suffered a minimal amount of fluvial, lacustrine and marine reworking, further enhances the effectiveness of sampling for indicator minerals. Also, glacial transport is not extensive, so that dispersion trains from kimberlite sources will be short, thereby, eliminating the need for protracted re-sampling programs to trace a dispersion train to its source.

10. Deposit Types

Diamonds form in the crust and mantle at temperatures varying between 900^{o} C and 1300^{o} C degrees and at pressures of 45 to 60 kilobars, in two types of rocks; peridotites (P-type diamonds) and eclogites (E-type diamonds).

Diamond bearing peridotites are predominantly garnet-bearing harzburgite and more rarely lherzolite. Eclogitic kimberlite comprises mainly granular, red almandine-pyrope garnet and green omphacite pyroxene. Peridotite most commonly forms within the mantle. Eclogite is typically found in deep crustal metamorphic regions within continents. Eclogite forms by a solid state (metamorphic) transformation of previously existing rock - likely basalt. This same process takes place in the mantle through the subduction of crustal rocks.

Diamond is a high temperature and pressure polymorph of carbon. The carbon sources for diamonds are believed to be the original components of the primitive earth accumulated in the mantle, in the case of peridotite and subducted upper crustal material transported to depth, in the case of eclogite.

Magmatic intrusions of kimberlite and lamproite volcanic rocks transport the diamonds to the earth's surface. These rocks originate at depths varying between 150 and 350 kilometres by partial melting of peridotitic or eclogitic material. This material rapidly ascends to the surface, rafting-up the diamondiferous xenoliths or xenocrysts. A rate of ascent of 10 to 30 kilometres per hour (Kirkley et al, 1991) brings diamonds from a 150 kilometre storage depth to the surface in 5 to 15 hours without allowing for structural breakdown. The kimberlites and lamproites ascend along fractures that extend below the base of the craton in geologically stable areas. Within two to three kilometres of surface, the resultant pressure drop facilitates the expansion of gases creating violent explosions that increase the ascension velocity to several hundred kilometres per hour, until the intrusion erupts at the surface.

Kimberlites are volatile-rich potassic ultrabasic rocks with a distinctive inequigranular texture. Kimberlites are made up of material from three sources:

(a) Mantle derived xenoliths (xenocrysts) of garnet lherzolite, harzburgite, eclogite and dunite; including diamond.

(b) Megacrysts (1-20 cm), single crystals, of low chromium titanium pyrope, magnesian (picro)ilmenite, olivine, titanium poor chromite, chromium poor clinopyroxene, subcalcic to calcic diopside, enstatite, phlogopite and zircon;

(c) Primary phase (groundmass) phenocrysts or microphenocrysts of olivine, phlogopite, spinel, ilmenite, perovskite, diopside, monticellite, apatite, calcite and serpentine. The early formed minerals are commonly altered by serpentinization and carbonatization.

Lamproites are potassium-rich mafic to ultramafic alkaline rocks and ultrapotassic leucite bearing (lamprophyric) rocks. According to Mitchell (1986) lamproites are characterized by the

presence of one or more of the following minerals as major, minor or accessory phases; titanian (Al_2O_3 poor) phlogopite, titanian tetraferriphlogopite, potassian titanian richterite, forsteritic olivine, diopside, sanidine, leucite, priderite, potassian zirconian silicate, wadeite, apatite, perovskite, magnesiochromite, magnesian titaniferous magnetite, jeppeite, armalcolite, shcherbakovite anatase, ilmenite and enstatite. Alteration or other secondary phases include chlorite, silica, carbonate, zeolite, serpentine, barite and clay minerals. Lamproites may be distinguished from other potassic rocks and undersaturated alkaline rocks by the absence of nepheline, sodalite, hauyn, nosean, kalsilite, melilite, plagioclase, monticellite and melanite.

TABLE V
Minerals Found in Kimberlites and Lamproites
(from Kirkley et al, 991)

Minerals	**Kimberlite**	**Lamproite**		**Kimberlite**	**Lamproite**
Minerals that crystallize directly from kimberlite and lamproite magmas					
Major			**Minor**		
Olivine	+	+	Apatite	+	+
Diopside	+	+	Perovskite	+	+
Phlogopite	+	+	Ilmenite	+	+
Calcite	+		Spinel	+	+
Serpentine	+		Priderite		+
Monticellite	+		Nepheline		+
Leucite		+	Wadeite		+
Amphibole		+			
Enstatite		+			
Sanidine		+			

Minerals	**Kimberlite**	**Lamproite**	
Xenocryst minerals derived from the upper mantle			
Major			**Minor**
Olivine	+		+
Garnet		+	+
Clinopyroxene	+	+	
Orthopyroxene	+	+	
Chromite		+	+

Primary diamond deposits are found within the earth's stable cratonic belts of Precambrian age (1.5 - 3.0 billion years), but commonly are at least of Archean age. These areas are believed to have been subjected to zones of uplift, are located near major faults, and dyke swarms. Within these areas, both diamondiferous and barren kimberlite and lamproite pipes occur. Kimberlites occur in clusters of three to fifty or more and can encompass a region stretching for 50

kilometres commonly known as a field that is located in a geologically favourable environment called a province. Within world renowned diamond provinces, in countries such as Russia, South Africa and the Northwest Territories of Canada diamondiferous pipes collectively occur over distances of hundreds of kilometres.

Kimberlite pipes vary in size from a few square metres to 217 hectares (the M1 kimberlite pipe in Botswana). The individual kimberlite pipes are generally elliptical to circular in shape and "carrot" shaped in cross section, hence the term "pipe". In contrast to the kimberlites, lamproites studied to date are generally shaped like a "champagne glass" rather than like a "carrot". A kimberlite shows two to three kilometres of vertical flaring while a lamproite will only show 100-500 metres of vertical flaring. Because of the higher volatility of kimberlites due to the increased CO_2 and H_2O components, kimberlites tend to exhibit a final explosive phase thus giving them their "carrot" like appearance.

The largest pipe in a kimberlite cluster is the one generally more likely to be economic, although there are two clusters of pipes in South Africa that contain more than one economic pipe. In the Northwest Territories, on the other hand, the economic pipes tend to be small, generally 2 ha or less in size. In addition, diamondiferous pipes within a kimberlite cluster do not appear to have a predictable distribution pattern, likely due to the explosive nature of their emplacement.

Two types of diamond deposits have been recognized on the Victoria Island, namely pipes with both crater and hypabyssal phases and dykes. Kimberlite dykes are normally confined to the root zones of the pipes, however, on Victoria Island the pipes and dykes formed by a separate, albeit spatially related, event. A separate event is indicated because some of the dykes have positive magnetic signatures and the most of the pipes have negative magnetic signatures which means the occurrences solidified at times when the geomagnetic field exhibited opposite polarity. All the known kimberlite occurrences are hosted by Paleozoic carbonate rocks and breach to the surface although it is possible that one or two are actually perched in the Paleozoic rocks.

It is also likely that older, Protoerozoic, Archean aged kimberlites occur in the area as is the case in other parts of Canada (Brummer et al, 1992, Robertson, 2000). These type of occurrences would be in the Precambrian basement rocks underneath Proterozoic cover formations estimated to be up to 300 m thick from aeromagnetic magnetic data (LeBel, 1999) and 1,000 m on geological grounds. No kimberlite bodies of this kind are known on Victoria Island, but the property host a number of magnetic anomalies that indicate deep pipe-like bodies that could be kimberlites. Monopros was unsuccessful in drilling a few of these anomalies on the properties because many of their holes didn’t drill deep enough to intersect the inferred targets.

11. Mineralization

Sixteen kimberlite occurrences have been discovered in the area to date on the properties. Of these 11 are pipes and 5 are dykes. The dyke occurrences are located along an en echelon system of three dykes that has a cumulative length of 14 km. In general, the pipes are reflected by negative magnetic anomalies with the exception of the Whimbrel pipe which is a magnetic high. The dykes are commonly magnetic highs. All of the kimberlite occurrences were initially detected by aeromagnetic surveys.

With the exception of one pipe, the Snowy Owl pipe, all the occurrences have only been tested by only 1 or 2 short, vertical percussion or diamond drill, discovery holes, so the sizes of the occurrences have not been determined. Even in the case of the Snowy Owl pipe which has been tested by 4 diamond drill holes, its size has not been determined.

Table VI lists the known kimberlites and their sizes interpreted from magnetic data (LeBel, 2001). The interpretations assumed uniform magnetic susceptibility, a simple shape and induced magnetism, conditions which rarely apply universally. It is well known that kimberlite pipes are compositionally heterogeneous and have variable magnetic susceptibility, in fact, many pipes have no magnetic signature at all (St. Pierre, 1999). The magnetic susceptibility of Snowy Owl pipe on the Washburn property, for example, varies from 0.0 to over 10.0 x 10^{-3} SI units (Palmer, 1999). Although the high values invariably occur with kimberlite material, both dark green and light green kimberlite exhibit a wide range of magnetic susceptibility, including values as low as 0.0 just like rafted inclusions of carbonate country rocks. Because of magnetic susceptibility zoning due to variations in composition, pipes will not have simple 'magnetic' shapes. The portion of the target situated closest to the measuring sensor has the greatest effect on a geophysical measurement, including the magnetic method. This means that the top of a kimberlite pipe, for example, may be well defined by a magnetic survey but the configuration of the pipe at depth will not be resolvable by the data. Also, in magnetic interpretation it is assumed that the anomaly is induced by the earth's present magnetic field. Most of the kimberlites on Victoria Island exhibit negative anomalies caused by reversed remnant magnetism, rather than induced magnetism and a negative magnetic susceptibility contrast. Remnant magnetism arises because the kimberlite solidified when the earth's magnetic field had reversed polarity. Interpreting anomalies like these assuming induced magnetism could lead to erroneous interpretations because the direction of the earth's field when kimberlite solidified is unknown. In short, magnetic surveys may be instrumental in locating a kimberlite, but more reliable methods, such as drilling, should be utilized to determine size.

TABLE VI
Known Kimberlites

PROPERTY	CLAIM	KIMBERLITE	EST. SIZE (Metres)	COMMENTS
Tahoe	Mon 9	Turnstone	5 x 1400	350 nT low
	Mon 61	Sand Piper	25 x 1600	2 lows, 150 nT, 65 nT
	Mon 60	Snow Goose	50 x 50	350 nT low
	Mon 61	Snow Bunting	25 x 25	27 nT low
	Mon 9	King Eider	50 x 50	70 nT low
	Mon 10	Sanderling	10 x 600	10 nT high, dyke?
	Mon 59	Jaeger	50 x 50	80 nT low
	Mon 59	Pintail	-	subtle low
Washburn	Mon 31	Snowy Owl	50 x 150	150 nT low
	Mon 32	Golden Plover	-	magnetic low
	Mon 19	Whimbrel	5 x 5	400 nT high
	Mon 33	Phalarope	-	dyke
	Mon 32	Longspur	-	dyke
	Mon 32	Horned Lark	-	dyke
	Mon 32	Ptarmigan	0.2 m wide	dyke
Blue Ice	SY 1	Arctic Tern	5.0 m wide	dyke

The Snowy Owl pipe, signatured by a 150 nT magnetic low, is the only pipe on which an extensive ground magnetic survey has been carried out. At the surface, the Snowy Owl pipe is interpreted from the magnetic data to be 20 m x 20 m (LeBel, 1999). At a depth of 50 m, the pipe expands to 50 m wide and its length increases to 100 m because its southeast side has a 45^{o} dip. If this dip prevails, the pipe will be 150 m long at a depth of approximately 150 m. A narrow, 150 m long, as yet untested, magnetic low on the Mon 31 claim southeast of Snowy Owl pipe could reflect a portion of the pipe that re-emerges from depth.

The Phalarope, Longspur, Arctic Tern, Horned Lark and Ptarmigan occurrences occur along 3 en echelon, northwest/southeast kimberlite dykes that have a cumulative length of 14 km on the Washburn and Blue Ice property and vary in width from 20 cm at the Ptarmigan exposure, to 7m in drilling, approximately 5 m true width, for the Arctic Tern occurrence. The Whimbrel pipe is indicated by an isolated magnetic high on the extrapolated projection of a dyke but no dyke is evident in the magnetic surveys to link the pipe directly to a dyke system. Whimbrel is the only known pipe to exhibit a magnetic high.

Acid digestion of 4 samples with a total weight of 438 kg sample from the Snowy Owl pipe, done by Monopros, returned a total of 790 microdiamonds (Coulter, 1999), although 417 of the micro-diamonds in one of the samples were later determined to be fragments of a larger diamond that was accidentally crushed. There were 9 macrodiamonds in the returns, including the broken

diamond that is estimated to have been 2 mm across. Based on petrography and mineral chemistry, Burgers (1998a) states, "*The Snowy Owl kimberlite contains a small proportion (<1%) of high interest G10 garnets and a large number (45%) of high interest diamond inclusion spinels, suggesting that sampling within the diamond stability field has occurred. Some of the clinopyroxene grains indicate sampling from garnet peridotites and the ilmenites show compositions indicative of reducing conditions which are favourable for diamond preservation. The Snowy Owl kimberlite is a high interest kimberlite with respect to diamond potential*." Major General sampled additional core from the Snowy Owl pipe in 2000 and sent the samples to Lakefield Research for diamond extraction. The 180 kg sample returned 133 diamonds (Jago, 2001), including 8 macro-diamonds but the sample had an estimated 25% foreign xenolith content due to proximity to the margin.

A 380 kg sample from Golden Plover returned 91 diamonds, including 6 macrodiamonds; a 90 kg sample from Longspur returned 39 diamonds, including 3 macrodiamonds; a 195 kg sample from Horned Lark returned 81 diamonds, including 1 macrodiamond; a 160 kg sample from Phalarope returned 6 microdiamonds and a 160 kg sample from Whimbrel returned 1 microdiamond. A 20 kg sample from Arctic Tern was the only barren return. All these occurrences are also high interest for diamond potential, with the exception of Whimbrel which is rated at low to moderate interest (Burgers, 1998b). A 77.4 kg bulk sample excavated by hand from the Ptarmigan occurrence returned 40 microdiamonds and 5 macrodiamonds (Jago, 2001). The Ptarmigan occurrence was found by prospecting along one of the kimberlite dykes guided by a ground magnetometer. This is the only outcrop of kimberlite found to date, all the other known kimberlites in the area are concealed by a thin but continuous blanket of overburden. Of the 6 macrodiamonds from Golden Plover 3 are described as; a white/clear fragment, a pink/clear fragment and a white/clear tetrahexahedron. The 3 macrodiamonds from Longspur are described as; a white/clear octahedron, a white/clear fragment and a white/clear fragment.

12. Exploration

Exploration on the properties has been conducted by De Beers Exploration Ltd., Dia Met Minerals Ltd., Ascot Resources Ltd. and Major General Resources Ltd., predecessor company of Diamonds North Resources Ltd. These companies conducted work comprising: fixed-wing and helicopter aeromagnetic surveys, ground magnetic surveys, kimberlite indicator mineral till sampling and diamond analyses, forms the database of the exploration discussed herein. As a new company Diamonds North Resources Ltd. has not directly undertaken any work.

Magnetic Surveys

(a) Survey parameters for the magnetic surveys varied depending on whether they were fixed-wing or helicopter aeromagnetic surveys or ground surveys. The fixed-wing surveys were flown at 200 m to 250 m line spacings at a terrain clearance of 60 m to 100 m. The helicopter surveys used at a terrain clearance of 25 m on lines 50 m to 100 m apart. Airborne magnetometers measure at 0.1 sec intervals which equates to every 3 m along the ground at helicopter speeds and 8 m for fixed-wing flying speeds. The ground surveys were done on lines spaced at 50 m or less at nominal station spacings of 5 m or 10 m.

(b) The non-magnetic Paleozoic carbonate cover rocks in the area tend to 'mute' the magnetic responses from features in the basement. All the known kimberlite occurrences, which penetrate the cover rocks, stand out in the magnetic surveys as comparatively 'sharp' anomalies, in comparison to the more 'rounded' anomalies due to deep features in the basement. Table VII lists other magnetic anomalies that exhibit a similar signature due to pipe like bodies.

TABLE VII
Pipe Targets

PROPERTY	CLAIM	ANOMALY	SIZE (Metres)	COMMENTS
Tahoe	Mon8	500 nT low	5x5	missed by previous drilling
		200 nT low	10x10	missed by previous drilling
	Mon76	26 nT high	-	perched?
		13 nT high	-	perched?
	Mon 61	small high	-	anomaly 61d
	Mon10	low	-	north of Sanderling
	Mon59	low	-	650 m nw Jaeger
	Mon70	small high	-	-
	Mon60	low	500 m	tail of Snow Goose
	Mon60	Low	-	northwest Snow Goose
	Mon78	HR8	-	1.4 km low
		HR9	-	small high
	Mon82	-	-	small low on nw dyke
		-	-	small high adjacent to above
	KA58	HR4	-	-
	KA65	HR6	-	-
Blue Ice	KA56	HR2	-	-
	KA46	HR5	-	-
	KA75	HR7	-	-
	KA80	HR4	-	-
	KA85	HR11	-	-
	KA85	HR13	-	-
	KA88	HR15	-	-
Yankee	CA35	A1	-	10 nT high
	CA23	A8	-	25 nT low
	CA33	A5	-	14 nT high
	CA33	I3	-	6 nT high
	CA33	I10	-	8 nT high
	CA34	I2	-	2 nT high, questionable

Washburn	Mon 11	I20	-	15 nT linear high, dyke
	Mon 12	G6	-	10 nT high
	Mon 12	I13	-	several discrete highs
	Mon 12	I21	-	15 nT 'horseshoe' high
	Mon 12	I12	-	Sial survey
	Mon 14	I11	-	airborne target
	Mon 14	I18	-	airborne target
	Mon 17	I4	-	same as I9b
	Mon 17	I9b	-	airborne target
	Mon 19	A29	-	2 highs up to 12 nT
	Mon 19	A33	-	several highs
	Mon 20	A30	-	12 nT 'horseshoe' high
	Mon 20	A31	-	complex 10 nT high
	Mon 20	A32	-	insufficient data
	Mon 31	5 nT low	-	southeast of Snowy Owl

Kimberlite dykes are reflected by linear magnetic highs with a 'sharp' signature due to a shallow body like the kimberlite pipes. Table VIII lists the dyke targets on the properties that exhibit this signature. The kimberlite dykes, themselves, offer considerable potential for diamond deposits that has, heretofore, been largely discounted.

TABLE VIII
Dyke Targets

PROPERTY	CLAIM	ANOMALY	LENGTH (Metres)	COMMENTS
Washburn	Various		14,000	Phalarope. Golden Plover Longspur, Arctic Turn Horned Lark, Ptarmigan
Tahoe	Mon 8	-	1,200	
	Mon 10	-	700	
	Mon 60	-	600	
	Mon 61	-	2,100	
		61c	1,400	
	Mon 80	-	1,700	
	Mon 81	-	2,000	northeast strike
	Mon 76	-	1,700	
	KA 58	-	900	

Blue Ice	KA 76	HR10	1,700
	KA85	HR12	800
		HR14	800
	KA 88	HR16	700
		HR17	1,100
	KA 79	HR19	1,000

Other potential targets on the properties include magnetic anomalies due to deep-seated, pipe-like bodies in the basement below the cover rocks or at intermediate depths 'perched' within the cover rocks. Table IX lists the deep-seated targets on the properties.

TABLE IX
Deep Targets

PROPERTY	CLAIM	ANOMALY	COMMENTS
Yankee	CA30	I16 (A7)	6 nT high
	CA38	Par 14	large, 75 –100 m deep
Tahoe	Mon 68	15 nT high	300 m depth
	Mon 68	12 nT high	280 deep
	Mon 69	26 nT high	360 m deep
	Mon 70	3 nT high	questionable
	Mon 71	high	dyke at 300 m
	Mon 74	5 nT low	360 m deep
	Mon 75	1 line low	questionable
	Mon 77	4 nT high	questionable
	Mon 79	8 nT high	300 m deep, hole 97-36a
	Mon 81	broad high	240 m deep, hole 97-37
	Mon 84	160 nT high	220 m deep
	Mon 85	several highs	all basement features
	Mon 86	8 nT high	contact in basement
Blue Ice	EG78	-	-
	EG50	-	two highs
	EG38	-	-
	EG20	-	-
	EG12	-	-
	KA53	-	hole 97-35
	KA30	-	-

KA51	-	-
KA37	-	-
KA104	-	-
EG118	-	-

(b) All of the magnetic surveys have been carried out by contractors, including airborne contractors; Aeroquest Ltd., Aerodat Inc., High Sense Surveys, Dighem, Geoterrex-Dighem Ltd., Sial Geophysics and ground contractors, Cavello-Bryant Ltd., Orequest Consultants Ltd. and Aurora Geosciences.

(c) Standard data acquisition and processing procedures would have been practiced by the contractors, including, diurnal monitoring with a base station magnetometer, and curtailing flying operations during periods of erratic diurnal variations which exceed contract specifications. Leveling the data was largely done using frequently spaced tie lines. This is the only feasible leveling method for large surveys carried out at any distance from operations center. Furthermore, anomalies tend to be short lived with respect to flying time along a flight line when compared to the period of active diurnal variations. Active diurnal variations would influence a ground magnetic survey more than an airborne survey. The author was on site for a survey flown by Sial on the Washburn and Yankee properties in 2000 and is satisfied with the quality of the results. In a similar, helicopter survey done by Aerodat during "difficult" diurnal and weather circumstances in 2000 on a portion of the Blue Ice property, Diamet was satisfied with the integrity of the data (Glanville, 2001).

Kimberlite Indicator Mineral Sampling

(a) A significant, but limited, amount of kimberlite indicator mineral till sampling has been undertaken on the properties. The scope of the sampling ranges from systematic, widespaced regional sampling covering limited areas (sample density typically 1 every square km) to more focussed, modest density sampling in limited areas (sample density every 400 m on variably spaced lines), but the sampling is, by no means, thorough.

(b) Preliminary and detailed follow-up sampling in an area involving the KA 45-50, 55-60 and 65-67 claims on the Blue Ice property returned a large number of highly anomalous contiguous indicator mineral anomalies with up to several hundred indicator mineral grains per 20 kg till sample (Figure 5).

The area encompasses the Mon 61 claim of the Tahoe property which hosts the Snow Bunting and Sand Piper pipes. These pipes are inadequate to explain the distribution of the anomalous samples because the samples surround the pipes on all sides, unless some very unlikely ice movement is invoked. From the mineral chemistry of the 1999 samples Read (2001) concluded there were at least three different kimberlites in the area. There are a few subtle airborne magnetic anomalies in the area but no obvious, high priority anomalies, so the provenance of the anomalous indicator minerals remains to be isolated. The morphology of the indicator mineral grains is similar to the indicator mineral grains from the Snowy Owl pipe on the Washburn property which has a relatively short dispersion train. The working

theory for the area is that glacial transport is minimal, thereby placing the sources of the anomalies in the local area.

Other anomalous indicator mineral samples are present on the other properties, as well, notably the Washburn property and the Yankee property. More detailed, follow-up sampling would be required to categorically define the source of the indicator minerals, particularly on the Washburn property which hosts known kimberlites. However, in many cases the anomalies are located down-ice from high priority magnetic anomalies whose potential, in turn, is enhanced considerably by the presence of the indicator anomalies.

(c) Normal practice for the kimberlite indicator mineral sampling in the area is for company employees or individuals on short term contracts to collect the samples and screen the samples in the field to exclude the coarse fraction of the till and wash out the fine slimes. The remaining steps, concentrating out the heavy mineral fraction, picking kimberlite indicator minerals and probing the mineral grains are left to expert service companies.

Some of the original Major General/Ascot samples were processed by Orex while later ones were processed by Lakefield Research. Maureen Morrison picked the indicator minerals and Bob Barnet probed the grains using labratory facilities of the University of Western Ontario. Monopros carries out it's own in house processing. Samples collected by Diamet in 1999 were processed from start to finish by CF Minerals while samples collected by Diamet in 2000 were processed by Mineral Services Inc. Of the 380 samples collected by Major General in 2000, 180 were processed entirely by CF Minerals and 140 were processed entirely by Lakefield Research.

(d) The reliability of the kimberlite indicator mineral data is not an issue at this point on the properties. From an exploration perspective, it is in Diamonds North Resources' own best interest to have reliable sampling and processing procedures that assure the recovery of all available indicator minerals.

Diamond Analysis

(a) Samples obtained by drilling from the Snowy Owl, Golden Plover, Longspur, Horned Lark, Phalarope and Whimbrel ocurrences and those excavated by hand from Ptarmigan occurrence on the Washburn property were analyzed for diamond content. It is likely that Monopros analyzed samples from the other kimberlites on the properties but these results remain proprietary.

(b) The results of the diamond analysis are presented in section 12. Mineralization.

(c) The original samples from the Snowy Owl, Golden Plover, Longspur, Phalerope, were processed internally by Monopros Ltd. by acid dissolution. The second sample from Snowy Owl and the sample from Ptarmigan was processed by Lakefield Research using caustic dissolution.

(d) The diamond analyses are considered adequate for the intended purpose to indicate the presence of diamonds but they are inadequate to define the grade because the sample size is not large enough. Furthermore, the samples were homogenized and did not take into consideration any compositional phases that might be present.

13. Drilling

To date, all of the drilling on the properties has been done for Monopros by a sister company called SDS Drilling. Both percussion drilling, with a pneumatic down-the-hole hammer bit, and limited diamond drilling was undertaken in 3 programs in 1997, 1998 and 1999. Most of the holes are much less than 50 m in length and their sole purpose appears to be to test magnetic targets and acquire a sample for diamond and mineralogical evaluation, when kimberlite was encountered. With the exception of the limited follow-up drilling at the Snowy Owl pipe, no definition drilling, in several holes, to determine the size of the kimberlites has been done.

The drilling was successful in outlining the kimberlites listed in Section 11. Mineralization, above, by testing magnetic anomalies. In a significant number of instances the drilling was unsuccessful, in explaining the targeted magnetic anomalies. Several anomalies were missed, some repeatedly, due to a mix-up between the NAD27 and NAD83 UTM datum. Moving from NAD27 to NAD83 shifts UTM coordinate 66 m to the east and 222 m to the north which is enough to miss even a large target. For example, two obvious kimberlites in the Mon 8 claim were not found despite receiving 3 drill holes each. The method used to confirm the anomalies on the ground and spot the holes is unclear. The author visited several of the Monopros drill sites where there was no physical evidence of a grid on which a ground magnetic survey was done to pinpoint the magnetic target and help spot the drill hole. In the case of several deeper targets, the holes were too short, often much shorter than the interpreted depth of the feature. The limited depth capability of the percussion drill used for the drilling and/or a shortage of rods may have been responsible for these situations. In other instances, the drill targets are a mystery because there doesn't appear to be any magnetic anomaly at the coordinates of the hole locations.

14. Sampling Method and Approach

(a) The kimberlite indicator mineral till sampling on the properties varies in scope from reconnaissance scale sampling, with samples every km or on lines several km apart, to sampling focussed down-ice from magnetic targets, to detailed follow-up of anomalies with samples every few hundred meters. Some of the sampling has focussed down-ice from magnetic anomalies and known and suspected kimberlites with the purpose of determining diamond potential from composition of the indicator minerals. For the most part, magnetic exploration methods have been relied upon, and the sampling is by no means thorough and does not eliminate the possibility of undiscovered, non-magnetic kimberlites on the properties. Sample locations are illustrated on accompanying maps. The sampling covered some wide areas but only those samples collected directly on the properties are shown.

The samples for the diamond analysis entailed all the chips from the percussion drilling and split core from the diamond drilling.

(b) There are no drilling, sampling or recovery problems that could materially impact the reliability of the results. The second sample of the Snowy Owl pipe analyzed by Major General Resources was diluted with carbonate country rock fragments.

(c) In the case of diamond analyses, the samples were homogenized and the results show average values which may not be representative of compositional phases that may be present. In this early stage of exploration the exact grade is not as important as the presence of diamonds and the potential for diamonds based on the composition of the mineral species.

(d) In the diamond analyses, the entire interval of the kimberlite was sampled without regard to compositional variations.

(e) The results of the diamond analyses may be found in Section 11. Mineralization.

15. Sample Preparation, Analysis and Security

(a) Most of the sample preparation, analysis and security were the responsibility of other parties and the author does not know the individuals involved or their association. Work done by Major General Resources on the properties in 2000, involved hired contractors, including the author, and did not involve any company employees, officers, directors or business associates of Diamonds North Resources.

(b) The basic steps regarding sample preparation and analytical procedures elsewhere and need not be repeated again. The details of the procedures are well beyond the scope of this report and the author's expertise. It is not known whether the laboratories involved, the names of which also appear elsewhere, are certified or not. The author has worked with most of the geophysical contractors involved and knows them to conduct professional operations. Many of the individuals involved are registered professionals.

(c) The author is not aware of the nature and extent of the quality control measures utilized or other check analytical and testing procedures.

(d) The author is of the opinion that the sampling, sample preparation and analytical procedures are adequate. The successful results speak for themselves. The author does not know what security measures, if any, the parties involved followed. In the case of the Major General Resources till samples collected in 2000, no particular security measures were followed. Up to the point, the samples were put on the plane to be shipped from the field to the laboratory, only exploration crew personnel had anything to do with the samples.

16. Data Verification

(a) The author does not know what quality control measures and data verification procedures, if any, were followed, in the diamond analysis of the kimberlite material or in the determination of indicator mineral compositions at the De Beers laboratories in South Africa.

Data could be verified indirectly by auditing recovered diamonds. The diamondiferous nature of the Snowy Owl pipe was verified by the repeat sampling done by Major General in 2000 compared to the original results from Monopros in 1999. Data may also be verified indirectly by comparing the results from adjacent samples collected at different times and processed by different parties. On the Yankee property, for example, 2 lines till samples collected in 1994 are not anomalous but adjacent fill-in lines from 2000 are anomalous. This disparity could reflect a problem with the 1994 results but more repeat sampling would be required to categorically arrive at this conclusion.

(b) In general, the author has relied on the published data and has not done any independent verification.

(c) In the example cited in (a) above, the difference in the diamond content can be explained by any number of natural reasons, from inhomogeneous distribution of diamonds, to different phases of kimberlite, to a small sample size.

(d) The author is not in a position to verify the diamond analyses, for example, because no samples remain, other than a few archival specimens. Moreover, reputable laboratories did both the diamond analyses and the indicator mineral composition determinations, and there is no reason to believe that the results are spurious or have been falsified.

17. Adjacent Properties

Not applicable

18. Mineral Processing and Metallurgical Testing

Not applicable.

19. Mineral Resource and Mineral Reserve Estimates

Not applicable.

20. Other Relevant Data and Information

Not applicable

21. Interpretation and Conclusions

The Blue Ice, Washburn, Tahoe and Yankee properties on Victoria Island are underlain the same Archean cratonic rocks that host the diamondiferous kimberlite pipes and dykes in the Slave Province in the Northwest Territories to the south.

Exploration consisting of kimberlite indicator mineral till sampling, aeromagnetic surveys and drilling has led to the discovery of 16 kimberlite occurrences, of which 11 are kimberlite pipes and 5 are along a system of kimberlite dykes indicated to be 14 km in length. Some of the occurrences have yielded diamonds, including gem quality macro-diamonds, and the trace element geochemistry indicates they are of high interest with regard to diamond potential. Most of the known occurrences have only been tested by 1 or 2 discovery holes and more drilling is required to establish the size, morphology and grade to determine the economic viability of each one.

All of the known occurrences have been outlined by aeromagnetic surveys. There are many, as yet untested aeromagnetic targets on the properties which have signatures similar to the known kimberlite pipes and dykes.

Also there are a number of multi-grain, kimberlite indicator mineral anomalies on the properties, some of the anomalies exhibit more favourable mineral chemistry than known pipes. Some of these anomalies may be related to up-ice magnetic anomalies but the kimberlite indicator mineral samples are not dense enough to establish a connection. In other cases, no obvious magnetic anomalies are present and the provenance of the anomalies remains to be established by further sampling.

There are a large number of magnetic anomalies due to deep pipe-like bodies that could reflect kimberlites in the Precambrian basement rocks or within the overlying Proterozoic sediments. As these features would not be exposed to glaciation on the present surface, scouring and dispersion of indicator minerals would not occur and exploration by the kimberlite indicator sampling would be useless.

The known kimberlite occurrences on the Diamonds North Resources Ltd., Victoria Island properties have not been thoroughly evaluated and exhibit good potential for economic diamond mineralization. There is considerable unrealized potential to find more diamond deposits on the properties, in particular, and the area in general.

22. Recommendations

Blue Ice Property
- Ground magnetic surveys to confirm and locate aeromagnetic targets
- 2000 m of drilling to test the 20 high priority magnetic targets
- 300 till samples

Tahoe Property
- 1600 m of diamond drilling on the known kimberlites (2 holes each)
- Ground magnetic surveys to confirm and locate aeromagnetic targets
- 2000 m of diamond drilling to test 20 aeromagnetic targets

Washburn Property
- 500 m of diamond drilling to determine the size of the Snowy Owl pipe
- 10-500 kg bulk samples from the kimberlite dykes, extracted either manually or with a small excavator
- 1000 m of diamond drilling to test 10 aeromagnetic targets

Yankee Property
- Ground magnetic surveys to confirm and locate aeromagnetic targets.
- 600 m of diamond drilling to test 6 aeromagnetic targets.
- 2000 km helicopter airborne magnetic survey to cover the rest of the property

Budgets for the proposed programs are estimated as follows:

Blue Ice Property

Ground Geophysical surveys	$ 100,000
Diamond drilling	400,000
Diamond analyses	50,000
Till sampling	300,000
Camp and transportation	100,000
Report preparation	20,000
Total	$ 970,000

Tahoe Property

Ground geophysical surveys	$ 100,000
Diamond drilling	720,000
Diamond analyses	80,000
Camp and transportation	100,000
Report preparation	20,000
Total	$1,020,000

Washburn Property

Ground geophysical surveys	$ 50,000
Diamond drilling	300,000
Trenching	100,000
Diamond analyses	100,000
Camp and transportation	100,000
Report preparation	20,000
Total	$ 670,000

Yankee Property

Ground geophysical surveys	$ 30,000
Diamond drilling	120,000
Diamond analyses	30,000
Airborne magnetic survey	300,000
Camp and transportation	50,000
Report preparation	20,000
Total	$ 550,000

At this time, Diamonds North Resources plans to raise $525,000 in initial funding for the proposed work program. It is recommended that this money fund exploration on the Blue Ice/Tahoe properties where there are three known kimberlite bodies (Sand Piper, Snow Bunting and Snow Goose) numerous high-count kimberlite indicator mineral anomalies for which the sources have not been isolated and a number of high priority magnetic targets, and be allocated, as follows:

Ground geophysical surveys	$ 50,000
Diamond drilling	300,000
Diamond analyses	50,000
Till sampling	50,000
Camp and transportation	50,000
Report preparation	25,000
Total	$ 525,000

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24. Date

Dated at Vancouver, British Columbia, this 19th day of March, 2002

J. L. LeBel, P. Eng.

25. Development Properties and Production Properties

Not applicable

26. Illustrations

Figure 1 Location Map
Figure 2a Claim Map, Blue Ice Property
Figure 2b Claim Map, Tahoe Ice Property
Figure 2c Claim Map, Washburn Property
Figure 2d Claim Map, Yankee Property
Figure 3 Regional Geology Map
Figure 4a Compilation Map, Blue Ice Property
Figure 4b Compilation Map, Tahoe Property
Figure 4c Compilation Map, Washburn Property
Figure 4d Compilation Map, Yankee Property

CERTIFICATE OF THE AUTHOR

J. L. LeBel, P. Eng.
2684 Violet Street
North Vancouver, B.C.
V7H 1H1
Tel: 604-929-2119

I, J. L. LeBel, P. Eng., am a Professional Engineer living at 2684 Violet Street in the City of North Vancouver in the province of British Columbia.

I am a member of the Association of Professional Engineers and Geoscientists of British Columbia.

I graduated from Queen's University with a Bachelor of Applied Science degree in geological engineering in 1971, and I obtained a Master of Science degree in geophysics from the University of Manitoba in 1973.

I have practiced my profession in mineral exploration continuously 1972. I have been involved in diamond exploration as a geophysical consultant from time to time since 1992 in the Northwest Territories, Nunavut, Greenland, Alberta, Ontario and Quebec.

Because of my academic qualifications and experience, I am a Qualified Person as defined in Companion Policy 43-101CP, National Instrument 43-101, Standards of Disclosure for Mineral Projects.

I am presently a Senior Geophysicist with Orequest Consultants Ltd., 306 – 595 Howe Street, Vancouver, B.C., V6C 2T5.

I am responsible for some of the work on the properties in a capacity as a geophysical consultant to Major General Resources Ltd., the former owner of the properties. I was on the Washburn, Tahoe and Yankee properties in 2000 where I conducted some of the ground magnetic surveys mentioned, in this report. I have also relied on data and information from previous work done on the property without verifying such data and information.

I personally prepared this report using the data and information from the reports listed in Section 23. References of this report.

In the disclosure of information relating title, permitting and related issues, I have relied, on information supplied by Diamonds North Resources Ltd. I disclaim responsibility for such

information. The information referred to may be found under sections 6(d), 6(g), 6(i), 8(a), 19(g) and 25(f).

I am not aware of any material fact or material change with respect to the subject properties of this technical report which is not reflected in this report, the omission of which would make this report misleading.

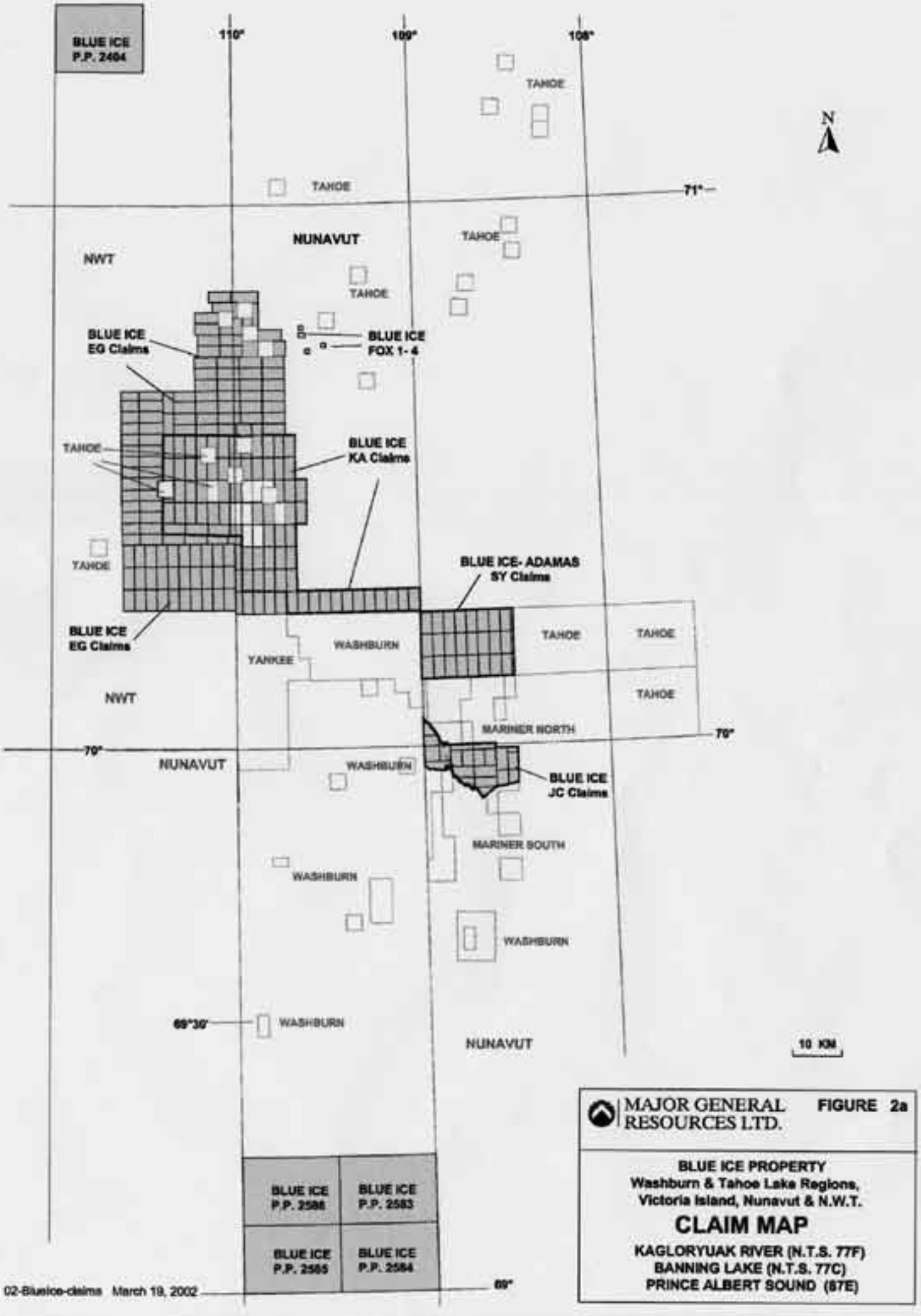
I am independent of Diamonds North Resources Ltd. in accordance with the application of Section 1.5 of the National Instrument 43-101, Standards of Disclosure for Mineral Properties.

I have read National Instrument, 43-101, Standards of Disclosure for Mineral Properties and Form 43-101FI, Technical Report and this report has been prepared in compliance with National Instrument 43-101 and Form 43-101FI.

Dated at Vancouver, British Columbia, this 19th day of March, 2002

J. L. LeBel, P. Eng.

MAJOR GENERAL RESOURCES LTD.		
Diamond Properties, Nunavut & NWT		
Figure 1 **Location Map**		
DATE: March 13, 2002		
02-DNR-Fig1.dwg		



MAJOR GENERAL RESOURCES LTD.

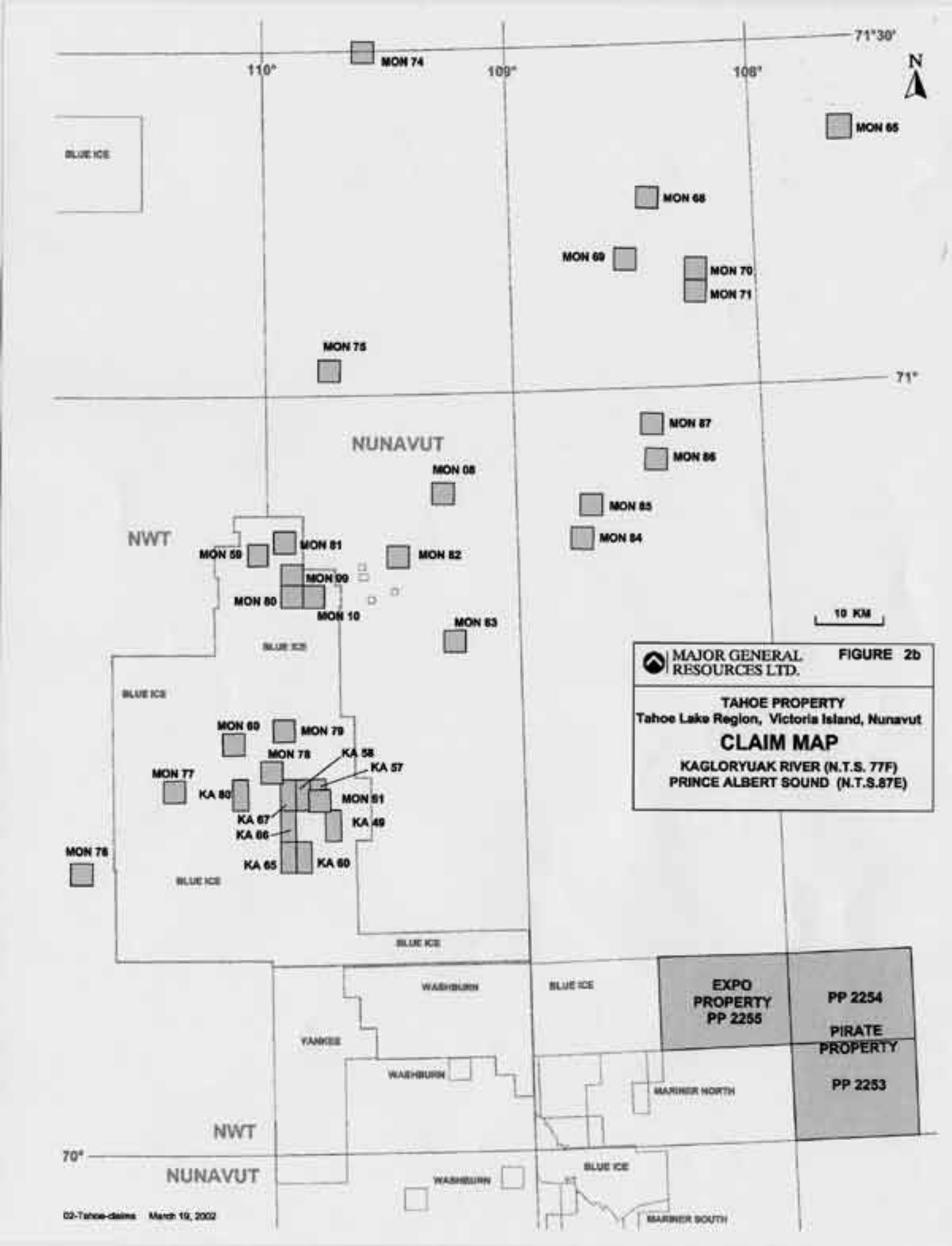
FIGURE 2a

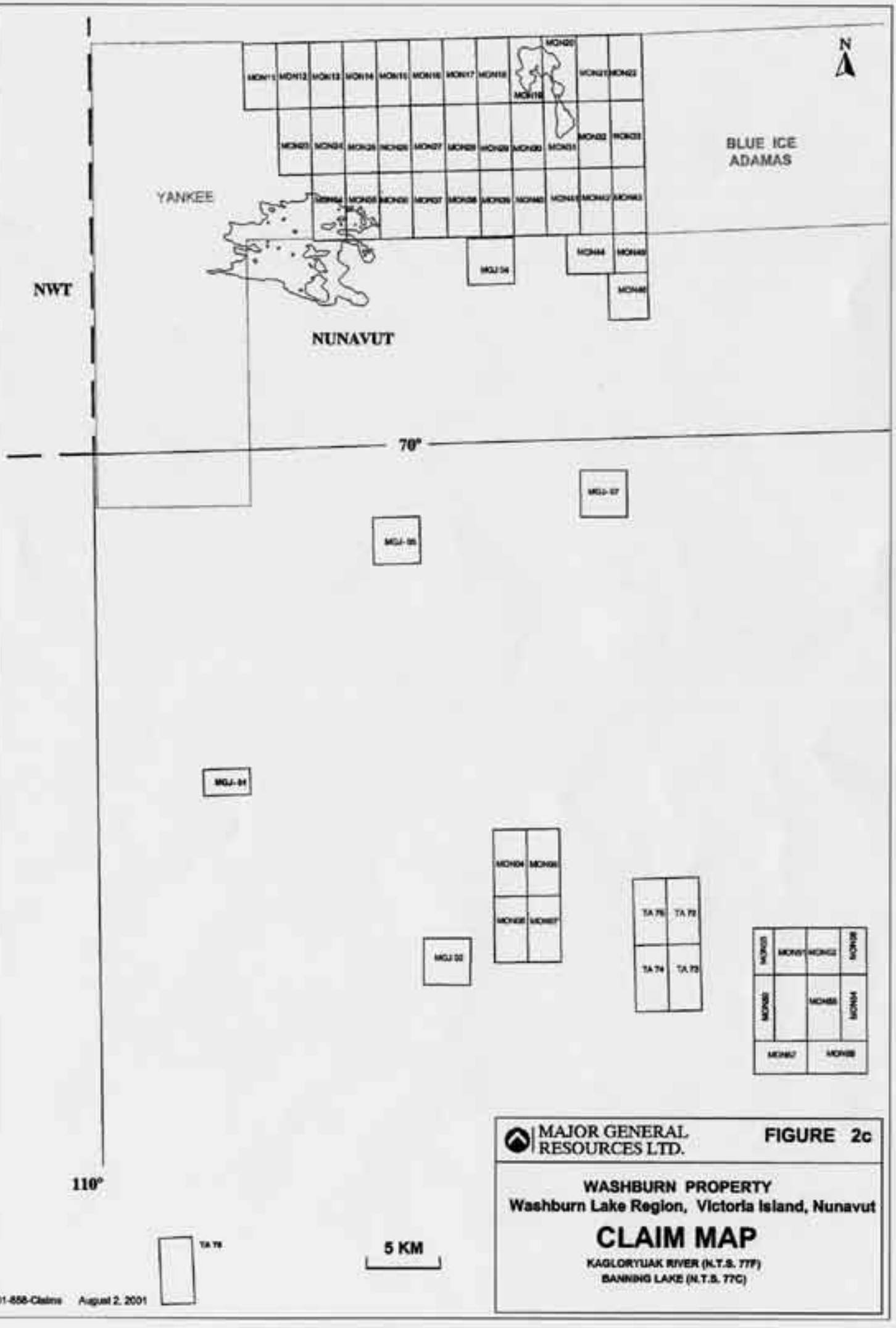
BLUE ICE PROPERTY
Washburn & Tahoe Lake Regions,
Victoria Island, Nunavut & N.W.T.

CLAIM MAP

KAGLORYUAK RIVER (N.T.S. 77F)
BANNING LAKE (N.T.S. 77C)
PRINCE ALBERT SOUND (67E)

02-Blueice-claims March 19, 2002


71°30'
110°
109°
108°
N
MON 74
MON 65
BLUE ICE
MON 68
MON 69
MON 70
MON 71
MON 75
71°
MON 87
NUNAVUT
MON 86
MON 08
MON 85
NWT
MON 84
MON 81
MON 59
MON 82
MON 09
MON 80
MON 10
MON 83
10 KM
BLUE ICE
BLUE ICE
MON 60
MON 79
MON 78
KA 58
KA 57
MON 77
KA 80
MON 81
KA 67
KA 49
KA 66
MON 76
KA 65
KA 60
BLUE ICE
BLUE ICE
WASHBURN
BLUE ICE
EXPO PROPERTY PP 2255
PP 2254
PIRATE PROPERTY
PP 2253
YANKEE
WASHBURN
MARINER NORTH
NWT
70°
NUNAVUT
WASHBURN
BLUE ICE
MARINER SOUTH
MAJOR GENERAL RESOURCES LTD.
FIGURE 2b
TAHOE PROPERTY
Tahoe Lake Region, Victoria Island, Nunavut
CLAIM MAP
KAGLORYUAK RIVER (N.T.S. 77F)
PRINCE ALBERT SOUND (N.T.S.87E)
02-Tahoe-claims March 19, 2002



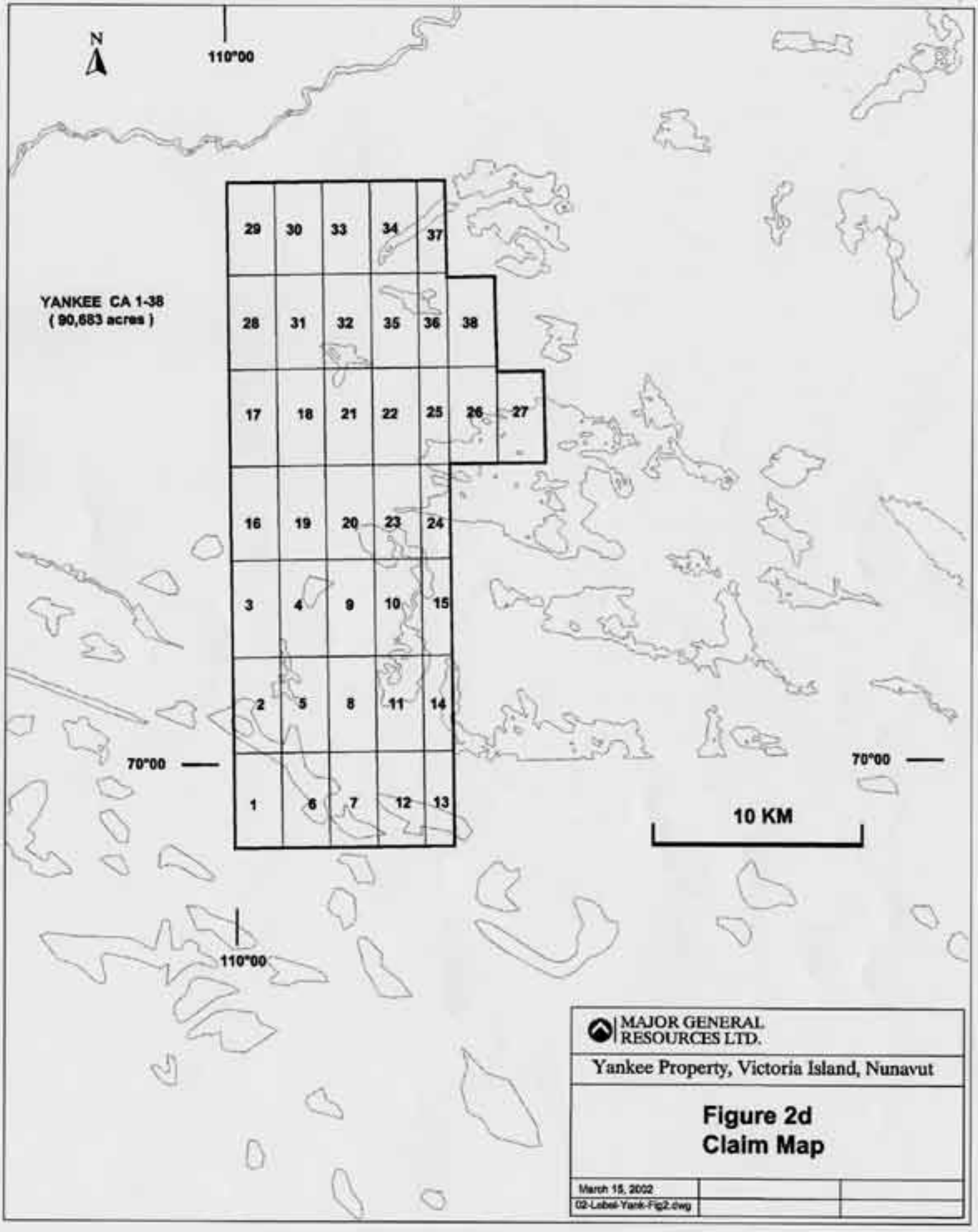
MAJOR GENERAL RESOURCES LTD.

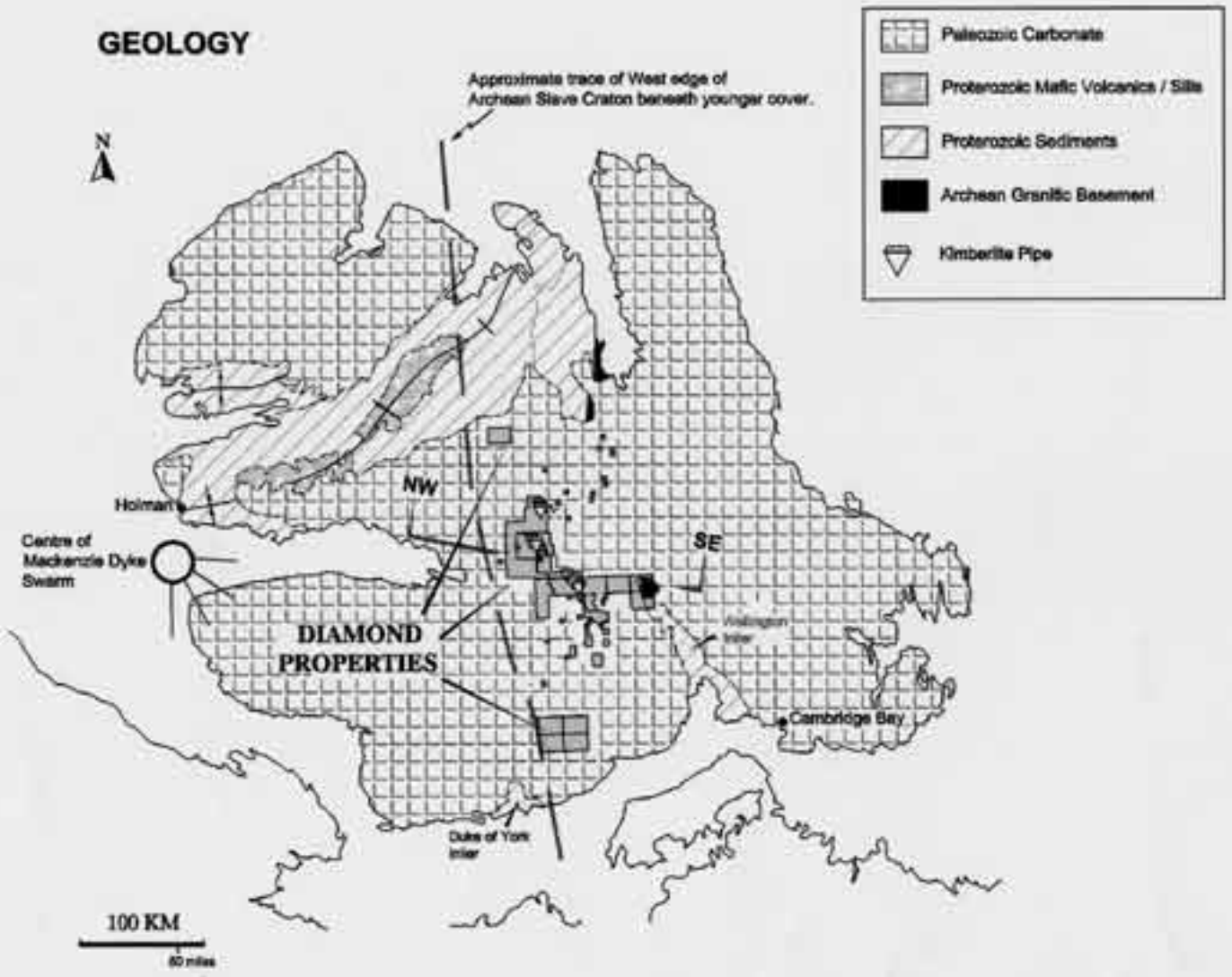
FIGURE 2c

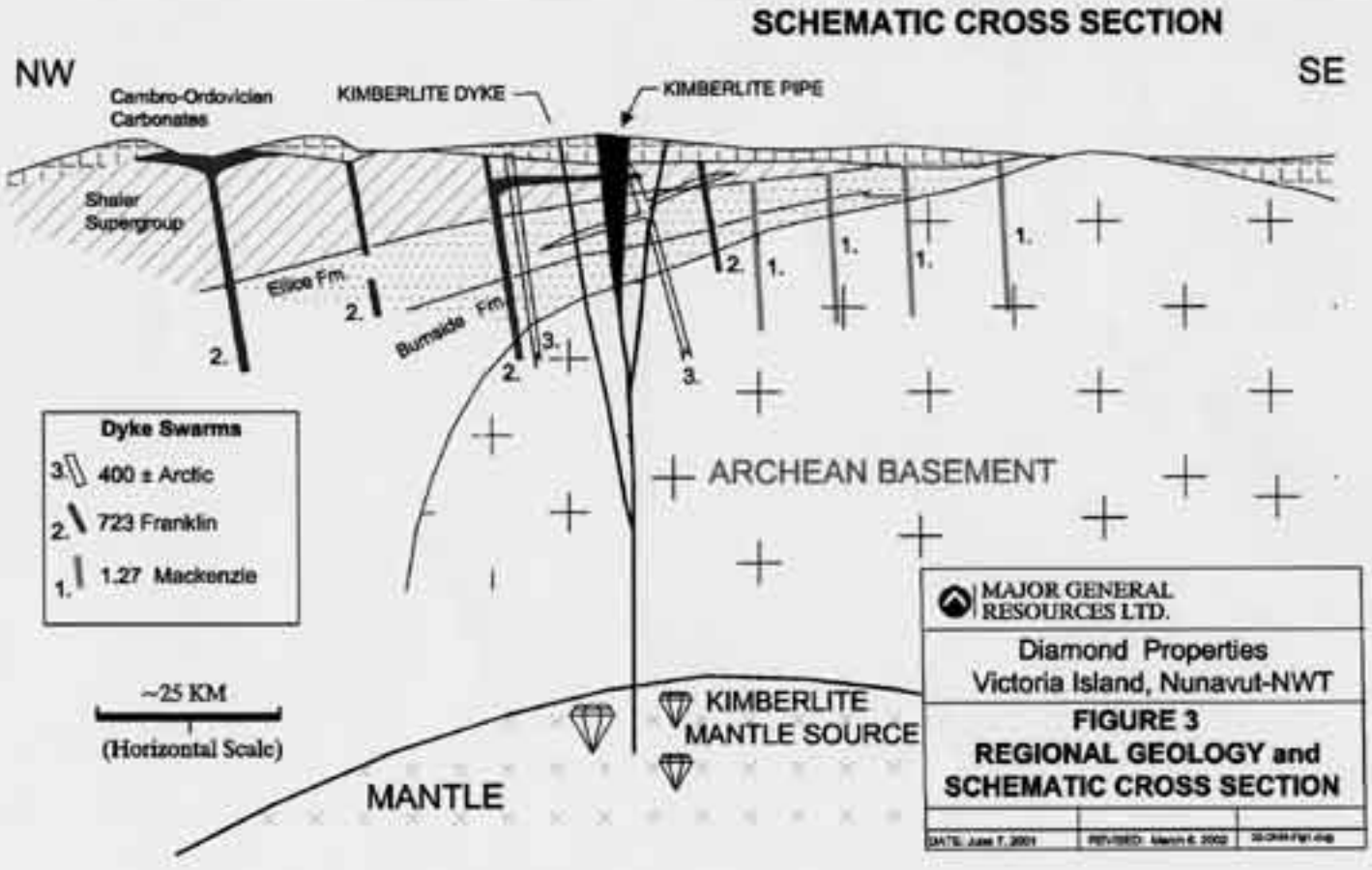
WASHBURN PROPERTY
Washburn Lake Region, Victoria Island, Nunavut

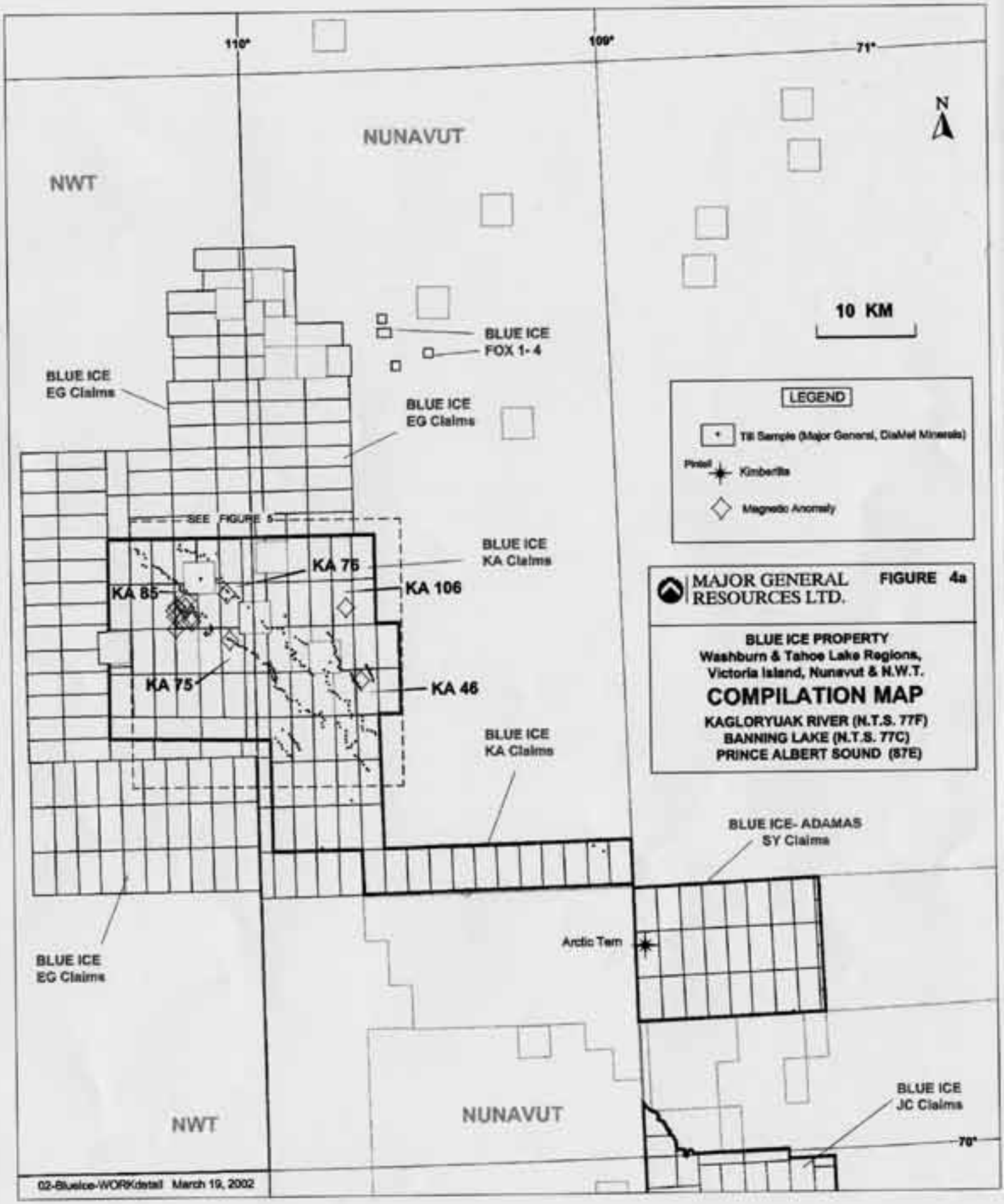
CLAIM MAP

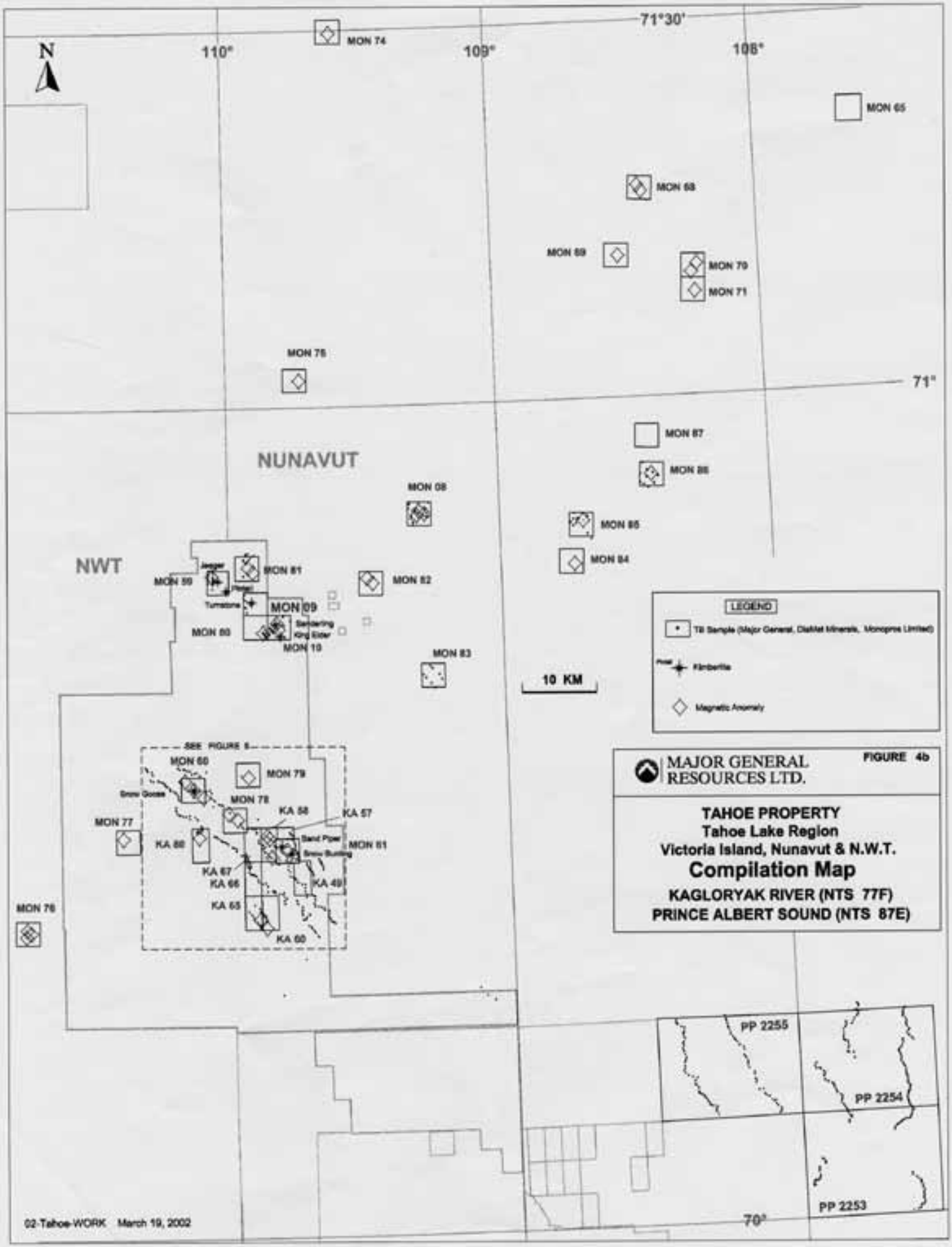
KAGLORYUAK RIVER (N.T.S. 77F)
BANNING LAKE (N.T.S. 77C)


N
110°00
YANKEE CA 1-38
(90,683 acres)
29
30
33
34
37
28
31
32
35
36
38
17
18
21
22
25
26
27
16
19
20
23
24
3
4
9
10
15
2
5
8
11
14
1
6
7
12
13
70°00
70°00
10 KM
110°00
MAJOR GENERAL RESOURCES LTD.
Yankee Property, Victoria Island, Nunavut
Figure 2d
Claim Map
March 15, 2002
02-Label-Yank-Fig2.dwg


GEOLOGY
Approximate trace of West edge of Archean Slave Craton beneath younger cover.
N
Paleozoic Carbonate
Proterozoic Mafic Volcanics / Sills
Proterozoic Sediments
Archean Granitic Basement
Kimberlite Pipe
NW
SE
Holman
Centre of Mackenzie Dyke Swarm
DIAMOND PROPERTIES
Wollaston Inlier
Cambridge Bay
Duke of York Inlier
100 KM
60 miles


SCHEMATIC CROSS SECTION
NW
SE
Cambro-Ordovician Carbonates
KIMBERLITE DYKE
KIMBERLITE PIPE
Shaler Supergroup
Ellice Fm.
Burnside Fm.
ARCHEAN BASEMENT
Dyke Swarms
3. 400 ± Arctic
2. 723 Franklin
1. 1.27 Mackenzie
~25 KM
(Horizontal Scale)
KIMBERLITE MANTLE SOURCE
MANTLE
MAJOR GENERAL RESOURCES LTD.
Diamond Properties
Victoria Island, Nunavut-NWT
FIGURE 3
REGIONAL GEOLOGY and SCHEMATIC CROSS SECTION
DATE: June 7, 2001
REVISED: March 6, 2002


110°
109°
71°
N
NUNAVUT
NWT
10 KM
BLUE ICE
FOX 1- 4
BLUE ICE
EG Claims
BLUE ICE
EG Claims
SEE FIGURE 5
BLUE ICE
KA Claims
KA 75
KA 106
KA 85
KA 75
KA 46
BLUE ICE
KA Claims
BLUE ICE- ADAMAS
SY Claims
Arctic Tern
BLUE ICE
EG Claims
NWT
NUNAVUT
BLUE ICE
JC Claims
70°
LEGEND
Till Sample (Major General, Cla/Mel Minerals)
Pintail
Kimberlite
Magnetic Anomaly
MAJOR GENERAL RESOURCES LTD.
FIGURE 4a
BLUE ICE PROPERTY
Washburn & Tahoe Lake Regions,
Victoria Island, Nunavut & N.W.T.
COMPILATION MAP
KAGLORYUAK RIVER (N.T.S. 77F)
BANNING LAKE (N.T.S. 77C)
PRINCE ALBERT SOUND (87E)
02-Blueice-WORKdetail March 19, 2002


71°30'
110°
109°
108°
N
MON 74
MON 65
MON 68
MON 69
MON 70
MON 71
MON 75
71°
NUNAVUT
MON 67
MON 66
MON 08
MON 85
MON 84
NWT
MON 81
MON 59
MON 82
MON 09
MON 60
MON 10
MON 83
10 KM
LEGEND
Till Sample (Major General, Diafet Minerals, Monopros Limited)
Kimberlite
Magnetic Anomaly
SEE FIGURE 5
MON 80
MON 79
MON 78
MON 77
KA 58
KA 57
KA 68
MON 61
KA 67
KA 66
KA 49
KA 65
KA 60
MON 76
MAJOR GENERAL RESOURCES LTD.
FIGURE 4b
TAHOE PROPERTY
Tahoe Lake Region
Victoria Island, Nunavut & N.W.T.
Compilation Map
KAGLORYAK RIVER (NTS 77F)
PRINCE ALBERT SOUND (NTS 87E)
PP 2255
PP 2254
PP 2253
70°
02-Tahoe-WORK March 19, 2002

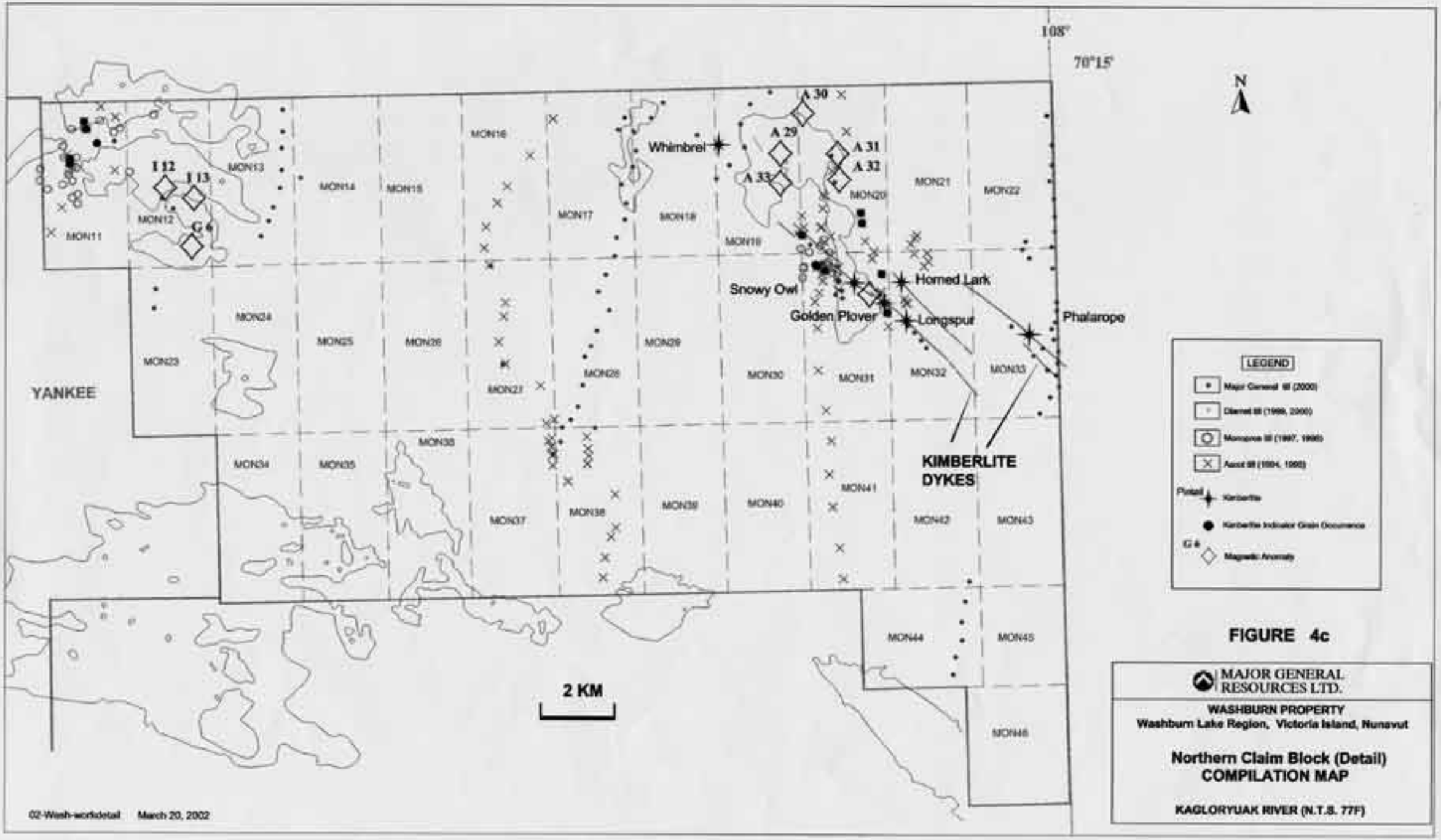


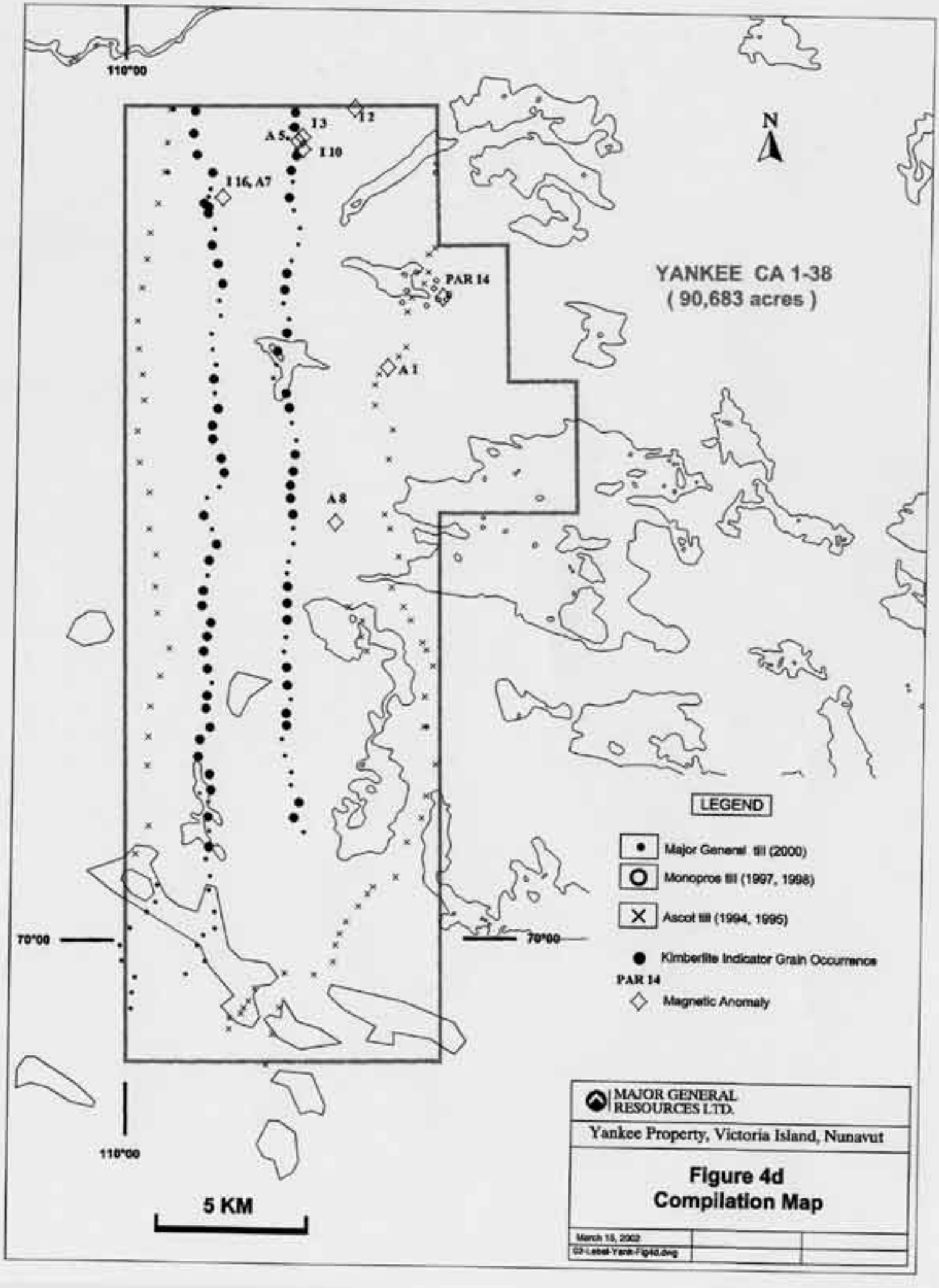
FIGURE 4c

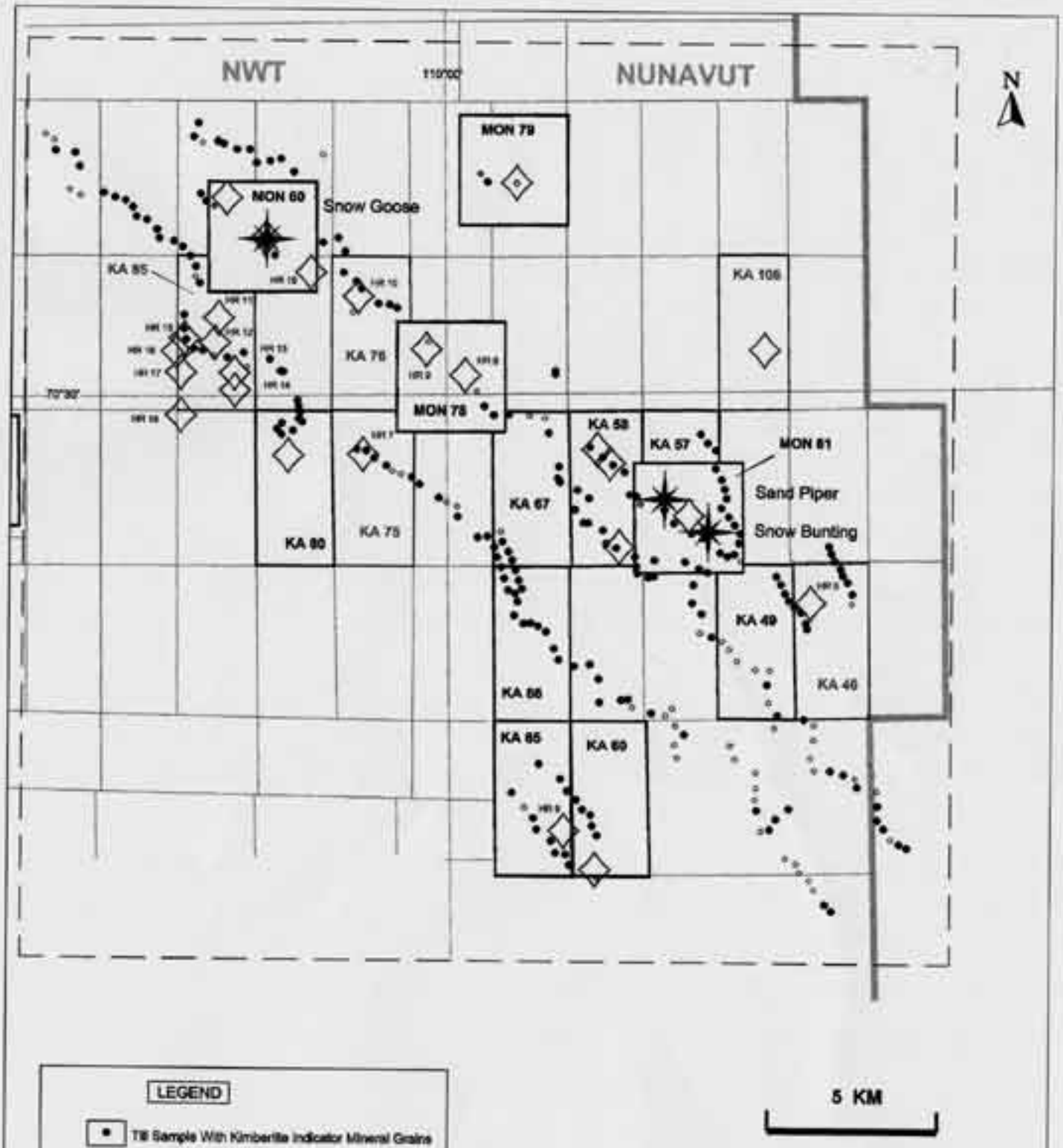
MAJOR GENERAL RESOURCES LTD.

WASHBURN PROPERTY
Washburn Lake Region, Victoria Island, Nunavut

Northern Claim Block (Detail)
COMPILATION MAP

KAGLORYUAK RIVER (N.T.S. 77F)


110°00
N
I 3
I 2
A 5
I 10
I 16, A7
PAR 14
YANKEE CA 1-38
(90,683 acres)
A 1
A 8
70°00
70°00
LEGEND
Major General till (2000)
Monopros till (1997, 1998)
Ascot till (1994, 1995)
Kimberlite Indicator Grain Occurrence
PAR 14
Magnetic Anomaly
110°00
5 KM
MAJOR GENERAL RESOURCES LTD.
Yankee Property, Victoria Island, Nunavut
Figure 4d
Compilation Map
March 15, 2002
02-Label-Yank-Fig4d.dwg



MAJOR GENERAL RESOURCES LTD.

FIGURE 5

BLUE ICE & TAHOE PROPERTIES
Victoria Island, Nunavut & N.W.T.
Detail Compilation Map
KAGLORYAK RIVER (NTS 77F)
PRINCE ALBERT SOUND (NTS 87E)

02-VI-leblel-FIG5 March 25, 2002