TECHNICAL REPORT ON RESOURCE ESTIMATES for the TAG PROPERTY, NORTHERN BRITISH COLUMBIA

PREPARED FOR CZM CAPITAL CORPORATION

NI 43-101 Report

By
Reddick Consulting Inc.

Authors:
John Reddick, M.Sc., P.Geo.
Tracy Armstrong, B.Sc., P.Geo.

Effective Date: November 16, 2009
Signing Date: December 21, 2009

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

1 EXECUTIVE SUMMARY

CZM Capital Corporation ("CZM") has requested that Reddick Consulting Inc. ("RCI") prepare a Technical Report on the TAG gold–silver deposit located in northern British Columbia. The report is to support the release of mineral resource estimates by CZM for the 025 Zone on the TAG Property. Information and data for the report were obtained from a site visit by RCI on October 21, 2008 as well as from reports received directly from CZM personnel. This Technical Report conforms to NI 43-101 Standards of Disclosure for Mineral Projects.

The 025 Zone is a gold–silver occurrence on the TAG Property and is located in northern British Columbia on Tagish Lake, approximately 1,350 kilometres north of Vancouver British Columbia and 135 kilometres south of Whitehorse in the Yukon Territory. The TAG Property is a contiguous group of 26 claims covering an area of 2429.44 hectares. The claims are located in the Atlin Mining Division of British Columbia and the Property is about 35 kilometres due west of the village of Atlin. The TAG Property is held 100% by CZM with a 2.5% NSR royalty due to the vendor.

The Property is accessible year round by aircraft; however access is more difficult during winter conditions. Access by boat or barge is possible for five months of the year. There is no road access. The topography in the general vicinity of the project is mountainous but there are some fairly flat areas on the claims, including the area where the camp is located and most of the surface area overlying the 025 Zone. The vegetation in the area consists of various species of pine, spruce, fir, poplar and birch. The climate is typical of northern boreal to alpine forest regions.

Good transportation and shipping facilities are available in the Yukon and northern British Columbia but there are no active mines in the immediate vicinity. No mining, advanced stage exploration or development work has occurred on the TAG Property prior to work by CZM.

Prospecting resulted in the discovery of gold and silver mineralisation on the TAG Property in early 1987. Recent work by CZM on the TAG Property includes a soil geochemical survey, an airborne geophysical survey, prospecting, surface sampling and diamond drilling. Between 2006 and 2008, CZM had completed 69 diamond drill holes totalling 11,519.08 metres on the TAG Property, all directed along the structural trend of the 025 Zone. All of the drilling on the Property has been under the supervision of CZM since 2006.

The 025 Zone on the TAG Property is a lode gold deposit with tectonic, structural, and geological similarities to documented gold-silver mines. The continuity of the mineralisation in the 025 Zone at very low grade cut-offs appears to be very good.

All geological samples have been collected and handled in a professional manner by CZM. The practice in most cases has been to sample visibly mineralised intervals of diamond drill holes and adjacent intervals; sample intervals are geologically constrained and are generally determined on the basis of lithological contacts, quartz veining or sulphide content. Samples generally vary in length from 0.10 to 6.8 metres, with lengths from 0.75 to 1.50 metres being the

most common. Eco-Tech Laboratories Ltd. and Bourlamaque Assay Laboratories Ltd., two commercially independent laboratories, have been used over the life of the project.

Using a 3.0 gpt gold equivalent cut-off, RCI estimated Indicated Mineral Resources of 250,000 tonnes @ 2.97 gpt Au (cut) and 12.09 gpt Ag (cut) for the 025 Zone and Inferred Mineral Resources of 400,000 tonnes @ 2.98 gpt Au (cut) and 9.91 gpt Ag (cut) for the 025 Zone. The Mineral Resource estimates are summarised in Table 1-1A and 1-1B.

Table 1-1A: Indicated Mineral Resources - TAG 025 Zone

Category	Tonnes	Au gpt (cut)	Ag gpt (cut)	Au gpt (uncut)	Ag gpt (uncut)
Indicated	**250,000**	2.97	12.09	3.06	14.37

Table 1-1B: Inferred Mineral Resources - TAG 025 Zone

Category	Tonnes	Au gpt (cut)	Ag gpt (cut)	Au gpt (uncut)	Ag gpt (uncut)
Inferred	**400,000**	2.98	9.91	3.11	12.38

The Mineral Resources were estimated using a vertical cross-sectional polygonal method and appear to have economic potential that would be best suited for development by the use of underground mining methods. A cut-off of a minimum value of 3.0 gpt gold equivalent ("AuEq"), using combined gold and silver values, and a minimum core length of 2.0 metres was used for the Mineral Resource estimates. The gold equivalent method for the cut-off used a silver to gold ratio of 59.9278 based on the three year average prices of gold US$830 per oz. and silver at US$13.85 per oz. The application of a top cut reduces the amount of contained gold in resource estimates by about 4% and reduces the contained silver by about 18%.

The 025 Zone is characterized by a steep dip with generally low grade and locally continuous gold and silver values within which there are locally continuous zones of mineralisation at higher grades. The better grade zones that contribute to the estimated resources are concentrated over a strike length of about a half a kilometre near the southern end of the structure as it is defined by drilling. The Mineral Resource is at a grade that makes the economic potential of the estimated resources sensitive to metal prices.

Potential to discover additional zones of gold-silver mineralisation exists on the TAG Property. Additional drilling to discover new or higher grade mineralized zones is needed to further advance this property. Drilling step-out holes below the holes that contribute to the estimated resources described in this report and exploration drilling elsewhere along the structure hosting the 025 Zone and on other prospects on the property is needed if the property is to be further advanced. In addition, infill drilling would improve the confidence in continuity and better define the mineralisation in some areas that have been subject to previous drilling.

RCI recommends that CZM undertake 5,000 metres of drilling below the mineralised zones that contribute to this resource and along untested areas of the 025 Zone. In addition, test work should be done to determine what the metallurgical characteristics of the mineralised rock are. This is especially important given the association of gold with arsenopyrite. An Induced Polarization ("IP") survey as a means of identifying potential targets along five kilometres of the 025 structure is also recommended.

Table 1-2: Recommended Budget for Work on the TAG Property

Camp Costs	$50,000
Metallurgical Test Work	$30,000
IP Survey	$100,000
5,000m Drilling @ $250/m all inclusive	$1,250,000
Contingency	$70,000
TOTAL	**$1,500,000**

2 INTRODUCTION and TERMS of REFERENCE

2.1 Introduction

CZM Capital Corporation ("CZM") has requested that Reddick Consulting Inc. ("RCI") prepare a technical report on the 025 Zone of the TAG Property, located in northern British Columbia and held by CZM. The purpose of this report is to estimate Mineral Resources and to support the release of new mineral resource estimates for gold-silver ("Au-Ag") mineralisation related to the 025 Zone on the TAG Property. John Reddick, President of RCI, is responsible for the preparation of this report and the mineral estimate. Tracy Armstrong, President of T.J. Armstrong Geological Consulting Inc. is responsible for Section 14 of the report.

John Reddick, M.Sc., P.Geo., visited the TAG Property and the CZM core logging facility on October 21, 2008. During the review of data on site and the preparation of this report, discussions were held with CZM personnel, who provided full cooperation. In particular, Mark Fekete, B.Sc., P.Geo., and Jennifer Simper, B.Sc., G.I.T., provided assistance and helped with obtaining necessary information for this report.

Information and data for the report were obtained from the site visit by RCI and additional data and reports were received directly from CZM personnel in late 2008 and in 2009. Pertinent geological information was reviewed in sufficient detail to prepare this report.

2.2 Terms of Reference

The purpose of this report is to estimate Mineral Resources and to support the release of new Mineral Resources for the 025 Zone of the TAG Property held by CZM.

2.3 Units and List of Abbreviations

Unless otherwise stated, all units of measurement in this report are metric and costs are expressed in Canadian dollars (CAN$). The payable metals gold (Au) and silver (Ag) are priced in United States dollars (US$) per troy ounce.

The following abbreviations are used in this report:

Term	Abbreviation
025 Fault Zone	025FZ
above sea level	a.s.l.
Activation Laboratories Ltd.	ACT
Assessment Report Indexing System	ARIS
atomic absorption spectroscopy	AAS
Bourlamaque Assay Laboratories Inc.	BAL
British Columbia	B.C.
British Columbia Geological Survey	BCGS
Canadian Institute of Mining, Metallurgy and Petroleum	CIM
CANMET Materials Technology Laboratory	CANMET
CDN Resource Laboratories Ltd.	CDN
centimetre	cm
cubic metre	m^3
CZM Capital Corporation	CZM
dollar (Canadian)	$ or C$
Eco-Tech Laboratories Ltd.	ECO
Fire Assay	FA
Gary Thompson	Thompson
Gemcom Software International Inc.	Gemcom
Global Positioning System	GPS
gold	Au
gold equivalent	AuEq
gram	g
gram per tonne	g/t or gpt
Induced Polarization	IP
kilogram	kg
kilometre	km
litre	L
metre	m
micron	µm
millimeter	mm
Mineral Inventory	MINFILE
National Instrument 43-101	NI 43-101
Net Smelter Return	NSR
ounce per short ton	opt
parts per billion	ppb
parts per million	ppm
pound	lb
quality assurance/quality control	QA/QC
rock quality designation	RQD
silver	Ag
specific gravity	SG
square kilometre	km^2
square metre	m^2
tonne (1000 kg)	T
Troy ounce (31.1035g)	oz

3 RELIANCE on OTHER EXPERTS

This report has been prepared by RCI for CZM. The information, conclusions, opinions, and estimates contained herein are based on:

- information available to RCI at the time of preparation of this report;
- assumptions, conditions and qualifications as set forth in this report; and
- data, reports and opinions supplied by CZM.

RCI does not guarantee the accuracy of conclusions, opinions, or estimates that rely on third party sources for information that are outside the area of technical expertise of RCI. RCI has relied on reports and opinions from CZM for the following information that is outside the area of technical expertise of RCI:

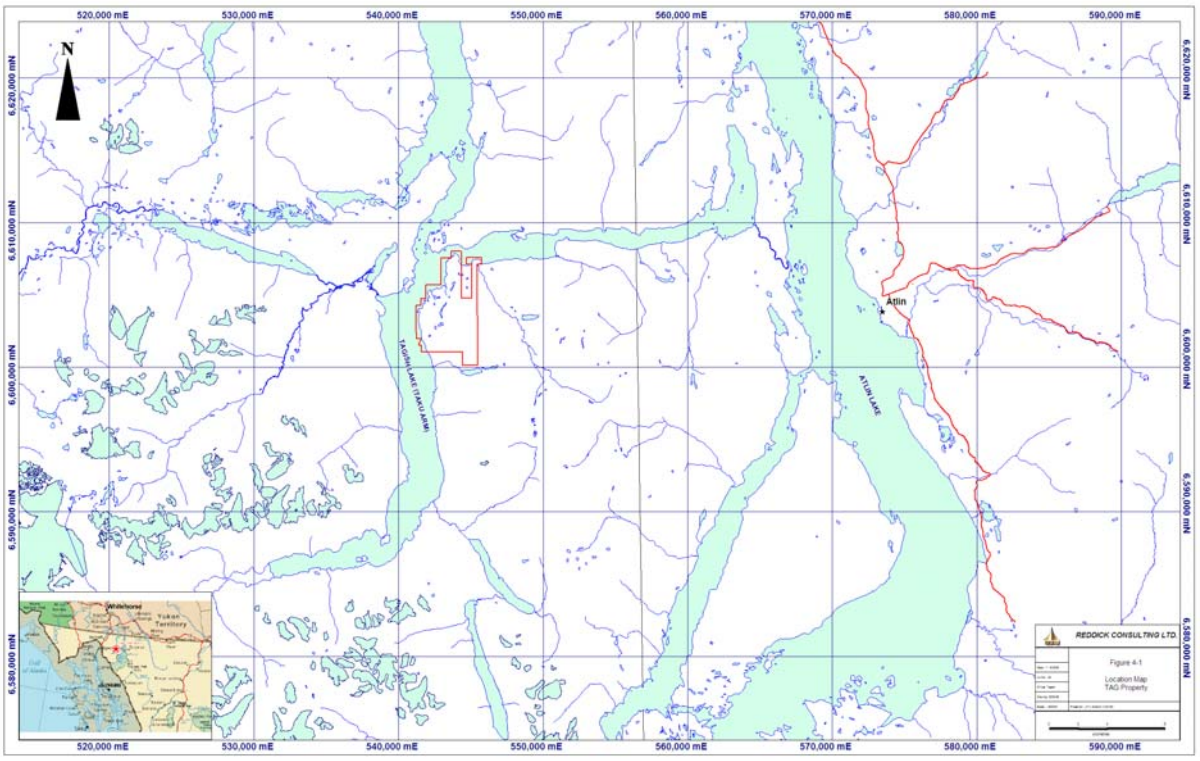
- information on property holdings, lease agreements and legal status of property title was provided by CZM. For the land description and CZM's holdings in Section 4 of this report, RCI has not verified the factual accuracy and legal sufficiency of the description provided by CZM;
- RCI has checked the British Columbia claims records for the TAG claims however RCI does not express any opinion in connection with title;
- information relating to the various option, joint venture and purchase agreements described in Section 4 of this report; and
- information relating to property titles, surface rights, and environmental matters.

Except for the purposes legislated under provincial securities laws any use of this report by any third party is at that party's sole risk.

4 PROPERTY DESCRIPTION and LOCATION

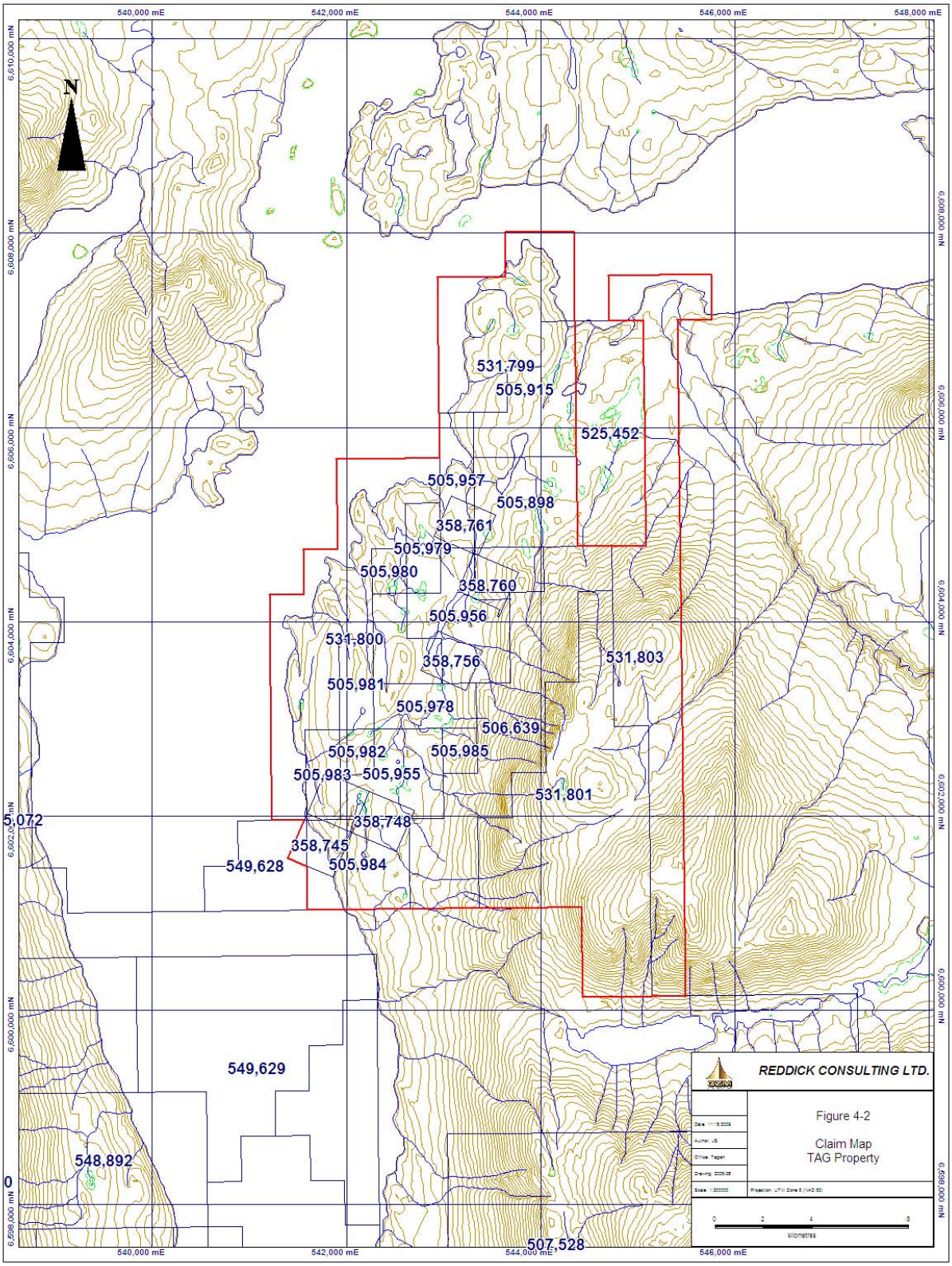
The 025 Zone is a gold–silver occurrence on the TAG Property and is located in northern British Columbia on Taku Arm of Tagish Lake. It is approximately 1,350 km north of Vancouver, British Columbia and 135 km south of Whitehorse in the Yukon Territory. The TAG Property is a contiguous group of 26 claims covering area of 2429.44 hectares. The approximate centre of the Property is at 59°34' N and 134°14' W on N.T.S. Sheet 104M011. The claims are located in the Atlin Mining Division of British Columbia and the property is approximately 35km due west of the village of Atlin (Figure 4-1).

Figure 4-1: TAG Property Location, Northern British Columbia



The TAG Project area consists of 26 claims covering an area of 2,429.44 hectares (Figure 4-2). Claims are listed in Table 4-1. The staked area covers all of the Mineral Resources estimated for this report and that are associated with the 025 Zone. The mineralized zones hosting the Mineral Resource estimates are located on the south-western corner of the claim block shown in Figure 4-2.

Figure 4-2: TAG Property Claims



4.1 Mineral Tenure

A summary of the TAG Property claims is provided in Table 4-1.

Table 4-1: Claim Summary – TAG Property

Tenure Number	Claim Name	Expiry Date	Size Hectares
358745	GOLD A	August 29, 2018	25.00
358747	GOLD C	August 29, 2019	25.00
358748	GOLD D	August 29, 2018	25.00
358756	GOLD L	August 29, 2017	25.00
358760	GOLD P	August 30, 2017	25.00
358761	GOLD Q	August 30, 2017	25.00
505898		August 30, 2019	98.35
505915	025	August 30, 2018	98.33
505955		August 29, 2019	82.02
505956		August 30, 2018	98.39
505957		August 30, 2018	49.17
505958		August 30, 2018	32.79
505977		August 30, 2018	49.20
505978		August 30, 2018	49.21
505979		August 30, 2018	32.79
505980		August 30, 2018	16.40
505981		August 30, 2018	32.80
505982		August 29, 2018	16.40
505983		August 29, 2018	32.81
505984		August 29, 2019	98.45
505985		August 29, 2017	16.40
506639	025	August 30, 2017	262.44
531799	JAB1	April 11, 2011	180.22
531800	JAB2	April 11, 2011	262.36
531801	JAB3	April 11, 2011	410.17
531803	JAB4	April 11, 2011	360.74
26 Total			**2,429.44 ha**

4.2 TAG Property Agreement

Pursuant to an Agreement dated January 17, 2006 between CZM and Gary Thompson ("Thompson") of Vancouver, B.C., CZM exercised its option to purchase the TAG Property on March 27, 2008, after having completed requisite work expenditures of $1.05 Million, and paying $60,000 cash and issuing 600,000 common shares of CZM to Thompson. CZM now holds a 100% undivided interest in the TAG Property subject only to 2.5% Net Smelter Returns

("NSR") royalty payable to Thompson. CZM may at any time prior to commercial production purchase up to 1.5% of the NSR royalty in increments of $500,000 cash per 0.5% of the NSR. The surface rights for the area of the Property are held by the Crown.

4.3 Other Mineralisation, Environmental Matters and Permits

Other Mineralised Zones

The 025 Zone includes what is known variously as the "Mass", "Main" or "Canyon" showing (MINFILE 104M 079). The only other documented mineralized zone on the TAG Property is known variously as the "Quantity" or "Barney" showing. (MINFILE 104M 080). It is located approximately 3km north of the 025 Zone. There are no other mineralised zones of significance identified on the TAG Property.

Environmental Matters and Work Permits

There are no known environmental matters relating to the property. Mineral exploration work on the TAG Property is subject to British Columbia mining regulations. CZM completed all its work under British Columbia Mines Act Permit MX-1-644, Approval No. 07-0100364-0629. Any surface disturbance caused by CZM's exploration activity including drill pads, drill roads, camps etc. is subject to reclamation guaranteed by a posted cash bond.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE and PHYSIOGRAPHY

5.1 Accessibility

The TAG Property is located on Taku Arm of Tagish Lake and is accessible year round with helicopter. Access by water, using float plane, boat or barge is possible during summer months. The village of Tagish, located 88 km north of the Property in Yukon, is the closest and most convenient place to launch a boat. From Tagish it is approximately a 50 minute, 70km drive to Whitehorse. Airplanes on skis or wheels can land from early January to late April depending on the condition of the lake ice. There is an air strip at the north end of the Property that, if ploughed in the winter, could provide year round access to fixed wing aircraft. The camp is a winterized camp at the south end of the Property that can accommodate up to 16 people.

5.2 Climate

Seasonal variations affect exploration to some extent (geological mapping cannot be done in the winter, geophysics and drilling are best done at certain times of the year), but the climate does not significantly hinder exploration activity or mining operations.

Taku Arm is on the edge of the semi-arid, sub-arctic continental climate typical of the Yukon and the moist, moderate coastal climate of the Alaskan Panhandle. Generally, summers are mild and clear with light precipitation although overcast conditions can persist for weeks without any rain. Heavy morning fog can be a problem, especially towards the end of the summer season. Winters are generally mild although cold snaps of -40°C can last for several weeks. Maximum snow accumulations in the winter are less than two metres. Due to the northerly latitude of the region, summer days are long and winter days very short. The best season for surface exploration is during the summer months from mid-June to mid-September. Drilling may be done easily at anytime of the year except during freeze-up and break-up periods (Fekete and Simper, 2009).

5.3 Local Resources and Infrastructure

The south end of Tagish Lake is essentially uninhabited and there are no local resources or infrastructure. The TAG property can be supplied from either Whitehorse or Atlin. Atlin is a much smaller centre but it does have a number of services including helicopter and fixed wing charters. Atlin is the end of the Yukon highway and electric grid.

Whitehorse is able to provide a greater range of supplies as well as specific exploration industry services. Contract expediting, line-cutting, prospecting, surveying, geological, geophysical, trenching, drafting, drilling and mining are all readily available in Whitehorse. The only significant exploration service not available in Whitehorse is an analytical laboratory although Eco-Tech Laboratories Ltd. of Kamloops, B.C. maintains a sample preparation facility there.

5.4 Physiography

The relief on the portion of the Property hosting the Mineral Resources is relatively flat although the Property lies within the rugged Coast Mountain Range (Figure 5-1). The ground forms a fairly even plateau moving eastward from the shores of Tagish Lake at approximately 655m above sea level to the 800m contour. Above 800m the ground rises very steeply up the side of Golden Mountain to a maximum elevation of approximately 1660m. The plateau area is marked by long narrow ridges and valleys running slightly east of north. There are numerous steep cliffs and deep ravines in this area related to regional scale faulting. The most dramatic of these features is the 025 Fault which forms a deep canyon at the far south end of the Property. There are also numerous small lakes and swamps on the plateau area that are drained by narrow creeks into Tagish Lake (Fekete and Simper, 2009).

Figure 5-1: Drill Hole Collar on 025 Zone, TAG Property

6 HISTORY

Most of the information provided on historical work is from data provided by CZM and has not been independently verified by RCI. Fekete and Skinner (2007) based their exploration history of the TAG Property on a review of maps and reports available through the British Columbia Geological Survey ("BCGS") Assessment Report Indexing System ("ARIS") and Mineral Inventory ("MINFILE") databases.

Activity in the area dates back to 1898 when workers on the White Pass & Yukon Railway made their way to the placer camps of Atlin and prospected throughout the Tagish Lake area. There are many old hand trenches and pits on the Property but there are no government records that describe when this work was done or by whom.

Modern exploration of the Property began upon the discovery of a showing of visible gold on the 025 Fault structure by government geologists (Mihalynuk et al. 1989). Sample 88MMO6-3 from an outcrop of quartz argillite breccia returned values of 5.35g/t Au and 19.0g/t Ag which has come to be known as the "Mass" showing. This showing was staked as the 40-claim Mass and Quantity property in 1988 by Thompson. These claims were rolled into Golden Bee Minerals Inc. and limited surface exploration was conducted (ARIS 19384 & 21508) before the claims reverted back to Thompson in 1992. Thompson completed additional geological, prospecting, geochemical and trenching work in 1994 (ARIS 23599) and again in 1996 (ARIS 24645). The Mass and Quantity property lapsed in 1997 and was subsequently re-staked by Thompson as the 20-claim "025" group. More geological, prospecting, geochemical and trenching work was done in 1997 (ARIS Report 25735) and 2003 (ARIS 27267) as well as petrography, fluid inclusion and scanning electron microscope studies (ARIS 26379) in 2000. The 025 claims were partially converted to map cells in 2005 and additional map cells were added in February 2005 and April 2006.

In 2006, CZM acquired an option on the Property. Work in that year included (Fekete, 2006; Fekete and Skinner, 2007):

- 23 diamond drill holes totalling 3,399.08m;
- construction of a camp; and
- line-cutting.

In 2007 work by CZM included (Fekete and Simper, 2009):

- 26 diamond drill holes totalling 4,663.5m;
- a high-definition helicopter-borne magnetic and gamma-ray spectrometer survey of 312km on the property;
- a B-horizon soil geochemical survey along the entire length of the interpreted 025 structure and covering a 500m wide swath on either side of that structure;
- line-cutting;
- prospecting and sampling based on targets generated by compiling the magnetic and geochemical data; and
- camp improvements.

In 2008 work by CZM included:

- 20 diamond drill holes totalling 3,456.5m;
- prospecting, mechanical trenching, and sampling based on targets generated by compiling the magnetic and geochemical data; and
- camp improvements.

The work done by CZM on the property is covered in more detail in Section 11, Exploration.

Table 6-1: Summary of Work on the TAG Property

ARIS No.	Period	Company	Work Description
19384	1989	Golden Bee	Geological survey; prospecting and sampling
21508	1991	Golden Bee	Geological survey; prospecting and sampling
23599	1994	Thompson	Hand trenching; geological and geochemical surveys; prospecting and sampling
24645	1996	Thompson	Hand trenching; geological and geochemical surveys; prospecting and sampling
25735	1998	Thompson	Hand trenching; geological and geochemical surveys; prospecting and sampling
26379	2000	Thompson	Hand trenching; geological and geochemical surveys; prospecting and sampling
27267	2003	Thompson	Hand trenching; geological and geochemical surveys; prospecting and sampling
28703 Fekete, 2006	2006	CZM	Drilling 12 holes, 1,370.3m
29581 Fekete & Skinner, 2007	2006	CZM	Drilling 11 holes, 2,028.78m; line-cutting; camp building
n/a Fekete & Simper, 2009	2007	CZM	Drilling 26 holes, 4.663.5m; 312km airborne magnetometer and gamma-ray spectrometer survey; soil geochemical survey; prospecting and sampling
n/a	2008	CZM	Drilling 20 holes, 3,456.5m; mechanical trenching; prospecting and sampling

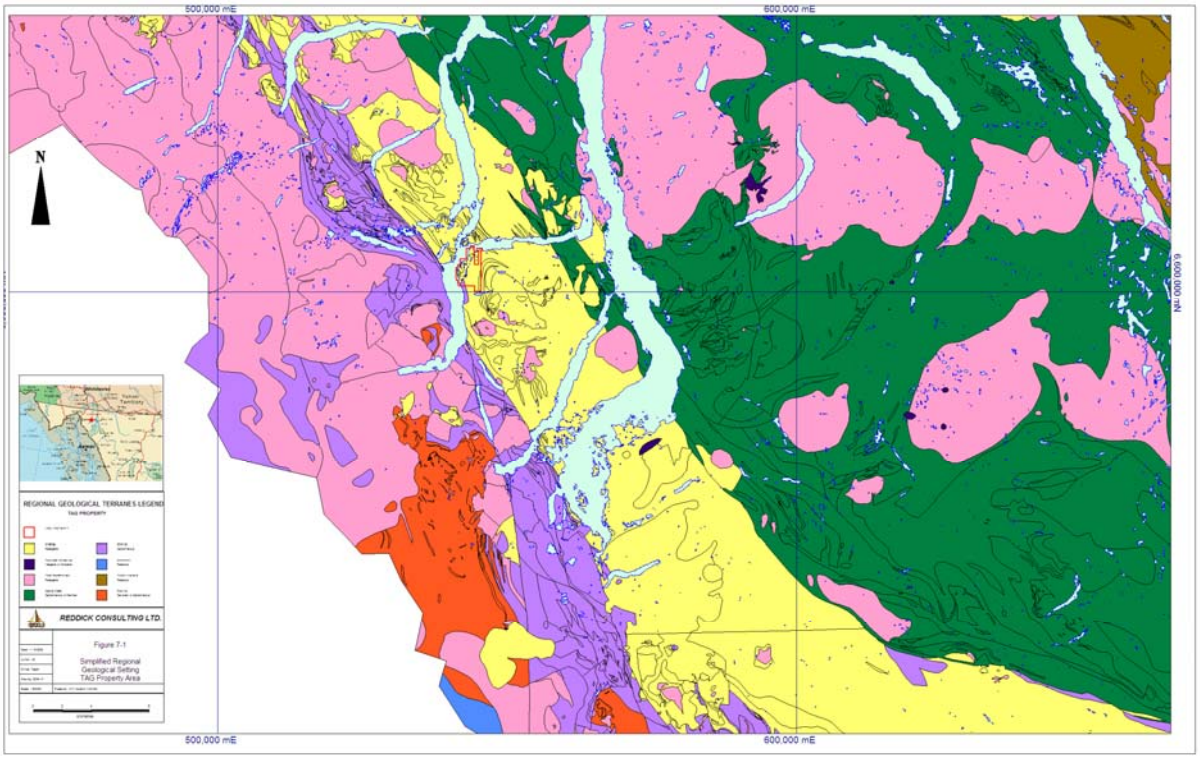
7 GEOLOGICAL SETTING

7.1 Regional Geological Setting

The following section is largely taken from Fekete and Simper (2009). The geological setting of Tagish Lake is well described in a number of papers published by the British Columbia Ministry of Energy and Mines (Mihalynuk et al, 1989, Mihalynuk et al, 1997, and Mihalynuk & Mountjoy, 1990.) The following discussion of the regional and local geology is based almost entirely on these papers.

The Property lies within the Cache Creek Tectonic Terrane (Figure 7-1). Cache Creek is an oceanic assemblage comprised of basalts, massive carbonates, pelitic sediments, altered ultramafic slices and mantle tectonites. Mesozoic sedimentary rocks of the Whitehorse Trough are the primary rocks found in the area of the Property. In particular the area is underlain by Lower to Middle Jurassic Laberge Group turbidite sequences of argillite, greywacke and conglomerate. The Laberge Group lies above an unconformity over Upper Triassic Stuhini Group volcanic rocks. West of the Property the Laberge Group is separated from the Nisling Assemblage by the deep-seated, regional Llewellyn Fault. A thin wedge of Stuhini volcanic and coarse clastic sediments is found within this fault on the west side of Tagish Lake directly across from the Property. The Nisling Assemblage belongs to the Boundary Range Metamorphic Complex and consists of intensely deformed greenstone metamorphic rock of probable Devonian to Triassic age.

Figure 7-1: Simplified Regional Geological Setting



7.2 Property Geology

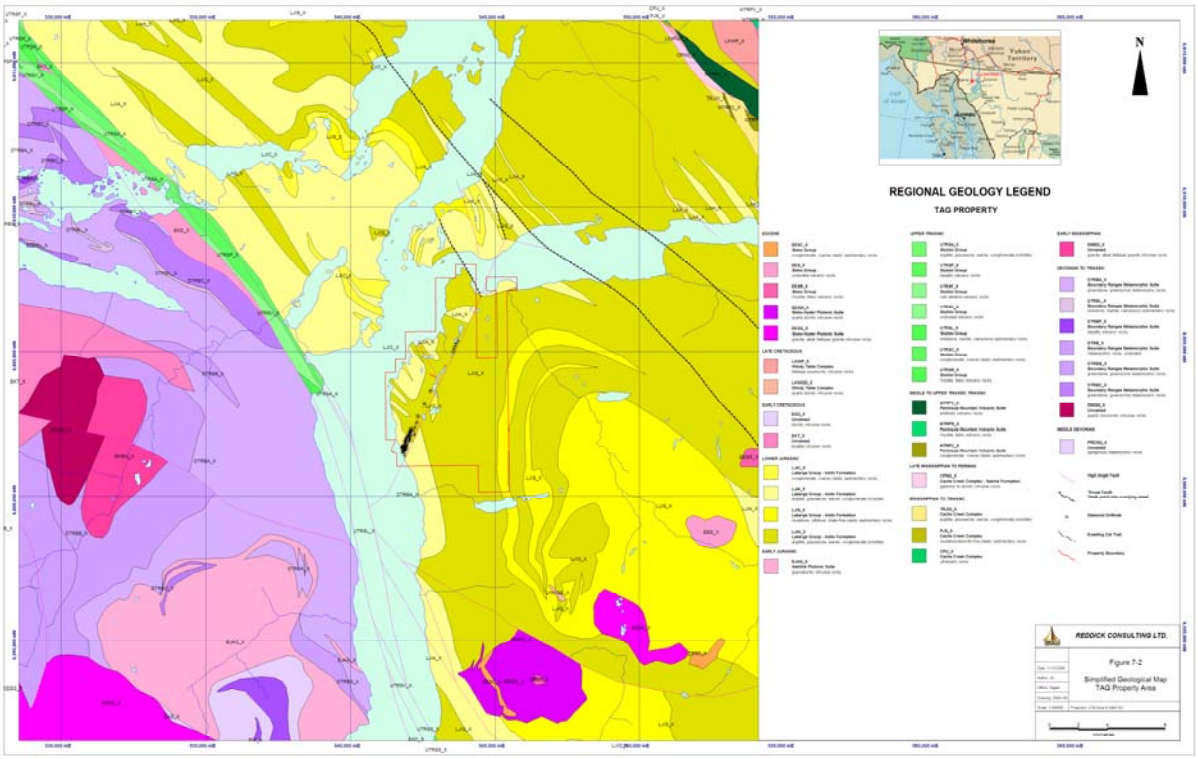
Geological interpretations are based on diamond drill core, limited surface mapping and geophysics. There is scattered outcrop on the Property.

The following descriptions are largely taken from Fekete and Simper (2009). The Property is underlain almost entirely by Laberge Group sediments. The dominant lithology is medium grey, calcareous greywacke that may show massive or graded beds. Rhythmically bedded argillaceous siltstones are also common and form successions ranging from 10 to 100m thick. Beds within the argillites are typically 2 to 5cm thick. Less common are irregularly and thinly bedded argillites that are recessive, often silty, with rusty weathering. There are also several outcrops of conglomerate, which are generally polymictic containing clasts of volcanic, sedimentary and intrusive rock types. Typically they are clast-supported with a coarse wacke matrix or sometimes may be matrix-supported with up to 30% clasts within an argillite siltstone matrix. Airborne geophysical surveys flown in August of 2007 identified two kidney shaped intrusives, one to the east of the 025 Fault Zone ("025FZ"), and a smaller one essentially lying in the Barney Showing, and appearing to be cut by the 025FZ. Drilling at the Barney Showing determined that the intrusive rocks consist of light green-grey, medium-grained, massive, felsic quartz diorite.

Structurally, the Laberge Group sediments have been deformed into upright, gently closing, gently plunging folds with consistently northwest trending axes. Axial cleavages are well developed in argillites, but are rare in massive greywacke. The 025FZ is a very prominent structure that is traced by a distinct lineament for 6 km across the Property. This normal fault is a splay off the larger Llewellyn Fault and is also a major, deep-seated, regional structure. Movement within the zone, which is up to 30m wide in places, is very complex as evidenced by shearing, slickenside surfaces and drag folds.

The 025FZ is in fact a series of fault zones and shears hosted by sediments (mostly argillite, siltstone and greywacke). The fault zones may be parallel or oblique to bedding. The 025FZ is a generally continuous structure striking between 020º to 025º over a distance that has been defined by drilling of about 4.5 km. The geometry of the 025FZ is generally interpreted to be a thin plane that dips 080º to 085º to the west.

Figure 7-2: Simplified Geological Map of the TAG Project Area

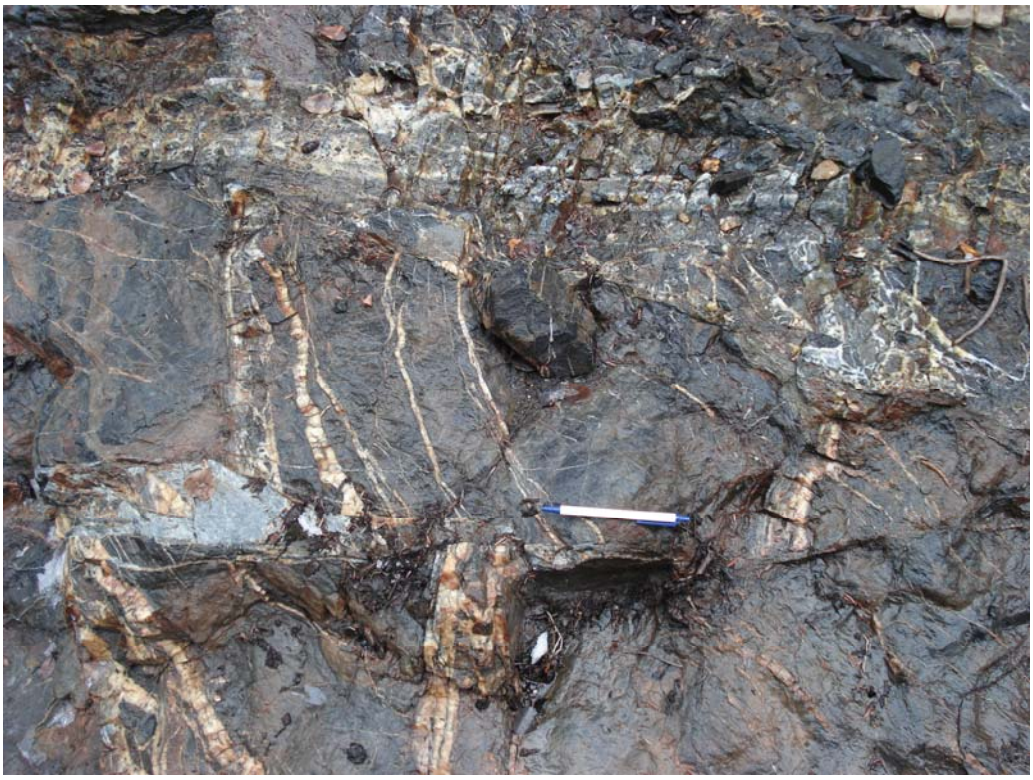


8 DEPOSIT TYPES

The 025 Zone shares many similarities to the structurally controlled gold deposits of the Cordillera. Although sediment-hosted, the association of quartz-pyrite-arsenopyrite mineralisation with a cross-cutting structure, evidence of both ductile and brittle deformation and the extensive continuity of the fault zone along strike and to the depths drilled, coupled with a lack of wall rock alteration more than a few metres away from the fault, suggest that the deposit is a typical lode gold deposit. There are a range of quartz vein textures that suggests some of the quartz vein material may have been deposited in a near surface environment. Many vein textures and a petrographic study (ARIS 26379) indicate an epithermal depositional environment. Figure 8-1 shows local development of crustiform quartz typical of open space textures found in near surface quartz veins. Elsewhere, veins on surface are more fine grained and massive and are clearly fracture fillings that may be indicative of multiple mineralising events (Figure 8-2).

Figure 8-1: Crustiform Quartz in 025 Zone Outcrop

Figure 8-2: Structurally Controlled Massive Quartz in Fractures; 025 Zone Outcrop



9 MINERALISATION

The following descriptions are largely taken from Fekete and Simper (2009). The most significant gold and silver mineralisation discovered to date on the Property is found in the 025 Zone (MINFILE 104M 079) and consists of single or multiple closely space zones of structural deformation along the 025FZ with vuggy quartz breccia and stockwork hosted in sheared, broken and brecciated greywacke and argillite. Sulphides are found in these rocks to varying degrees. Strong pervasive to local carbonate and silica alteration has been noted as well as lesser chlorite, sericite and mariposite.

These mineralised zones may be parallel or oblique to bedding. Minor fine-grained, disseminated sulphides are pervasive within these rocks; rarely massive sulphides are found on fracture planes. The 025 Zone is a highly variable interval characterised by shearing, quartz veining and quartz breccia. Shearing is marked by pervasive, near total graphite alteration. Quartz veining consists of 10 to 50% anastomosing veinlets typically 1 to 20cm wide, both parallel and oblique to bedding. Quartz breccia zones show 10 to 20% angular wall rock fragments typically 1 to 5cm in size suspended in a drusy textured quartz matrix. Sulphides are found as disseminations and thin veinlets throughout the zone and in the wall rock immediately adjacent to the zone.

Petrographic work done in 2000, on a suite of rocks from the 025 Zone (ARIS 26379), shows that gold and silver occur in the native form in close association with arsenopyrite and pyrite. Quartz is the dominant gangue constituent. Quartz and sulphide show abundant crosscutting relationships and are characterised by multiple crack and seal features suggesting numerous episodes of faulting and crystallization of mineralizing fluids. In thin section, quartz is seen with foam textures and in hand specimen with feathered, crackled, drusy, vuggy and coxcomb textures. These textures with limited wallrock alteration and the presence of illite suggest a low temperature 150-250°C epithermal system.

The only other mineralised zone of note found to the date on the TAG Property is at the Barney showing (MINFILE 104M 079), located about approximately 3km north of the 025 Zone. On surface this zone has a total strike length of some 250m and is 5 to 25m wide. The quartz breccia-stockwork mineralisation found here is associated with the 025FZ where it cuts a quartz diorite intrusion. Surface grab samples returned up to 0.35gpt Au and 1.0gpt Ag (ARIS 27267). CZM drilled six holes across this zone in 2007 (Fekete and Simper, 2009). The best intersection returned 0.29gpt Au and 1.39gpt Ag over 16.0m in Hole TAG07-44. The mineralization in the Barney area is quite different than the 025 Zone area and is marked by extensive brecciation of the wall rock, a pale yellowish grey to green colour due to strong pervasive sericite-carbonate alteration and up to 15% fine-grained, granular, disseminated or stringer sulphides.

Figure 9-1: Mineralised Intersection from the TAG Deposit - TAG08-059

Sample 130206 - 1.85 gpt Au, 30.90 gpt Ag over 1.0m (111.8 – 112.8m); and Sample 130207 - 2.55 gpt Au; 17.00 gpt Ag over 0.70m (112.8 – 113.5m)

10 EXPLORATION

The following descriptions are largely taken from Fekete and Simper (2009). Between 2006 and 2008, CZM completed 69 diamond drill holes totalling 11,519.08m on the TAG Property, all directed along the structural trend of the 025FZ (Fekete, 2006, Fekete and Skinner, 2007, Fekete and Simper, 2009). All of the drilling on the Property has been under the supervision of CZM since 2006.

In 2007, a helicopter-borne, high-resolution magnetic and gamma ray spectrometric survey was completed on the Property by McPhar Geosurveys Ltd. (McPhar, 2007). The main purpose of the survey was to acquire detailed magnetic data in an effort to better define the structural characteristics of the geology underlying the Property. The secondary goal of the survey was to identify any intrusive bodies by their magnetic and/or radiometric signatures. The survey was flown on traverse lines spaced at 100m and oriented at 115° Azimuth with tie lines spaced at 1,000m and oriented at 025° Azimuth. A total of 312 line kilometres of magnetic data were collected and 236 line kilometres of gamma ray spectrometric data were collected. An apparent malfunction of the gamma ray spectrometric on certain flight lines accounts for the difference in the amount of data collected for the two survey methods. The results of the magnetic data were somewhat disappointing in that very little structural detail was revealed. Indeed even the 025FZ, which stands out as a very prominent topographical lineament, is not apparent in the magnetic data. The magnetic survey did however detect two kidney shaped magnetic highs. One of these anomalies, as determined by drilling, correlates to a quartz-diorite stock that occupies an area roughly 1,200m long and 400m wide generally located just south of the Barney surface showing. The second anomaly is very similar to and lies about one kilometre south of the first. It measures about 2000m long and 600m wide and, although this has not been confirmed, it is also likely caused by a buried quartz-diorite stock. Nothing of any note was obtained by the gamma ray spectrometric survey. Potassium counts are slightly higher over the two magnetic highs. This supports the conclusion that the magnetic anomalies correspond to quartz-diorite stocks.

Also in 2007, a geochemical survey was undertaken over a 5.7km length of the 025FZ with the goals of identifying prospecting sites and generating drill targets (Fekete and Simper, 2009). A total of 1,103 “B” horizon soil samples were collected with a hand auger at 50m intervals on lines spaced 100m apart. The sampling was extended at right angles up to 500m on each side of a baseline cut at 025° parallel to the 025FZ. The total area covered by the geochemical survey is approximately 5.6km^2. The soil survey returned some very strong gold results with values up to 1.14 gpt Au. Strong silver values were also obtained up to a maximum of 3.5 gpt. Gold shows a strong positive correlation with both arsenic and antimony and together these metals show coincident trends. Gold values also appear to correlate well with silver but these two metals tend to occur together as spot anomalies rather than coincident trends. Soil interpretation maps clearly define two domains on the Property that are separated by a large northwest-trending fault that cuts the 025FZ at a point about 2.4km north of the far north end of the Main zone. The southern domain is characterized by relatively high antimony, and low arsenic and silver background values. Arsenic and gold in this domain form sharp, linear anomalies that correspond very well with the 025FZ in this domain. Antimony also marks the 025FZ but it forms a much broader, diffuse anomaly than gold and arsenic. Silver forms a chain of spot anomalies that line up along the 025FZ. The northern domain is characterized by

relatively low antimony, and high arsenic and silver background values. The 025FZ is less well defined geochemically in this domain by a discontinuous series of strong coincident gold-arsenic-antimony-silver spot anomalies. In both domains there are numerous spot gold anomalies.

In 2008, CZM completed extensive prospecting followed by mechanical trenching and sampling along several segments of the 025FZ and at numerous sites identified elsewhere on the Property as geochemical anomalies. A total of 42 trenches and pits were done with a Kubota excavator and 229 rock samples were systematically collected. Assay values up to 7.82 gpt gold and 28.6 gpt silver were returned from the trenches. The most significant result of this work was the discovery of a new quartz-breccia zone along the south margin of the quartz-diorite stock about 250m south of the Barney showing. This zone was traced in trenches over approximately 100m of strike length from 7400m N to 7500m N.

Also in 2008, all of the drilling, soil geochemical, airborne geophysical, trenching, prospecting and surface sampling data was compiled into a MapInfo/Discover database.

11 DRILLING

11.1 Data

A total of 69 diamond drill holes were completed on the TAG Project by CZM between 2006 and 2008. Total cumulative meters are 11,519.08 with an average drillhole depth of 166.9m. Drillhole depths ranged from 18.3m to 335.3m. Kluane Drilling Ltd. ("Kluane") of Whitehorse, Yukon was contracted to complete the drilling over this period. The drillhole data are summarized in Table 11-1 below. All 69 of the drill holes completed on the Property were available in the database used for the resource estimate presented in this report.

Table 11-1: Diamond Drilling on the TAG Project

	Number of Holes	Year	Total Metres	Avg. Depth
	23	2006	3,399.08	147.8
	26	2007	4,663.50	179.4
	20	2008	3,456.50	172.8
Totals	**69**		**11,519.08**	**166.9**

11.2 Drilling Methods

All the drilling was done with a Kluane Series III, hydraulic, helicopter portable, wire line drill rig. For most of the drilling the drill rig was mounted on a skid with a plywood shack and moved with a John-Deere 240 bulldozer. The rig was pulled out of the shack and off the skids and flown with a helicopter to a series of drill pads that were inaccessible by bulldozer. Casings were generally not left in the holes. The coring has all been NTW size with a core diameter of slightly more than 58 mm. Drill core at all drill sites is placed in wooden boxes, the boxes labelled according to drill hole number and metres, which are securely sealed for transport. The drill core is stored in core racks located at a site above the camp on the Property.

11.3 Surveying

Collar Locations and Orientations

Collar locations for all drill holes were established in map datum UTM NAD 83, Zone 8 using a hand-held Garmin 76CX Global Positioning System ("GPS") receiver with an external antenna with an accuracy of ~5 metres. Collar locations were picked up after completion of the drill hole before the drill was moved. Drill casings were generally not left in the holes.

Down Hole Surveys

Beginning in September 2007, downhole surveys were completed with a Flex-It™ downhole directional tool. Prior to that only acid dip tests were done. Twenty of the drill holes

in the project database do not have downhole survey data, including eight that have mineralised zones that contribute to the Mineral Resources. None of the intervals that contributes to the resources classified as Indicated is found more than 60m downhole in any of the un-surveyed holes. Therefore the absence of downhole surveys does not appear likely to impact the level of confidence for those intervals.

Topography

Although digital topographic data are available from government sources, the GPS data recorded in the field were used for drill collar locations. Some of the digital topographic data provided by CZM were imported into the Gemcom database.

11.4 Core Logging Procedures

Data reviewed in this study and applied for geological modelling and resource estimation are the product of recent exploration by CZM. CZM core logging procedures is as follows:

- core in sealed core boxes is brought to the on-site core shack on a per shift basis by employees of the drilling company or by CZM personnel;
- all core is logged daily by a geologist at the core shack where major and minor lithological units, texture, structure, alteration, mineralisation, core sample intervals and quality assurance/quality control (QA/QC) materials are recorded and entered into Geotic™ core-logging software that saves the data in Microsoft Access database format;
- prior to being split and sampled, the core is photographed using a digital camera and photos are archived in JPG format on CD-ROM discs;
- assay results for core samples and quality assurance/quality control (QA/QC) materials are received electronically as Microsoft Excel files and these data are then copied using data transfer tools within Geotic™;
- the core logging data are verified using verification tools within Geotic™; and
- final core logs are generated in Adobe PDF format from Geotic™ that include a) a header sheet with collar coordinates in UTM NAD 83 and local grids, collar azimuth, dip and elevation, downhole survey data, hole start, finish and logging dates, drill contractor name, logging geologist, and core size and b) description sheets with interval From-To depths, core descriptions, sample numbers, sample interval From-To depths, and assay results.

12 SAMPLING APPROACH and METHODOLOGY

12.1 Diamond Drill Core Sampling

The following description applies to CZM drilling. No prior drilling has been done. Core from holes TAG06-01 to 12 was sawn in half whereas the remainder of the core was split in half with a hydraulic splitter. The archived core is stored at a site on the Property above the camp in wooden core racks in wooden boxes with the drillhole number and box interval clearly marked on metal tags. Core from all drill holes was logged on site and the core was marked for sampling by a geologist. Sample lengths are based on lithological units and range from 0.10m to 6.80m. The mean sample length is 0.96m with almost 90% of all samples between 0.75m and 1.5m. Standards, blanks and field duplicates are inserted for approximately 1:25 samples.

All sample intervals were recorded in the core log and marked on the core boxes with water proof tags stapled at the beginning of the sample interval. Technicians split the core in half longitudinally using either a diamond blade saw or a hydraulic core splitter at the on-site core shack. One-half of the split core sample interval was returned to its appropriate core box location to be kept as a permanent record (Figure 9-1). The other half sample was placed with the appropriate sample tag in a plastic sample bag marked in indelible ink with the proper sample number and sealed with plastic tie-wraps. Batches of samples were subsequently sealed in rice bags with plastic, tamper-proof tags bearing unique serial numbers.

Most core recovery was very good, although there were local intervals of broken core or gouge noted in the logs for the 025 Zone and in isolated instances, these intervals appear to have the potential to have lost material. No quantitative records of core recovery or Rock Quality Designation (RQD) have been made. However, no sampling or recovery factors that might materially impact the accuracy or reliability of the sampling results were noted during the site visit.

Assay intervals are stated as core lengths; the true thickness of the mineralized intervals have not been determined as of yet. The mineralized zones in 025 Zone are steeply dipping and are generally intercepted by angled drillholes. It appears that the true width of this mineralized zone is on average about 70% of the core lengths (see Figure 17-5).

12.2 Diamond Drill Results

Diamond drill results that contribute to the resources quoted in this report for the 025 Zone are listed in Appendix I. As the 025 Zone has been estimated using all reported assays for the drillholes, all significant mineralised intervals are listed in Appendix I.

Further details regarding assay lengths, percentage of sampled core and assays by lithological units for drilling that contributes to the resource estimates presented in this report are discussed in the analysis of data in Section 17, Mineral Resources and Mineral Reserves. The sample quality is good and the samples are considered by the author to be representative of the areas tested by drilling.

13 SAMPLE PREPARATION, ANALYSES and SECURITY

13.1 Sample Preparation

The 2007 samples were crushed and pulverized in Whitehorse by Eco-Tech Laboratories Ltd. ("ECO") and subsequently 250g pulps were shipped by transport truck to the ECO main laboratory in Kamloops, B.C. for analysis. Core samples were crushed on a Terminator jaw crusher to minus 10 mesh ensuring that 65% passed through a Tyler 10 mesh screen. From every 35 samples, a re-split was taken using a riffle splitter to be tested to ensure the homogeneity of the crushed material. A 250g sub-sample of the crushed material was pulverized on a ring mill pulverizer ensuring that 95% passed through a 150 mesh screen. The sub-sample was rolled, homogenized and bagged in a pre-numbered bag. A barren gravel blank was prepared before preparing each sample batch and was analyzed for trace contamination along with the actual samples.

The 2006 and 2008 samples were sorted, weighed and labeled upon reception at the Bourlamaque Assay Laboratories Ltd. ("BAL") laboratory in Val d'Or, Quebec. Each sample was crushed in a single stage (one pass) to a minimum 80% <1.70mm. From the crushed material, a Jones riffle is used to split a nominal 250g sub-sample, which is pulverized to a minimum 85 % <75μm (pulp).

13.2 Analysis

ECO determined gold values on a 30g portion of the sample pulp by classical fire assay ("FA") and atomic absorption spectrometry ("AAS") with a lower reporting limit of 0.03ppm. Samples reporting values >10.00ppm are resubmitted for FA with a gravimetric finish. Silver values were determined on a 0.50g portion of the pulp using an aqua regia leach and AAS with lower reporting limits of 0.5ppm.

BAL determined gold values on a 30g portion of the sample pulp by classical FA and AAS with a lower reporting limit of 0.01ppm. Samples reporting values >10.00ppm are resubmitted for FA with a gravimetric finish. Silver values were determined on a 0.50g portion of the pulp using an aqua regia leach and AAS with lower reporting limits of 0.5ppm.

13.3 Shipping, Security and Storage

All drill core samples taken by CZM were kept in CZM's possession until transport to either ECO or BAL facilities. ECO is an ISO 9001 (CDN 52172-07) accredited facility. BAL is not accredited but it is independent of CZM and participates annually in CANMET round-robin proficiency testing. Both laboratories follow internal quality control programs.

The samples were transported from the Property in sealed rice bags with plastic, tamper-proof security tags bearing unique serial numbers by boat, fixed wing or helicopter, and then by truck to Whitehorse. In 2007 they were then delivered to ECO's preparation facility in

Whitehorse. In 2006 and 2008 they were then shipped by transport truck to BAL. In either case, a shipping manifest in triplicate was sent with each individual shipment in order to monitor chain of custody. Delivery of each shipment and verification of the integrity of the security tags was acknowledged by signature of one copy of the shipping manifest by the receiving laboratory. No tampering with the security tags was reported on any of the sample shipments.

ECO sample rejects are stored in a sea container in Whitehorse whereas the matching pulps are stored at ECO Kamloops. BAL pulps and rejects are stored in a sea container in Val d'Or.

14 DATA VERIFICATION

14.1 Site Visit and Independent Sampling

The TAG Project was visited by Mr. John Reddick, P. Geo. on October 21, 2008. Independent verification sampling was done on diamond drill core, with five samples distributed in three holes collected for assay. An attempt was made to sample intervals from a range of grades. The chosen sample intervals were then sampled by taking quarter splits of the remaining half-split core. The samples were then documented, bagged, sealed and were brought by Mr. Reddick to RCI's office in Inverary, Ontario. From there the samples were shipped via courier to Activation Laboratories Ltd. ("ACT") in Ancaster, Ontario for analysis. All samples were analyzed for Au and Ag by fire assay with a gravimetric finish. Determination of densities was done by using a pycnometer on the pulps.

At no time, prior to the time of sampling, were any employees or other associates of CZM advised as to the location or identification of any of the samples to be collected.

A comparison of the RCI independent sample verification results versus the original assay results for Au and Ag can be seen in Figures 14-1 and 14-2. Original tenors of gold and silver have been satisfactorily reproduced by RCI.

Figure 14-1: RCI Site Visit Sample Results for Gold

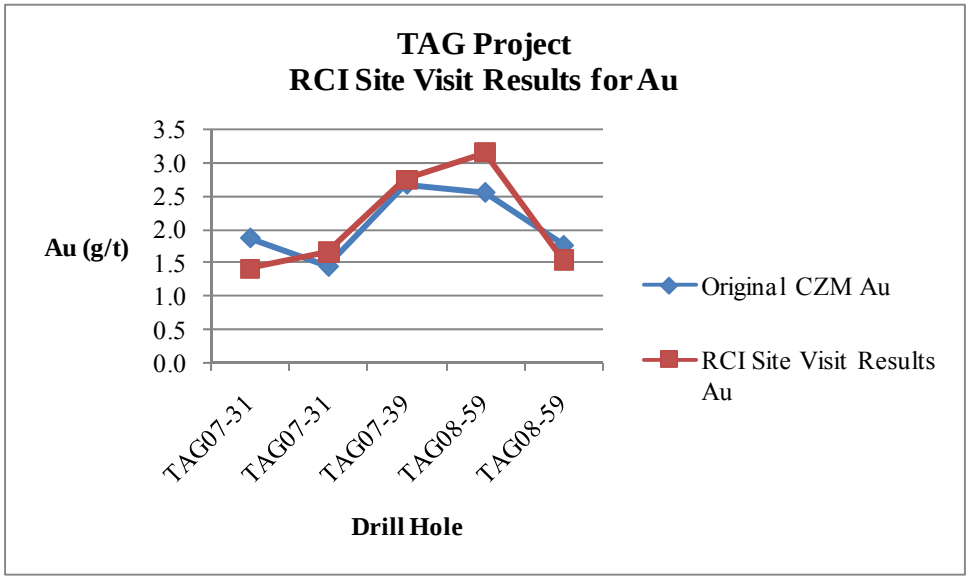
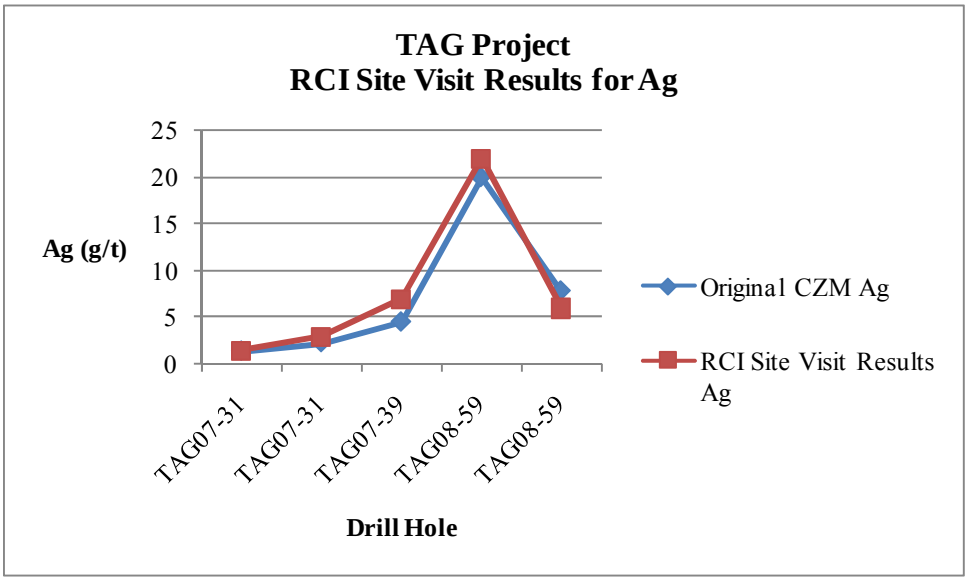


Figure 14-2: RCI Site Visit Sample Results for Silver



14.2 CZM Quality Control Program

14.2.1 2006 Quality Control Program

For the 2006 diamond drill program, there was no internal quality control ("QC") program implemented by CZM. Samples were sent to Bourlamaque Assay Laboratories, (BAL) in Val-d'Or, Quebec. The author of this section verified the internal QC program implemented by BAL for the four certificates received for the program. All certified reference materials produced results that were within industry norms of +/- two standard deviations from the mean, and blanks returned values below a threshold of three times detection limit for Au and Ag.

14.2.2 2007 Quality Control Program

For the 2007 diamond drill program, a QC program complete with numbered batches, two certified reference materials, blanks and field duplicates was set up for CZM by the author of this section. Thirty nine batches were sent to Eco Tech Laboratories (ECO) in Kamloops, British Columbia. The laboratory was changed for the 2007 drill program in an attempt to improve on turn-around time from the previous year.

CH-4 Reference Material

The CH-4 certified reference material was purchased from the CANMET Materials Technology Laboratory ("CANMET") in Ottawa, Ontario. There were 19 data points for this reference material which is certified for Au and Ag. The mean value for Au was 880ppb and the mean value for Ag was 2.1gpt. Batches 6 through 38 (odd numbers) that used this reference material all demonstrated acceptable levels of accuracy for Au and Ag.

CDN GS1P5b Reference Material

The CDN GS1P5b certified reference material was purchased from CDN Resource Laboratories Ltd. ("CDN") in Delta, British Columbia. This material is certified for Au only, with a mean value of 1.46gpt. This standard was greater than the 1000 ppb threshold for the analytical method, and as such all standards had to be re-run for the over limits. This essentially negated the use of the standard in each batch. The laboratory QC was verified for these batches, and was deemed to be within the norms.

Blanks

All blank data for gold and silver were graphed for batches 1 to 39. An upper tolerance limit of three times the detection limit was indicated for each element. The blank material was under the threshold limit for silver in all 39 batches, however for gold, many values exceeded the upper limit, with the highest value at 90 ppb (0.09 gpt Au). The blank material was supplied by a "sterile" drill hole, TAG07-35. It is obvious that this drill hole, while being very low grade for the elements it is monitoring is not absolutely sterile, particularly not for gold. This drill hole was in the general vicinity of the mineralized zone and contained anomalous values for gold, and the author believes these anomalous values to have no impact on the data quality.

Duplicates

There were 38 field duplicate pairs, 31 coarse reject pairs and 120 pulp duplicate pairs. These data were graphed individually. In a typical data set, the field duplicates can be expected to have the worst precision, the coarse rejects second, followed by the pulps which should have the best precision due to their high homogeneity and fine grind. Gold should have a precision (error) on the pulp pairs of less than 10%. The precision at all three levels was shown to be very good to excellent.

14.2.3 2008 Quality Control Program

The 2008 QC program continued with some minor changes. Standard CH-4 was maintained, while standard GS1P5B was replaced with CANMET standard GTS-2, with a mean gold grade of 0.26 gpt Au. The blank material source was changed to Canadian Tire™ Silica Sand. Samples were once again sent to BAL in Val-d'Or, Quebec with a total of 77 batches being analyzed.

CH-4 Reference Material

The CH-4 certified reference material had 39 data points. Performance of this material was excellent with one borderline failure for Au at exactly +3 standard deviations from the mean. The failure had no impact on the data.

GTS-2 Reference Material

The GTS-2 certified reference material is certified for Au only, with a mean value of 0.26 gpt. There were no failures on this reference material.

Blanks

A total of 77 blank samples for gold and silver were graphed for batches 1 to 77. An upper tolerance limit of three times the detection limit was indicated for each element. The blank material was under the threshold limit for silver in all but one batch, and for gold in all but two batches. The fact that these values assayed above the thresholds for gold and silver had no impact on the surrounding values.

14.2.4 Check Assay Program

CZM has not submitted any samples from its diamond drilling programs as check samples or duplicates to a second lab. RCI recommends that 5% of all samples be submitted, with blanks and standards inserted into the sample stream. RCI took 5 samples of archived core as part of the site visit for check assaying (see Section 14.1).

14.3 Results of the Quality Control Program

The authors consider the data to be of good quality and acceptable for use in a resource estimate.

15 ADJACENT PROPERTIES

RCI has not verified information in the public domain on any adjacent properties and cautions that any such information is not necessarily indicative of the mineralization on the TAG Property. There are no properties that are near the TAG property that would appear to impact the resource estimates presented in this report.

16 MINERAL PROCESSING AND METALLURGICAL TESTING

To date, no mineral processing and/or metallurgical testing has been completed on material from the TAG Property. Mineral Resources presented in this report assume 100% recovery.

17 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

MINERAL RESOURCES

SUMMARY

The Mineral Resource estimates have been prepared by John Reddick, M.Sc., P.Geo., of Reddick Consulting Inc. ("RCI") who is a Consulting Geologist and independent of CZM. Mineral Resources for the TAG Property were estimated by RCI with the use of geological modelling software, GEMS 6.1.4, provided by Gemcom Software International Inc. ("Gemcom"). The TAG Property Mineral Resources occur on a single structure, the 025 Zone, on the TAG Property (Figure 7-2).

The Mineral Resources were estimated using a vertical cross-sectional polygonal method and appear to have economic potential that would be best suited for development by the use of underground mining methods. A cut-off with a minimum gold equivalent value of 3.0 gpt gold equivalent ("AuEq"), using combined gold and silver values, and minimum core length of 2.0m were used for these estimates. The gold equivalent method for the cut-off used a silver to gold ratio of 59.9278 based on the three year average prices of gold US$830 per oz. and silver at US$13.85 per oz. The 025 Zone is a zone of strong structural deformation and variable quartz veining that has a steep westerly dip. Much of the zone, where drilled, is characterized by anomalous to low grade but generally continuous gold and silver values. Within the 025 Zone over a distance of about 650m from Section 4150m N to 4800m N there are a number of drillholes that define mineralized zones above the cut-off used for this Mineral Resource estimate. The Indicated Resources are restricted to four sections (4250m N to 4400m N). The overall grade of the Mineral Resources is relatively low and the economic potential of the resources are therefore sensitive to metal prices. Mineral Resource estimates are summarised in Table 17-1A and 17-1B.

Table 17-1A: Indicated Mineral Resources - TAG 025 Zone

Category	Tonnes	Au gpt (cut)	Ag gpt (cut)	Au gpt (uncut)	Ag gpt (uncut)
Indicated	**250,000**	2.97	12.09	3.06	14.37

Table 17-1B: Inferred Mineral Resources - TAG 025 Zone

Category	Tonnes	Au gpt (cut)	Ag gpt (cut)	Au gpt (uncut)	Ag gpt (uncut)
Inferred	**400,000**	2.98	9.91	3.11	12.38

17.1 Database and Approach

UNDERLYING DATA

The 025 Zone Mineral Resource estimate is based entirely on surface diamond drilling done from 2006 to 2008 inclusively. The entire database consists of 69 diamond drill holes totalling 11,519.08m. The coring has all been NTW size with a core diameter of slightly more than 58 mm. All of the 2006 to 2008 drilling targeted the 025FZ, although in a few holes in areas away from the better defined mineralisation, the identification of the structure is less certain. There are a total of 64 drillholes that intercept the 025FZ or related structures but potentially economic mineralisation identified in this report is restricted to 19 holes occurring on vertical cross sections over a strike length of 650 m near the south end of the structure. There are a total of 11 composited intervals totalling 72.50 m that contribute to the Indicated Mineral resource estimate and 18 composited intervals totalling 90.55 m that contribute to the Inferred Mineral resource estimate. Some holes have multiple intervals of potentially economic mineralisation.

Drillhole collars have been located using handheld GPS. Collar coordinates are recorded in both the local TAG Property grid coordinates and in the UTM NAD83 Zone 8 coordinate system. Recent drilling by CZM on the Property in the area covered by this estimate occurs over an area of slightly less than 0.7 km by 0.2 km. Angled drilling has been done along the strike of the 025 structure on a series of fences that are oriented at approximately 115º (perpendicular to that structure). Most drilling was done with hole azimuths oriented at about 115º with a few holes oriented with azimuths at about 295º. The area drilled was plotted on vertical sections oriented at 115º looking north-northeast on 50m centres. Drill hole intercepts in the deposit range in depth from 50 to 300m below surface with collar elevations from ~660m a.s.l. to ~710m a.s.l.

RCI is of the opinion that the quality of diamond drillhole data is acceptable for Indicated and Inferred resource estimation. RCI estimated the Mineral Resource on the 025 Zone with polygonal cross-sectional estimation methodology using Gemcom V. 6.1.4 GEMS software. Polygons outlining the potentially economic mineralisation, based on the presence of the 025 Zone in the drill logs, were constructed on vertical cross-sections in order to constrain resource estimates and to assist in grade interpolation. These polygons were modified to create a low grade envelope based on gold equivalent (AuEq) values. Finally, another set of polygons that met minimum grade and width criteria and were consistent with the geometry of those for the 025 Zone and the low grade envelope were used for the estimates.

BULK DENSITY

The core examined by RCI varied from unbroken and competent for most intervals but was locally fractured and had local poor recovery over some intervals in the 025 Zone. Database records for rock quality designation (“RQD”) measurements and core recoveries were not recorded in the drillholes. No specific gravity (“SG”) test work has been done by CZM. The only SGs available are those obtained for the check samples taken by RCI during the site visit. The average SG of the samples in the 025 Zone as determined by pycnometer testing of those core samples is 2.70. Therefore a bulk density factor of 2.70t/m^3 for volume-tonnage conversion is used for this resource estimate.

EXPLORATORY DATA ANALYSIS

RCI received ASCII files from CZM with drillhole collar locations, borehole deviation survey data, assay data and geology data for the drilling. The ASCII files were exported from CZM's drillhole database which is Microsoft Access based. These files were imported into a GEMS database created by RCI. Approximately 20% of the digital drillhole data were verified by RCI against Adobe PDF copies of the original assay certificates or, for data other than assays, against the Adobe PDF copies of the drill logs. No errors were found when comparing the Gemcom database against the original logs or assay certificates. RCI concluded that the drillhole database was sufficiently free of error to be adequate for resource estimation of the 025 Zone.

Assays Grade Distributions and Statistics

RCI examined assay grade distributions for gold and silver based on assays from the holes within the resource area. Review of histograms and log probability plots shows primarily log-normal distribution with some positive skew and some evidence of mixed populations (Figures 17-1A, 17-1B). Peaks at 0.01 gpt Au and at 0.1, 0.2 and 0.3 gpt Ag are all attributed to values entered into the database at analytical detection limits. A scatter-plot of gold and silver values is shown as Figure 17-1C. A check of associated Au and Ag values shows the values correlate only moderately, with a coefficient of correlation of 0.485. The correlation is adversely affected by the presence of a number of relatively high Ag values (20 to > 100 gpt Ag) with Au values lower than 6.0 gpt. The least squares regression equation for a line that best fits the data is y = 4.387y + 0.092 for Au on the x-axis and Ag on the y-axis.

Figure 17-1A: Histogram of Uncut Au Assays in 025 Zone Resource Area

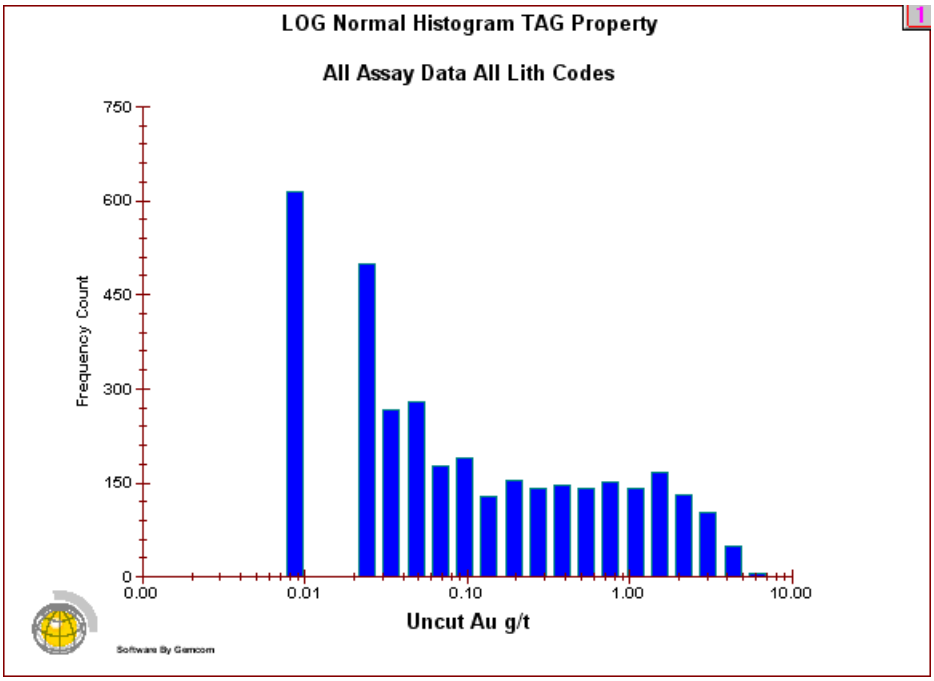


Figure 17-1B: Histogram of Ag Assays in 025 Zone Resource Area

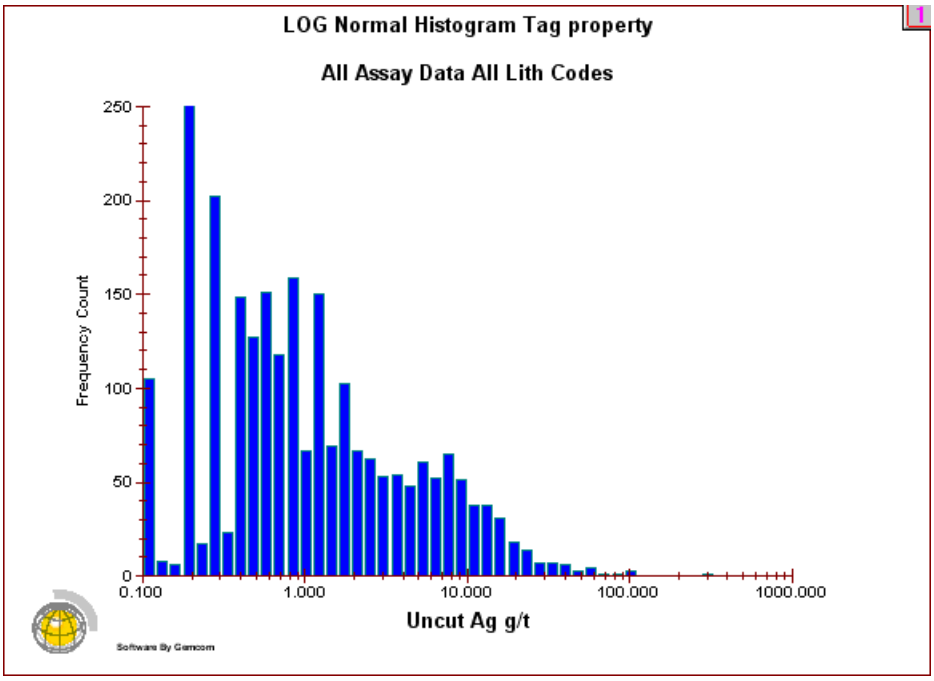
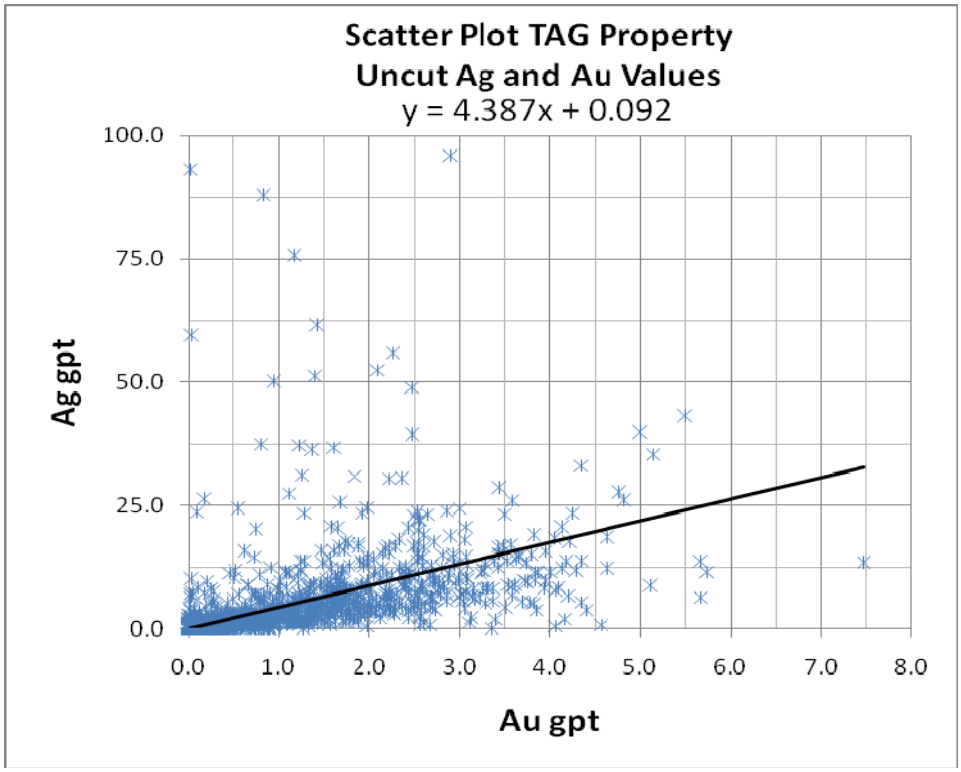


Figure 17-1C: Scatter Plot of Au and Ag Assays for the TAG Property



When broken down by host rock (7 major sub-units, Table 17-2), the units hosting significant Au and Ag mineralisation are all logged as zones of structural deformation. The 025 Zone and associated Upper Zone are the only units hosting potentially economic Au or Ag mineralisation. The 025 Zone has mean uncut grades of 1.00 gpt Au and 4.96 gpt Ag and the spatially associated Upper Zones have mean uncut grades of 0.62 gpt Au and 1.98 gpt Ag. The average sample length for all units approximates 1.0m. As most rock types have only been sampled over a portion of their total length, the table does not indicate average grades for each rock type, only the averages for the sampled intervals. The 025 Zone was sampled over its entire length.

Table 17-2: TAG Property - Mean Grade and Mean Sample Length by Rock Type

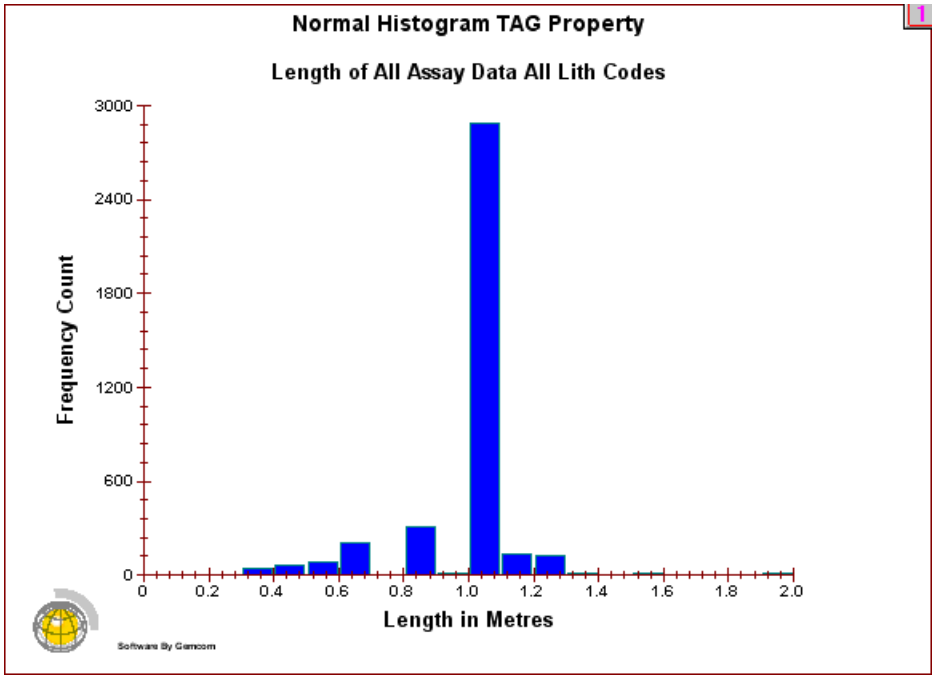
Au gpt	*All Assays*	*Diorite*	*Conglomerate*	*Wacke*	*Siltstone*	*Minor Structures*	*Upper Zone*	*025 Zone*
Mean	0.41	0.07	0.13	0.07	0.19	0.28	0.62	1.00
Median	0.01	0.01	0.02	0.02	0.02	0.06	0.28	0.44
Mode	0.04	0.02	0.01	0.01	0.01	0.01	0.02	0.02
Std Deviation	0.81	0.16	0.35	0.24	0.28	0.55	0.75	1.17
CV	1.98	2.29	2.69	3.42	1.47	1.97	1.21	1.17
Q 0.25	0.01	0.00	0.01	0.01	0.01	0.02	0.03	0.07
Q 0.75	0.37	0.04	0.06	0.04	0.13	0.23	1.05	1.66
Q 0.95	2.27	0.36	0.55	0.29	0.92	1.35	2.25	3.44
Minimum	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00
Maximum	7.47	0.94	2.89	2.28	7.47	4.09	3.59	5.74
Count	3913	142	160	277	1838	300	156	969
Mean Length	0.96	0.97	0.98	0.99	0.95	0.97	0.62	0.95

Ag gpt	*All Assays*	*Diorite*	*Conglomerate*	*Wacke*	*Siltstone*	*Minor Structures*	*Upper Zone*	*025 Zone*
Mean	1.90	0.85	0.41	0.41	0.87	0.82	1.58	4.96
Median	0.30	0.20	0.00	0.20	0.00	0.20	0.80	1.50
Mode	0.00	0.00	0.00	0.00	0.00	0.00	0.60	0.00
Std Deviation	7.32	4.71	1.34	0.99	4.21	1.79	1.88	12.72
CV	3.85	5.54	3.27	2.41	4.84	2.18	1.19	2.56
Q 0.25	0.00	0.00	0.00	0.00	0.00	0.00	0.37	0.40
Q 0.75	1.10	0.40	0.00	0.30	0.60	0.80	1.93	5.80
Q 0.95	9.14	1.30	2.41	1.30	2.80	3.51	6.38	16.96
Minimum	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum	300	50.00	11.20	9.00	106.50	13.50	8.30	300.0
Count	3913	142	160	277	1838	300	156	969

Sample Lengths

There are a total of 3,914 samples in the database and 3,748.97m of the core was sampled (32.5% of the total drilled length of 11,519.08m). The mean sample length is 0.96m with a range from 0.10m to 6.80m. Only 14 samples were over 1.5m in length and 2 were over 3.0m in length. Only one of the long samples, grading 2.10 gpt Au and 52.50 gpt Ag over 2.50m, in hole TAG08-54 contributes to the resources. The most common sample length is 1.0m with the average length of the better grade samples associated with the 025 Zone at 0.95m. All of the 025 Zone lithology intervals were sampled. A normal histogram of sample lengths is shown in Figure 17-2.

Figure 17-2: Histogram of Sample Lengths in 025 Zone Resource Area



Grade Capping

The gold and silver values as shown in Figures 17-1A and 17-1B appear to be derived from mixed populations as they do not plot in either a clearly normal or log-normal distribution. Using a combination of visual analysis of the histograms restricted to assays in the 025 Zone, cumulative probability plots of assays in the 025 Zone and by examining the percentile distribution of assays in the 025 Zone, top cuts of 4.0 gpt Au (97.5th percentile) and 25.0 gpt Ag (97.6th percentile) were applied. Figure 17-3A and 17-3B show the distribution of uncut Au and Ag assays for the 025 Zone on log-normal histograms. The difference between the uncut and cut grades for the final resource estimates is about 4% for contained gold and 18% for contained silver (see Appendix I).

Figure 17-3A: Histogram of Uncut Au Values in 025 Zone

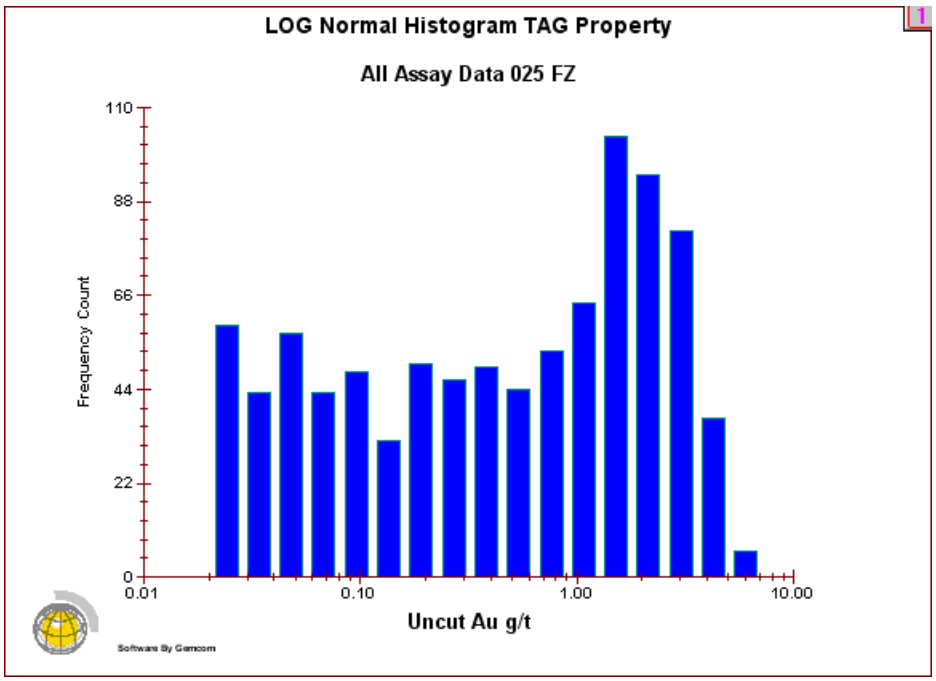
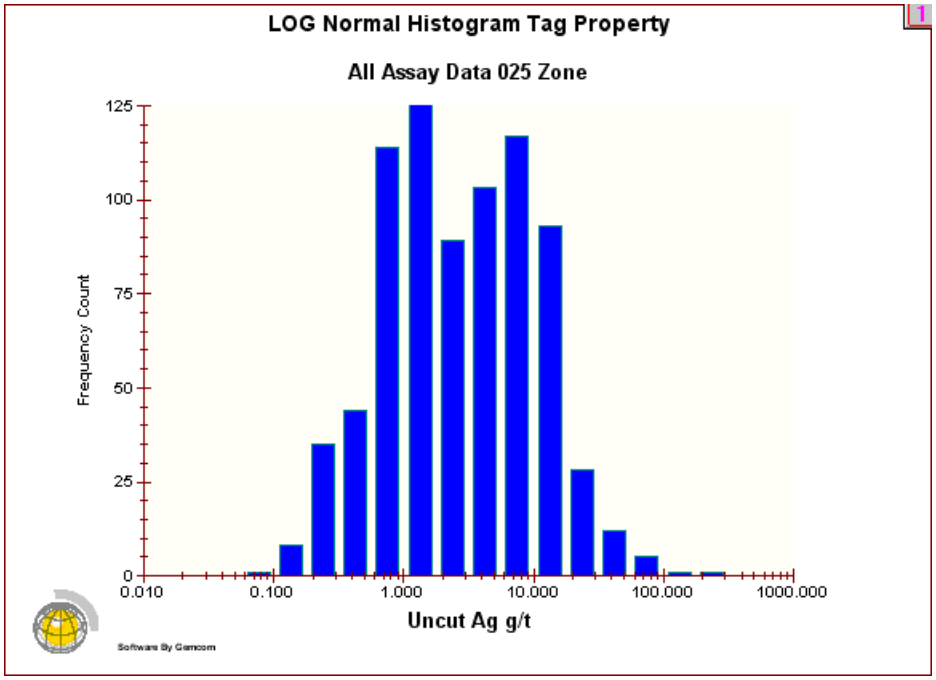


Figure 17-3B: Histogram of Uncut Ag Values in 025 Zone



SPATIAL DATA ANALYSIS

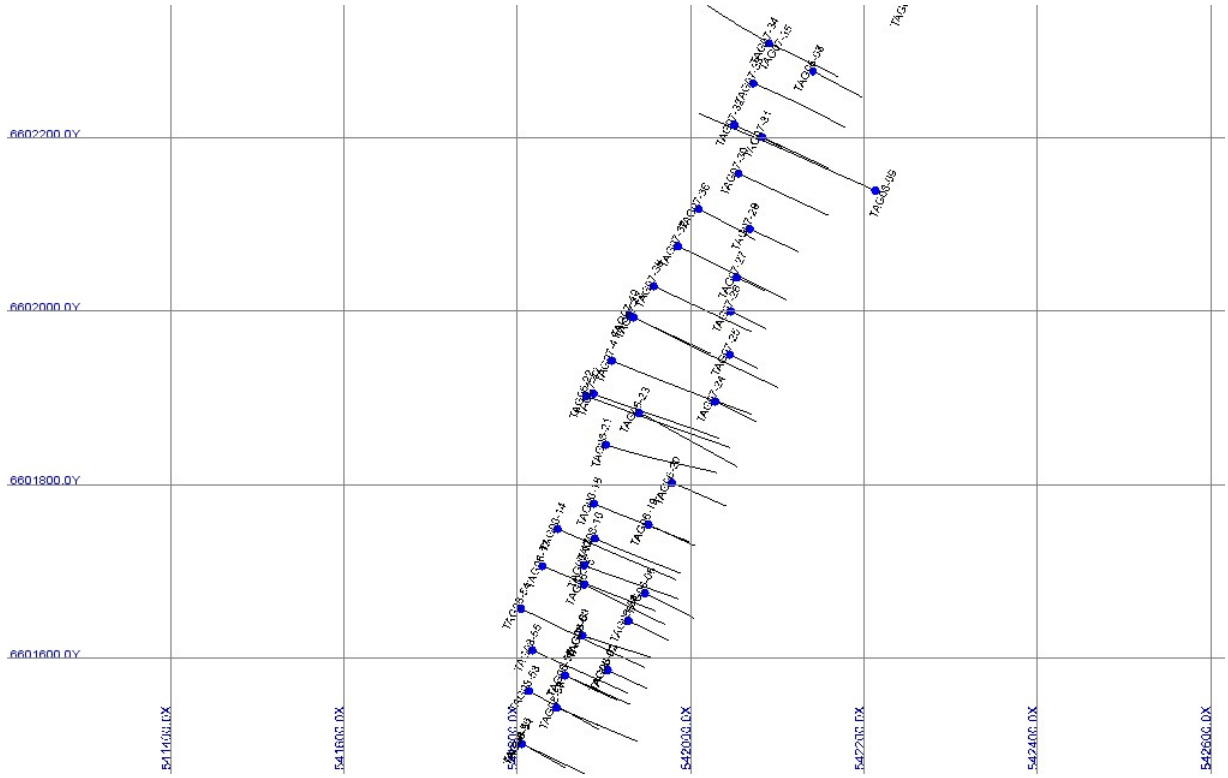
Geostatisticians use a variety of tools to describe patterns of spatial continuity. The variogram is a measure of the correlation between data values as a function of their separation distance and direction. The distance at which the variogram reaches the maximum variance is called the range. The range of the variogram corresponds roughly to the more qualitative notion of the "range of influence" of a sample; it is the distance over which sample values show some relationship or covariance.

Spatial data analysis using Gemcom software was done using the Au and Ag assay data from the 025 Zone. It was not possible to generate good quality variograms with consistent directions of preferred continuity, nugget values or ranges. However from the analysis done, it appears that ranges of 25m or more seem to be reasonable in the down-dip and along strike directions. These ranges provided some quantitative data to support the distances used for estimating and classifying the resources.

17.2 Geological and Grade Interpretation and Modelling of the Mineralised Envelopes

Figure 17-4 is a plan view showing the area of drilling for the 025 Zone using the UTM grid.

Figure 17-4: Planview Showing Drillhole Traces in 025 Zone Resource Area



Grid spacing 200m from 6601600mN and 541400mE in lower left-hand corner. UTM NAD 83 Zone 8 grid.

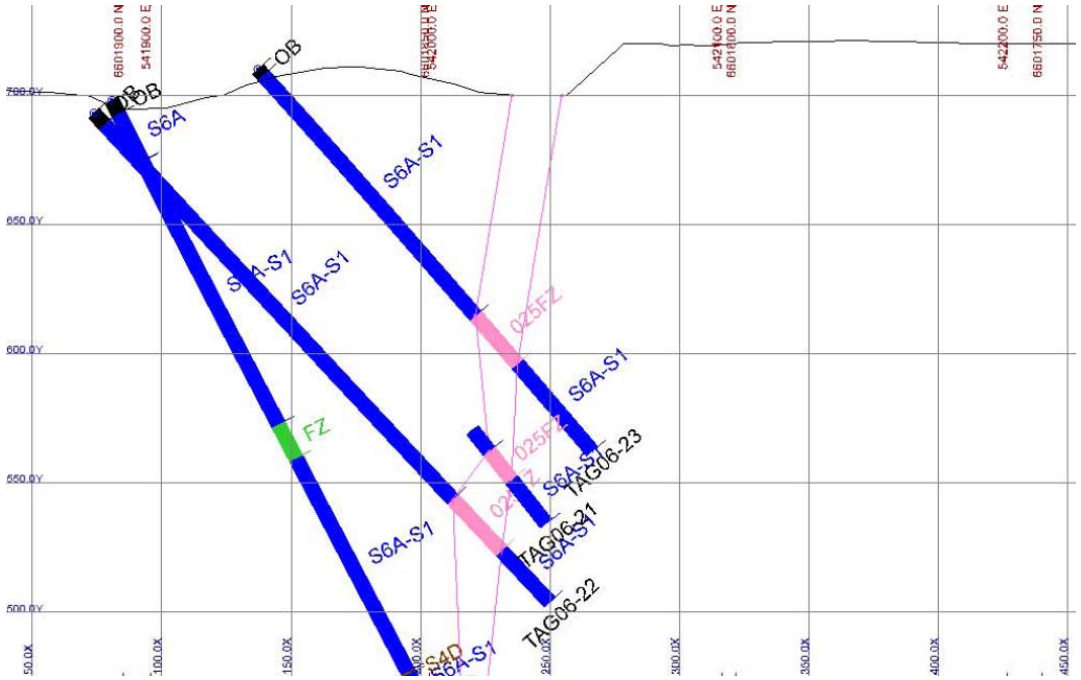
The 025 Zone was modelled on vertical cross-sections on 50m centres using local grid sections oriented at 115º. The drillholes were coded according to major lithological units and the 025 Zone was interpreted on the vertical cross-sections using the lithology data. A topographic surface was created using the supplied topographic contours and the surveyed drillhole collars. The 025 Zone is quite continuous at the scale on which the deposit is drilled, although there are a few sections where either faulting or structural complexity results in more than one zone (the Upper Zones), or where the 025 Zone is not a simple plane but becomes more sinuous.

A wireframe for the 025 Zone was constructed by simply extruding the polygons for each section half the distance to adjacent sections. This wireframe was then used to assist in the interpretation of the polygons used for the resource estimate. The geological interpretation used by CMZ, and verified by RCI modelling, shows the 025 Zone to be a generally continuous structure striking between 020º to 025º over a distance that has been defined by drilling of about 4.5 km. The 025 Zone is generally planar and dips 080º to 085º to the west. The southern limit of the zone extends southward beyond the last drilled section at Section 4100m N and the northern limit extends past the last drilled section at 8150m N.

The major sedimentary host rocks appear to have been folded such that most beds are steeply dipping to subvertical. The 025 Zone cuts across major lithologies and bedding. Indications are that the 025 Zone occupies a normal fault plane and is characterised by shearing, quartz veining and quartz breccia. Shearing is marked by pervasive, near total graphite alteration. Quartz veining consists of 10 to 50% anastomosing veinlets, and quartz breccia zones are described as having 10 - 20% angular wall rock fragments in a drusy textured quartz matrix. Sulphides are found as disseminations and thin veinlets throughout the zone and in the wall rock immediately adjacent to the zone.

Only the section of the 025 Zone between Sections 4150m N to 4800m N has intervals of mineralisation that are included as resources in this report. Sporadic gold mineralisation (assays greater than 1.0 gpt Au) occurs on almost all sections that have been drilled from 4100N to 5300N. No mineralisation above 1.0 gpt has been detected in drilling north of 5300m N although the 025 Zone is present. Figure 17-5 shows the interpretation and drillholes on Section 4550m N.

Figure 17-5: Cross Section 4550m N of the 025 Zone Looking Grid North 025 Wireframe and Drillholes with Geological Codes



Looking Grid North (025º), Grid Spacing of 50m.

17.3 Resource Estimation Methodology

A total of 29 composited intervals from an assay database of 3,913 samples in 69 drill holes, representing approximately 11,520m of drilling, were used for the estimate. Mineralized outlines were defined on 50m sections by applying a 3.0 gpt gold equivalent (AuEq) cut-off for combined gold and silver values. The Indicated Mineral resources fall in a continuous mineralised zone that has multiple drillholes on four consecutive vertical cross-sections (4250m N to 4400m N) with a strike length of ~200m and with a maximum down-dip extent of ~175m below surface.

The Inferred Mineral resources fall in a continuous mineralised zone that has multiple drillholes on vertical cross-sections that extend over a strike length of ~300m (4150m N to 4400m N) and with a down-dip extent from surface to ~215m below surface. Additional Inferred Mineral resources are found as discontinuous zones over another 400m of strike to the north (from sections 4500m N to 4800m N).

There are some drill holes on the sections from 4150m N to 4800m N that intersect the 025 Zone but do not have mineralisation with sufficiently good grades to be included as resources. There are additional drilled sections along strike to the north and south that do not have mineralisation with sufficiently good grades to be included as resources.

Gold Equivalent Grades and Metal Prices

Gold equivalent cut-off values for 025 Zone are based on the assumption that the deposit is of a potential size and nature to allow for underground mining methods. The AuEq cut-off value of ≥ 3.0 gpt AuEq was derived from a review of recent technical reports filed on SEDAR for similar deposit types. No assumptions regarding recoveries were made. The AuEq calculation was based on the ratio of silver to gold using the three year average for gold and silver prices to mid-year 2009. Those prices were based on gold at US$830 per troy ounce and silver at US$13.85 per troy ounce.

The equivalent gold grade for silver assays is determined by:

- 830.00 ÷ 13.85 = 59.9278 so, 59.9278 gpt Ag = 1.0 gpt AuEq.

Or, by using the inverse relation:

- 13.85 ÷ 830 = 0.01669 so, 1.0 gpt Ag x 0.01669 = 0.01669 gpt AuEq.

The AuEq value used for determining qualified intervals was done using uncut Au and Ag values. An example of the AuEq calculation for 025 Zone is shown in Table 17-3.

Table 17-3: 025 Zone Gold Equivalent Calculation

AuEq per Tonne = (Au grade in gpt) + (Ag Grade in gpt ÷ 59.9278)

Minimum Grade and Width Criteria

Composites were calculated on a length-weighted basis. Composites used in the resource estimates met the following criteria:

- a minimum 2.0m core length and a grade ≥3.0 gpt AuEq over the composited interval. The average length of the 11 composites used for the Indicated resources is 6.59m with intervals ranging from 2.00m to 15.80m. The average length of the 11 composites used for the Indicated resources is 6.59 m with intervals ranging from 2.00m to 15.80m. Only two of the 11 intervals for Indicated resources and four of the 18 intervals for the Inferred resources were between 2.0 and 3.0m in core length;
- in most instances the composite length approximates ~70% of the true width;
- entire assay intervals below the minimum AuEq were included if needed to achieve the minimum 2.0m composite length. No fractional assay intervals were used;
- intervals of internal waste were carried, provided the overall minimum grade of 3.0 gpt AuEq was maintained;
- un-sampled intervals were included at nil grades; and
- incremental intervals of ≤3.0 gpt AuEq were included as either internal or external dilution for composites, provided the weighted AuEq value for the entire composited interval remained ≥3.0 gpt AuEq.

Volume and Tonnage Calculations

Interpretation of the mineralised zone polygons was guided by:

- following the general attitude of the 025 Zone;
- interpolating between the composited limits for AuEq values. A series of preliminary polygons was constructed using composites with a minimum grade of 1.0 gpt AuEq to better define the continuity of mineralised zones as the geometry of the zones was more easily interpreted at that lower cut-off; and
- extrapolating beyond a composited interval for the last hole on a section based on the attitude of nearby polygons on the same section or on adjoining sections.

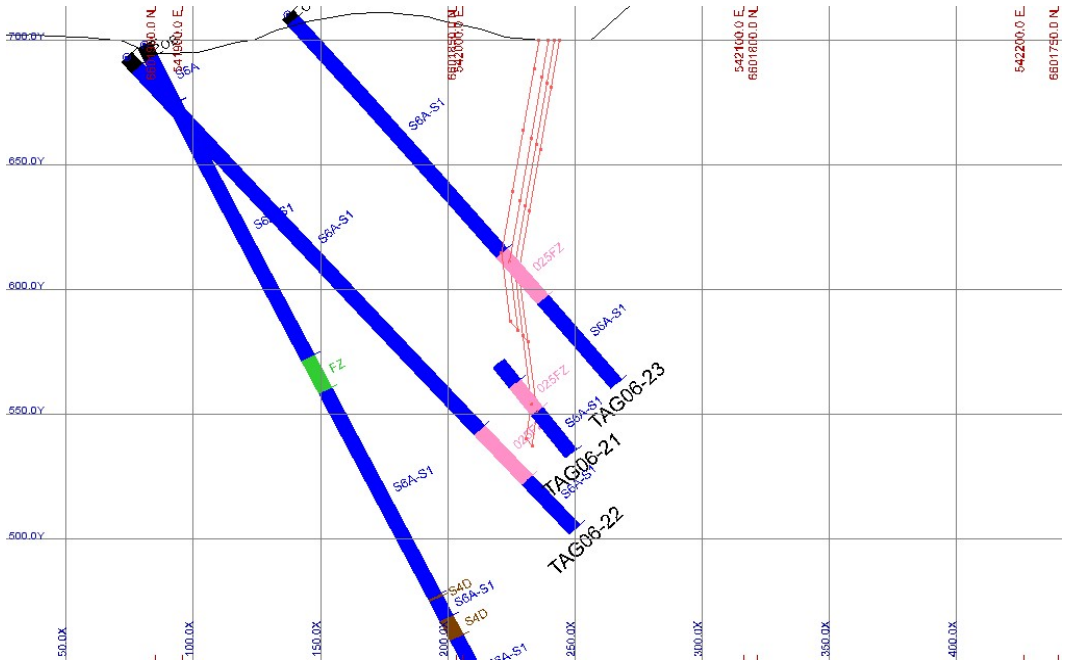
Polygons for Indicated resources were interpolated half-way between adjacent drillholes on a section, to a maximum of 25m from a drillhole and were extrapolated to a maximum of 25m from a qualifying intercept where there were no constraining holes. The influence of a polygon was 25m towards or away from the plane of a section. An adjustment of the plane thickness for Sections 4350m N (from 50 to 40m) and 4400m N (from 50 to 60m) was done to separate very closely spaced drillholes near the boundary between those sections.

Polygons for Inferred resources were interpolated half-way between adjacent drillholes on a section, to a maximum of 50m from a drillhole and were extrapolated to a maximum of 50m from a qualifying intercept where there were no constraining holes. The influence of a polygon was 25m towards or away from the plane of a section. An adjustment of the plane thickness for Sections 4350m N (from 50 to 40m) and 4400m N (from 50 to 60m) was done to separate very closely spaced drillholes near the boundary between those sections. In cases where a zone extended more than 50m from a drillhole but was not otherwise constrained, some polygons within 25m of the hole were classified as Indicated and a polygon extending from that distance to 50m from the hole would be classified as Inferred. The grade reported for both polygons was the same, as determined by the qualifying interval from the hole.

For polygons that qualified for inclusion in the estimates on the basis of the minimum AuEq and width criteria, the area of each polygon was determined using Gemcom software. All polygons included in the estimate had a grade of $\geq$ 3.0 gpt AuEq. The areas of the polygons were exported to a spreadsheet and these areas were then multiplied by the thickness of the sections (50m) for volume estimates. Tonnages were then determined by using the volume estimate and a SG of 2.70, as determined from samples taken by RCI during the site visit. Spreadsheets showing all the drillhole intercepts contributing to the resource estimates and the grade and tonnage for each polygon, are included as Appendix I. Figure 17-6 shows the interpretation of resource polygons for Section 4550m N.

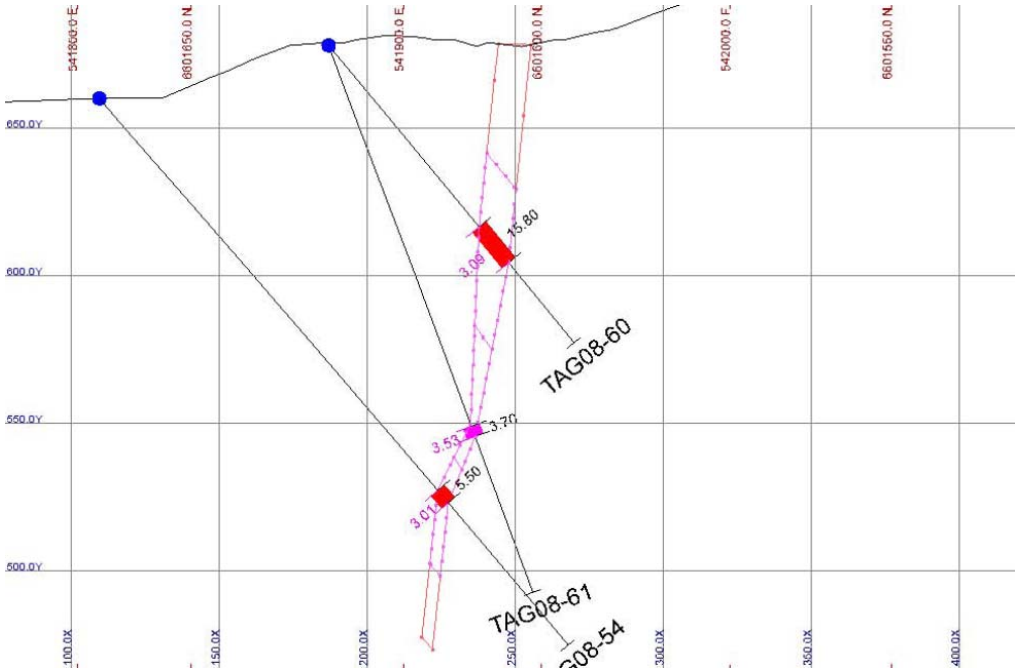
Figure 17-7 shows the interpretation of resource polygons and associated AuEq values for Section 4300mE. The polygons for the Indicated resources are coloured magenta with closely spaced set of nodes along the polylines. The polygons for the Inferred resources are coloured red with very few nodes along the polylines.

Figure 17-6: 025 Zone - Section 4550m N Looking Grid North Showing Drillholes and Interpreted Resource Polygons



Looking Grid North (025º), Grid Spacing of 50m.

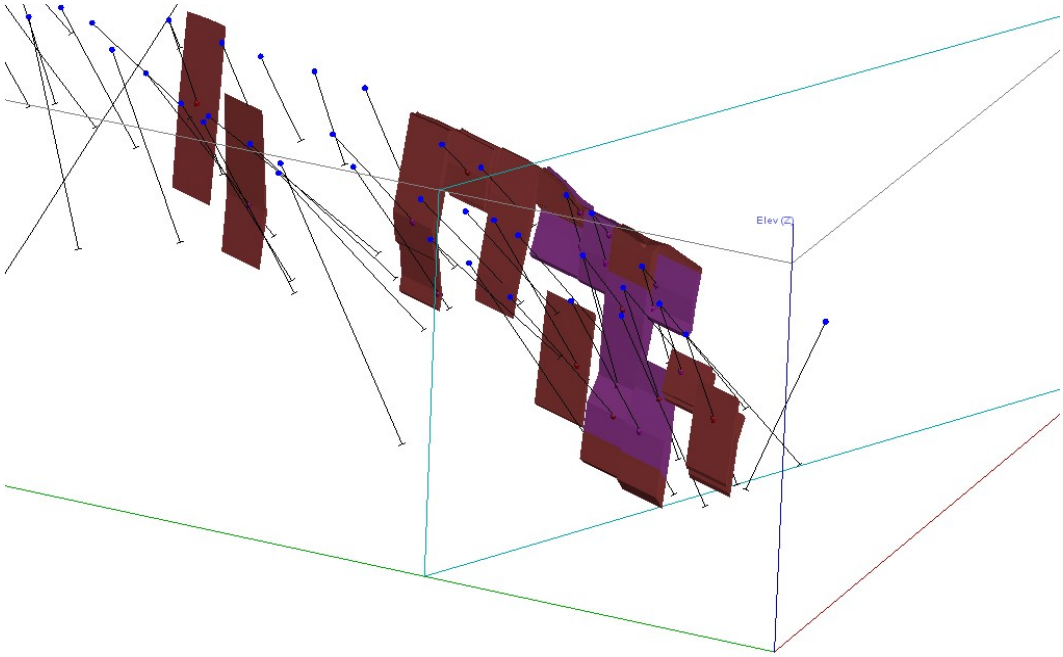
Figure 17-7: 025 Zone - Section 4300m N Looking Grid North Showing Drillholes, Resource Polygons and AuEq Values



Looking Grid North (025º), Grid Spacing of 50m.

Figure 17-8 is a screen capture of a 3D view, looking northeast, of the 025 Zone resource blocks depicted as extruded wireframes and diamond drillhole traces. The resource blocks classified as Indicated are coloured magenta and those classified as Inferred are red. The continuous nature of the unit, dipping steeply and striking towards the north-east, can be seen from this figure.

Figure 17-8: 3D View of 025 Zone, Looking Northeast, Showing Drillhole Traces and Resource Blocks as Wireframes



17.4 Resource Classification and Mineral Resources

CLASSIFICATION

Mineral Resources were classified in accordance with definitions provided by Canadian Institute of Mining, Metallurgy and Petroleum ('CIM') as stipulated in National Instrument 43-101 ("NI 43-101"). Under CIM/NI 43-101 guidelines, a Mineral Resource must have some potential for future mining. In order to justify classification of the deposit as a Mineral Resource, RCI evaluated the potential economics in terms of:

- the accountable/payable metals to determine a AuEq grade; and
- the range of cut-off grades and tonnage estimates from recent resource estimates filed on SEDAR for somewhat similar gold and gold-silver deposits.

The 025 Zone Mineral Resources are classified by RCI as Indicated and Inferred Mineral Resources. In order for a polygon to qualify as Indicated:

- there had to be two adjacent drillholes on the same section that both met the minimum grade and width criteria so that minimum grade and width continuity were apparent up and down dip; and

- in addition, there had to be two polygons that met the criteria for Indicated resources on at least one adjacent section so that minimum grade and width continuity were apparent along strike.

There was no requirement to have grade continuity demonstrated by contiguous polygons for the Inferred resource polygons. However, all these polygons are in structural continuity along the interpreted structure hosting the 025 Zone.

The most important factor influencing the classification was the ability to have confidence in grade continuity between mineralised zones on the same or adjacent sections. This was the reason for the requirements for continuity demonstrated by qualified intervals in two adjacent holes on a section and also by continuity demonstrated by qualified intervals in two adjacent holes on an adjacent section. In areas where drillhole spacing was greater than 50m apart, or on sections with only one drillhole, no Indicated resources could be defined, according to the criteria used. Where drilling on the 025 Zone is closely spaced, the continuity of the zone is quite good. Infill drilling on at least 50m centres and possibly closer would be needed to upgrade the confidence level of the current resource. RCI cautions that neither a feasibility study nor a detailed preliminary economic assessment have been carried out for the Mineral Resources estimated in this report and that they are not Mineral Reserves and they do not have demonstrated economic viability.

MINERAL RESOURCE TABULATION

RCI estimates that the 025 Zone Mineral Resources, at a 3.0 gpt AuEq cut-off, contain approximately 250,000 tonnes of Indicated Mineral Resources grading 2.97 gpt Au (cut) and 12.09 gpt Ag (cut) and an additional 400,000 tonnes of Inferred Mineral Resources grading 2.98 gpt Au (cut) and 9.91 gpt Ag (cut). These estimates are presented in Tables 17-1A and 17-1B and are repeated here as Tables 17-4A and 17-4B.

Table 17-4A: Indicated Mineral Resources - 025 Zone at 3.0 gpt Gold Equivalent Cut-off

Category	Tonnes	Au gpt (cut)	Ag gpt (cut)	Au gpt (uncut)	Ag gpt (uncut)
Indicated	**250,000**	2.97	12.09	3.06	14.37

Table 17-4B: Inferred Mineral Resources - 025 Zone at 3.0 gpt Gold Equivalent Cut-off

Category	Tonnes	Au gpt (cut)	Ag gpt (cut)	Au gpt (uncut)	Ag gpt (uncut)
Inferred	**400,000**	2.98	9.91	3.11	12.38

VALIDATION

RCI completed a detailed visual validation of the 025 Zone resource model and underlying composite and assay data. The model was checked for proper compositing of drillhole intervals and Au, Ag and AuEq values. The geometry of the 025 Zone polygons and the

025 wireframe was inspected on vertical cross-sections, plan view and in 3D. The geometry of the grade polygons was also inspected on vertical cross-sections, plan view and in 3D. The checks showed good agreement between drill hole composite values, assay values and polygon geometry. The overall geometry of the resource polygons matches well with the geometry of the 025 Zone.

17.5 Mineral Reserves and Other Matters

CZM has not completed a mining prefeasibility or feasibility study and consequently there are no reserves reported for the 025 Zone on the TAG Property. The Property is not currently accessible by road. Potential mining methods would be determined after a preliminary assessment, prefeasibility or feasibility study and would depend on the success of future exploration. The mining method would likely be underground and processing would likely be done by conventional milling, although RCI cautions that no metallurgical work has been done.

RCI has not independently researched title, environmental or permitting regulations for British Columbia; instead we have relied on information provided by CZM for matters relating to property titles, surface rights, permitting and environmental matters. RCI is not aware of any mining, metallurgical, infrastructure, environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other relevant issues which might materially affect the Mineral Resources.

18 OTHER RELEVANT DATA AND INFORMATION

18.1 Outstanding Issues

To the author's knowledge, there are currently no known environmental, permitting, legal, title, taxation, socio-economic, or political issues that adversely affect the properties.

18.2 Mining and Infrastructure

There are no operating mines in the immediate area of the TAG property. Northern British Columbia and the Yukon do have active mines and infrastructure related to those mines is available regionally.

19 INTERPRETATION AND CONCLUSIONS

The 025 Zone is characterized by a steep dip with generally low grade and locally continuous gold and silver values within which there are locally continuous zones of mineralisation at higher grades. The better grade zones that contribute to the estimated resources are concentrated over a strike length of about a half a kilometre near the southern end of the structure as it is defined by drilling. The Mineral Resource is at a grade that makes the economic potential of the estimated resources sensitive to metal prices.

Potential to discover additional zones of gold-silver mineralisation exists on the TAG Property. Additional drilling to discover new or higher grade mineralized zones is needed to further advance this property. Drilling step-out holes below the holes that contribute to the estimated resources described in this report and exploration drilling elsewhere along the structure hosting the 025 Zone and on other prospects on the Property is needed if the Property is to be further advanced. In addition, infill drilling would improve the confidence in continuity and better define the mineralisation in some areas that have been subject to previous drilling.

20 RECOMMENDATIONS

Based on the results of exploration on the Property to date and the discovery of mineral deposits, RCI recommends that CZM undertake 5,000m of drilling below the mineralised zones that contribute to this resource and along untested areas of the 025 Zone. In addition, test work should be done to determine what the metallurgical characteristics of the mineralised rock are. This is especially important given the association of gold with arsenopyrite. An Induced Polarization survey (IP) as a means of identifying potential targets along 5km of the 025 structure is also recommended.

Table 20-1: Recommended Budget for Work on the TAG Property

Camp Costs	$50,000
Metallurgical Test Work	$30,000
IP Survey	$100,000
5,000m Drilling @ $250/m all inclusive	$1,250,000
Contingency	$70,000
TOTAL	**$1,500,000**

21 REFERENCES

ARIS 27267: Thompson, G.R. (2003): Geochemical Assessment Report on the 025 Claim Group

ARIS 26379: Thompson, G.R. (2000): Geochemical and Geological Assessment Report on the 025 Property.

ARIS 25735: Thompson, G.R. (1998): Geochemical Report on O25 Claim Group

ARIS 24645: Thompson, G.R. (1996): Geological, Geochemical and Physical Assessment Report on the 025 Claim Group

ARIS 23599: Thompson, G.R. (1994): 025 Claim Group Geological, Geochemical and Geophysical Assessment Report

ARIS 21508: Thompson, G.R. (1991): Geological and Geochemical Report on the GB 1 Claim Group Geological, Geochemical and Prospecting Surveys on the GB1 Claim Group

ARIS 19384: Strain, D.M. (1989): Geological, Geochemical and Prospecting Surveys on the GB 1 Claim Group

Fekete, M. (2006): 2006 Interim Drilling Report, TAG Property for CZM Capital Corp.

Fekete, M. and Skinner, T. (2007): 2006 Final Drilling Report, TAG Property for CZM Capital Corp.

Fekete, M. and Simper, J. (2009): 2007 Final Report for work done on the TAG Property for CZM Capital Corp.

McPhar Geosurveys Ltd. (2007): Final Report on a Helicopter-borne Magnetic & Radiometric Survey, Atlin Region, B. C., Canada for XO Gold Resources Ltd.

Mihalynuk, M.G., Currie, L.D. and Arsksey, R.L. (1989): The Geology of The Tagish Lake Area (Fantail Lake and Warm Creek) (104M9W and 9E); BC Ministry of Energy Mines and Petroleum Resources, Geological Field work 1988.

Mihalynuk, M.G., Currie, L.D. and Arsksey, R.L. Mountjoy, K.J., Smith M.T, and Rouse, J.N. (1997): Geology of The Tagish Lake Area, in; Geoscience Map 1997-1 Open File, British Columbia Geological Survey Branch, Ministry of Employment and Investment, Energy and Minerals Division , Map.

Mihalynuk, M.G., and Mountjoy, H.J. (1990): Geology of the Tagish Lake Area (Edgar Lake 104M8 and Fantail Lake 104M9E); BC Ministry of Energy Mines and Petroleum Resources, Geological Fieldwork 1989, paper 1990-1.

22 CERTIFICATES OF QUALIFICATIONS

JOHN REDDICK

I, John Reddick, M.Sc., P.Geo., of Inverary, Ontario, do hereby certify that as the author of the report entitled "Technical Report on Resource Estimates for the TAG Property, Northern British Columbia, Prepared For CZM Capital Corporation" and dated December 21, 2009, I hereby make the following statements:

- I am a Consulting Geologist and President of Reddick Consulting Inc. of 27 Collins Court, R.R. #2, Inverary, Ontario, K0H 1C0.
- I am a graduate of Queen's University, Kingston, Ontario, Canada in 1982 with a B.Sc. Honours Geology degree, and of Queen's University, Kingston, Ontario, Canada in 1995 with a M.Sc. in Honours Geology degree in Mineral Exploration.
- I am a Practising Member of the Association of Professional Geoscientists of Ontario (#643) and a member of the Society of Economic Geologists. I have worked as a geologist since my graduation.
- I have practiced my profession in mineral exploration continuously since graduation. I have over twenty-five years of experience in mineral exploration, production or consulting. I have over twenty-five years of experience in mineral resource estimation and I have over ten years experience preparing mineral resource estimates using block-modelling software and have over ten years experience as an independent consultant.
- I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that, by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purpose of NI 43-101.
- I am responsible for sections 1 through 13 and sections 15 through 20 of the Technical Report. I visited the property on October 21, 2008.
- I have no prior involvement with the properties that are the subject of the Technical Report.
- As of the date of this Certificate, to my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.
- I am independent of the Issuer as described in Section 1.4 of National Instrument 43-101.
- I have read National Instrument 43-101 and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.

Effective date: November 16, 2009
Signing Date: December 21, 2009

"Original Document, signed and sealed by John Reddick, P.Geo."
John Reddick, P.Geo.
Reddick Consulting Inc.
President

TRACY J. ARMSTRONG, P. GEO

I, Tracy J. Armstrong, P. Geo., residing at 2007 Chemin Georgeville, res. 22, Magog, Québec, J1X 0M8 do hereby certify that:

1. I am an independent geological consultant contracted by CZM Capital Corp.;
2. I am a graduate of Queen's University at Kingston, Ontario with a B.Sc. (HONS) in Geological Sciences (1982);
3. I am a geologist currently licensed by the Order of Geologists of Québec (License No. 566) and licensed with the Association of Professional Geoscientists of Ontario, (License No. 1204);
4. I have worked as a geologist for a total of 23 years since obtaining my B.Sc. degree;
5. I have not had prior involvement with the deposit that is the subject of the technical report;
6. I am responsible for Section 14 of this report titled "Technical Report on Resource Estimates for the TAG Property, Northern British Columbia, Prepared For CZM Capital Corporation" dated December 21, 2009;
7. I have not visited the property;
8. As of the date of this certificate, to the best of my knowledge, information and belief, the technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading;
9. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purposes of NI 43-101. This report is based on my personal review of information provided by the Issuer and on discussions with the Issuer's representatives. My relevant experience for the purpose of the Technical Report is:
   - Underground production geologist, Agnico-Eagle Laronde Mine1988-1993;
   - Exploration geologist, Laronde Mine 1993-1995;
   - Exploration coordinator, Placer Dome 1995-1997;
   - Senior Exploration Geologist, Barrick Exploration 1997-1998;
   - Exploration Manager, McWatters Mining 1998-2003;
   - Chief Geologist Sigma Mine 2003;
   - Consulting Geologist 2003-to present.
10. I am independent of the issuer applying the test in Section 1.4 of NI 43-101;
11. I have read NI 43-101 and Form 43-101F1 and the Report has been prepared in compliance therewith.

Effective date: November 16, 2009
Signing Date: December 21, 2009

"Original Document, signed and
sealed by Tracy J. Armstrong, P.Geo."
Tracy J. Armstrong, P.Geo.

23 APPENDIX

APPENDIX I

Diamond Drill Results Contributing to the TAG Mineral Resources

SUMMARY SHEET - TAG 025 ZONE DRILLHOLE INTERVALS AND INDICATED RESOURCE ESTIMATE

PLANE	HOLE-Polygon	FROM (m)	TO (m)	CORE LENGTH (m)	AU EQ UNCUT	AU UNCUT	AU CUT	AG UNCT	AG CUT	AREA	THICKNESS	SG	TONNES
4250	TAG06-01	25.20	30.20	5.00	3.59	3.35	3.35	14.32	14.12	132.74	50.00	2.70	17,920
4250	TAG06-02	42.20	48.80	6.60	3.64	3.37	3.33	16.39	16.08	73.20	50.00	2.70	9,882
4250	TAG08-55	157.50	171.10	13.60	3.19	3.00	2.91	11.43	10.77	334.69	50.00	2.70	45,183
4250	TAG08-59	116.80	119.00	2.20	3.15	2.94	2.94	12.76	12.75	89.66	50.00	2.70	12,104
4300	TAG08-54	175.30	180.80	5.50	3.01	2.49	2.49	31.29	18.79	154.90	50.00	2.70	20,911
4300	TAG08-60	80.10	95.90	15.80	3.09	2.95	2.86	8.36	8.36	562.85	50.00	2.70	75,984
4300	TAG08-61	138.00	141.70	3.70	3.53	3.30	3.27	14.07	14.07	181.24	50.00	2.70	24,467
4350	TAG06-03	29.00	35.90	6.90	3.91	3.67	3.04	14.19	12.54	113.45	40.00	2.70	12,253
4350	TAG06-04	49.50	53.50	4.00	3.50	3.29	3.25	12.53	12.52	88.36	40.00	2.70	9,543
4400	TAG06-05	36.30	38.30	2.00	3.31	3.09	3.09	13.45	13.45	59.76	60.00	2.70	9,681
4400	TAG06-06	52.20	59.40	7.20	3.48	3.03	2.89	27.14	14.34	131.30	60.00	2.70	21,271
	TOTAL				**3.29**	**3.06**	**2.97**	**14.37**	**12.09**				**259,199**

SUMMARY SHEET - TAG 025 ZONE DRILLHOLE INTERVALS AND INFERRED RESOURCE ESTIMATE

PLANE	HOLE-Polygon	FROM (m)	TO (m)	CORE LENGTH (m)	AU EQ UNCUT	AU UNCUT	AU CUT	AG UNCT	AG CUT	AREA	THICKNESS	SG	TONNES
4150	TAG08-51	86.90	91.20	4.30	3.04	2.84	2.84	12.05	12.05	157.47	50.00	2.70	21,258
4150	TAG08-51	96.20	101.20	5.00	3.15	3.00	3.00	9.12	9.12	182.80	50.00	2.70	24,679
4200	TAG08-57	71.50	74.70	3.20	3.14	3.05	2.93	5.06	5.06	60.36	50.00	2.70	8,149
4200	TAG08-57	80.60	84.10	3.50	4.57	4.21	3.70	21.65	16.50	83.92	50.00	2.70	11,329
4250	TAG06-1-A	25.20	30.20	5.00	3.59	3.35	3.35	14.32	14.12	29.23	50.00	2.70	3,946
4250	TAG08-55-B	157.50	171.10	13.60	3.19	3.00	2.91	11.43	10.77	204.53	50.00	2.70	27,612
4300	TAG08-54-B	175.30	180.80	5.50	3.01	2.49	2.49	31.29	18.79	99.49	50.00	2.70	13,430
4300	TAG08-60-A	80.10	95.90	15.80	3.09	2.95	2.86	8.36	8.36	482.83	50.00	2.70	65,182
4400	TAG06-05	23.55	26.40	2.85	3.50	3.23	3.01	16.04	16.04	48.07	60.00	2.70	7,787
4400	TAG06-05	29.10	31.90	2.80	3.36	3.18	3.18	10.86	10.86	56.01	60.00	2.70	9,073
4400	TAG06-17	189.00	192.40	3.40	3.15	2.89	2.83	15.16	15.16	211.86	60.00	2.70	34,321
4500	TAG06-20	43.40	46.90	3.50	3.33	2.94	2.90	23.60	17.43	148.43	50.00	2.70	20,037
4500	TAG06-20	51.00	53.20	2.20	3.05	2.27	2.20	46.82	9.32	101.43	50.00	2.70	13,693
4550	TAG06-21	188.40	193.10	4.70	4.02	3.64	3.26	22.90	12.26	86.62	50.00	2.70	11,694
4550	TAG06-23	127.30	132.00	4.70	3.59	3.52	3.38	4.39	4.39	393.94	50.00	2.70	53,182
4550	TAG06-23	135.00	137.50	2.50	3.71	3.65	2.98	3.94	3.94	222.93	50.00	2.70	30,096
4750	TAG07-29	87.60	91.60	4.00	3.14	2.97	2.97	9.85	9.85	169.01	50.00	2.70	22,817
4800	TAG07-37	183.00	187.00	4.00	3.20	3.06	3.06	8.25	8.25	225.78	50.00	2.70	30,480
	TOTAL				**3.32**	**3.11**	**2.98**	**12.38**	**9.91**				**408,766**