TECHNICAL REPORT ON MINERAL RESOURCE ESTIMATE

MERREX GOLD INC. JUBILEE ZINC-LEAD DEPOSIT VICTORIA COUNTY NOVA SCOTIA, CANADA

Latitude 45^{0} 59’ 52”
Longitude 61^{0} 55’ 59”

Prepared For Merrex Gold Inc.
Prepared By: Mercator Geological Services Limited
Effective Date: November 12th, 2007

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65 Queen St.,Dartmouth, N.S.,Canada B2Y 1G4 www.mercatorgeo.com

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Prepared For Merrex Gold Inc.

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Mercator Geological Services Limited

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TABLE OF CONTENTS

List Of Figures

List Of Tables

SUMMARY

The Jubilee zinc-lead property held by Merrex Gold Inc. (Merrex) is located in the Little Narrows area of central Cape Breton Island, Nova Scotia. In September 2006 Mercator Geological Services Limited (Mercator) was retained by Merrex to plan and supervise a diamond drilling program on the property and this program was ongoing at the effective date of this report. In mid-2007 Mercator was further tasked with completion of a mineral resource estimate for the Jubilee zinc-lead deposit that would be compliant with requirements of National Instrument 43-101 and Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves *Definitions and Guidelines* (the CIM Standards).

Outcropping mineralization hosted by Lower Carboniferous Macumber Formation limestone was discovered at Jubilee in the 1920's and prospecting, pitting and minor underground investigation near the original showing were completed at that time. No commercial production is attributed to this early work. Between 1971 and 1978 Amax Exploration Inc., Texas Gulf Canada Limited, Getty Mining Northeast Limited Ltd., and St. Joseph Exploration Limited, among others, completed geological, geophysical and diamond drilling programs in the Jubilee district and results of these provided definition of both the Jubilee "Main Zone" as well as the related "Road Zone" areas of zinc-lead mineralization. Subsequent drilling by Falconbridge Exploration Ltd. in the early 1990's resulted in discovery of the new "Northeast Zone" area. All areas of significant zinc-lead mineralization outlined to date at Jubilee are spatially associated with northwest trending faults cutting Macumber Formation limestone, the most important of which is the Jubilee Fault. Stratabound breccia and replacement styles of zinc-lead mineralization predominate but mineralization within and along fault zones is also present.

To address drill program planning and resource estimation requirements at Jubilee, a digital database of validated drilling results for both historic and Merrex programs was developed by Mercator. Database information and Surpac© Version 6.1 modeling software were used to generate a geological model of the Jubilee deposit and a three-dimensional block model was subsequently developed. Zinc and lead grades within the block model were assigned using inverse distance squared (ID^2) interpolation supported by 1 meter assay composites and a 150 meter by 35 meter by 35 meter interpolation ellipse. Block size was established at 5 meters by 5 meters by 2.5 meters and multiple domains were established within the deposit to accommodate dip changes along the zone. A minimum of 1 composite sample and maximum of 15 composite samples were used as limiting parameters for grade interpolation. The block model was completely constrained within deposit solids developed through interpretation of geological and assay sections.

Four separate orientation domains were separately modeled to accommodate changes in deposit plunge. In total, 67 drill holes intersect the deposit solid. Results of the resource estimation program are presented below and have an effective date of November 12th, 2007. The estimate is considered compliant with both the CIM Standards and National Instrument 43-101.

Resource Category	Equivalent Zn% Threshold*	Tonnes	Tonnes (Rounded)	Lead %	Zinc %	Zinc Equivalent %
Inferred	2.00	3,464,892	3,460,000	0.86	3.62	4.48
Inferred	2.50	3,140,877	3,140,000	0.89	3.81	4.71
Inferred	3.00	2,668,343	2,670,000	0.95	4.10	5.05
Inferred	3.25	2,306,066	2,310,000	0.99	4.37	5.36
Inferred	3.50	2,058,322	2,060,000	1.02	4.58	5.60
Inferred	3.75	1,878,871	1,880,000	1.04	4.75	5.79

At the effective date of this report the main mineralized trend reflected in the block model remained open to the northwest, along the strike of the Jubilee Fault. In addition, Merrex drilling results included in the model provide definition of at least two new mineralized zones that provide potential for future exploration and expansion of the property resource base. All of these areas warrant additional work and both step-out and infill drilling programs have been recommended.

1.0 Introduction and Terms of Reference

This report on estimation of mineral resources for the Jubilee zinc-lead deposit, located in central Cape Breton Island, Nova Scotia, was prepared by Mercator Geological Services Limited (Mercator) on behalf of Merrex Gold Inc. (Merrex) to comply with technical reporting and disclosure requirements set out under National Instrument 43-101 (NI 43-101) and is considered compliant with Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves *Definitions and Guidelines* (Figures 1 and 2). Terms of reference were established through discussions between Merrex staff and Mercator in early 2007 at which time it was determined that the resource estimate was to be based upon a validated drilling database developed for the Jubilee project by Mercator. In addition to results for historical drill holes completed on the property, the database used in the resource estimate included results for twenty-eight drill holes completed by Merrex, for which the company had received analytical data. Of these drill holes, sixteen were completed during the 2007 drilling program, with the remaining twelve completed in 2006.

To meet the resource estimate objectives, a comprehensive review was completed of all pertinent Nova Scotia government assessment reports, government and industry technical reports, digital government data (e.g. GIS database), published maps, and digital airborne and ground geophysical data. Data files, maps, sections, original report and memo drafts, laboratory reports, drill logs and other exploration data from the 1971 through 1978 period of property exploration by Amax Exploration Inc. (Amax) and Texas Gulf Canada Limited (Texas Gulf), and now held by Merrex, were also reviewed, as was data from the Falconbridge Exploration Limited (Falconbridge) programs of 1989-91, the Westminer Canada Limited (Westminer) programs of 1992-93, Savage Zinc Inc. (Savage) programs of 1997-98 and subsequent Jubilee Minerals Limited (Jubilee) programs. The senior author of this report (M. Cullen) has substantial professional experience with respect to the Jubilee properties, having managed exploration carried out in the area by Westminer, Savage and Jubilee. Author P. Ténière managed the 2006 and 2007 on-site work in consultation with Merrex staff and Mercator staff.

Work completed to date has shown that stratabound and fault surface sulphide mineralization of potentially economic proportions is best developed proximal to the Jubilee Fault, a near vertical, northwest trending structure showing predominantly normal displacement. Sub-parallel mineralized trends have also been identified on the property, the best known being the Road Zone and Northeast Zone. At least two new mineralized zones related to faults parallel to the Jubilee Fault were discovered through drilling completed by Merrex during 2007.

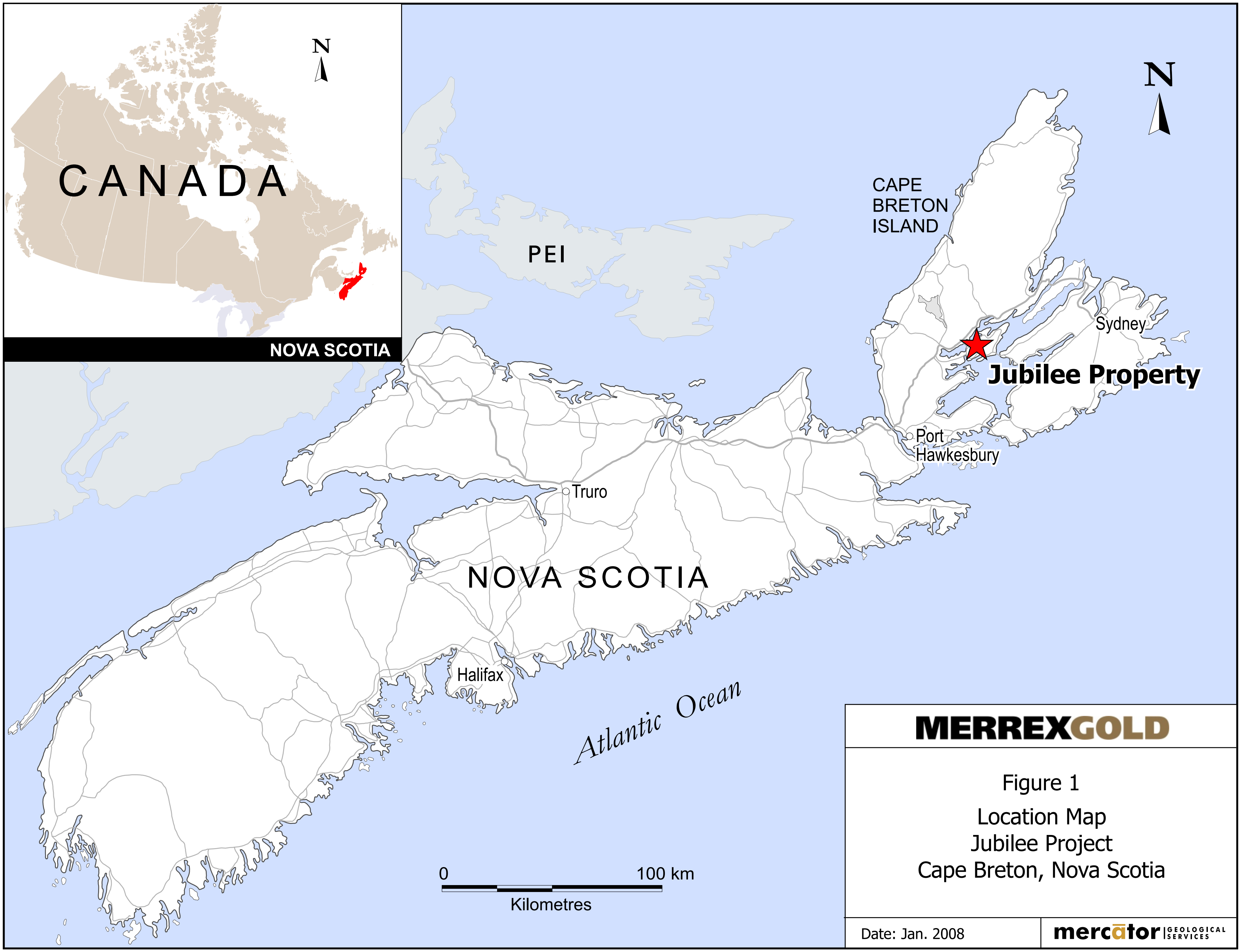
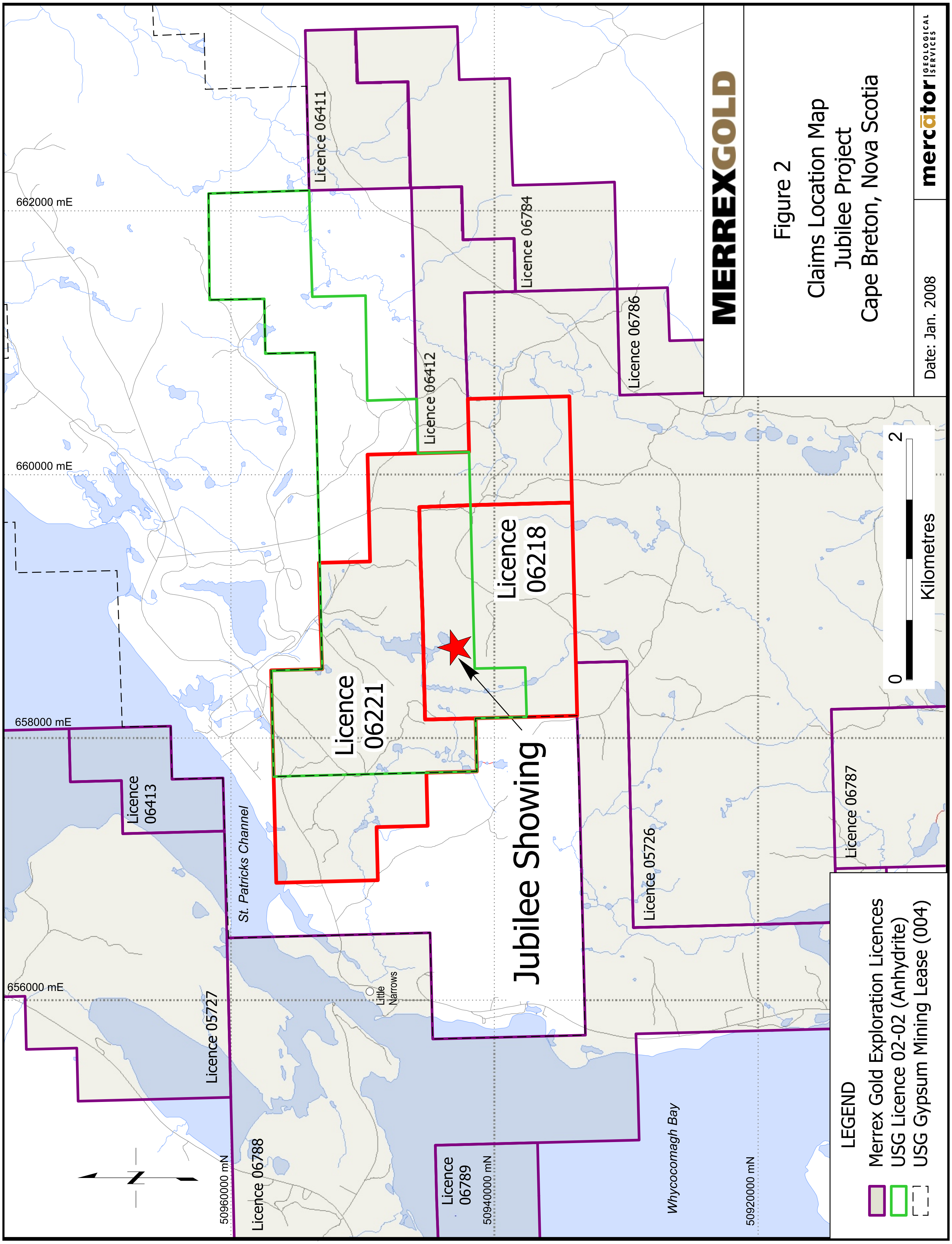


Figure 1
Location Map
Jubilee Project
Cape Breton, Nova Scotia

Date: Jan. 2008



MERREXGOLD
Figure 2
Claims Location Map
Jubilee Project
Cape Breton, Nova Scotia
Date: Jan. 2008
mercator GEOLOGICAL SERVICES
Licence 06411
Licence 06784
Licence 06786
Licence 06412
Licence 06218
Licence 06221
Licence 06413
Licence 05726
Licence 06787
Licence 05727
Licence 06788
Licence 06789
Jubilee Showing
St. Patricks Channel
Whycocomagh Bay
Little Narrows
662000 mE
660000 mE
658000 mE
656000 mE
5096000 mN
5094000 mN
5092000 mN
0
2
Kilometres
LEGEND
Merrex Gold Exploration Licences
USG Licence 02-02 (Anhydrite)
USG Gypsum Mining Lease (004)

Authors Cullen and Ténière, both professional geologists at Mercator, have met with Merrex staff on numerous occasions, beginning in July 2006 and Mercator maintained a staff presence at the Jubilee site during the entire Merrex drilling program. Both authors visited the property on many occasions during the drilling campaign of 2006 and 2007 and during this time reviewed both mineralized and non-mineralized core as well as bedrock outcroppings. One author (Ténière) provided on site management for the entire 2006 and 2007 program. Core logging, storage, handling, sampling, quality control and security protocols with respect to the 2006 and 2007 drilling programs were established through consultation between Mercator staff and Merrex management.

2.0 Reliance on Other Experts

3.1 General

No other experts were relied upon with respect to preparation of this report.

3.1 Disclaimer

This report was prepared by Mercator for Merrex and information, conclusions and estimates contained herein are based upon information available to Mercator at the time of report preparation. This includes data made available by Merrex, government and public record sources. Information contained in this report is believed reliable but in part the report is based upon information not within Mercator's control. Mercator has no reason, however, to question the quality or validity of data used in this report. Comments and conclusions presented herein reflect Mercator's best judgment at the time of report preparation and are based upon information available at that time. Mercator is not providing a professional opinion with respect to environmental liabilities, surface rights, mineral titles or issues of land ownership.

3.0 Property Description and Location

3.1 General

The Jubilee properties are located in the Little Narrows area of central Cape Breton Island, Nova Scotia, centered at approximately 45^0 59' 52" North latitude and 61^0 55' 59" West longitude (Figures 1 and 2). Access is by way of Highway 105 to the Little Narrows exit, then easterly to the ferry crossing and subsequently along the Little Narrows Road, Ross Road, Cains Mountain Road, Cains Mountain Cross Road or St. Columba Road. The largest population center in the region is the city of Sydney, located approximately 75 kilometres to the east and the provincial capital city of Halifax is located approximately 280 highway kilometres to the west on the Nova Scotia mainland. The Jubilee mineral resource area is fully covered by Licences 06221 and

06218, both held by Merrex, and on this basis claims documentation appearing in Table 1 below is restricted to these claim holdings only.

Table 1: Details of Jubilee Area Claim Group

Licence No.	No. Of Claims	NTS Map	Anniversary Date
06221	23	11F15 C	August 17, 2008
06218	12	11F15 C	July 22, 2008
Total	**35**		

At the effective date of this report Merrex was the registered holder of Exploration Licences 06221 and 06218, claims of the former being previously held by Aur Resources Inc. under an option agreement with Merrex (Cullen, 2005), and those of the latter being previously held by Jubilee Minerals Ltd. Records at the Nova Scotia Department of Natural Resources showed both licences to be in good standing at the effective date of this report. Merrex has advised that Teck-Cominco Limited (through acquisition of Aur Resources Inc.) holds a 2% net smelter return royalty with respect to any production from Licence 06221. Terms of this agreement were not reviewed by the authors for purposes of this report.

3.2 Summary of Exploration Title Information

Mineral exploration licences in Nova Scotia are issued under the province's Mineral Resources Act (1990 and as subsequently amended - the "Act") and provide a licensee with exclusive right to explore for specified minerals within the licensed area, subject to terms and conditions of the Act. Individual claims held under a mineral exploration licence measure 16.188 hectares in surface area (~forty acres) and are renewable on a yearly basis. No equivalence to "patented claim status" exists under the Act. Retention of claims in good standing from year to year requires filing of annual renewal fees and documents for each exploration licence as well as meeting minimum yearly work commitment and reporting requirements. Fees and minimum work requirements set out under provision of the Act vary according to the year of licence issue and are summarized in Table 2. Payment of cash in lieu of work on a claim or claims can be made once in any five year period.

Table 2: Claims Renewal Fees and Work Requirements - As Amended

Year of Issue	Renewal Fee	Assessment Expenditure
2 through 10	$10.68 per claim	$200.00 per claim
11 through 15	$21.36 per claim	$400.00 per claim
16 through 25	$85.44 per claim	$800.00 per claim
26 and beyond	$170.88 per claim	$800.00 per claim

4.0 Accessibility, Climate, Physiography, and Infrastructure

4.1 Accessibility, Climate and Physiography

The Jubilee properties are located in the Little Narrows area of Central Cape Breton, Nova Scotia, centered at approximately 45º 59’ 52” latitude and 61º 55’ 59” longitude. Access is by way of Highway 105 to the Little Narrows exit, then easterly to the ferry crossing and subsequently along the Little Narrows Road, Ross Road, Cains Mountain Road or Cains Mountain Cross Road.

The area is situated in north eastern Nova Scotia, which is characterized by northern temperate zone climatic conditions moderated by proximity to the Atlantic Ocean and subject to local influence of the Bras D’Or Lakes system. Distinct seasonal variations occur, with winter conditions of freezing and substantial snowfall expected from late November through late March. Spring and fall seasons are cool, with frequent periods of rain. Summer conditions can be expected to prevail from late June through early September, with modest rainfall and daily mean temperatures in the 15 to 20 degree Celsius range. Maximum daily summer temperatures to 30 degrees Celsius occur, with winter minimums in the minus 25 to minus 30 degrees Celsius range.

Mineral exploration field programs can be efficiently undertaken during the period May through late November, while winter programs can be readily accommodated with appropriate allowance for weather delays and snow removal for site access.

The properties show slight to modest topographic relief, rising from sea level at St. Patrick’s Channel to a maximum of approximately 120 meters along the ridge of Cains Mountain. Areas underlain by evaporite bedrock typically show karstic surface features and have been broadly incised by established drainages. Highway 105 crosses the adjoining Merrex exploration property west of Saint Patrick’s Channel and marks the base of a steep escarpment that rises to the plateau level of the Cape Breton Highlands to the west. Although outside the property area, elevations in the highland adjacent to the western property boundary exceed 200 meters above sea level. Forested areas predominate over most of the property with several recent and older clearcuts present. Mining operations and stockpiles of Little Narrows Gypsum Limited (LNG) have extended over some portions of the main Jubilee deposit and several areas of agricultural land use also occur in the immediate area. Isolated residential properties are present along the main highways crossing the properties and several residences comprise the community of Little Narrows, at the eastern terminus of the Little Narrows cable ferry.

4.2 Local Resources and Infrastructure

The Jubilee area is rural and sparsely populated, with the largest local employer being the open pit gypsum mine and shipment facility operated by LNG at Little Narrows. Forestry industry interests are also well represented in the area and during the summer and early fall periods tourism operations are of substantial economic importance. The Strait of Canso Super Port is located approximately 80 kilometres to the southwest and plays an important part in the economic base of the region. This reflects employment of area residents in various operations located there such a paper mill and shipping facility, an aggregate quarrying and shipment facility, a gypsum fibre-board plant and export facility and a petroleum trans-shipment and export facility. A bulk coal marine terminal and electrical generating station are also present in Point Tupper. The ice free, deep water Super Port boasts safe access to major shipping lanes, an established vessel traffic management system and access to common user wharf facilities from which Jubilee concentrates could be shipped. Rail service is available at the Super Port and could also be accessed at the community of Orangedale, located approximately 10 kilometres by road southwest of Little Narrows - Jubilee.

Presence of the gypsum mine at Little Narrows, another gypsum mine approximately 30 kilometres to the southwest at Melford, and the multiple industrial sites at the Strait of Canso, have supported development of a local skilled trades employment base that could be drawn upon if development of the Jubilee deposits were to be undertaken. No local experience base exists with respect to underground hard rock mining but skilled coal miners and underground tradesmen previously employed in deep underground mining operations of the Sydney coalfield, 60 kilometres to the east, represent a potential workforce source.

5.0 History

5.1 Introduction

The history of exploration in the Jubilee area spans approximately 80 years, beginning with discovery of outcropping mineralization at the Jubilee showing in 1927 and continuing through to recent programs carried out by Jubilee. As noted in Cullen (2005a), Hein et.al (1988) reported on the Jubilee deposit under terms of a contract with the Geological Survey of Canada and as part of that project produced a detailed review of past exploration carried out in the area. The following point exploration summary reflects information presented therein for the pre-1989 period and in Isenor (1976, 1978 and 1979). Additionally, it directly reflects review of post-1989 reports from both government and Jubilee file sources pertaining to the properties. A listing of selected references documenting exploration programs carried out to date in the Jubilee area appears in section 20 of this report. These are in part additional to those cited in the report and reflect various contributing components of the summary reported below.

5.2 Summary of Past Exploration

The following itemized summary presents a chronological review of the Jubilee Property exploration history including the Main, Road and Northeast Zones. The area of compilation extends beyond the limits of Licences 06221 and 06218 and therefore references some activities not directly related to the Licences.

Discovery of Jubilee Zinc-Lead Showing and Early Drilling (1927-1963)

- The high grade Jubilee surface showing was discovered and initially explored in the 1927–35 period and early assessment of the mineralization was through trenching and development of two short adits. Face samples taken at the time returned up to 33.13% zinc and 12.25% lead over 1.60 metres in one of the adits. The other did not reach bedrock.

- Four drill holes were completed near the showing in 1937 and these were followed by eight more in late 1948 by Maple Leaf Mining and Development Company in the showing area. MacIntyre Porcupine Mines Ltd. completed limited work on the property in 1963 after which little activity occurred for several years.

Amax Exploration Inc., Texas Gulf Canada Ltd. (1973-1979)

- During the period 1976 to 1979 Amax Exploration Inc. (Amax) and Texas Gulf Canada Ltd. (Texas Gulf) completed a total of seventy-nine drill holes under terms of a joint venture agreement, primarily focused within the present Jubilee deposit area. Amax had previously completed three holes and Texas Gulf had completed seventeen in the area. This work served to define the basic Jubilee model of hydrocarbon bearing zinc, lead, pyrite and barite mineralization hosted by limestone breccia adjacent to the Jubilee Fault. A preliminary tonnage and grade estimate for a portion of the main zone was prepared during this exploration period, details of which are discussed below in section 5.3.

St. Joseph Exploration Ltd. and Getty Mines Ltd. (1972-1975)

- Substantial work programs were carried out during this period by St. Joseph Exploration Ltd. and included mapping and soil geochemistry programs as well as completion of several diamond drill holes in the Washabuck area, several kilometres northeast of Jubilee. Getty Mines Limited also completed two drill holes in the Jubilee area.

Falconbridge Exploration Limited (1987-1991)

- Between 1987 and 1991 Falconbridge Exploration Limited completed an airborne magnetometer and VLF-EM survey over the district and also drilled thirty holes. Most drilling occurred within the deposit area and confirmed the extent of known mineralization, but several holes outlined a new area of breccia hosted mineralization, termed the Northeast Zone, located approximately 1 kilometre east of the Jubilee Showing.

Westminer Canada Limited (1992)

- Westminer Canada Limited completed five drill holes in the district during 1992 after completing limited geophysical surveys (induced polarization, magnetometer and VLF-EM) and soil geochemical programs. These tested regional targets and no drilling was completed on known mineralized zones. Galena, pyrite and hydrocarbon intersected in some holes provided further indication of mineralization potential along other untested structures in the area, but follow up work was not carried out.

Savage Zinc Incorporated (1996-1999)

- During the period 1996 to 1999 Savage Zinc Inc. (Savage) reviewed data, optioned the property and completed five drill holes in the deposit area as well as four on other district targets. Two lines of high resolution reflection seismic surveying were also completed at this time across the northwest strike extension of the Jubilee Fault. This work confirmed strike extension of the Jubilee Main Zone through significant mineralized drilling intercepts (e.g. 7.5% zinc and 1.00% lead over 1.80 metres in SJL98-04, 6.30% zinc and 0.70% lead over 6.7 metres in SJL98-05) and also confirmed the importance of the Jubilee Fault surface as an exploration target through the SJL98–09 intercept that returned 2.31% zinc and 0.15% lead over 3.10 metres, including a 21 centimetre interval of 6.82% zinc and 0.02% lead, all within a broader 11.2 metre zone grading 1.06% zinc and 0.21 % lead. This intercept occurs approximately 50 metres above the Jubilee Main Zone elevation. The company also carried out several combined magnetometer and VLF-EM surveys and drilled three short holes near Bucklaw, plus one near Washabuck, to test interpreted fault structures. These did not intersect the targeted Macumber Formation stratigraphic unit that hosts most known zinc and lead mineralization in the district. The company prepared two preliminary, in-house tonnage and grade estimates for portions of the main zone during this time, both of which are discussed below in section 5.3.

Jubilee Minerals Limited (2001)

- In 2001 Mercator Geological Services Limited conducted a ground magnetometer survey at Bucklaw, west of St. Patrick's Channel, on the interpreted strike extension of the Jubilee Fault, near its intersection with an interpreted major northeast trending structure.

Data from this survey was merged with that from earlier surveys by Savage and re-imaged to better define northeast and northwest trends believed to be indicative of bedrock faults.

Merrex Gold Incorporated (2005)

- In 2004 Merrex retained Mercator to complete a valuation of certain portions of the Jubilee property, details of which are presented in Cullen (2005b). Subsequent to this, the company began exploration drilling in the district and completed a total of five holes (MX-05-01 to 05) (872 metres) on exploration licences in the Jubilee, Bucklaw and Washabuck areas. Cullen (2005a) reported on this work.

  MX-05-01 was completed to test an interpreted northwest trending structural feature that had not previously been assessed by drilling. The vertical hole cored gypsum and anhydrite with minor limestone before being terminated at 197 metres, therefore it did not intersect the Macumber Formation or any zinc and lead mineralization.

  MX-05-02 was completed in Bucklaw to test a northeast trending fault interpreted from previous ground magnetometer survey results. This 45º angle hole intersected Upper Windsor Group limestone and gypsum and terminated at 150 metres in red and grey siltstone and sandstone of the Horton Group. Steep bedding and structural indicators suggest a steeply dipping fault at the Horton-Windsor contact in this area. This hole did not intersect the Macumber Formation or any zinc and lead mineralization. MX-05-03 was completed in Lower Washabuck to assess the Macumber Formation along an interpreted northwest trending structural feature. The hole was drilled to 137 metres before being completed in red conglomerate of the Horton Group. Minor amounts of barite were noted along fractures within the Macumber limestone, but no visible zinc and lead were recorded.

  MX-05-04 targeted the well-mineralized Jubilee Main Zone interval previously intercepted by Amax-Texasgulf drill hole ATG77-24 and was designed to test the Jubilee Fault above the Jubilee Main Zone elevation. This hole was drilled at a - 61º angle and encountered carbonate and carbonate breccia with fracture associated galena and sphalerite (within the fault zone) that returned an average grade of 1.31% zinc and 0.55 lead over 2.85 meters of core length. The Main Zone was encountered deeper in the hole and returned an average grade of 12.26% zinc and 3.15% lead over 2.87 meters of core length, including a 0.90 meter interval grading 22.0% zinc and 4.30% lead.

  Drill hole MX-05-05 was completed from the same setup as MX-05-04 and drilled at a different azimuth and dip to provide a second test of the Jubilee Fault and the Main Zone.

A longer and more strongly mineralized fault zone intercept was returned from this hole, grading 2.71% zinc and 0.12% lead over 9.20 meters of core length. The Main Zone intercept is located approximately 45 meters from ATG77-24 and consisted of 10.7 meters of variably mineralized carbonate, including a 0.55 meter section of banded massive pyrite at the base of the zone. Zinc and lead grades were lower than those of MX-05-04, the highest being 6.35% zinc and 1.06% lead over 0.50 meters or 2.81% zinc and 0.59% lead over 1.35 meters. Recommended future work included drilling in the Bucklaw area and further drilling of the Jubilee Main Zone and its northwest extension towards St. Patrick's Channel.

Other Work and Research

- In addition to mineral exploration activities, the Jubilee area and deposit have been the subject of several government and academic publications or studies. These include an unpublished thesis by Stewart (1978) as well as the previously referenced work by Hein et. al (1988) and follow-up work by the same authors under Graves et. al. (1990). Fallarra and Savard (1998) discussed structural, petrographic and geochemical aspects of the deposit while Bertrand et. al. (1998) studied hydrothermal alteration of clay minerals and organic matter in the Jubilee area. Lynch et.al (1998) studied the possible influence of a regional structural detachment surface to metallization in this area.

5.3 Historic Mineral Resource or Reserve Estimates

One historic preliminary tonnage and grade estimate for in-situ mineralization forming part of the Jubilee Main Zone is available in the public record (Sugden,1978). Documentation associated with two in-house preliminary estimates prepared for Savage (Mitchell, 1996 and Cullen, 1998) were also provided by Merrex for review. Results of these estimates are presented in Table 3 and pertain to areas currently held under exploration licences 06218 and 06221 held by Merrex. The mineral resource estimates mentioned above are not considered compliant with National Instrument 43-101 or the Canadian Institute of Mining, Metallurgy and Petroleum's *Standards and Definitions for Reporting of Mineral Resources and Reserves (the CIMM Standards).* As such, they should not be relied upon.

The Sugden (1978) estimate was prepared during the course of on-going exploration and did not include all holes ultimately drilled by the Amax-Texas Gulf Joint Venture. The larger tonnage figure of the Mitchell (1996) estimate reflects use of data from all Amax-Texas Gulf Joint Venture holes as well as Falconbridge holes completed subsequent to 1978. File documentation

Table 3: Historic Tonnage and Grade Estimates - Jubilee Zn-Pb Deposit

Reference	**Tonnes**	**Zn + Pb %**	**Zn %**	**Pb %**
Sugden (1978)	871,681	7.27	5.83	1.44
Mitchell (1996)	1,845,230	5.89	Not stated	Not stated
Cullen (1998)	1,560,000	6.89	5.49	1.40

Note: Estimates are not compliant with CIMM Standards or NI 43-101 and should not be relied upon

for the Cullen (1998) estimate was incomplete, but results of the first phase of Savage drilling and all Falconbridge drilling were incorporated. In all three estimates, drill-hole-centered polygonal methods of volume estimation were used along with arbitrarily assigned specific gravity factors reflecting general experience to estimate deposit tonnage. No comprehensive specific gravity data set is present in property files reviewed for this report. Metal grades reflect length-weighted drill hole assignments to influence polygons with subsequent tonnage-weighting or simple averaging for deposit grades.

File information supporting these historic estimates was reviewed for this report and is considered reliable, with the caution that in all cases the estimates were originally deemed preliminary in nature. Based on such review, the estimates are considered generally relevant to evaluation of the property, particularly with respect to in-situ metal grade, grade distribution and continuity parameters within the specific areas included in the respective estimates. However, as clearly stated above, they should not be considered reliable estimates of deposit tonnage and grade in the areas assessed.

6.0 Geological Setting

6.1 Regional Geology

The Jubilee properties occur within the River Denys Sub-Basin of the Late Devonian to Lower Permian age Maritimes Basin of Eastern Canada. Basin-fill sedimentary sequences evolved from Late Devonian–Early Carboniferous rift fill clastic sediments represented by the Horton Group, to overlying marine evaporite, carbonate and fine grained clastic sequences of the Early Carboniferous (Viséan) age Windsor Group. The basal carbonate unit of the Windsor Group is termed Macumber Formation where it overlies Horton Group strata and Gays River Formation. In combination, these formations host most of the significant zinc-lead-barite deposits defined to date within the Windsor Group. Foremost among these with respect to past development and mining are the Gays River zinc-lead deposit in the Shubenacadie Basin of central Nova Scotia and the Walton barite, lead, zinc silver deposit in the adjoining Windsor Basin.

Windsor Group stratigraphy records a series of marine transgressions and regressions, beginning with an evaporite dominated initial cycle above the Macumber Formation limestone. Evaporite thickness in this interval locally exceeds 700 metres and can include substantial halite components. Subsequent cycles show increasing siliciclastic and decreasing evaporite components and are ultimately overlain by fine grained siliciclastic rocks of the late Viséan to Namurian age Mabou Group (Giles, 1981; Giles and Boehner, 1982; Lynch et. al., 1998).

Map 2007-01 (Appendix 4) presents a summarized regional geological interpretation for the north eastern portion of the River Denys sub-basin near Jubilee and shows the location of the Jubilee Deposit. Along the southeast margin of the sub-basin, Horton Group strata dip shallowly northwest and unconformably overlie metamorphic and igneous basement sequences. Windsor Group strata typically overlie the Horton Group and both successions show faulted contacts with northeast trending metamorphic and igneous sequences to the northwest. This configuration approximates a half graben setting with thickest interpreted sections occurring adjacent to the faulted, northwest boundary of the sub-basin. Hein et. al. (1988 and 1993) and Graves et. al. (1990) cite drilling data as evidence of syn-sedimentary growth faulting within the Horton Group and Windsor Group sections.

Recent re-interpretations of stratigraphic and structural relationships within Carboniferous age successions of Cape Breton Island indicate that substantial structural thinning may have occurred locally, resulting in stratigraphic omissions. These are interpreted as resulting from movement along a regional thrust surface termed the Ainslie Detachment. Evolution of this structure has also been tentatively linked to localization of base metal sulphide mineralization in Macumber Formation brecciated limestone at various locations, including Jubilee (Lynch et. al., 1998).

6.2 Jubilee Main Zone Geology

The Jubilee Main Zone is primarily a limestone breccia-hosted accumulation of zinc, lead and iron sulphides plus associated barite and hydrocarbon, localized in the upper portion of the Windsor Group's Macumber Formation. Most mineralized breccia is stratabound and spatially associated with the northwest trending Jubilee Fault or related sub-parallel structures such as the Road Fault and Northeast Fault . Recent drilling in 2006 and 2007 by Merrex confirmed presence of substantial zinc-lead mineralization occurring along additional northwest-trending fault structures that parallel the Jubilee Fault. Mineralization is preferentially developed along the downthrown sides of these structures in most areas but also occurs in relative up-thrown positions and along the fault surface itself. Drilling to date has defined breccia-hosted mineralization along at least 2.1 kilometres of strike length and at distances of up to 400 metres laterally from the Jubilee Fault (Figures 3, 4 and 5).

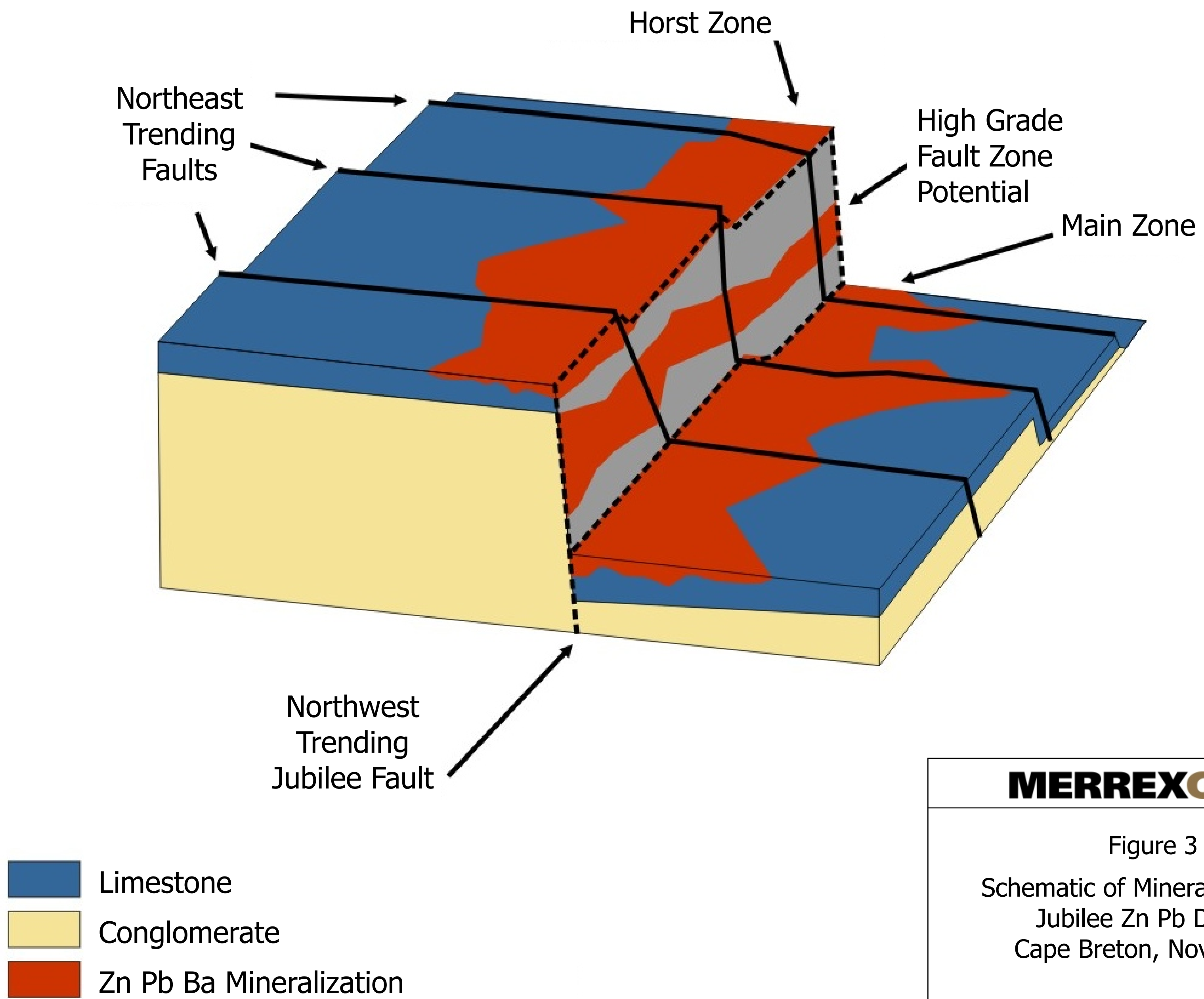


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Figure 3

Schematic of Mineralized Zones
Jubilee Zn Pb Deposit
Cape Breton, Nova Scotia

Date: Jan. 2008

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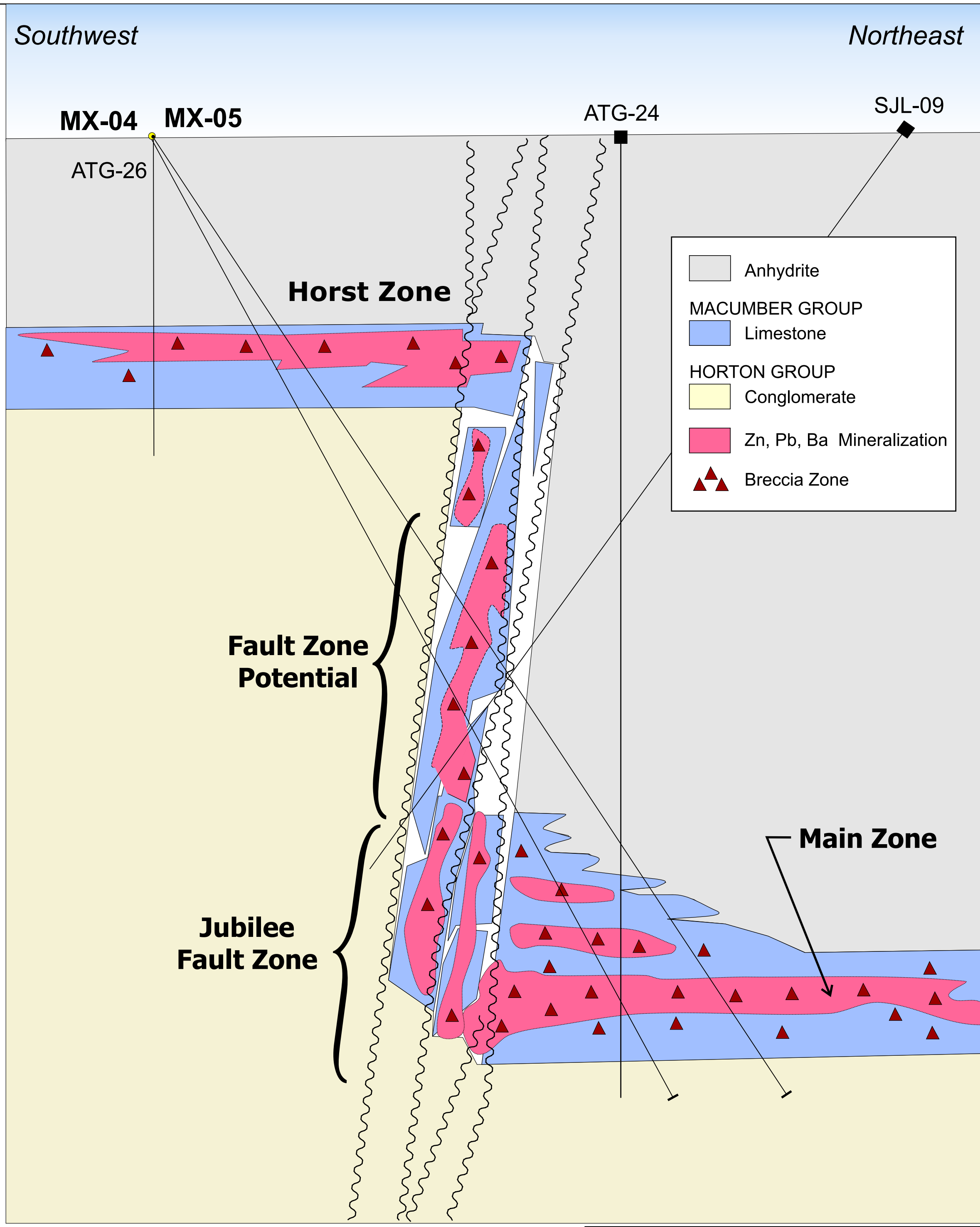

Not to Scale

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Figure 4

Schematic Cross Section
Jubilee Zn Pb Deposit
Cape Breton, Nova Scotia

Date: Jan. 2008

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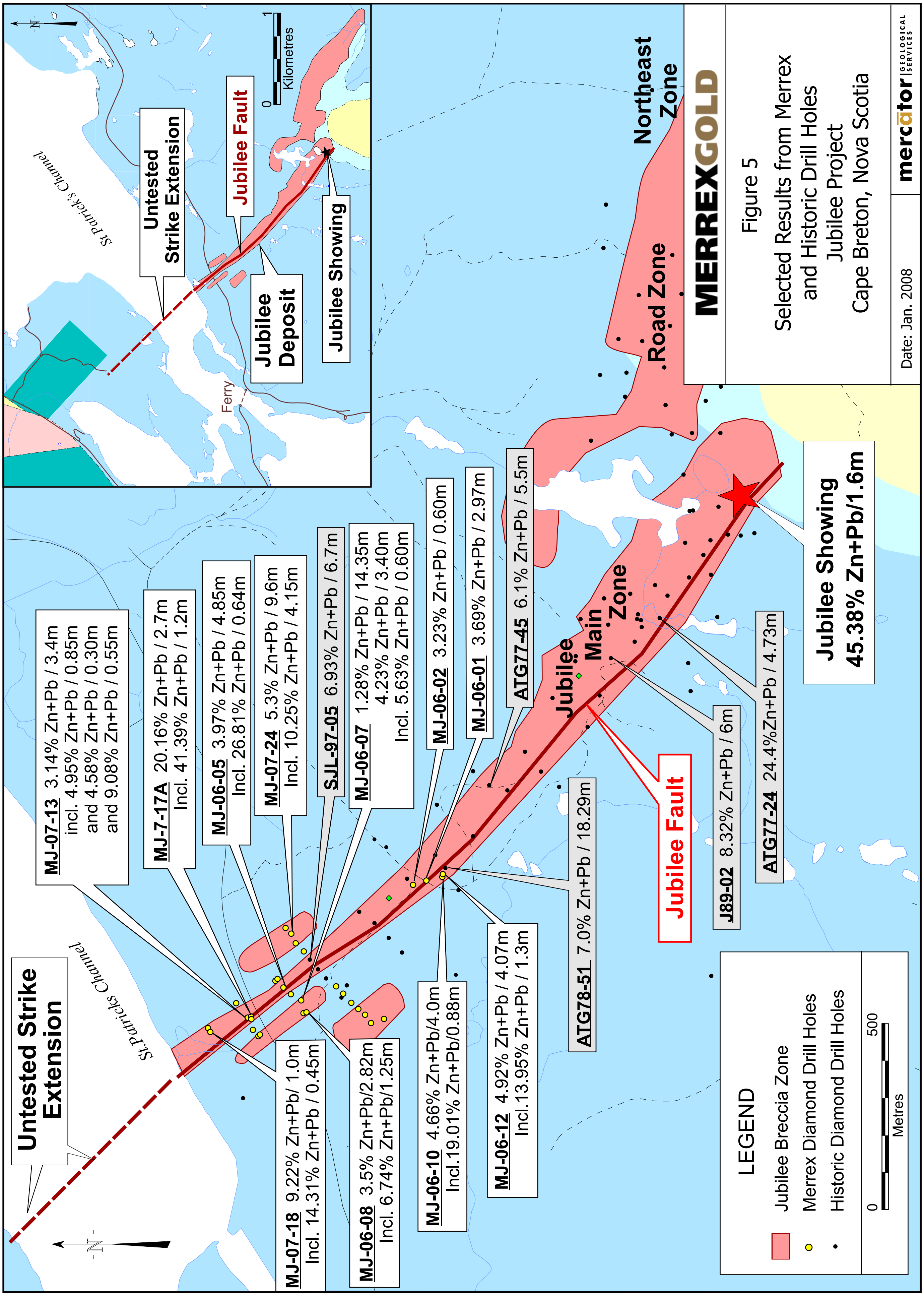

Untested Strike Extension
St. Patricks Channel
MJ-07-13 3.14% Zn+Pb / 3.4m
incl. 4.95% Zn+Pb / 0.85m
and 4.58% Zn+Pb / 0.30m
and 9.08% Zn+Pb / 0.55m
MJ-7-17A 20.16% Zn+Pb / 2.7m
Incl. 41.39% Zn+Pb / 1.2m
MJ-06-05 3.97% Zn+Pb / 4.85m
Incl. 26.81% Zn+Pb / 0.64m
MJ-07-24 5.3% Zn+Pb / 9.6m
Incl. 10.25% Zn+Pb / 4.15m
SJL-97-05 6.93% Zn+Pb / 6.7m
MJ-06-07 1.28% Zn+Pb / 14.35m
4.23% Zn+Pb / 3.40m
Incl. 5.63% Zn+Pb / 0.60m
MJ-06-02 3.23% Zn+Pb / 0.60m
MJ-06-01 3.69% Zn+Pb / 2.97m
ATG77-45 6.1% Zn+Pb / 5.5m
MJ-07-18 9.22% Zn+Pb/ 1.0m
Incl. 14.31% Zn+Pb / 0.45m
MJ-06-08 3.5% Zn+Pb/2.82m
Incl. 6.74% Zn+Pb/1.25m
MJ-06-10 4.66% Zn+Pb/4.0m
Incl.19.01% Zn+Pb/0.88m
MJ-06-12 4.92% Zn+Pb / 4.07m
Incl.13.95% Zn+Pb / 1.3m
ATG78-51 7.0% Zn+Pb / 18.29m
Jubilee Main Zone
Jubilee Fault
J89-02 8.32% Zn+Pb / 6m
ATG77-24 24.4%Zn+Pb / 4.73m
Jubilee Showing
45.38% Zn+Pb/1.6m
Road Zone
Northeast Zone
LEGEND
Jubilee Breccia Zone
Merrex Diamond Drill Holes
Historic Diamond Drill Holes
0
500
Metres
N
St Patrick's Channel
Untested Strike Extension
Jubilee Fault
Jubilee Deposit
Jubilee Showing
Ferry
0
1
Kilometres
MERREXGOLD
Figure 5
Selected Results from Merrex
and Historic Drill Holes
Jubilee Project
Cape Breton, Nova Scotia
Date: Jan. 2008
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Geometry and grade distribution characteristics of the Jubilee Main Zone were originally documented by the Amax-Texas Gulf Joint Venture during the 1970's (Isenor, 1976; Graham, 1979, Sugden, 1978). These define a shallowly northwest plunging mineralized breccia trend localized along the intersection of Macumber Formation limestone with either the Jubilee Fault or related sub parallel structures such as the Road Fault. Hein et. al. (1988, 1993) concluded that such relationships were attributable to syn-sedimentary faulting. Strongest breccia development corresponds with the location of a transitional contact sequence of interlayered limestone and anhydrite occurring at the top of the Macumber Formation. Intersections of the northwest trending normal faults with poorly defined northeast trending structures of indeterminate throw appear to be focal points of higher grade mineralization.

7.0 Deposit Type

The Jubilee deposit is a carbonate-hosted, stratabound zinc-lead-barite deposit that has been classified to date as showing affinity with both "Irish Style" base metal deposits and the broad Mississippi Valley Type (MVT) deposit class. The Irish Style deposits are stratabound and typically occur proximal to normal faults, some of which may be growth faults, which provided access for hydrothermal fluids. The principal sulphides are galena and sphalerite, which occur as replacements of host rock and as breccia matrix phases. These deposits are found preferentially in the lowest non-argillaceous carbonate unit in the host section and are formed from the intermixing of seawater derived sulphur–rich fluids and relatively sulphur-poor metal-bearing hydrothermal fluids. Barite and iron sulphides can be dominant or subordinate components. Mineralized zones in limestone or dolostone typically display hydrothermal dolomitic alteration, either as massive areas in the case of limestone or as stockwork veining surrounding the dolomite. Notably, dolomitic alteration has not been recognized at Jubilee.

Timing of Irish Style mineralization is variable, with evidence of both early diagenetic and clearly epigenetic processes represented in many deposits. In some instances, evidence also exists for syn-sedimentary accumulation of mineralization, but emplacement of base metal and barite mineralization during early diagenesis seems most common. In contrast, MVT deposits typically show obvious epigenetic characteristics plus spatial association with regional changes in host sequence character such as stratigraphic pinchdowns, pinchouts around paleo-topographic highs or association with regional arch structures. Sub-classes of this deposit type, such as those of the Old Lead Belt and East Tennessee reflect direct association of epigenetic vein and breccia development with structural features such as faults, folds or breccias (Anderson and MacQueen, 1982).

In recent years Jubilee mineralization has frequently been interpreted as showing affinity with the Irish Style subset of the broader stratabound, carbonate hosted family of deposit types. This provides a useful guide in planning of exploration programs, through focus on definition of structural zones intersecting preferable host stratigraphy. However, due to overlap of deposit-scale characteristics of the MVT and Irish Style deposit types, features of both should be considered in exploration planning to increase likelihood of success.

8.0 Mineralization

Sphalerite and galena plus variable amounts of pyrite and marcasite characterize the sulphide assemblage present at Jubilee. They occur as disseminated and massive replacements of laminated limestone and limestone breccia, as breccia matrix filling phases, and in spatially associated veins and irregular vugs. Framboidal textures are common in some pyritic intervals, and colloform banding of pyrite and sphalerite is frequently seen. Barite is not pervasively distributed, but is a locally significant associate of sulphide phases, often occurring within faulted core sections (Figures 6a, 6b, 7a, 7b, 8 and 9).

Fallara et. al. (1998) documented a paragenetic sequence from framboidal pyrite through fibrous calcite, pyrite/marcasite, sphalerite, galena and late calcite to barite–anhydrite-gypsum. They also noted that liquid and bituminous hydrocarbon phases were present prior to and during the sulphide-mineralizing event, and that post mineralization hydrocarbon migration to fault zone sites had also occurred. Drilling observations have consistently shown that substantial amounts of hydrocarbon, particularly liquid phases, are spatially associated with zones of strongest sulphide mineralization (G. P. Isenor, 2004, personal communication).

With respect to characterization of mineralizing fluids at Jubilee, Fallarra et. al. (1998) used Sr isotope data to suggest origin as brines from a clastic dominated basinal source, while Bertrand et. al. (1998) cite organic matter maturation data and clay mineral alteration data as indicating mineralizing stage temperatures of 150^0 C to 230^0 C. These are higher than those seen in many MVT deposits but are similar to temperatures cited for the Irish Style deposits.

9.0 Exploration

Exploration activities carried out by Merrex since 2005 have focused on further definition of the Jubilee deposit through core drilling, with the 2006-2007 program being most significant. The 2005 program included 2 drill holes in the immediate deposit area, results of which were presented in a technical report by Cullen (2005a) and summarized in section 5.0 of this report.

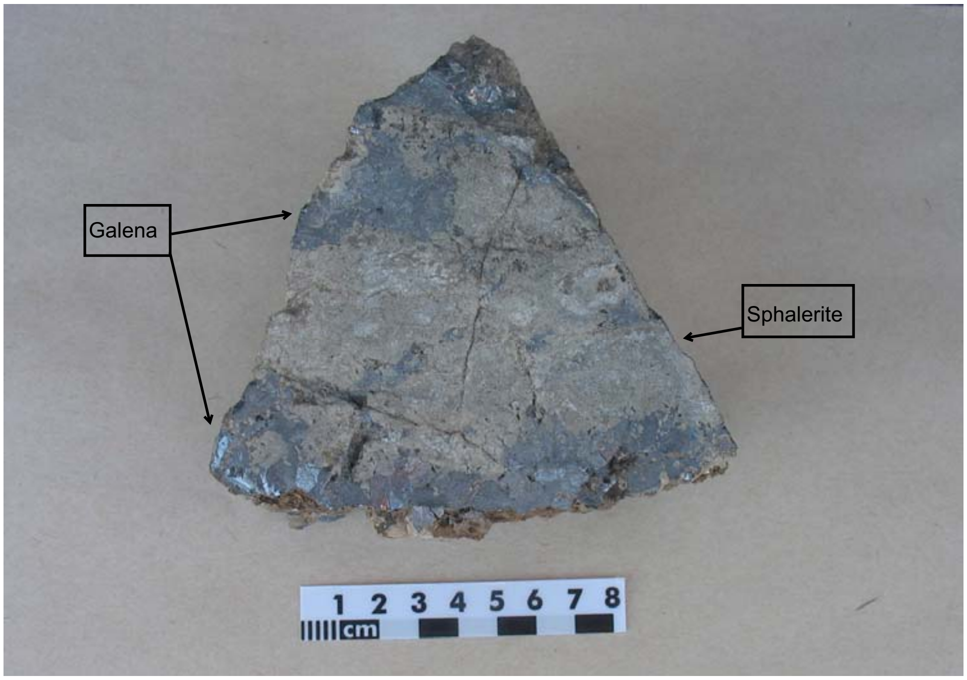

Figure 6a: Specimen of sub-massive sphalerite and galena from Jubilee showing

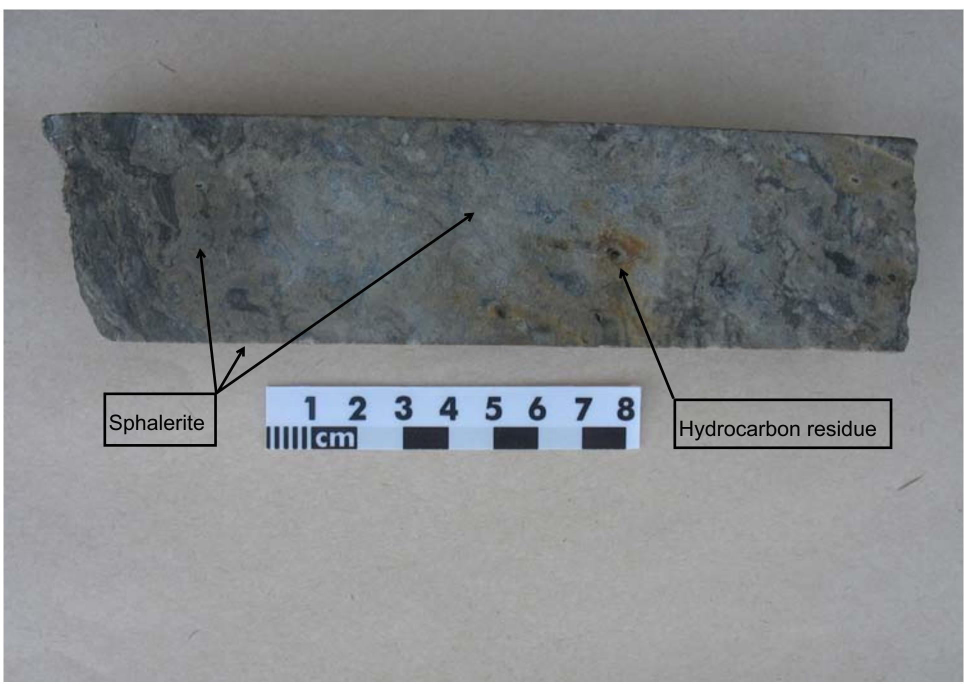

Figure 6b: Sub-massive sphalerite replacement of limestone breccia – Hole SJL-97-5

Figure 7a: Disseminated and replacement sphalerite in limestone breccia – SJL-97-5

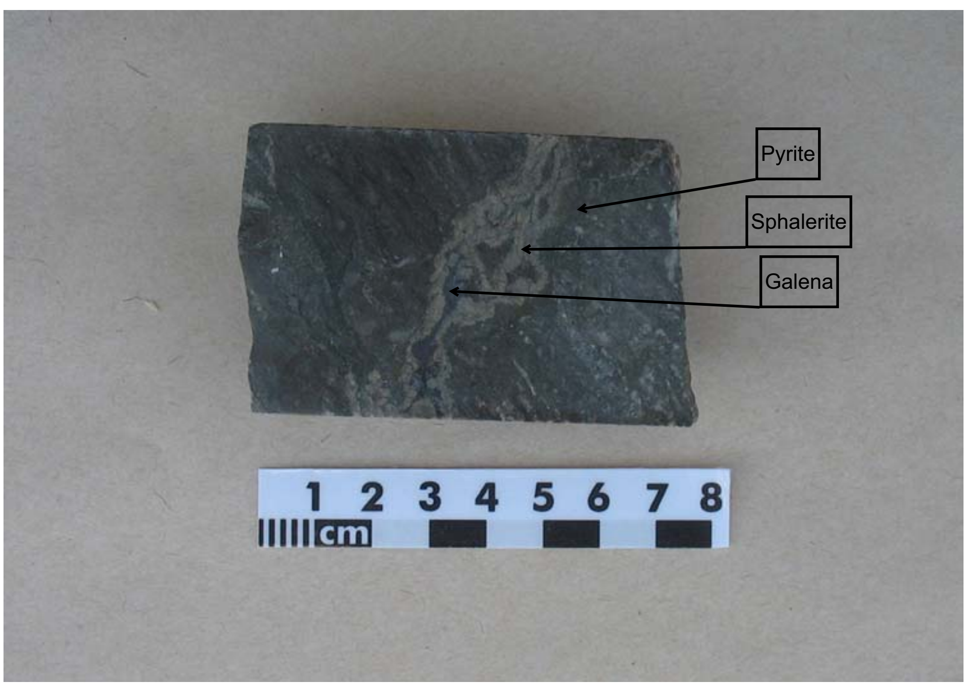

Figure 7b: Sphalerite, galena and pyrite in vein cutting limestone breccia – SJL-97-5

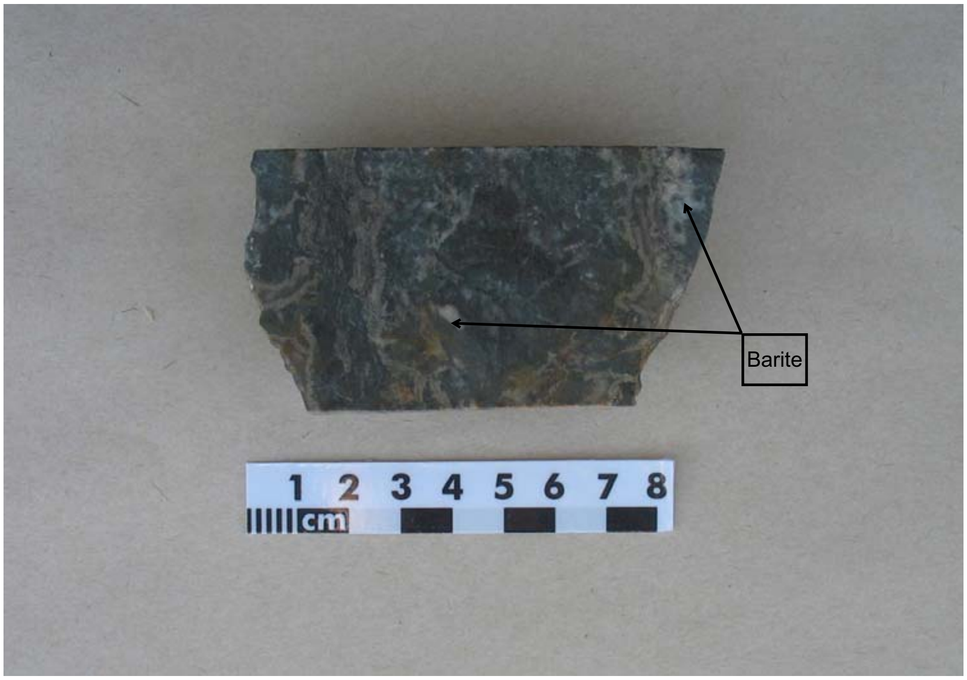

Figure 8: Colloform pyrite and sphalerite with replacement barite – Hole SJL-97-5

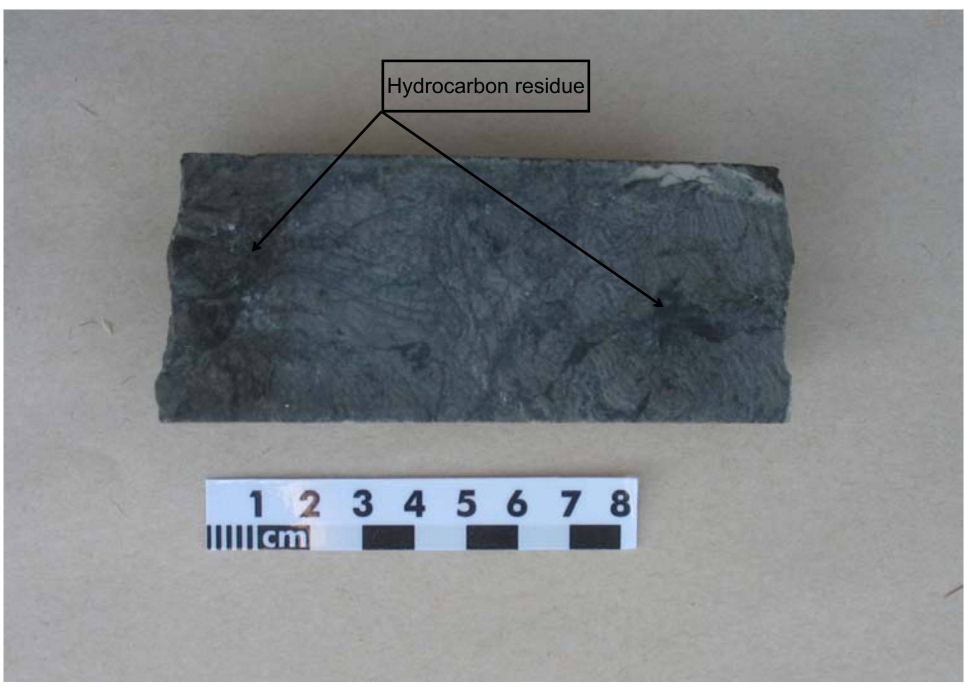

Figure 9: Barren limestone breccia with hydrocarbon residue – Hole SJL-97-5

Exploration by Merrex in 2006-2007 was concentrated on the Jubilee Main Zone and primarily consisted of diamond drilling designed to extend the known Main Zone area of mineralization and to verify historic drilling results. Overall, the program accomplished three significant objectives:

- Drilling along strike to the northwest extended the length of Main Zone to over 2.1 kilometres, this being from the Jubilee showing to St. Patrick's Channel. The Main Zone remains open in this direction and will be the subject of continued drilling by Merrex to potentially expand the deposit into the Bucklaw area, north of St. Patrick's Channel

- Step-out drilling adjacent to the Main Zone intersected two, and possibly three, previously unknown zones of significant zinc and lead mineralization. These are currently interpreted as mineralized fault zones developed parallel to the Main Zone and are similar to, but distinct from, the Road Zone and Northeast Zone structures. Merrex also recognized that these intercepts could be associated with mineralized, but to date poorly defined, northeast trending cross faults. In either case, the new mineralization has potential to contribute to future resource estimates at Jubilee and will be the subject of further drilling.

- Infill holes provided confirmation and validation of historic drill results and mineralization styles within the Main Zone.

10.0 Drilling

10.1 General

A total of fifty eight drill holes were completed on Merrex claims in the deposit area between September 2006 and December 2007. The 2006 drilling program focused entirely on Licence 6221 with thirteen holes drilled in the northwest region of the Main Zone. The 2007 drilling program initially focused on the same area, where twenty-one drill holes were completed to further delineate the extent of zinc-lead mineralization along the Jubilee Fault. This work also confirmed presence of parallel mineralized zones. An additional twenty-four holes were completed in mid-2007 and these tested a portion of the Road Zone mineralization as well as targets at nearby Bucklaw and Washabuck. The balance of Merrex holes tested regional exploration targets. Only drill holes testing the Main Zone, Road Zone, Northeast Zone and the new parallel zones of mineralization are pertinent to the current resource estimate.

Company-specific details of drilling programs pertinent to the resource estimate are discussed below under separate headings. In each case, associated information, including lithologic and sampling logs, assay results, collar survey data and down hole survey data were assembled from hard copy assessment reports filed with the Nova Scotia government, or from in-house data sets and reports provided by Merrex. Digital compilation of historic drilling data was carried out by Mercator staff and both hard copy source documents plus the digital files of associated drill hole data were subsequently validated for resource estimation purposes.

Table 4 below provides a summary of modern era historical drill holes and recent Merrex drill holes in the Jubilee area, including all that were available for use in the November resource estimate by Mercator. Collar locations and surface traces for all drill holes in and adjacent to the resource estimate area are presented on the appended hole location plan (Appendix 4). Not all drill holes itemized in Table 5 are included in the Jubilee resource estimate.

Table 4: Company– Specific Listing of Diamond Drill Holes in the Jubilee Area

Company	**Year**	**Drill Hole Series**	**No. Of Drill Holes**
Getty Mines Limited	1972	J-72-1 and J-72-2	2
Texas Gulf Canada Ltd	1975	TG75-01 to TG75-17	17
Amax Texas Gulf Venture	1976	ATG76-01 to ATG76-18	18
Amax Texas Gulf Venture	1977	ATG77-19 to ATG77-45	27
Amax Texas Gulf Venture	1978	ATG78-46 to ATG78-62	17
Amax Texas Gulf Venture	1979	ATG79-63 to ATG79-72	10
Falconbridge Inc.	1989	J89-01 to J89-06	6
Falconbridge Inc.	1990	J90-07 to J90-15	9
Falconbridge Inc.	1991	J91-16 to J91-30	15
Westminer Canada Ltd	1992	JLN-01 to JLN-07	7
Savage Resources Canada	1997	SJL97-01 to SJL97-05	5
Savage Resources Canada	1998	SJL98-06 to SJL98-10	5
Merrex Gold Inc.	2005	MX05-01 to MX05-05	5
Merrex Gold Inc.	2006	MJ06-01 to MJ06-12	13
Merrex Gold Inc.	2007	MJ07-13 to MJ07-47	39
Merrex Gold Inc.	2007	MJ07-51 to MJ-07-55A	6
TOTAL			**201**

10.2 Logistics

Logan Drilling Limited of Stewiacke, Nova Scotia was contracted to provide core drilling services for the 2006-2007 Merrex program and supplied both a diesel-powered skid-mounted Longyear 38 wire-line drilling unit equipped to recover both NQ and HQ size core (4.76 cm and 6.35 cm in diameter respectively), and a Longyear 44 drilling unit also equipped to recover NQ and HQ size core. The latter drill was used only in the Bucklaw, South Cove and Cains Mountain areas where deep HQ coring was necessary to deal with difficult near-surface bedrock conditions. The company also provided all necessary support equipment, including a bulldozer for drill moves and site preparation work. Drilling was typically carried out on a 24 hour per day basis and the program was ongoing at the effective date of this report.

Mercator provided a full-time project geologist (author P. Ténière) to supervise the drilling program, supported as necessary by additional Mercator staff. Merrex provided a site logistics manager and two support staff to facilitate day to day coring operations and logging functions, with project planning and oversight provided through consultation with senior Merrex and Mercator staff. All drilling, field and geological personnel were accommodated through local motel and restaurant facilities. Field support for Mercator included rental of one SUV for the entire field program and access to two buildings on site for logging and sampling activities. Drill core from the 2005-2007 Merrex diamond drilling programs is stored on site at the company's core secure storage facility at Little Narrows.

The majority of collar locations for drill holes prior to 2005 were based on local grids used at the time of drilling, but some locations have been re-surveyed to the Nova Scotia MTM Zone 4 grid or deduced from historical maps or drill logs. The historical collar locations were converted to Universal Transverse Mercator (UTM) Zone 20 grid coordinates based on North American Datum 83 (NAD 83). All Merrex drill holes have been surveyed to the UTM NAD83 grid and are included in the project drilling database developed by Mercator for use in the Jubilee resource estimate. Merrex holes were typically tested for inclination and azimuthal variation using Flex-it© down hole survey instruments and results were incorporated in the project database for use in the resource estimate. All collars were transformed to a local grid for resource estimation purposes.

11.0 Sampling Method and Approach

11.1 Historical Drill Programs

Pre-1971 Drilling Programs

No information was reviewed pertaining to whether half or full core sampling was carried out. Mineralized zones appear to have been identified visually and sampling completed to cover those intervals with visible zinc, and/or lead and/or pyrite mineralization.

1971 to 1978 Drilling Programs

Drilling by Amax Exploration Limited, Texas Gulf Limited, and Getty Mines Northeast Limited was completed under direct supervision of company geologists and typically consisted of continuous half core sampling through the Macumber Formation target interval, with extension into the non-mineralized overlying anhydrite section and underlying Horton Group conglomerate section. Sample intervals were designed to reflect specific styles of mineralization and included segregation of narrower sections of high grade mineralization to specific sample intervals. Occurrence of disseminated zinc, lead and iron sulphides in Horton Group conglomerates was commonly noted and sampling typically included such sections. In most instances, Macumber Formation target intervals were sampled, regardless of whether visible sulphide mineralization was present. Sampling was also carried out across any other lithologic intervals showing sulphide mineralization, with these typically consisting of thin (< 2.5m thick) limestone marker units within the thick anhydrite overlying the Macumber Formation.

In all instances, half core archive samples were retained in marked core boxes and some core from these programs is available for review at the Nova Scotia Department of Natural Resources Core Library in Stellarton, Nova Scotia.

1989 to 1991 Drilling Programs

Falconbridge carried out work during this period under supervision of staff geologists from that company's regional exploration office in Windsor, Nova Scotia. All Macumber Formation target intervals as well as adjoining anhydrite unit and conglomerate unit sections were half-core sampled regardless of whether visible sulphide mineralization was present, and sampling was also carried out across several thin limestone intervals within the anhydrite unit overlying the Macumber Formation. In some instances these limestone show traces of sulphide mineralization and sulphides are also commonly present in the Horton Group conglomerates, particularly in broad proximity to areas of Macumber Formation mineralization close to the Jubilee Fault. In all instances, half core archive samples were retained in marked core boxes and most core is available for review at the Nova Scotia Department of Natural Resources Core Library in Stellarton, Nova Scotia.

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1992 Drilling Program

Westminer Canada Limited sampling procedures were similar to those of Falconbridge and earlier modern era explorers and were carried out under supervision of qualified company geologists. All Macumber Formation target intervals as well as adjoining anhydrite unit and conglomerate unit sections were sampled, regardless of whether visible sulphide mineralization was present, and sampling was subjectively carried out on limestone intervals within the anhydrite unit overlying the Macumber Formation.

In all instances, half core archive samples were retained in marked core boxes and some core from this program is available for review at the Nova Scotia Department of Natural Resources Core Library in Stellarton, Nova Scotia.

1997 and 1998 Drilling Programs

Savage Zinc Inc. carried out these programs under management and supervision of one current author (M. Cullen) and sampling procedures closely followed those of Falconbridge and earlier modern era explorers. All Macumber Formation target intervals were half-core sampled as well as some adjoining anhydrite unit and conglomerate unit sections, regardless of whether visible sulphide mineralization was present. Sampling was subjectively carried out across several thin limestone intervals within the anhydrite unit overlying the Macumber Formation.

In all instances, half core archive samples were retained in marked core boxes. Macumber Formation intercepts and associated Horton Group intervals were retained and initially stored at the Gays River Mine site in central Nova Scotia. During 2007 this core was moved to the secure Merrex core facility at Jubilee. In all holes, core recovered from the stratigraphic section above the Macumber Formation was given to Little Narrows Gypsum Limited for purposes of logging and analysis. This core is believed to have been discarded.

11.2 Merrex Gold Drilling Programs (2005-2007)

In 2005 Merrex retained Mercator to assist in development of protocols for core logging, sampling, project security and quality assurance/control procedures for the Jubilee project. These procedures were retained for the 2006-2007 program, with only minor changes.

With respect to logging and sampling protocols, use of three tag sample record books was instituted to provide a more efficient means of tracking and recording samples through the splitting and archiving process. Samples were chosen based on lithology and mineralogical characteristics with minimum and maximum half core sample sizes of 30 cm and 100 cm, respectively. Generally, sampling began 2-3 metres above the Macumber Formation limestone or at the first visual indication of sphalerite, galena, barite or pyrite/marcasite mineralization, and was continuous through the limestone intercept to a minimum of four metres into the Horton Group conglomerate. Depending on the extent of mineralization at the base of the hole, more than four metres of conglomerate would be sampled for assay analysis. Sampling was also carried out across several thin laminated limestone intervals (marker beds) within the anhydrite unit overlying the Macumber Formation. The sample processing protocol included insertion of blank samples (non-mineralized anhydrite) and CANMET-MMSL certified standards. Half core archive samples were retained in core boxes labelled with weather-proof aluminium tape and stored at the secure Merrex core facility at Little Narrows.

All core logging and sampling was carried out at the Merrex core logging facility at Little narrows. The first step in this process was a quick log of the core at the drill site and was followed by delivery of the core from the drill to the core logging facility where it was laid out for detailed core logging. After detailed logging by a Mercator or Merrex staff, under supervision of the Mercator Project Geologist, the Macumber Formation limestone intercept, top of the Horton Group conglomerate section, plus other sections of interest, were marked for half-core sampling and then cut using a rock saw. Split samples were placed in pre-labelled plastic bags along with a corresponding sample book tag and then sealed and laid out for checking prior to insertion of certified quality control materials into the sample sequence. A maximum sample length of 1 meter was established along with a minimum sample length of 0.4 meter. Geological boundaries and limits of high grade intervals were typically respected.

Conventional core logging procedures were standardized through use of a project lithologic legend and lithocode system with log information entered directly into PDA-based Logmate© software that could be easily integrated into the digital project database. Copies of the lithologic legend and associated lithocodes appear in Appendix 2.

12.0 Sample Preparation, Analyses and Security

Mercator was responsible for all aspects of project security and established a core handling protocol to ensure appropriate control and supervision of core and core samples. This protocol specified covering of all core immediately after drilling, with delivery of covered core boxes to a designated Mercator or Merrex staff member after each drilling shift. Boxes were opened to allow preliminary logging at the drill site and then re-covered and transported to the secure core logging facility at Little Narrows. After completion of logging and sampling those boxes containing zones to be sampled were stored in a locked and secure building onsite. Samples were placed in sealed buckets for secure delivery by UPS Courier to ALS Chemex Laboratories (ALS) for ore-grade assay analyses. Only persons authorized by Merrex and Mercator were allowed to view the core, and the sampling facility was locked at all times when staff was not present.

Upon arrival at ALS core samples were subjected to standardized preparation procedures, which included digital log-in, weighing, drying, and fine crushing of the entire sample. Further preparation included splitting off 250g of each sample and pulverising to better than 85% passing 75 microns for subsequent analytical procedures. The samples were prepared for inductively coupled plasma atomic emission spectroscopy analysis (ICP-AES) using the four acid "near total" digestion method to determine ore-grade assay results for Ag, Cu, Pb, and Zn. If the corresponding Zn level was determined to be 1% or greater the laboratory was directed to analyze for Ba using the x-ray fluorescence (XRF) method after metaborate fusion. ALS was also instructed to split every 30th sample in the sequence for duplicate analysis as a QA/QC measure. An additional reject split from the same sample was also prepared and returned to

Mercator for submission to Eastern Analytical Limited in Springdale, NFL for analysis by Atomic Absorption methods after multi-acid digestion. This methodology was used for all Merrex 2006-2007 drill core samples. Further descriptions of sample preparation and analytical methods pertaining to both laboratories appear in Appendix 2.

13.0 Data Verification

13.1 Review and Validation of Project Data Sets

Government assessment reports and internal Merrex files consisting of core sample records, lithologic logs, laboratory reports and associated drill hole information for all holes used in the Jubilee resource estimate were reviewed by Mercator. Spot checking of historic digital records of drilling information used to create the resource estimate block model were manually validated against hard copy records. This consisted of back checking individual database lithocode entries against the source hard copy drill logs and assessing whether the lithocoding adequately represented originally logged rock types. Several minor inaccuracies were detected in both database lithocoding and sample record entries at this time and these were corrected. This generally positive result in part also reflected pre-resource estimate use of automated validation routines that detect certain data entry errors associated with sample records, drill hole lithocode intervals and both collar and down hole survey tables. All of these issues were addressed to establish a validated and functional drilling database considered acceptable by Mercator for use in a resource estimation program.

13.2 Quality Control and Quality Assurance

13.2.1 Pre-Merrex Drilling Programs

Assessment reports documenting previous Jubilee drilling programs do not specifically address QA/QC issues. Some evidence was noted of independent certified standards or check samples being submitted with core samples; such as Amax, Falconbridge, and Savage Zinc, but there was no mention of systematic submission of blank samples or systematic provisions for duplicate sample splits to be prepared and analysed. Laboratory QA/QC standards appear to have been generally relied upon by most companies to monitor precision and accuracy of analytical results and it can be assumed the assay results met the internal laboratory QA/QC standards of the day. On this basis, the Jubilee assay drilling results from Amax, Falconbridge and Savage are considered by Mercator to be of quality consistent with the industry standards of the day and to be acceptable for use in a resource estimation program.

13.2.2 Merrex Gold Drilling Programs

Overview

During its 2005 drilling program, Merrex completed two drill holes within the Jubilee resource area described in this report. ALS laboratories administered analytical standards, blanks and duplicate sample analyses to meet QA and QC requirements. Independent insertion of certified standards and in-house blanks was carried out by Mercator and duplicate analyses were requested for sample splits. Assay results for the 2005 Merrex drilling program are considered of sufficient quality for use in estimation of the mineral resources.

During the 2006 and 2007 programs Merrex adopted a QA/QC program recommended by Mercator that included systematic insertion of Canmet certified analytical standards and blind blank samples as well as analysis of check samples by an independent commercial laboratory. More specifically, blind blank samples were inserted into the normal core sample sequence at a frequency of every 20th sample and sample tag books were pre-marked to ensure adherence to this system. Barren, massive anhydrite from the upper part of two drill holes was used for sample blank material. Two certified laboratory standards sourced from CANMET-MMSL were used in 2006 and 2007, these being FER-1 and KC-1A. Certified standards were inserted into the sample submission sequence by Mercator or Merrex staff every 40 core samples and assigned sample numbers within the continuous sample record sequence. Since standards were previously prepared, they were not blind to the receiving laboratory, but no recognition of their status or identity was included in sample support documentation submitted to the laboratory. Preparation and analysis of duplicate sample splits from every 30th core sample was also carried out during the 2006 and 2007 programs, with the duplicate analysis identified as such by the laboratory. ALS Chemex Limited (ALS), an independent and accredited commercial laboratory, provided primary analytical services for the core sampling programs carried out by Merrex during 2006 and 2007. A third sample split was prepared from coarse reject of the duplicate samples for submission to Eastern Analytical Ltd. (Eastern) for purposes of independent check analysis.

Certified Standard Program

Two certified laboratory standards sourced from CANMET were used in the Merrex 2006 and 2007 programs, these being FER-1 and KC-1A. Prepared standard samples were inserted into the sample submission sequence at intervals of every 40th sample and assigned unique numbers within the continuous sample record sequence. Since these were previously prepared, they were not blind to the receiving laboratory, but no recognition of their status or identity was included in support documentation submitted to the laboratory. Analytical data for 15 certified standard analyses were received and Figures 10 through 13 present associated results for zinc and lead. Tables 5 and 6 present descriptive statistics.

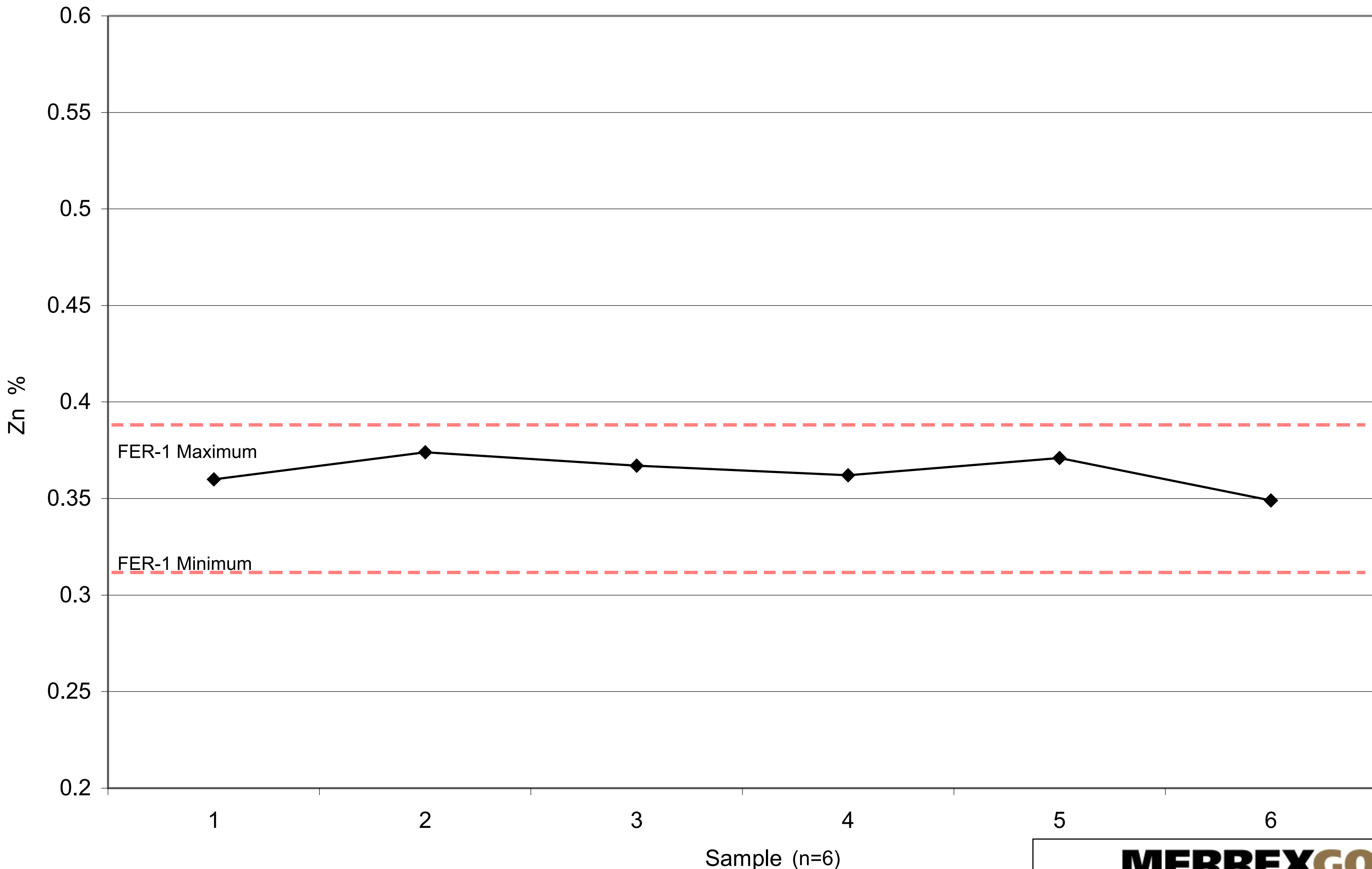

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Figure 10

Certified Standard FER-1
Analytical Results (Zn)

Date: Jan. 2008

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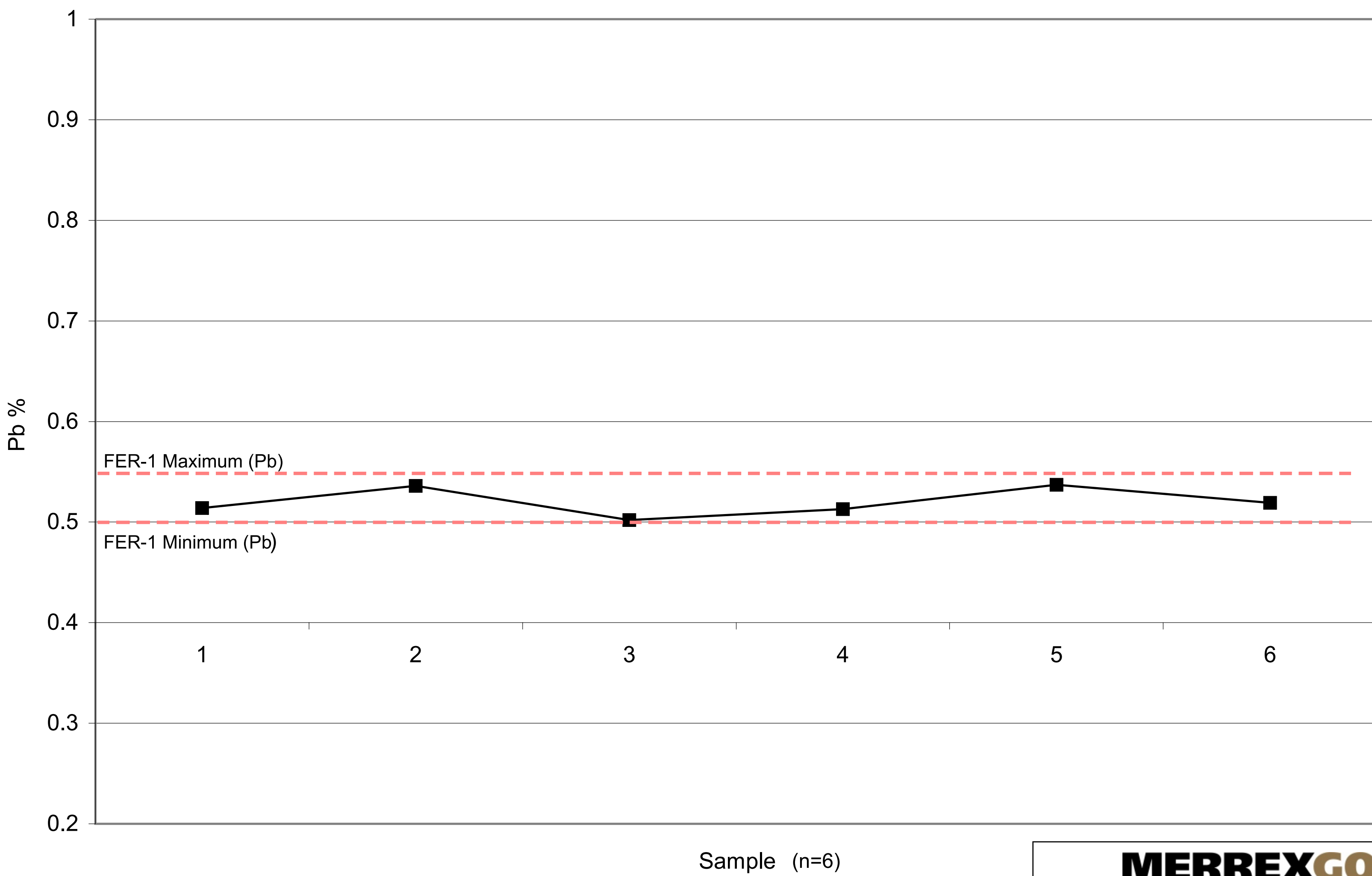

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Figure 11

Certified Standard FER-1
Analytical Results (Pb)

Date: Jan. 2008

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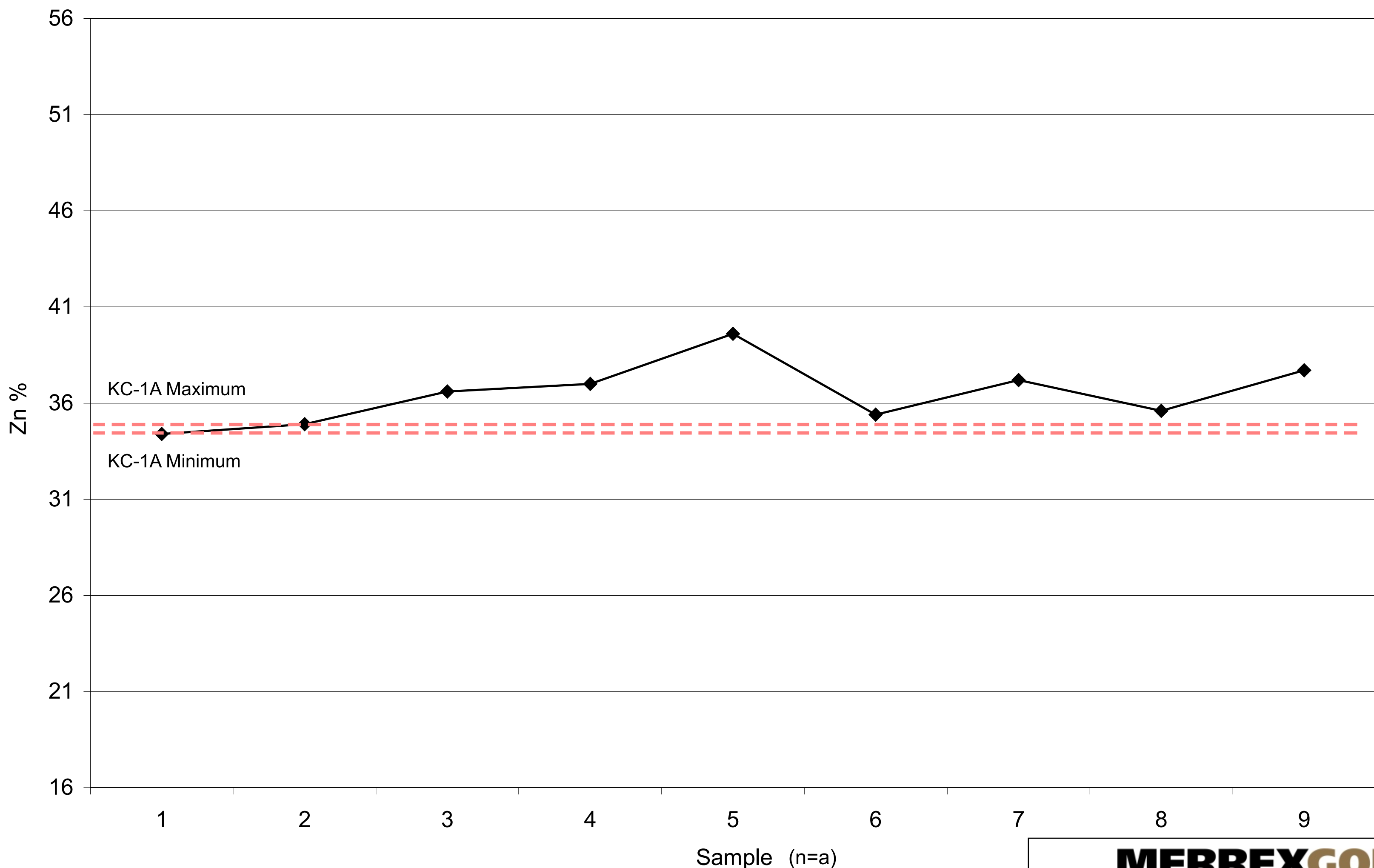

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Figure 12

Certified Standard KC-1A
Analytical Results (Zn)

Date: Jan. 2008

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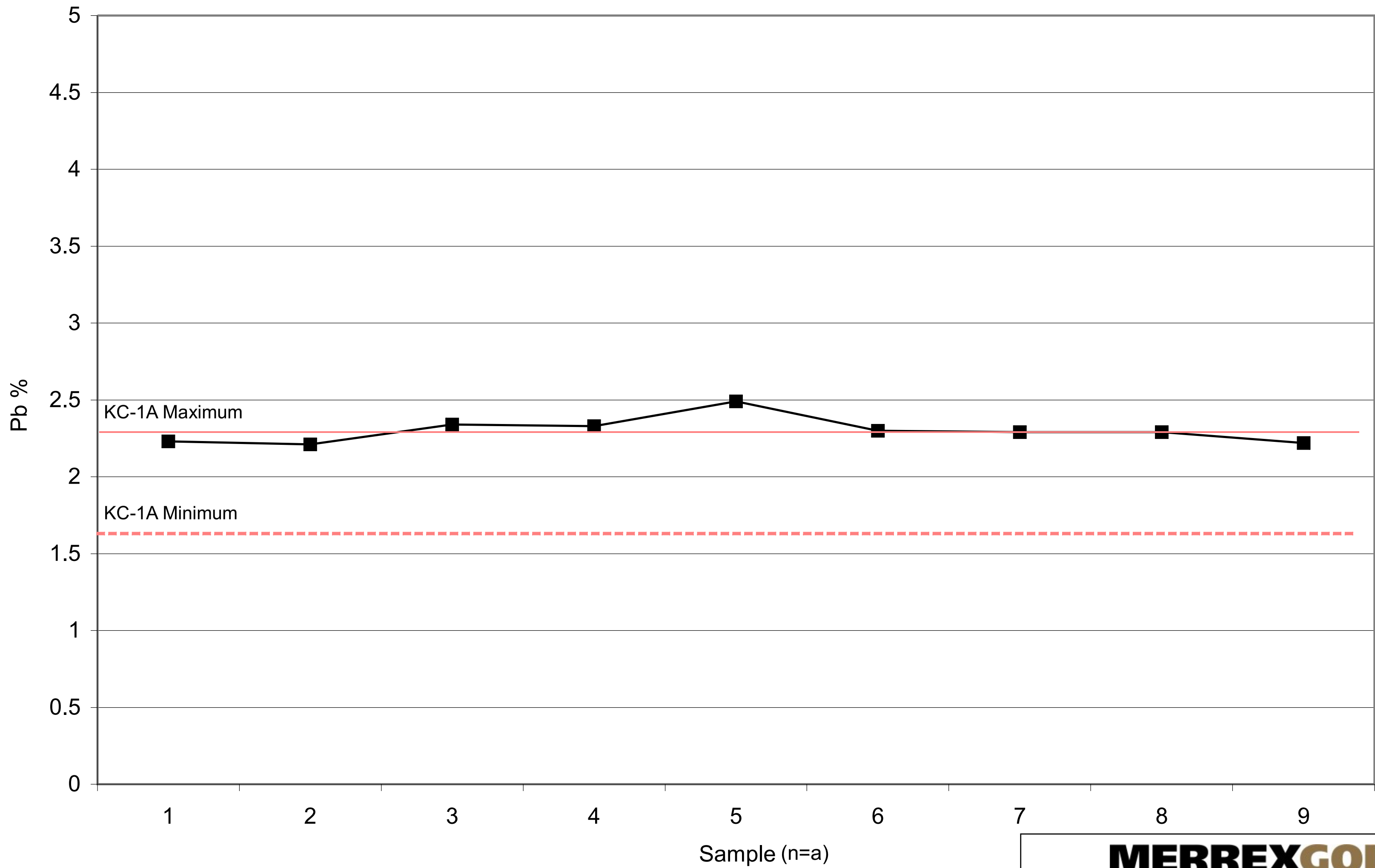

MERREXGOLD

Figure 13

Certified Standard KC-1A
Analytical Results (Pb)

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Table 5: Certified Standard Descriptive Statistics For New Drill Holes (Pb)

Parameter	Standard FER-1 (Pb)	Standard KC-1A (Pb)
Certified Mean Value	0.52	2.24
Mean Of Samples	0.52	2.30
Standard Deviation.	0.01	0.09
Sample variance	0.00	0.01
Range	0.04	0.28
Minimum	0.50	2.21
Maximum	0.54	2.49
Confidence 95%	0.01	0.07
Number	6	9

Table 6: Certified Standard Descriptive Statistics For New Drill Holes (Zn)

Parameter	Standard FER-1 (Zn)	Standard KC-1A (Zn)
Certified Mean Value	0.35	34.50
Mean Of Samples	0.36	36.49
Standard Deviation.	0.01	2.6
Range	0.03	5.20
Minimum	0.35	34.4
Maximum	0.37	39.6
Confidence 95%	0.01	1.24
Number	6	9

Very good approximation of certified values is evident for both zinc and lead results returned for the FER-1A standard, values for which are generally comparable to grades seen in low grade Jubilee core sample data set. Zinc results for high grade standard KC-1A (34.5% zinc certified mean value) exceeded the upper acceptable limit for the standard in 7 of 9 samples with the mean exceeding the certified value by 1.99% zinc. Lead results for KC1A (2.24% lead certified mean value) are generally acceptable but show a bias toward and exceeding the upper limit of the standard's acceptable range.

In contrast to KC-1A, both lead and zinc results for standard FER-1 consistently fall within the accepted range for the standard. Since samples of the two standards are distributed alternately throughout the core sample stream, the results described above are interpreted as indicating that a slight lessening in accuracy of the zinc and lead analytical results occurs at the high zinc levels seen in KC-1A. This could reflect a matrix or instrumental factor but could also reflect heterogeneity of prepared standard materials developed during handling, possible resulting from density stratification of the sample material. In either case, the KC-1A variation range requires follow-up which should include assessment of homogenization procedures for prepared materials received by the laboratory, re-analysis of the selected standard pulps, and discussion of the issue with laboratory management.

In light of the fact that standard FER-1A consistently returned good results for both lead and zinc, and that variance noted in the KC-1A zinc results only slightly exceeded 5% of the standard value, potential impact on analytical results used in the current resource is recognized but considered acceptable. As noted above, however, further study of the KC-1A results is necessary, and it is recommended that additional certified standards be procured that more closely approximate the mid and upper zinc and lead grade ranges seen in the deposit.

Based on overall results, and as qualified above, the 2006 and 2007 certified standards results are considered acceptable for current resource estimation purposes.

Blind Blank Sample Program

As described previously, blind blank samples were inserted by Mercator into the sample stream at a frequency of every 20th sample and these were analysed for Zn, Pb, Cu, and Ag levels. Half cores of barren, massive anhydrite from the Windsor B subzone were collected from two Merrex drill holes for service as blank materials.

Analytical results for a total of 46 blank samples from 2006 to 2007 drill holes were reviewed for purposes of this report. Results for zinc and lead are presented in Figures 14 and 15 and these show that sample background values for the analyzed materials are consistently repeated with only isolated exceptions. This is interpreted as indicating that no systematic problem exists within the data set with respect to consecutive sample cross-contamination from laboratory preparation procedures. Investigation of isolated divergent values showed that potential for low level cross contamination existed in the case of sample #81300, which contains the highest Zn and Pb values presented. However, the degree of such contamination, if present, is considered minimal (<100ppm) and would not meaningfully impact grade assignments in the resource estimate. Other potential explanations for observed results include (1) original sample heterogeneity, (2) low level contamination related to sample collection or core cutting practices at the project site, or (3) a non-systematic laboratory sample preparation or analytical factor. Re-analysis of the split and adjoining samples is recommended in addition to review of on-site core saw cleaning practices with respect to cutting of blank sample core materials.

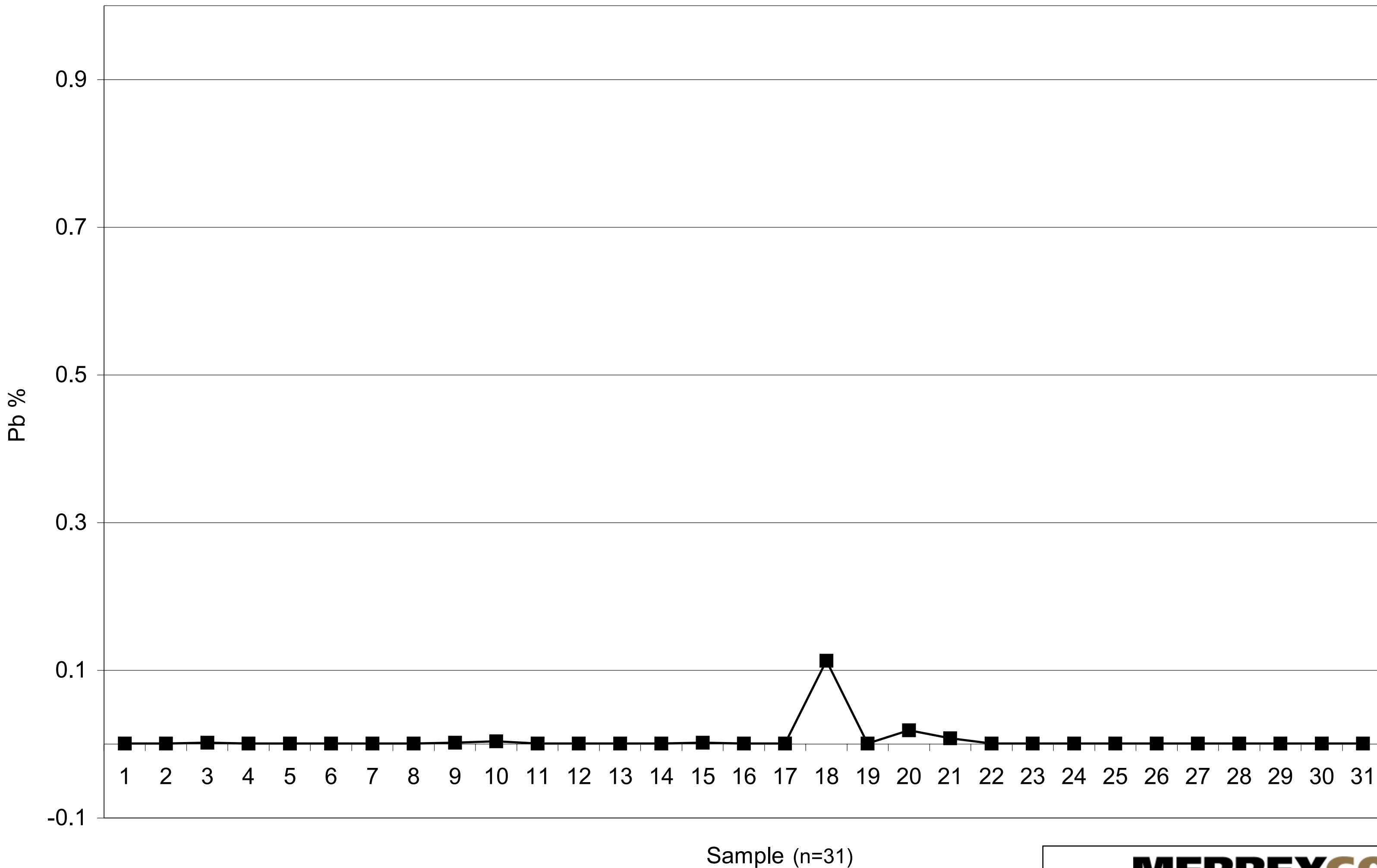

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Figure 14

Blank Sample Results (Pb)

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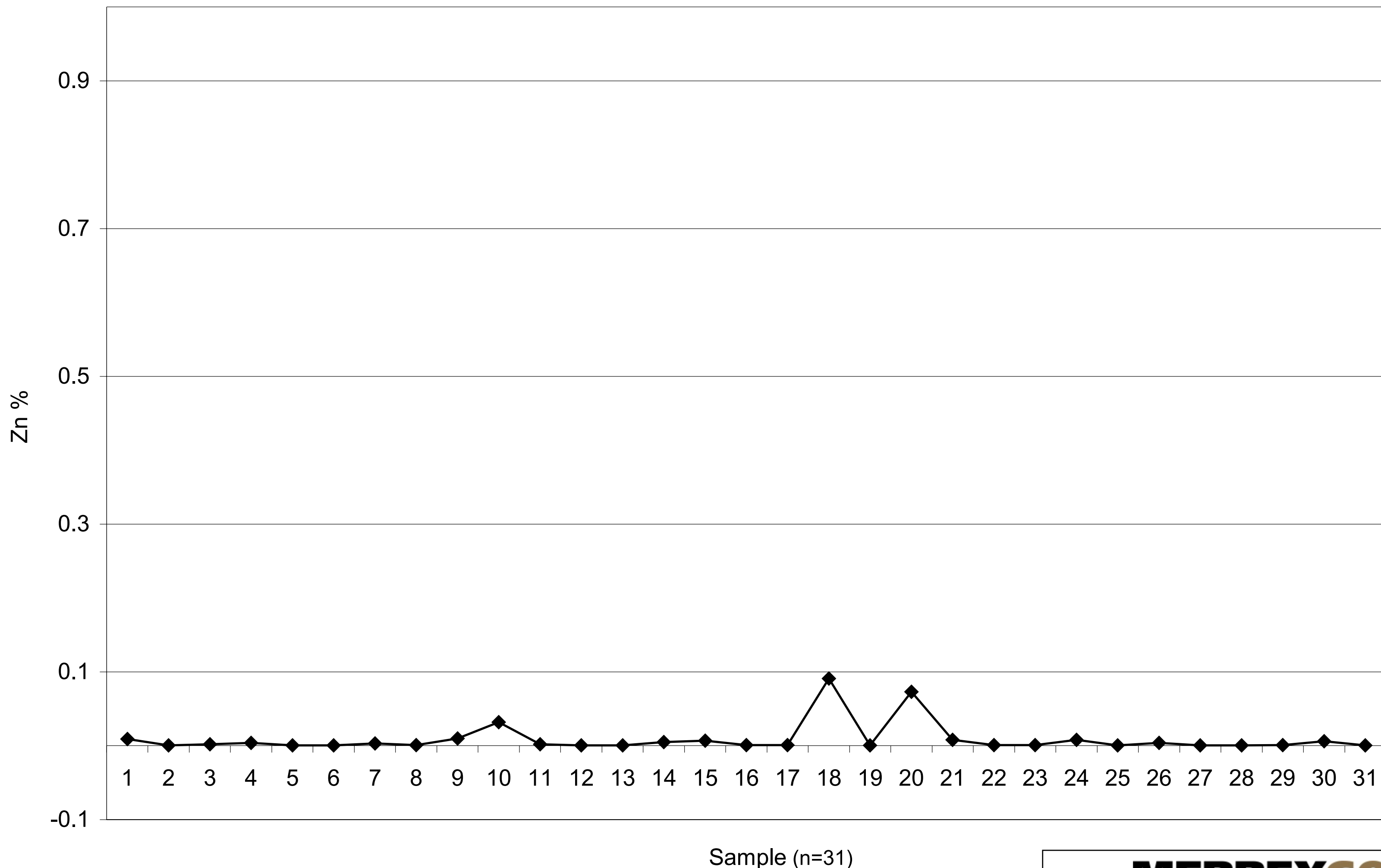

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Figure 15

Blank Sample Results (Zn)

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Duplicate Split Sample Program

Duplicate sample splits were prepared from pulverised material for every 30th sample submitted and these were analysed for Zn, Pb, Cu, and Ag levels. In total, 29 duplicate pairs were reviewed for the current resource estimate and Figures 16 and 17 compare associated Zn and Pb values. Results depict generally acceptable correlation between sample pairs, with Pb values tending to be slightly higher in original split analyses. In cases of both metals it is apparent that analysis of a broader spectrum of metal grades would be advantageous. Modification of the current sample selection protocol is recommended to specifically include more samples of moderately to strongly mineralized core materials. Based on these results, and as also demonstrated in ALS Chemex internal quality control and assurance reporting, precision of the 2006 and 2007 duplicate sample results is considered acceptable for resource estimation purposes.

Independent Check Sample Program

A check sample split was prepared from coarse reject material of every 30th core sample from the 2006-2007 drilling programs and this material was returned to Mercator after preparation at ALS Chemex. Check samples were subsequently submitted to Eastern Analytical Limited (Eastern) in Springdale, NFL for analysis of Cu, Pb, Zn and Ag levels using assay quality procedures and atomic absorption analytical methods. As reflected in Figures 18 and 19, reasonable correlation exists between data sets. In two instances Eastern results for Pb clearly under report those from ALS Chemex but absolute differences are less than 0.03%. In the case of Zn, the greatest variance in results totalled less than 0.2% and most samples are closely grouped about the 1:1 correlation line. Due to the structured nature of sample selection, the data set range is less than that seen in the grade range of the deposit and most samples group at relatively low grade levels.

Based on the above, results of the check sampling program are considered acceptable for resource estimation purposes. It is recommended, however, that the selection protocol for check samples be amended to provide coverage of a broader sample grade range.

14.0 Adjacent Properties

No adjacent properties as defined under NI 43-101 are pertinent to this report.

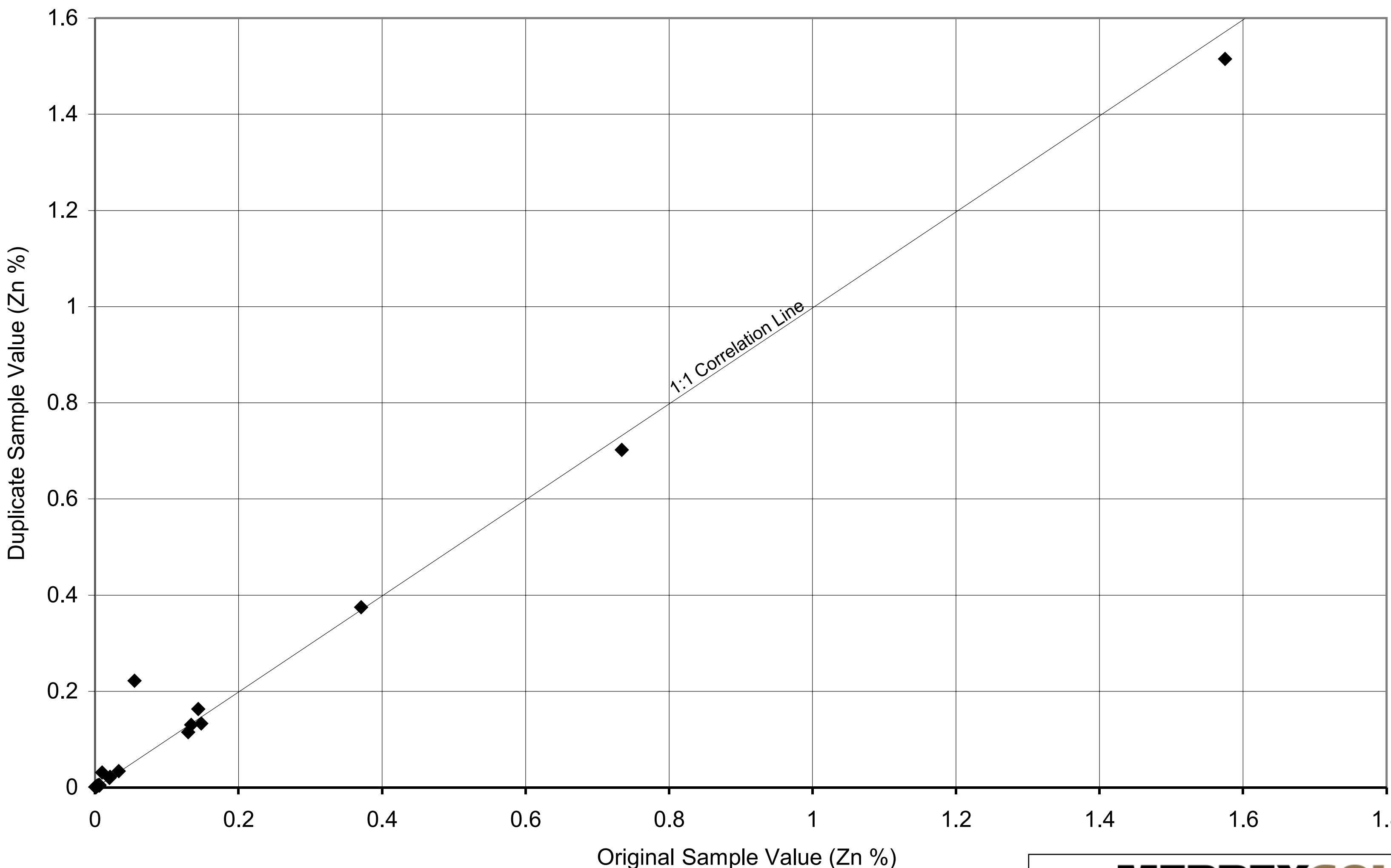

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Figure 16

ALS Chemex
Duplicate Split Results (Zn)

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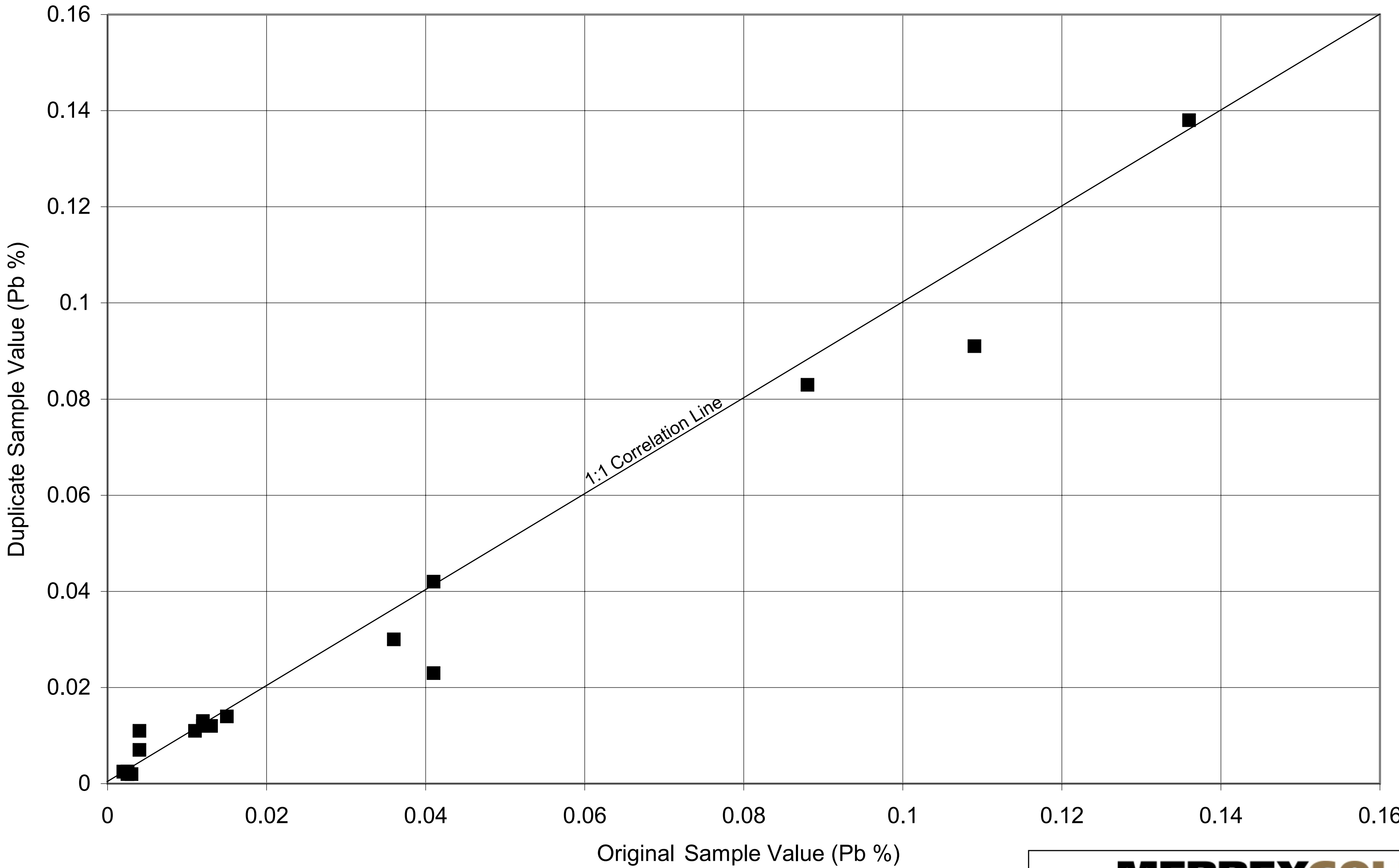

MERREXGOLD

Figure 17

ALS Chemex
Duplicate Split Results (Pb)

Date: Jan. 2008

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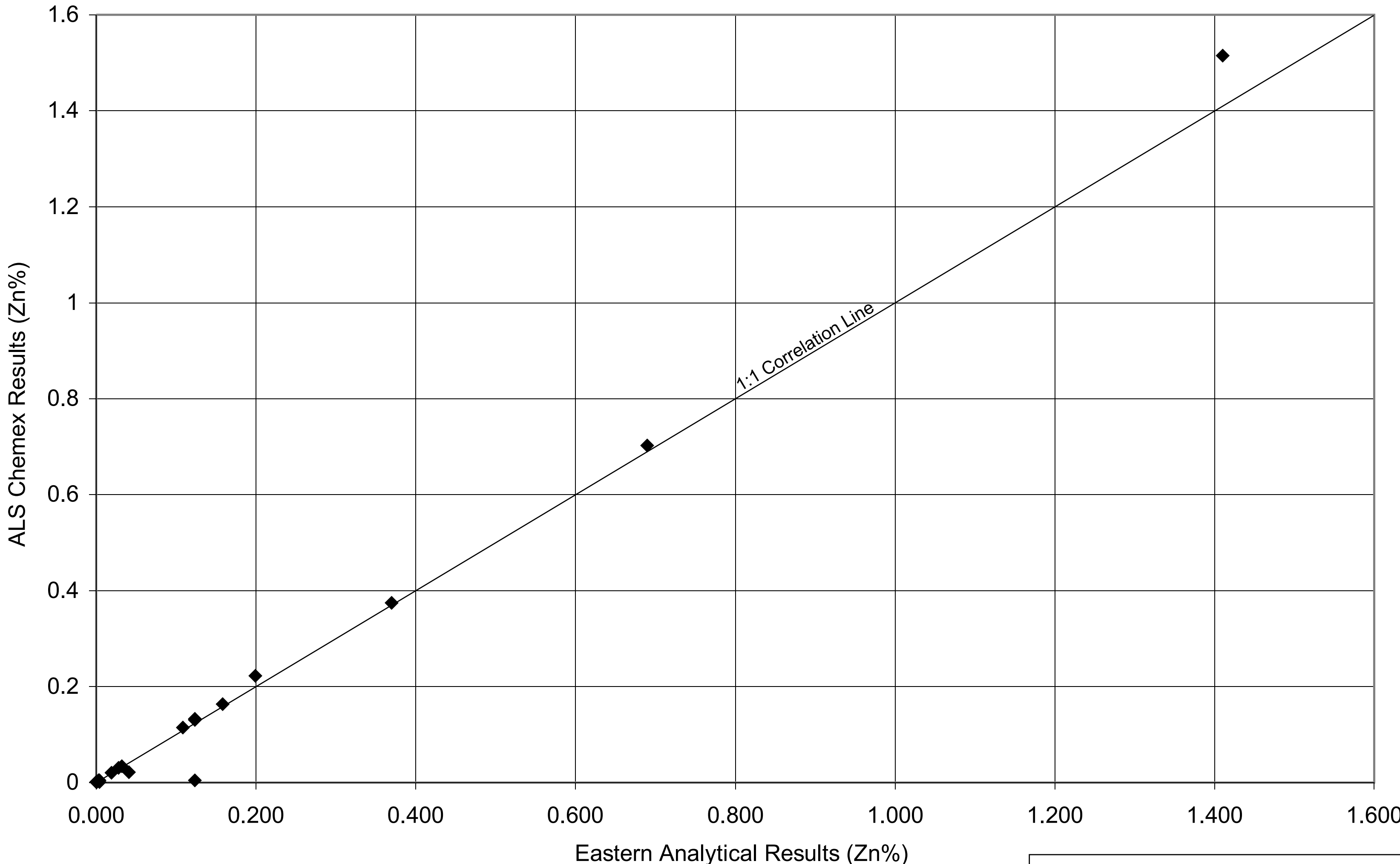

MERREXGOLD

Figure 18

Check Sample Results (Zn)

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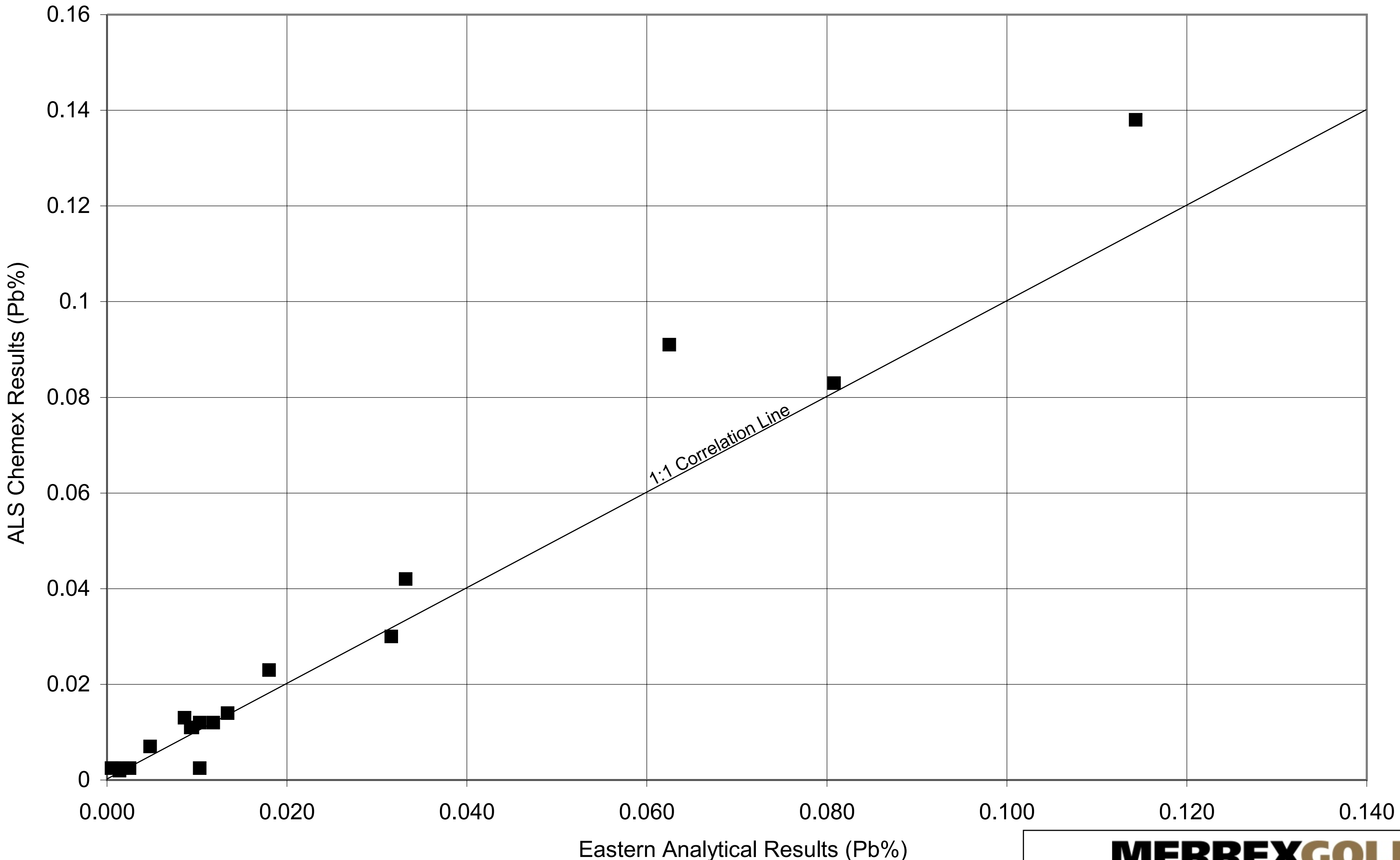

MERREXGOLD

Figure 19

Check Samples Results (Pb)

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15.0 Mineral Processing and Metallurgical Testing

No record was found of metallurgical or mineral processing studies being carried out on Jubilee zinc and lead mineralization by Amax Exploration, Texas Gulf, Falconbridge, Westminer, Aur or Savage. However, Jubilee Minerals Ltd. commissioned a preliminary assessment of gravity separation processing of high grade mineralization obtained from rock dumps in the Sp Jubilee Showing area, and results of this work carried out at DalTech in Halifax, NS were reported by Isenor (1988) as positive. However, due to the limited nature of such testing and exclusion of flotation methodologies, Mercator considers this program to have been incomplete.

Fallara and Savard (1998) included petrographic descriptions of base metal sulphide and barite mineralization from Jubilee, and thereby provided useful information with respect to mineral associations, grain sizes of constituent mineral phases and relationships with limestone wall rock. While none of this was directed toward metallurgical assessment, future studies could benefit from consideration of these references.

Review of information carried out for this report has shown that no complete and substantive studies of metallurgical testing or mineral processing have been completed to date for the Jubilee property.

16.0 Mineral Resources and Mineral Reserve Estimates

16.1 General

The definition of mineral resource and associated mineral resource categories used in this report are those recognized under National Instrument 43-101 and set out in the Canadian Institute Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves *Definitions and Guidelines* (the CIMM Standards). Assumptions, metal threshold parameters and deposit modeling methodology associated with this estimate are discussed below in report sections 16.2 through 16.4.

16.2 Geological Interpretation Used In Resource Estimation

For resource model purposes the Jubilee deposit is considered a carbonate-hosted, stratabound zinc-lead-barite deposit showing affinity with both "Irish Style" base metal deposits and the broad Mississippi Valley Type (MVT) deposit class. Mineralization is in most instances stratabound within Macumber Formation limestone and typically occurs proximal to normal faults which appear to have focused mineralizing fluids. Sphalerite and galena, plus variable amounts of pyrite and marcasite characterize the sulphide assemblage and occur as (1) disseminations and massive replacements of laminated limestone and limestone breccia, (2) as breccia matrix filling phases, and (3) in spatially associated veins and irregular vugs. Framboidal textures are common in some pyritic intervals, and colloform banding of pyrite and sphalerite is frequently seen. Barite is not pervasively distributed, but is a locally significant associate of sulphide phases, often occurring within faulted core sections. Mineralization of economic interest also occurs within and along the near-vertical fault zones, but this style of occurrence has been tested to date by only a few drill holes and forms a relatively insignificant portion of the current resource.

All areas of zinc-lead mineralization included in the current resource are spatially associated with northwest trending faults cutting the Macumber Formation limestone and the most important of these at present is the Jubilee Fault. The resource area forms a northwest trending, elongate zone measuring over 2 kilometers in length that is dominated by the Main Zone with minor amounts of mineralization occurring within the adjacent Road Zone and Northeast Zone.

16.3 Methodology of Resource Estimation

16.3.1 Overview Of November 2007 Estimation Procedure

The Jubilee mineral resource estimate is based on a three dimensional block model developed using Surpac © Version 6.01 modeling software and the validated project drill hole database. The model includes results from 67 diamond drill holes completed by either historic explorers or Merrex plus face sampling results from the historic Jubilee Adit. A complete set of interpreted vertical cross sections was first developed through the entire deposit area upon which a geological model was established. Sections were created using the local project grid at a nominal spacing of 100 meters but distribution of holes locally required expansion of section coverage. Assay information from core sampling as well as lithocoded rock types were presented on these sections to aid interpretation. The geological and grade distribution models developed from the sections were used to guide and refine the subsequently developed block model of the zinc-lead deposit.

Assay results from the validated project database were first assessed through calculation of distribution statistics for both zinc and lead populations after normalization of results to a common 1.0 meter support base. Frequency distribution and probability plots were then prepared and reviewed. Based on results of these and subjective understanding of the mineralization style, no requirement for high grade capping of assay results was considered necessary.

The manually interpreted geological and grade distribution cross sections showed that zinc lead grades of economic interest were closely associated with the Jubilee Fault, Road Fault and related parallel structures within the modeled area. Good continuity of metal distribution along the northwest deposit strike is apparent, while lateral limits to stratabound mineralization within the Macumber Formation limestone are irregular in definition, showing substantial variation from section to section. In general, highest metal grades and thickest mineralized sections occur relatively close to the Jubilee Fault and thickness of mineralized intercepts decreases away from higher grade mineralized zones that are adjacent to the faults.

In addition to stratabound mineralization described above, carbonate hosted sphalerite, galena and barite have been intercepted by drilling on the Jubilee Fault surface in at least one area. This style of mineralization is currently interpreted as conforming to the near-vertical fault surface and to have potential for grades and widths of economic interest. One small panel of such mineralized carbonate has been incorporated in the current block model.

The resource block model was developed after calculation of weighted average intercepts for all available drill holes based on reported zinc and lead values. These were used to develop a series of three dimensional mineralization solids that respected the geological model developed earlier from cross sections. Several separate solids were necessary to properly distinguish mineralization domains showing contrasting dip and elevation configurations. Based on distribution of drill holes and the overall character of mineralization, development of useful variogram models for the deposit was considered unlikely and this was confirmed by calculation of experimental variograms in the area of highest Main Zone drill hole and core sample density. In light of this result, prominent geometric aspects of the mineralized zones were used to constrain a grade interpolation ellipse which was then applied to the separate deposit solid domains using domain-specific orientation components. Block grades were assigned within the deposit solids using inverse distance squared (ID2) interpolation methodology.

Results of the grade interpolation process were checked against the geological cross sections to assess conformity and to assist in validation of the final deposit block model. A further check on the resource model was completed using nearest neighbour grade interpolation methodology on the same deposit solids. Resource figures reflecting several minimum grade thresholds were calculated for the block model and combined results constitute the final resource estimate documented in this report.

Report subsections 16.3.2 through 16.3.10 below provide details regarding the resource estimation procedures and parameters summarized above.

16.3.2 Capping of High Grade Assay Values

Zinc and lead grades for all drill core samples were reviewed and descriptive statistics calculated for both the raw data and the data set reflecting 1 meter composite support. Distribution and probability plots were also prepared and all of these are included in Appendix 3. In light of this information and the character of sulphide mineralization in the deposit, as reflected in drill core and bedrock samples, it was determined that no requirement to cap analytical results was necessary. The maximum zinc and lead grades at 1 meter composite support are 37.63% and 9.80% respectively and are considered to reflect grades that can reasonably be expected to occur within the deposit and to be correlatable at the scale of several grade interpolation blocks. The high grade samples are considered a meaningful part of the grade data set and to represent metal distribution characteristics in the subsurface that are significant at the scale of potential future development. In light of these determinations no capping factors were applied to the drill core dataset.

16.3.3 Compositing of Drill Hole Data and Statistics

One meter down-hole composites of uncapped drill hole assay values were created for each drill hole, with this length nominally representing the dominant sample interval used by Merrex in areas other than those showing thin concentration of visually determined high grade mineralization. As described earlier, descriptive statistics were calculated for the population of zinc and lead composites that occur within the resource solids and these were presented earlier in Table 6. In total, 371 assay composites at 1 meter support are intersected by the resource solids and a complete listing of these appears in Appendix 3. These composites were initially used to support definition of resource solid wireframes and then used to calculate a weighted average grade for every drill hole cutting the resource solid. These intercepts were used in the nearest neighbour interpolation check model mentioned above and also appear in Appendix 3. The grade composites at one meter support were used in main ID2 resource block model.

16.3.4 Calculation of Equivalent Zinc

A zinc equivalent parameter was calculated to assist in defining resource solids. For this purpose, zinc equivalent was established as zinc equivalent = (zinc % + lead %) on the basis of estimated averages of monthly London Metal Exchange spot market values for the two metals for the period July through October 2007. This factor allowed direct comparison of current resource estimate figures with those of earlier workers who independently quoted the combined metal parameter. At the effective date of this report London Metal Exchange spot prices for lead were substantially higher than those for zinc (~$1.58US/lb lead versus $1.22US/lb.zinc – see Appendix 3 for support data), with this relationship being opposite to that seen earlier in 2007 when zinc was trading at substantially higher levels than lead. This highlights the need to be aware of equivalent metal calculation parameters and their potential for impact on resource evaluation efforts.

With respect to the Jubilee block model, zinc and lead grades were separately interpolated into the block model and zinc equivalent values that appear in the resource statement were calculated from the average metal values defining the resource. As noted earlier, zinc equivalent values for 1 meter drill core composites were also used to guide development of model solid limits. In this case, qualifying drill hole intercepts occurring within the solids had to meet or exceed a metal accumulation factor of 1.5 (zinc equivalent % x sample length or "MAF"). As reflected in the Appendix 3 listing of drill hole intercepts within the resource solid, only one intercept below the 2.5 MAF level is present in the dataset.

16.3.5 Variography

The manually developed models of geology and grade trends based on drilling results provide clear definition of an elongate, narrow and proportionally thin zone of mineralization that trends northwesterly along the strike of the Jubilee Fault. The geological model also shows that mineralized zones associated with the Road Fault and Northeast Fault present comparable attributes at lesser scales of significance. Presence of mineralization laterally away from the northwest trending faults is typically stratabound within the Macumber Formation and/or the overlying transition zone to the Carrolls Corner Formation evaporite sequence. Sharp cut-offs between well mineralized drill holes and non-mineralized holes are commonly seen along lateral limits of the main bodies of stratabound mineralization, but continuity of mineralization trends and styles at closer proximity to controlling faults is recognized. All of the above characteristics have an impact on whether valid variogram models for the deposit can be readily generated, but the irregular drill hole and sample distribution pattern defining the deposit presents potentially the most important contributing factor.

An initial assessment of variography for the deposit model was carried out by creation of experimental variograms within the best defined area of the Main Zone resource solid. Highest potential for development of useful results was considered to exist in this area, where greatest density of drill holes and core sampling coverage is present. Notwithstanding these factors, experimental variograms calculated at various lags along the interpreted trends of geological model continuity did not provide acceptable results. This is largely attributed to deposit geometry combined with relatively low numbers of available sample pairs and generally irregular spacing of associated drill holes. The primary purpose of assessing deposit variography was to develop parameters for use in the block model grade interpolation ellipse. Results described above showed that this expectation could not be achieved and on this basis the geological model approach described in section 16.3.8 below was pursued.

16.3.6 Setup of October 2007 Three Dimensional Block Model

Block model total extents were defined in local grid coordinates as being from 9435 meters East to 12440 meters East and from 9800 meters North to 11040 meters North. The local grid baseline (090 º Grid) is oriented at azimuth 317º (True) and both local grid and UTM Zone 20 (NAD83) coordinates were calculated for all drill holes and other significant project points. Drill hole and adit coordinates calculated for the resource model are included in Appendix 2. The model extends in elevation from minus 500 meters to plus 100 meters relative to sea level datum (ASL), with the nominal topographic surface at Jubilee being between 10 meters and 35 meters in elevation (ASL), depending upon location. All resource solids respect the bedrock/overburden surface.

A standard block size for the model was established at 5 meters x 5 meters x 2.5 meters, with the minimum dimension nominally seen as corresponding to bedding thickness. A minimum sub-block size of 2.5meters x2.5 meters x2.5meters was permitted to constrain the model along geological, topographic and peripheral solid limits. Descretization was 1 x 1x 1 and no block rotation was applied. The chosen block size reasonably reflects the laterally continuous, thin, and potentially grade-variable character of the deposit, as represented in the geological model and in core and rock samples. The chosen block size also provides a meaningful approximation of a mining unit size that might be applicable in development of this style of base metal deposit.

The major lithologic units incorporated in the geological model were discussed in report section 6.0 and, from stratigraphically oldest to youngest, consist of Horton Group siliciclastics, Macumber Formation limestone and transitional interbedded limestone and anhydrite of the Windsor Group, (3) anhydrite, gypsum and and minor limestone of the Windsor Group's Carrolls Corner Formation, and (4) interbedded gypsum, siltstone limestone and karstic sections of the Windsor Group's second depositional cycle (B Subzone). A listing of lithocodes used in the resource database appears in Appendix 2.

Resource estimation was completely constrained within a series of deposit solids developed from systematic wireframing of interpreted mineralization envelope limits on the complete set of geological cross sections for the deposit area. The Jubilee, Road and Northeast faults as interpreted in the Merrex geological sections, were incorporated as discrete three dimensional elements of the block model and used to locally define resource solid limits. As noted in section 16.3.4, a metal accumulation factor (MAF - zinc-equivalent % x total intercept length in meters) was also calculated for all drill holes and a 1.5 MF minimum threshold used to define sectional wireframe limits for resource solids. Lateral deposit limits were otherwise typically modelled at midpoints between holes that marked the mineralized zone to non mineralized zone transition. In cases of isolated drill holes, rectangular resource solid polygons with strike extensions of up to 50 meters northwest and southeast of a hole and 25 meters northeast and southwest of a drill hole were created.

Due to spatial isolation of mineralized drill holes in the Road and Northeast zone areas, and interpretation of multiple discrete zones of mineralization in the northwest part of the Main Zone area, the term "resource solid" is best described as a group of discrete solids, the largest of which incorporates all of the Main Zone mineralization and therefore most of the resource tonnage and grade. With the exception of one solid based on analytical results for face sampling in the Jubilee adit, all were developed directly from composited drill core sampling results. In total, 16 separate solids were defined to properly model mineralization occurring on opposite sides of the Jubilee Fault and to accommodate spatially isolated mineralization occurring in the Road Zone, Northeast Zone and in new zones interpreted from Merrex drilling results.

16.3.7 Material Densities

Density factors for the block model were assigned using a calculation method incorporating both an assigned value for the limestone host rock and a value developed from relative proportions of zinc and lead occurring in sphalerite and galena present in a sample. Values were generated from interpolated metal block grades within the deposit solid and assigned to associated blocks. These values were multiplied by corresponding block volumes and results summed to obtain tonnage values for the block model. No grade–dependent contribution to density was assigned on the basis of barite content, but low analytical values (< 5%) for Ba were commonly reflected in analytical results for most mineralized samples. Future study of barite distribution within the deposit is required to better constrain its potential economic importance.

The density calculation formula used for the block model appears below and follows application by Roy et. al. (2006) in feasibility study reporting for the Scotia Mine project in central Nova Scotia. At that location, carbonate hosted zinc and lead mineralization occurs within Gays River Formation dolomites that are lateral stratigraphic equivalents to the Macumber Formation limestones seen at Jubilee. The density calculation recognizes the contribution of zinc and lead, assumed to be present only as sphalerite and galena, to overall block density. Assignment per block is based on the metal grade factor plus a default density for the host rock. A 2.7 gm/cm^3 default factor for limestone host rock was assigned, this being slightly high for limestone but considered acceptable in light of the recognized low grade barite present in many mineralized intercepts. The density factor calculation appears below:

Factor: 1/(Pb%/(86.6x7.6g/cm^3) + Zn%/(67.0x4.0g/cm3) + (1-Pb%/86.6 – Zn%/67.0)/2.7g/cm^3)
Note: 86.6 = weight percent of Pb in galena, 67.0 = weight percent of Zn in sphalerite

A review of density assignment procedures is currently being carried out for the Jubilee project, with an anticipated result being development of a database of specific gravity measurements based on laboratory analysis of core samples from all areas of the deposit. Results of this program could be used in future resource estimates to better constrain the density assignment process. For purposes of comparison, descriptive statistics for the drill hole composite density values used in the block model are presented in Table 7.

Table 7: Descriptive Statistics for Block Model Density Values

Parameter	Value
Mean	2.824
Variance	0.009
Standard Deviation	0.094
Coefficient of Var.	0.033
Maximum	3.543
Minimum	2.700
Number	91180

16.3.8 Interpolation Ellipse and Resource Estimation

Inverse Distance Squared (ID^2) grade interpolation was used to assign block model grades, with blocks being fully constrained by limits of the resource solids. A search ellipse for grade interpolation was developed on the basis of the deposit geological model defined from interpretation of geological cross sections. Specifically, the elongate northwest trend of the Main Zone mineralization was initially used to define a major axis trend at 270º (local grid) or 313º azimuth (True) with the secondary axis defined at local grid 000º (043º azimuth True). The plane containing the major and secondary axes was determined to coincide with that of bedding in the deposit area, which strikes approximately 045º azimuth (True) and dips to the northwest at low to moderate angles (5º to 30º), depending upon location.

Major axis range was set at 150 meters to include drill holes on adjacent sections that are separated by approximately 100 meters, as well as inclusion of intervening and irregularly spaced holes. Secondary axis range was set at 35 meters to reflect potential for moderately rapid attenuation of stratabound metal grade laterally away from the controlling faults. Minor axis range was also set at 35 meters to accommodate irregularities in the constraint solid surfaces combined with the maximum solid thickness of nearly 20 meters.

The deposit is flat lying or dips shallowly northwest in the Road Zone and Northeast Zone areas but in the Main Zone, northwest from the Jubilee showing, three additional domains of differing stratigraphic dip (and therefore deposit plunge) are present. Dip across all domains ranges from < 5 º in the Road Zone area to approximately 30 ºdegrees in limited areas of the Main Zone. Plunge values for the mineralized zones are approximated by the full dip values of the host rocks, since faults controlling mineralization are oriented at nominally 90º to bedding strike in the deposit area. To accommodate the changing plunge of mineralization within the block model, 4 separate orientation domains were defined and grade interpolation within each of these was accomplished by slightly modifying search ellipse major axis orientation parameters for each domain. Since secondary and minor axes were set at equal value, the defining orientation parameters are major axis trend and plunge. Table 8 presents ellipse parameters pertaining to each dip domain.

Table 8: Search Ellipse Major Axis Orientation Parameters and Domains

Dip Domain	***From Easting (m)**	***To Easting (m)**	***Major Axis Trend Local Grid - (Azimuth True)**	****Major Axis Plunge**
1	9435	9642	280º (323º)	-12º
2	9642	9819	280º (323º)	-25º
2	9819	11300	275º (318º)	-12º
4	11300	12440	270º (313º)	0º

* *Local grid reference*
** *Approximates full dip of stratigraphy*

A single pass of ID^2 grade interpolation using the search ellipse described above was completed in each dip domain for both zinc and lead data sets, followed by passes using 50 meter, 40 meter and 30 meter ranges for the secondary and minor axes. Grade distribution results were modeled at thresholds of 2.0%, 2.5%, 3.0%, 3.25%, 3.5% and 3.75% zinc equivalent for all of these and compared to the cross sections used to develop the geological model. This showed that the 150 meter x 35 meter x 35 meter interpolation ellipse provided the best fit of grade trends to the geological model and on this basis it was retained for final estimation purposes. Use of the smaller ellipse resulted in grade gaps occurring in some areas where reasonable geological certainty existed and the larger ellipse extended higher grade values to some areas that did not have sufficient geological support.

The final resource model was generated by running the 150 meter x 35 meter x 35 meter interpolation ellipse within each orientation domain, with corresponding changes of major axis orientation attributes. Block grade, block density and block volume parameters estimated for each orientation domain at the assigned threshold values were combined to produce the final deposit tonnage and grade estimate. Results of the resource estimation program are presented in Table 9 below and are considered compliant with Canadian Institute of Mining, Metallurgy and

Petroleum Standards on Mineral Resources and Reserves Definitions and Guidelines (the CIMM Standards) as well as National Instrument 43-101. All resources are classified in the Inferred category and factors supporting such classification are discussed below in report section *16.3.9*

Table 9: Mineral Resource Estimate for Jubilee Property – November 12th, 2007

Resource Category	Equivalent Zn% Threshold*	Tonnes	Tonnes (Rounded)	Lead %	Zinc %	Zinc Equivalent %
Inferred	2.00	3,464,892	3,460,000	0.86	3.62	4.48
Inferred	2.50	3,140,877	3,140,000	0.89	3.81	4.71
Inferred	3.00	2,668,343	2,670,000	0.95	4.10	5.05
Inferred	3.25	2,306,066	2,310,000	0.99	4.37	5.36
Inferred	3.50	2,058,322	2,060,000	1.02	4.58	5.60
Inferred	3.75	1,878,871	1,880,000	1.04	4.75	5.79

**Note: Zn Equivalent calculated as Zn Equivalent = (Zn% + Pb%) based on averaged July to October 2007 zinc and lead market pricing*

and *16.3.10*. Figures 20, 21 and 22 present perspective and longitudinal views of the block model and a full scale plan projection is included in Appendix 4. Four full scale representative cross sections through the model are also included in Appendix 4 along with a drill collar plan. .

16.3.9 Resource Category Definitions

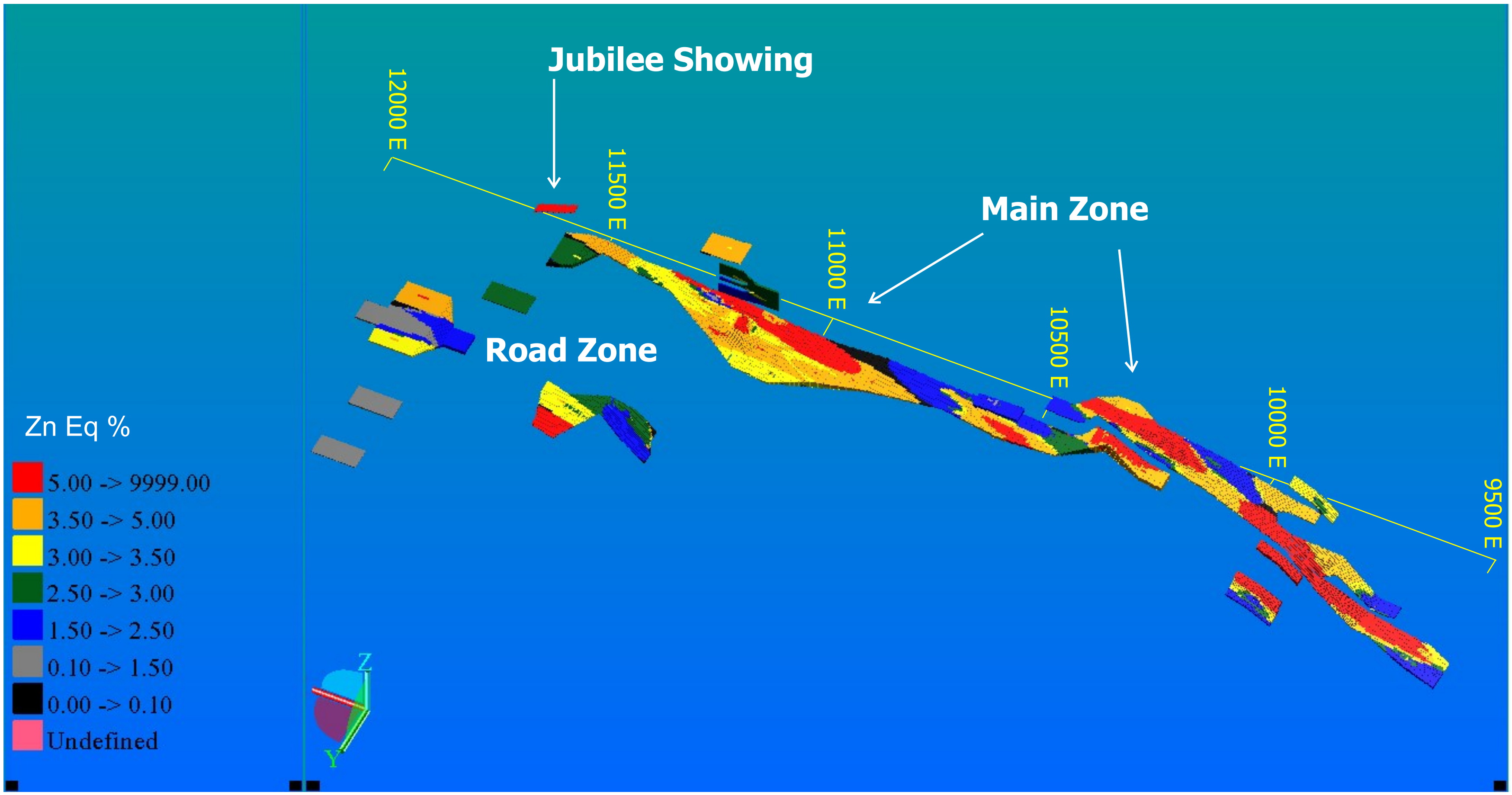
Definitions of mineral resource and associated mineral resource categories used in this report are those recognized under National Instrument 43-101 and set out in the Canadian Institute of Mining, Metallurgy and Petroleum Standards On Mineral Resources and Reserves *Definitions and Guidelines* (the CIMM Standards). These are set out below:

Mineral Resource

A "Mineral Resource" is a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

Inferred Mineral Resource

An "Inferred Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated on the basis of geological



Zn Equivalent (%) = Zn% + Pb%

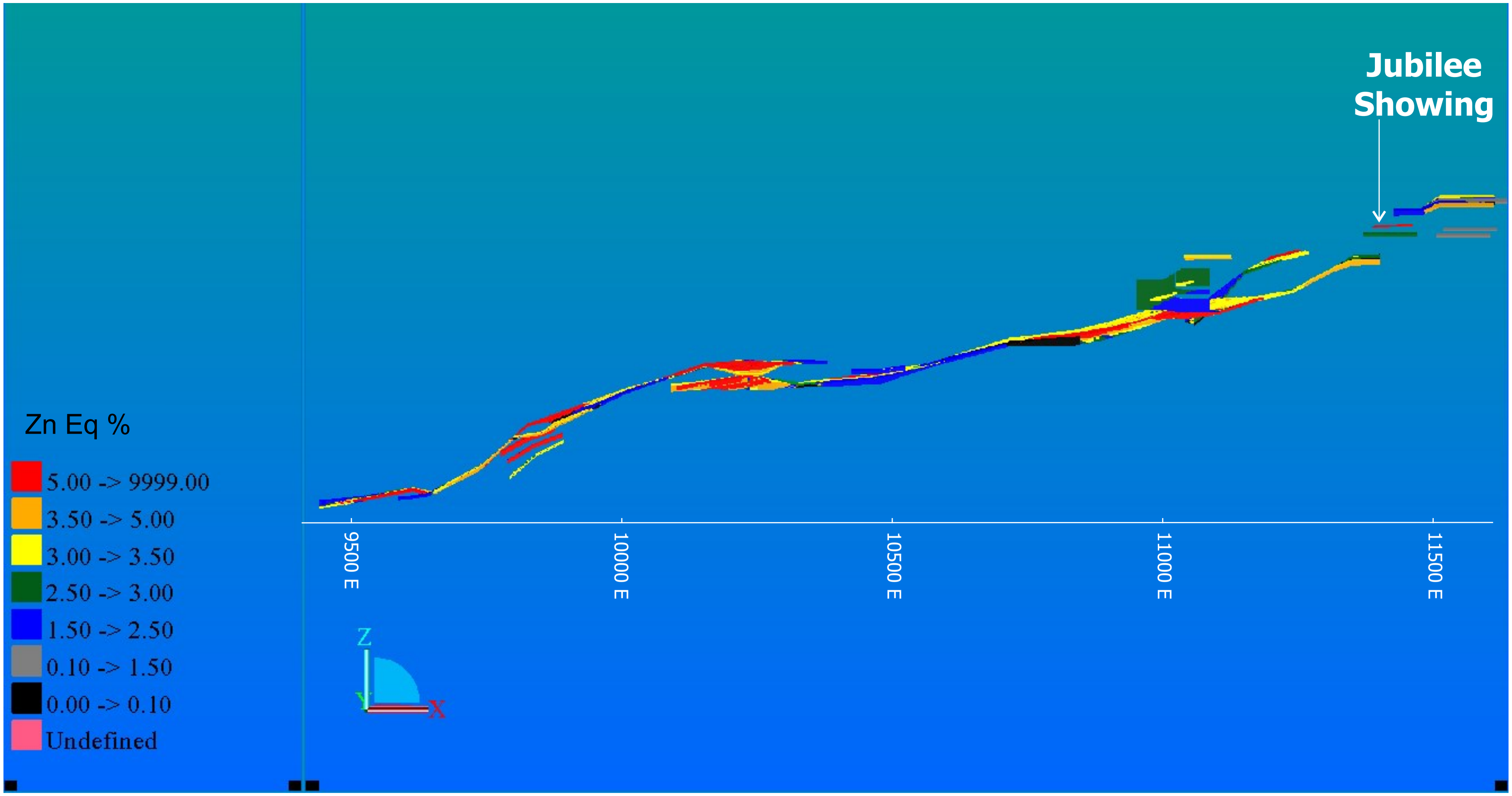
MERREXGOLD

Figure 20

Three Dimensional View of Jubilee Block Model Looking South

Date: Jan. 2008

mercator Geological Services



Zn Equivalent (%) = Zn% + Pb%

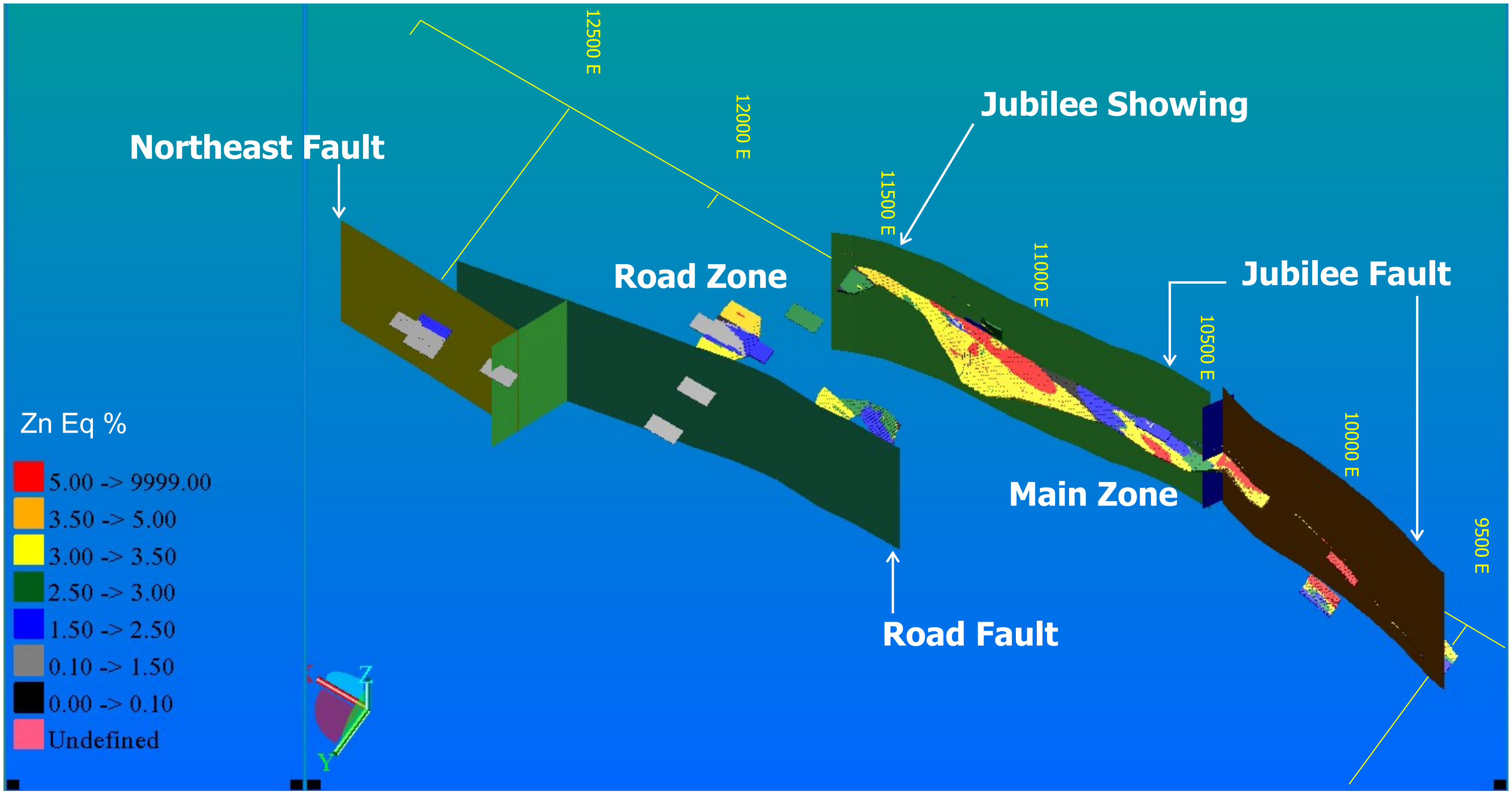
MERREXGOLD

Figure 21

Longitudinal View of
Jubilee Block Model
Looking Northeast

Date: Jan. 2008

mercator GEOLOGICAL SERVICES



Zn Equivalent (%) = Zn% + Pb%

MERREXGOLD

Figure 22

Three Dimensional View of
Jubilee Block Model Showing Faults
Looking South

Date: Jan. 2008

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evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

Indicated Mineral Resource

An "Indicated Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes, that are spaced closely enough for geological and grade continuity to be reasonably assumed.

Measured Mineral Resource

A "Measured Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes, that are spaced closely enough to confirm both geological and grade continuity.

16.3.10 Resource Classification

All mineral resources presented in the current estimate have been assigned to the Inferred resource category. This reflects consideration of several factors, including evaluation of grade distribution and continuity trends in both strike and dip directions within the deposit block model, as well as review of drilling results and drill core lithologic correlations. In combination, these show that discrete zones of higher grade zinc and lead occur within the deposit and that these are spatially associated with fault structures that are considered to have focused mineralizing processes. The current block model reflects the above through recognizable higher grade domains that respect the preferred northwest trending, plunging stratabound geometry reflected in the geological model.

Accurate geological correlation, interpretation of mineralized zone limits and lithocoding of geological information are important components in developing a deposit model and increasing confidence in the model can ultimately be reflected in higher order resource categories. With this in mind, the irregular drill hole spacing pattern that characterizes historic drilling over much of the Jubilee deposit is considered for the most part to meet requirements for definition of Inferred mineral resources. The detailed drill sections completed by Merrex are spaced at 100 meter separation and these too are acceptable for definition of Inferred category mineral resources.

16.3.11 Validation Of Model

Visual Comparison To Geological Sections

Results of block modeling were compared on a section by section basis with corresponding manually interpreted geological and grade distribution sections prepared prior to block model development. This comparison showed block model grade patterns to reasonably conform with the interpreted variably plunging stratabound character of the deposit. Results of the visual inspection are interpreted as showing an acceptable degree of consistency between the block model and the independently derived sectional interpretation, thusly providing a measure of validation against the geological model developed for the deposit.

Comparison of Composite Database and Block Model Grades

Descriptive statistics were calculated for the drill hole composite values used in the block model grade interpolation and these were compared to values calculated for block model figures calculated at the 2.0% zinc equivalent resource estimate threshold. The mean drill hole composite grades of 3.47% (Zn) and 0.86% (Pb) were found to compare favourably with the 3.51% zinc and 0.77% lead corresponding grades of the block model (Table 10), thereby providing a check on the model with respect to the underlying total assay composite population.

Table 10: Comparison of Drill Hole Composite Grades and Block Model Grade

Parameter	Model Grade At 1.5% Zn Equivalent Threshold		1 Meter Drill Core Composite Grades	
Element	Zn%	Pb%	Zn%	Pb %
Mean	3.51	0.77	3.47	0.86
Variance	5.31	0.35	22.08	1.92
Standard Deviation	2.30	0.59	4.70	1.39
Coefficient of Var.	0.66	0.76	1.35	1.63
Maximum	19.98	7.00	37.64	9.80
Minimum	0.77	0.02	0.00	0.00
Number	81257.00	81257.00	371.00	371.00

Comparison of With Nearest Neighbour Grade Interpolation Model

As a check on the ID2 block model grade interpolation methodology, a separate deposit model was developed using Nearest Neighbour (NN) grade interpolation methodology within the same resource solids used for the ID^2 method. At the 2% zinc equivalent threshold this resulted in definition of 3,480,000 tonnes at an average zinc grade of 3.62% and average lead grade of 0.86% (4.48 % zinc equivalent). This compared favourably with the 3,460,000 tonnes at 0.86% zinc and 0.89% lead reported for the ID^2 method. At higher threshold levels, grades from the NN model slightly exceeded those for ID^2 but category tonnages were lower due to drill hole distribution (Table 11).

Table 11: Results of Nearest Neighbour Block Model Estimate

*Equivalent Zn% Threshold	Tonnes	Tonnes (Rounded)	Pb %	Zn %	*Zinc Equivalent %
2	3,477,419	3,480,000	0.89	3.64	4.52
2.5	3,042,048	3,040,000	0.95	3.92	4.86
3	2,570,539	2,570,000	1.00	4.25	5.26
3.25	2,323,883	2,320,000	1.06	4.43	5.49
3.5	1,960,070	1,960,000	1.12	4.77	5.89
3.75	1,780,427	1,780,000	1.13	4.99	6.12

**Note: Zn Equivalent calculated as Zn Equivalent = (Zn% + Pb%) based on averaged July to October 2007 zinc and lead market pricing*

The higher metal grades at elevated thresholds were anticipated for the NN method and with this in mind, overall results of the NN model at the lowest threshold value were considered a reasonable check on validity of the preferred ID^2 model results.

16.4 Previous Resource or Reserve Estimates

No previous resource or reserve estimates compliant with the CIMM Standards and National Instrument 43-101 exist for the Jubilee property. Three historic estimates of tonnage and grade for portions of the deposit are known to the authors and these were described in the previous discussion of exploration history presented in report section 5.0. The reader is directed to that discussion for further information. None of the historic estimates applies to the full area considered in the current estimate, but all provide useful insight with regard to the general character and disposition of zinc and lead mineralization at Jubilee. As stated previously, all of the early estimates are historic in nature and should not be relied upon.

17.0 Other Relevant Data and Information

17.1 Environmental Liabilities

Several site visits were conducted by the authors and other Mercator staff throughout the Merrex drilling program period between September 2006 and December 2007. These visits did not reveal any obvious environmental liabilities on the Jubilee property. Additionally, no such liabilities were communicated by Merrex personnel during the periods in which drilling activities were on-going, the current report was in preparation, or previous to these. However, this comment does not constitute a professional opinion with respect to environmental status of the property. It is appropriate to recognize that the property's location adjacent to the Bra D'Or lake system demands a high degree of diligence during exploration activities such as drilling. This condition would clearly apply to any future development or production activities. It is also appropriate to note that past gypsum mining operations on adjacent lands have resulted in site disturbances for which formal reclamation planning by LNG is in place.

17.2 Surface Access for Exploration Purposes

During the course of 2006 and 2007 drilling programs Merrex endeavoured to obtain permission from Little Narrow Gypsum Company Ltd. (LNG), a subsidiary of United States Gypsum Company Limited, to access certain lands in the area for the purpose of exploratory drilling. Permission to access these lands had been granted in the past. At the report date, however, the two parties had not come to an agreement on this point and LNG had earlier advised Merrex to refrain from any activities, including core drilling, on company lands.

The authors note that the above restriction by LNG negatively impacts the ability of Merrex to complete infill core drilling along a portion of the mineralized Main Zone. This is potentially significant, since drilling in this area will be necessary to upgrade Inferred mineral resources to higher resource categories and to explore strike extensions of at least one new mineralized zone outlined by 2006-2007 drilling. Merrex has advised that at the effective date of this report it was still pursuing an agreement with LNG for access to these lands and that the Nova Scotia Department of Natural Resources has been informed of the situation. Nova Scotia's Mineral Resources Act addresses the issue of non-Crown land access for purposes of mineral exploration and provides certain avenues for review and resolution of such issues.

Merrex owns surface title to a large area of land adjoining the LNG properties at Jubilee and a substantial portion of future infill or delineation drilling activities can be carried out from these lands or from adjacent lands for which the company has established and maintained separate access agreements with land owners.

17.3 Contact with Aboriginal and Other Communities

During 2007 Merrex management established contact with First Nations communities in the area and met with their representatives to provide general information on the company's activities and future plans. Merrex has advised that this relationship will be further developed in future in combination with efforts directed toward other community stakeholders.

18.0 Interpretations and Conclusions

As detailed by Cullen (2005b) and various other workers, stratabound and fault localized zinc-lead-barite mineralization, hosted by brecciated, Lower Carboniferous Macumber Formation limestone forms the exploration and development focus of the Jubilee properties. Some aspects of geologic setting and mineralization seen at Jubilee are comparable to the highly significant "Irish Style" class of stratabound zinc-lead deposits, while classification within the broader family of Mississippi Valley Type (MVT) zinc-lead deposits has also been proposed. Potential in both instances has been demonstrated for occurrence of economically important deposits of zinc and lead and Merrex has focused diamond core drilling programs on this potential since 2005.

Mercator was retained by Merrex in July 2006 to manage the company's on-going core drilling program at the Jubilee property, and to compile historic and Merrex drilling information in a digital database to support a mineral resource estimate for deposits defined to date. This report documents preparation of the mineral resource estimate and associated three dimensional block model. Results of the estimation program are reported below in Table 12 and are considered complaint with both the CIMM Standards and requirements of National Instrument 43-101.

Table 12: Mineral Resource Estimate for Jubilee Property – November 12th, 2007

Resource Category	Equivalent Zn% Threshold*	Tonnes	Tonnes (Rounded)	Lead %	Zinc %	Zinc Equivalent %
Inferred	2.00	3,464,892	3,460,000	0.86	3.62	4.48
Inferred	2.50	3,140,877	3,140,000	0.89	3.81	4.71
Inferred	3.00	2,668,343	2,670,000	0.95	4.10	5.05
Inferred	3.25	2,306,066	2,310,000	0.99	4.37	5.36
Inferred	3.50	2,058,322	2,060,000	1.02	4.58	5.60
Inferred	3.75	1,878,871	1,880,000	1.04	4.75	5.79

**Note: Zn Equivalent calculated as Zn Equivalent = (Zn% + Pb%) based on averaged July to October 2007 zinc and lead market pricing*

19.0 Recommendations

Based upon results of data review and resource estimation studies presented in this report, the following recommendations are provided with respect to future exploration and resource estimation efforts on the Jubilee property:

1. Core drilling within and adjacent to the Jubilee deposits should be continued at a minimum drill hole spacing of 25-50 metres along drilling sections oriented at right angles to targeted fault zones. Section spacing of 100 meters is appropriate for initial assessment of strike extensions to mineralized zones but 50 meter spaced sections are necessary on an infill basis to better constrain continuity and limits of mineralized zones. This detailed information will be necessary to define Indicated and Measured resources.

2. To gain a better understanding of mineralization within and along fault surfaces, at least one angled drill hole per drilling section should be completed along mineralized target structures where fault separation, drilling conditions and target depth make this a reasonable strategy. Substantial opportunity exists in this setting for deposit expansion.

3. Core logging, sampling, site security and data handling protocols currently in effect should be maintained, with implementation of RQD and expanded rock density determination programs in the next phase of drilling. Additional certified analytical standards that more closely match the entire deposit grade range should be incorporated in future programs and more specific coverage of the deposit range by additional check and duplicate samples should be established.

4. Efforts should be directed toward finalizing access to the LNG lands at the earliest possible date.

Respectfully Submitted,

[Original signed and sealed by]

____

Michael P. Cullen, M.Sc. (Geol), P.Geo.
Senior Geologist

[Original signed and sealed by]

____

Paul J. Ténière, M. Sc. (Geol), P. Geo.
Senior Project Geologist

[Original signed by]

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Rafael Cavalcanti de Albuquerque, B.Sc.
Project Geologist

Date:_January 25th, 2008

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Appendix 1: Statements of Qualification and Consent Letters

MERCATOR GEOLOGICAL SERVICES LIMITED

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Ph. (902) 463-1440; Fax (902) 463-1419; e-mail info@mercatorgeo.com

CERTIFICATE of AUTHOR

I, Michael P. Cullen, *P. Geo.* do hereby certify that:

1. I currently reside in Halifax, Nova Scotia and I am currently employed as a Senior Geologist with:

   Mercator Geological Services Limited
   65 Queen Street
   Dartmouth, Nova Scotia, Canada
   B2Y 1G4

2. I graduated with a Masters Degree in Science (Geology) from Dalhousie University in 1984. In addition, I obtained a Bachelor of Science degree (Honours, Geology) in 1980 from Mount Allison University.

3. I am a registered member in good standing of the Association of Professional Geoscientists of Nova Scotia, registration number 064.

4. I have worked as a geologist in Canada and internationally since graduation from university.

5. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

6. I am one of the qualified persons responsible for preparation of the technical report entitled:

TECHNICAL REPORT ON
MINERAL RESOURCE ESTIMATE

MERREX GOLD INC.
JUBILEE PROPERTY
ZINC-LEAD DEPOSIT

VICTORIA COUNTY
NOVA SCOTIA, CANADA

Latitude 45º 59' 52"

Longitude 61º 55’ 59”

Prepared For Merrex Gold Inc.
Effective Date: November 12th, 2007

7. I visited the Jubilee Property on several occasions between September 2006 and November 2007 in the company of Merrex staff and company consultants, at which time drill core was visually examined.

8. I have prior involvement with the property that is the subject of the Technical Report, from previous geological work in the area with Westminer Canada Limited, Savage Zinc Inc. and Jubilee Minerals Limited.

9. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.

10. I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.

11. I have read National Instrument 43-101 and Form 43-101F1, and believe that this Technical Report has been prepared in compliance with that instrument and form.

12. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated this 25th Day of January, 2008.

[Original signed and sealed by]

____

Michael P. Cullen, M. Sc., P. Geo.
Senior Geologist
Mercator Geological Services Limited

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Ph. (902) 463-1440; Fax (902) 463-1419; e-mail info@mercatorgeo.com

CONSENT of AUTHOR

TO: Merrex Gold Incorporated**,** TSX Venture Exchange, British Columbia Securities Commission and Toronto Stock Exchange

I, Michael P. Cullen, M. Sc., P. Geo. do hereby consent to the filing, with the regulatory authorities referred to above, of the technical report titled

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Effective Date: November 12th, 2007

dated January 6th, 2008 (the "Technical Report") and to the written disclosure of the Technical Report and of extracts from or a summary of the Technical Report in the written disclosure in the news release of Merrex Gold Inc. being filed.

I also certify that I have read the written disclosure being filed and I do not have any reason to believe that there are any misrepresentations in the information derived from the Technical Report or that the written disclosure in the news release of Merrex Gold Inc. contains any misrepresentation of the information contained in the Technical Report.

Dated this 25th Day of January, 2008

[Original signed and sealed by]

____

Michael P. Cullen, M. Sc., P. Geo.
Senior Geologist
Mercator Geological Services Limited

MERCATOR GEOLOGICAL SERVICES LIMITED

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CERTIFICATE of AUTHOR

I, Paul J. Ténière, *P. Geo.* do hereby certify that:

1. I currently reside in Dartmouth, Nova Scotia and I am currently employed as a Senior Project Geologist with:

   Mercator Geological Services Limited
   65 Queen Street
   Dartmouth, Nova Scotia, Canada
   B2Y 1G4

2. I graduated with a Masters Degree in Science (Geology) from Acadia University in 2002. In addition, I obtained a Bachelor of Science degree (Honours, Earth Sciences) in 1998 from Dalhousie University.

3. I am a registered member in good standing of the Association of Professional Geoscientists of Nova Scotia, registration number 122.

4. I have worked as a geologist for a total of 9 years since my graduation from university.

5. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

6. I am one of the qualified persons jointly responsible for preparation of the technical report entitled:

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7. I supervised the 2006-2007 Merrex drilling program and related core logging activities with respect to the Jubilee Property and visited the property numerous times between September 2006 and December 2007. I was responsible for ensuring core logging, sampling and QA/QC protocols were met.

8. I have no prior involvement with the property that is the subject of the Technical Report.

9. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.

10. I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.

11. I have read National Instrument 43-101 and Form 43-101F1, and believe that this Technical Report has been prepared in compliance with that instrument and form.

12. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated this 25th Day of January, 2008

[Original signed and sealed by]

____

Paul J Ténière, M. Sc., P. Geo.
Senior Project Geologist
Mercator Geological Services Limited

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CONSENT of AUTHOR

TO: Merrex Gold Incorporated**,** TSX Venture Exchange, British Columbia Securities Commission and Toronto Stock Exchange

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I also certify that I have read the written disclosure being filed and I do not have any reason to believe that there are any misrepresentations in the information derived from the Technical Report or that the written disclosure in the news release of Merrex Gold Inc. contains any misrepresentation of the information contained in the Technical Report.

Dated this 25th day of January, 2008.

[Original signed and sealed by]

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CERTIFICATE of AUTHOR

I, Rafael Cavalcanti de Albuquerque, B.Sc. (Geol.), do hereby certify that:

1. I currently reside in Halifax, Nova Scotia Canada and I am employed as a Geologist with:

   Mercator Geological Services Limited
   65 Queen Street
   Dartmouth, Nova Scotia, Canada
   B2Y 1G4

2. I graduated with a Bachelor of Science (Geol.) degree from Acadia University in Halifax, Nova Scotia, Canada in May 2007.

3. I have worked as a geologist in Canada for less than 1 year since graduation from university and have been employed by Mercator Geological Services Limited since May 2007.

4. I participated in preparation of the Jubilee mineral resource estimate and three dimension block model described in the technical report named below. My participation was supervised by Mr. Michael P. Cullen, M.Sc., P. Geo.

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Effective Date: November 12th, 2007

5. I have not visited the property that is the subject of this Technical Report.

6. I have no prior involvement with the property that is the subject of the Technical Report.

7. I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.

8. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated this 25th day of January, 2008

[Original signed by]

____

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Project Geologist
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CONSENT of AUTHOR

TO: Merrex Gold Incorporated**,** TSX Venture Exchange, British Columbia Securities Commission and Toronto Stock Exchange

I, Rafael Cavalcanti de Albuquerque, B.Sc. (Geol) do hereby consent to the filing, with the regulatory authorities referred to above, of the technical report titled

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VICTORIA COUNTY
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I also certify that I have read the written disclosure being filed and I do not have any reason to believe that there are any misrepresentations in the information derived from the Technical Report or that the written disclosure in the news release of Merrex Gold Inc. contains any misrepresentation of the information contained in the Technical Report.

Dated this 25th day of January, 2008

[Original signed by]

____
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Project Geologist
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Appendix 2: Drilling Program Information

Drill Hole Coordinates and Orientation Data Listing

Descriptions of Laboratory Procedures: Merrex 2006-2007 Programs

JUBILEE PROJECT - 2007 Resource Estimate
Listing of drill core lithocodes

Lithocode	Description
ANH	Anhydrite
ANH-GYP	Interbedded Anhydrite-Gypsum
ANH-LS	Interbedded Limestone-Anhydrite
ANH-SLT	Interbedded Anhydrite-Siltstone
BAR	Barite
CGL	Conglomerate
DOL	Dolomite
FLT	Fault
GYP	Gypsum
GYP-SLT	Interbedded Gypsum-Siltstone
HC	Hydrocarbon
LBX	Limestone - Brecciated
LS	Limestone
LS-GYP	Interbedded Limestone-Gypsum
LS-SLT	Interbedded Limestone-Siltstone
OVB	Overburden
RUB	Rubble
SAND	Sandstone
SEL	Selenite
SLT	Siltstone
SUL	Sulphide
TZ	Tranzition Zone

JUBILEE PROJECT - 2007 Resource Estimate

Listing of drill collar and orientation data for holes within resource solid

Hole ID	UTM NAD 83	UTM NAD 83	Local Grid N (m)	Local Grid E (m)	Elevation (m)	Depth (m)	Az. (Local Grid)	Az. (True)	Dip
ATG76-01	5094506	659009	10529	11473	45.00	44.82	0	0	-90
ATG76-04	5094566	659192	10702	11552	45.00	99.70	0	0	-90
ATG76-11	5094343	658589	10113	11309	34.55	96.04	0	0	-90
ATG76-15	5094442	658483	10102	11166	34.20	145.43	0	0	-90
ATG77-19	5094574	658381	10116	11001	24.32	173.78	0	0	-90
ATG77-23	5094581	658318	10075	10953	30.21	189.02	0	0	-90
ATG77-24	5094519	658383	10081	11042	21.94	170.73	0	0	-90
ATG77-25	5094587	658441	10169	11031	23.00	157.93	0	0	-90
ATG77-26	5094470	658370	10038	11069	21.63	51.52	0	0	-90
ATG77-28	5094639	658376	10156	10949	35.00	189.93	0	0	-90
ATG77-29	5094705	658372	10198	10898	36.50	199.70	0	0	-90
ATG77-34	5094657	659310	10850	11566	55.50	118.90	0	0	-90
ATG77-35	5094657	658430	10208	10973	27.50	167.68	0	0	-90
ATG77-38	5094785	658183	10113	10713	35.50	225.67	0	0	-90
ATG77-39	5094857	658042	10059	10565	30.15	265.24	0	0	-90
ATG77-45	5094946	657960	10059	10445	29.17	283.54	0	0	-90
ATG78-51	5095064	657730	9971	10204	19.40	292.01	0	0	-90
ATG78-52	5095103	657686	9965	10146	15.76	237.01	0	0	-90
ATG78-53	5095023	657696	9919	10211	16.92	243.99	0	0	-90
ATG78-54	5095235	657612	10000	10000	17.55	283.14	0	0	-90
ATG78-55	5095200	657575	9950	10001	17.80	291.01	0	0	-90
ATG78-56	5094753	658866	10590	11197	26.39	110.98	0	0	-90
ATG78-58	5094689	658826	10518	11216	20.30	98.99	0	0	-90
ATG79-64	5094721	658694	10444	11104	18.00	162.80	0	0	-90
ATG79-65	5094761	658712	10483	11087	18.00	163.10	0	0	-90
ATG79-71	5094157	659856	10912	12298	65.00	183.80	0	0	-90
ATG79-72	5094133	659919	10942	12358	55.00	180.75	0	0	-90
J89-01	5094729	658272	10141	10813	27.08	196.00	0	0	-90
J89-02	5094640	658281	10087	10885	40.19	216.60	0	0	-90
J89-03	5094728	658284	10149	10823	30.16	221.00	0	0	-90
J89-04	5094708	658741	10469	11145	18.86	119.40	0	0	-90
J89-06	5095153	657724	10026	10135	25.97	319.00	0	0	-90
J90-07	5094900	657946	10018	10469	29.08	288.34	0	0	-90
J90-08	5094990	657826	9992	10322	16.86	238.05	0	0	-90
J90-10	5094562	658359	10092	10994	26.03	181.66	0	0	-90
J90-11	5094529	658463	10145	11089	25.08	162.76	0	0	-90

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Listing of drill collar and orientation data for holes within resource solid

Hole ID	UTM NAD 83	UTM NAD 83	Local Grid N (m)	Local Grid E (m)	Elevation (m)	Depth (m)	Az. (Local Grid)	Az. (True)	Dip
J90-12	5094497	658440	10107	11096	24.78	169.47	0	0	-90
J90-13	5094405	658540	10119	11230	38.51	145.08	0	0	-90
J90-14	5095029	657864	10045	10320	19.63	287.12	0	0	-90
J91-20	5094360	659715	10946	12055	65.00	143.56	0	0	-90
J91-22	5094198	659896	10968	12295	66.00	193.95	0	0	-90
J91-30	5095305	657456	9934	9843	14.25	355.70	0	0	-90
MJ-06-01	5095103	657717	9988	10167	21.37	257.00	0	0	-90
MJ-06-02	5095138	657707	10004	10134	24.33	286.00	0	0	-90
MJ-06-05	5095465	657450	10037	9723	13.53	443.00	0	0	-90
MJ-06-07	5095420	657418	9984	9734	10.82	422.00	0	0	-90
MJ-06-08	5095408	657387	9953	9722	12.34	430.00	0	0	-90
MJ-06-10	5095065	657727	9970	10201	19.76	251.00	0	0	-90
MJ-06-12	5095064	657734	9974	10207	19.23	300.80	0	0	-90
MJ-07-13	5095555	657373	10042	9605	9.50	480.00	0	0	-90
MJ-07-15A	5095525	657330	9990	9599	9.33	476.00	0	0	-90
MJ-07-17A	5095547	657372	10035	9610	11.20	471.00	0	0	-90
MJ-07-18	5095649	657338	10080	9512	15.00	501.00	0	0	-90
MJ-07-20	5095652	657346	10090	9514	15.00	507.00	228.6	271.6	-83.7
MJ-07-24	5095444	657581	10120	9828	13.75	404.00	0	0	-90
MJ-07-26	5095461	657598	10143	9827	13.75	405.00	0	0	-90
MJ-07-27	5095257	657382	9848	9826	13.50	387.00	0	0	-90
MX05-04	5094480	658306	9998	11018	27.50	188.00	5	0	-61
MX05-05	5094480	658306	9998	11018	27.50	200.00	345	28	-58
SJL-97-04	5095377	657496	10011	9818	13.00	351.00	0	0	-90
SJL-97-05	5095398	657522	10044	9820	13.46	377.00	0	0	-90
SJL-98-09	5094529	658392	10107	11006	22.00	122.00	152	195	-60
TG75-02	5094420	659120	10551	11611	43.00	17.40	0	0	-90
TG75-03	5094490	659118	10597	11559	43.00	23.77	0	0	-90
TG75-08	5094403	659020	10467	11556	43.00	20.12	0	0	-90
TG75-12	5094434	658844	10360	11414	25.00	38.40	0	0	-90
TG75-14	5094364	658666	10183	11346	22.50	69.50	0	0	-90
ADIT_2	5094297	658669	10140	11431	38.00	6.10	0	0	-90

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<u>Sample Preparation Package</u> – PREP-31

Standard Sample Preparation: Dry, Crush, Split and Pulverize

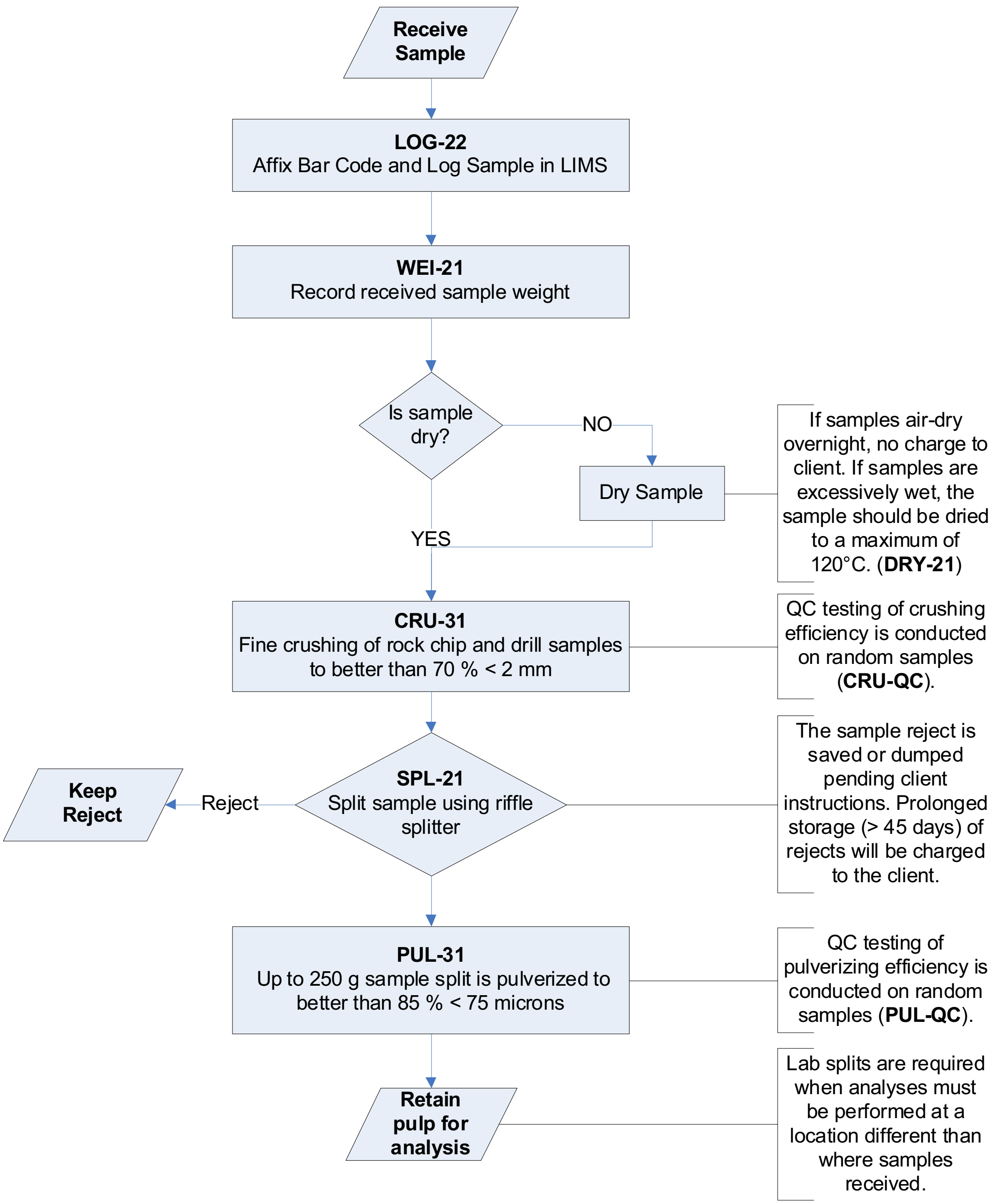
Sample preparation is the most critical step in the entire laboratory operation. The purpose of preparation is to produce a homogeneous analytical sub-sample that is fully representative of the material submitted to the laboratory.

The sample is logged in the tracking system, weighed, dried and finely crushed to better than 70 % passing a 2 mm (Tyler 9 mesh, US Std. No.10) screen. A split of up to 250 g is taken and pulverized to better than 85 % passing a 75 micron (Tyler 200 mesh, US Std. No. 200) screen. This method is appropriate for rock chip or drill samples.

Method Code	Description
LOG-22	Sample is logged in tracking system and a bar code label is attached.
CRU-31	Fine crushing of rock chip and drill samples to better than 70 % of the sample passing 2 mm.
SPL-21	Split sample using riffle splitter.
PUL-31	A sample split of up to 250 g is pulverized to better than 85 % of the sample passing 75 microns.

ALS Chemex

Flow Chart - Sample Preparation Package – PREP-31
Standard Sample Preparation: Dry, Crush, Split and Pulverize



ALS Chemex

Ore Grade Analysis by XRF – ME-XRF10

Sample Decomposition: 50% $Li_2B_4O_7$ – 50% $LiBO_2$ (WEI-GRA06)
Analytical Method: X-Ray Fluorescence Spectroscopy (XRF)

A calcined or ignited sample (0.9 g) is added to 9.0g of Lithium Borate Flux (50 % - 50 % $Li_2B_4O_7$ – $LiBO_2$), mixed well and fused in an auto fluxer between 1050 - 1100°C. A flat molten glass disc is prepared from the resulting melt. This disc is then analysed by X-ray fluorescence spectrometry.

Element	Symbol	Units	Lower Limit	Upper Limit
Barium	Ba	%	0.01	50
Niobium	Nb	%	0.01	10
Antimony	Sb	%	0.01	50
Tin	Sn	%	0.01	60
Tantalum	Ta	%	0.01	50
Thorium	Th	%	0.01	15
Uranium	U	%	0.01	15
Tungsten	W	%	0.01	50
Zirconium	Zr	%	0.01	50

Elements listed below are available upon request

Element	Symbol	Units	Lower Limit	Upper Limit
Iron	Fe_2O_3	%	0.01	100
Potassium	K_2O	%	0.01	100
Magnesium	MgO	%	0.01	100
Sodium	Na_2O	%	0.01	100

ALS Chemex

Assay Procedure – ME-OG62

Ore Grade Elements by Four Acid Digestion Using Conventional ICP-AES Analysis

Sample Decomposition: HNO_3-$HClO_4$-HF-HCl Digestion (ASY-4A01)
Analytical Method: Inductively Coupled Plasma - Atomic Emission Spectroscopy (ICP - AES)*

Assays for the evaluation of ores and high-grade materials are optimized for accuracy and precision at high concentrations. Ultra high concentration samples (> 15 -20%) may require the use of methods such as titrimetric and gravimetric analysis, in order to achieve maximum accuracy.

A prepared sample is digested with nitric, perchloric, hydrofluoric, and hydrochloric acids, and then evaporated to incipient dryness. Hydrochloric acid and de-ionized water is added for further digestion, and the sample is heated for an additional allotted time. The sample is cooled to room temperature and transferred to a volumetric flask (100 mL). The resulting solution is diluted to volume with de-ionized water, homogenized and the solution is analyzed by inductively coupled plasma - atomic emission spectroscopy or by atomic absorption spectrometry.

***NOTE**: ICP-AES is the default finish technique for ME-OG62. However, under some conditions and at the discretion of the laboratory an AA finish may be substituted. The certificate will clearly reflect which instrument finish was used.

Element	Symbol	Units	Lower Limit	Upper Limit
Silver	Ag	ppm	1	1500
Arsenic	As	%	0.01	30
Bismuth	Bi	%	0.01	30
Cadmium	Cd	%	0.0001	10
Cobalt	Co	%	0.001	20
Chromium	Cr	%	0.002	30

Element	Symbol	Units	Lower Limit	Upper Limit
Copper	Cu	%	0.01	40
Iron	Fe	%	0.01	100
Manganese	Mn	%	0.01	50
Molybdenum	Mo	%	0.001	10
Nickel	Ni	%	0.01	30
Lead	Pb	%	0.01	20
Zinc	Zn	%	0.01	30

Eastern Analytical Ltd. Preparation and Analytical Procedures

SAMPLE PREPARATION

ROCK/CORE

Samples are organized and labeled when they enter the lab. They are then placed in drying ovens until they are completely dry.
After drying is complete samples are taken and crushed in a Rhino Jaw Crusher to approximately 75% -10 mesh material.
The complete sample is rifle split until we are left with approximately 250 – 300 grams of material. The remainder of the sample is bagged and stored as coarse reject.
The 250 – 300 gram split is then pulverized using a ring mill to approximately 98% -150 mesh material.

SOILS/STREAMS/SILTS

Soils are dried at 90°F. They are then pounded with a rubber mallet in the soil bag. Then the soil is screened through a 80 mesh screen. The -80 fraction is rolled and kept as the sample. The +80 mesh fraction is discarded.

ASSAY PROCEDURE FOR CU/PB/ZN/NI/CO

A 0.200g sample is digested in a beaker with 10ml of nitric acid and 5ml of hydrochloric acid for 45 minutes. Samples are then transferred to 100ml volumetric flasks and then analyzed on the AA.
Lower detection limit is 0.01%, no upper detection limit.

ASSAY PROCEDURE FOR AG

A 1000mg sample is digested in a 500ml beaker with 10ml of hydrochloric acid and 10ml of nitric acid with the cover left on for 1 hour. Remove the covers and evaporate to a moist paste. Add 25ml of hydrochloric acid and 25ml of deoinized water, heat gently and swirl to dissolve solids. Cool, transfer to 100ml Volumetric and analyze on the AA.Lower detection limit is 0.01oz/t, no upper detection limit.

PROCEDURE FOR AR-ICP30

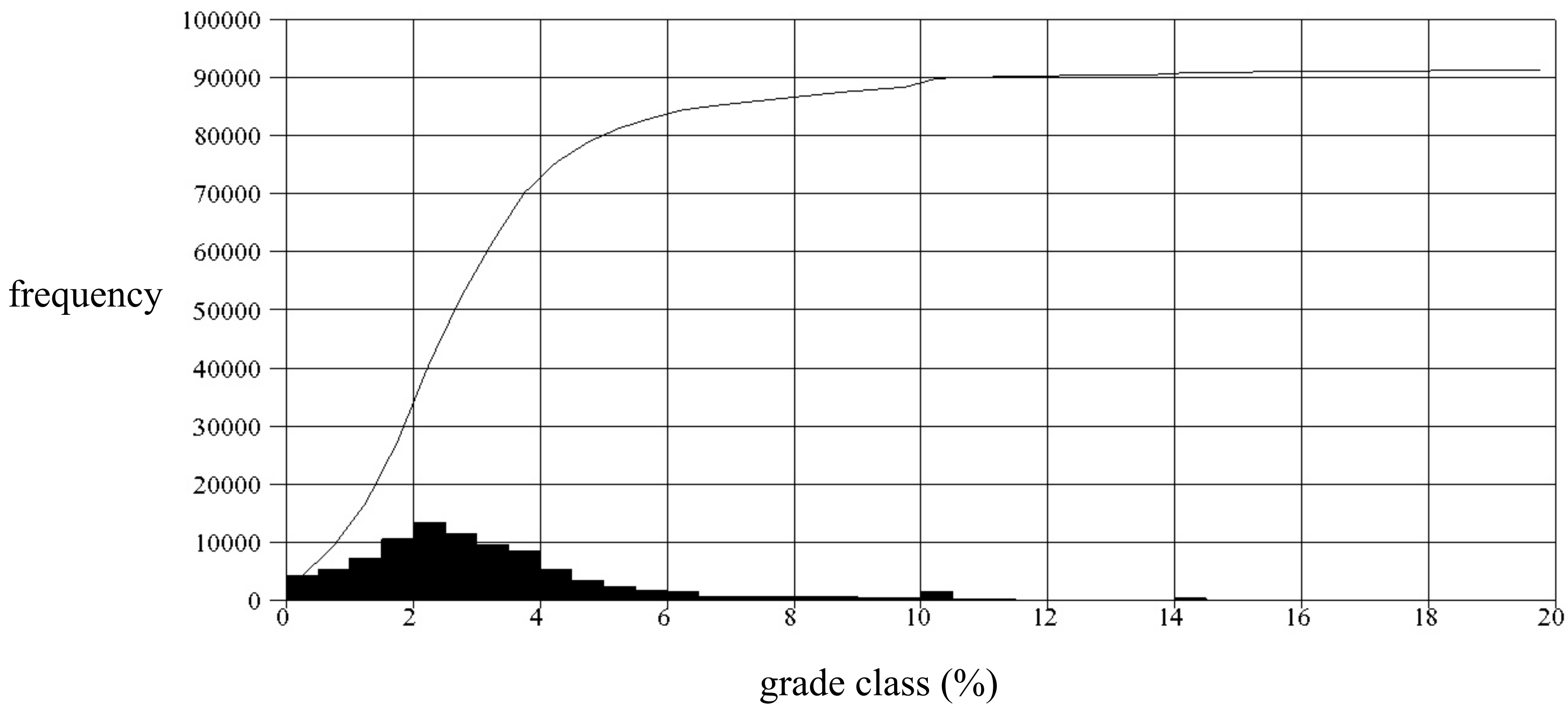
Each rack is to contain one blank, two CanMet standards and 37 unknowns, of which two will be duplicates.
A 0.500 gram sample is digested with 2ml HNO3 in a 95°C water bath for ½ hour, after which 1ml HCL is added and the samples is returned to the water bath for an additional ½ hour. After cooling, samples are diluted to 10ml with deionized water, stirred and let stand for 1 hour to allow precipitate to settle. They are now prepared for ICP analysis.

Updated January 25, 2008

Appendix 3: Resource Estimate Support Documents

Cumulative Frequency and Probability Plots
Listing of Drill Hole Assay Composites (1 Meter Support)
Listing of Drill Hole Weighted Average Solid Intercepts
LME Spot Market Charts for Lead and Zinc

Cumulative Frequency of Zn Block Grades

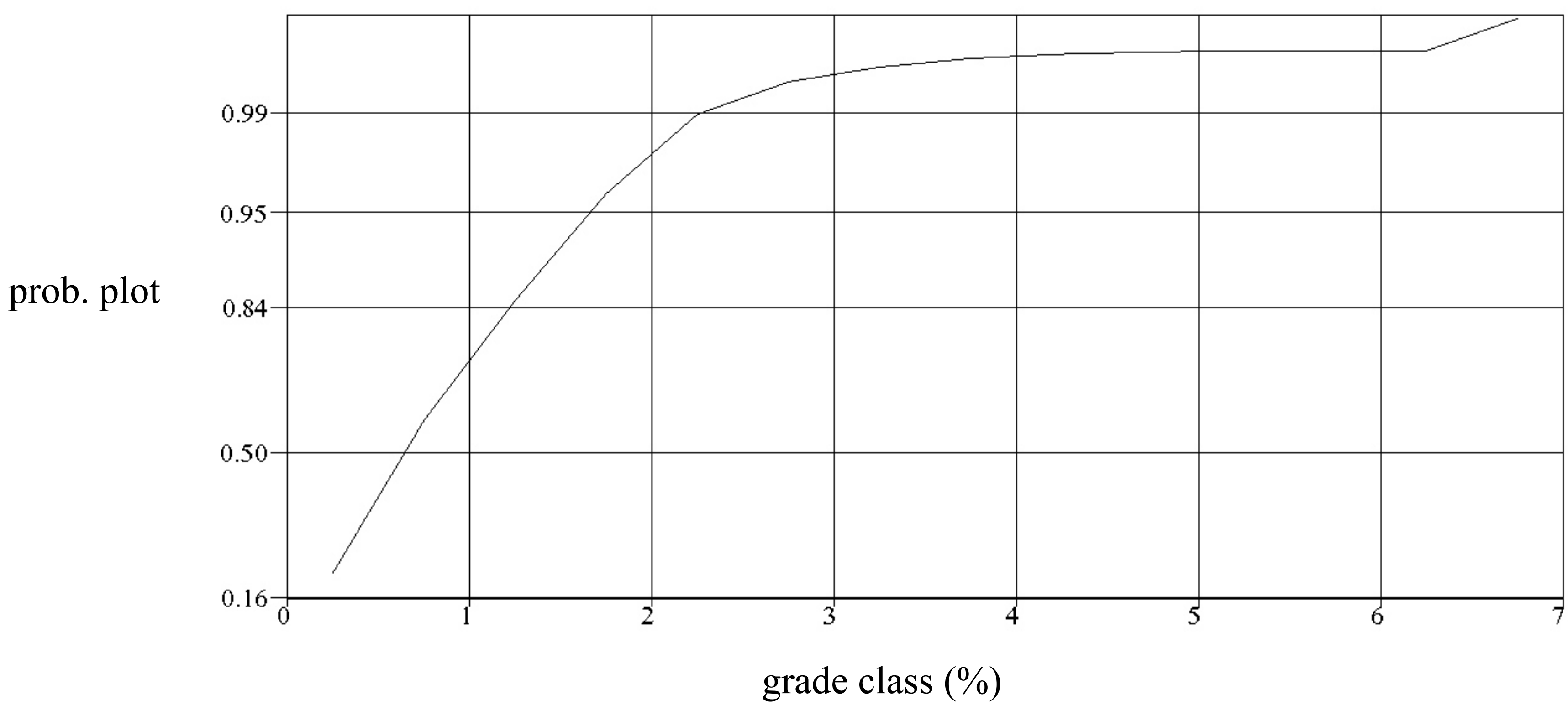


Zn Block Grade (n = 91180)

Probability Plot of Zn Block Grades

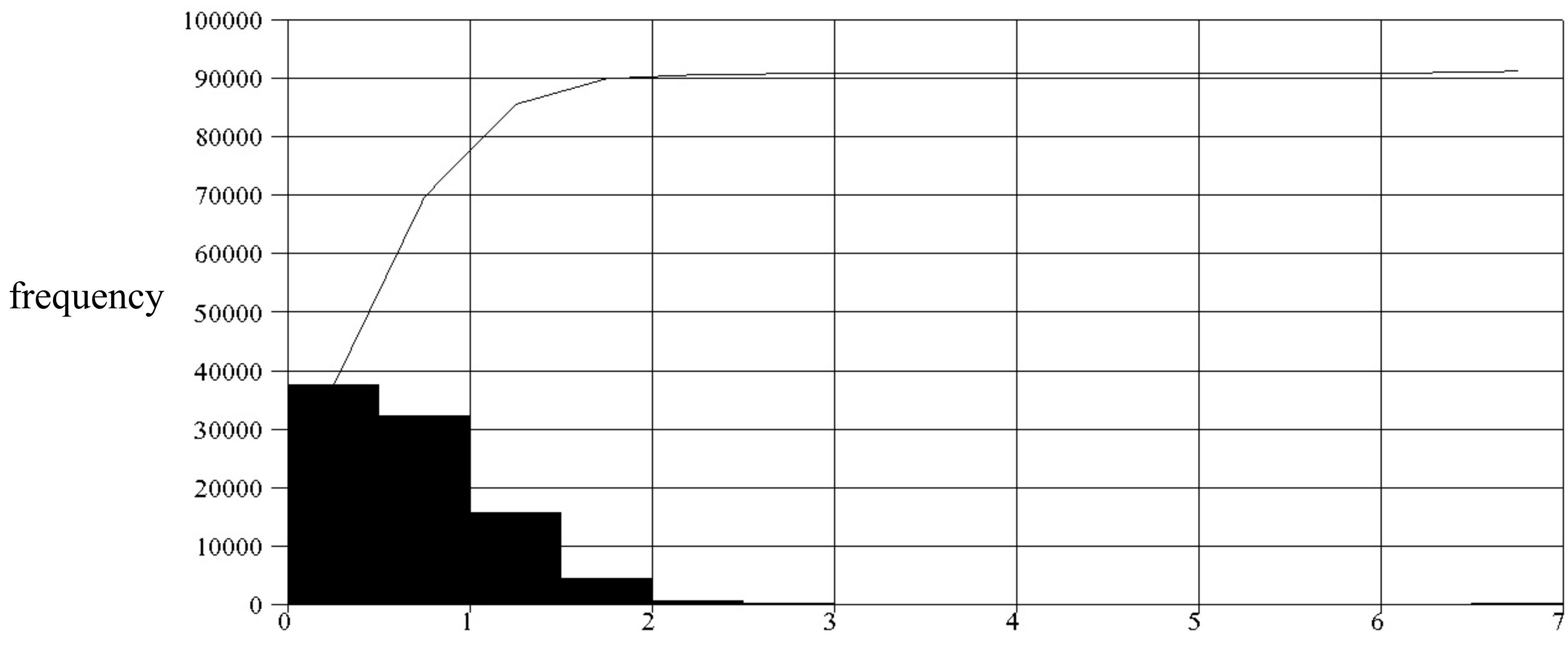
Zn Block Grade (n = 91180)

Probability Plot of Pb Block Grades



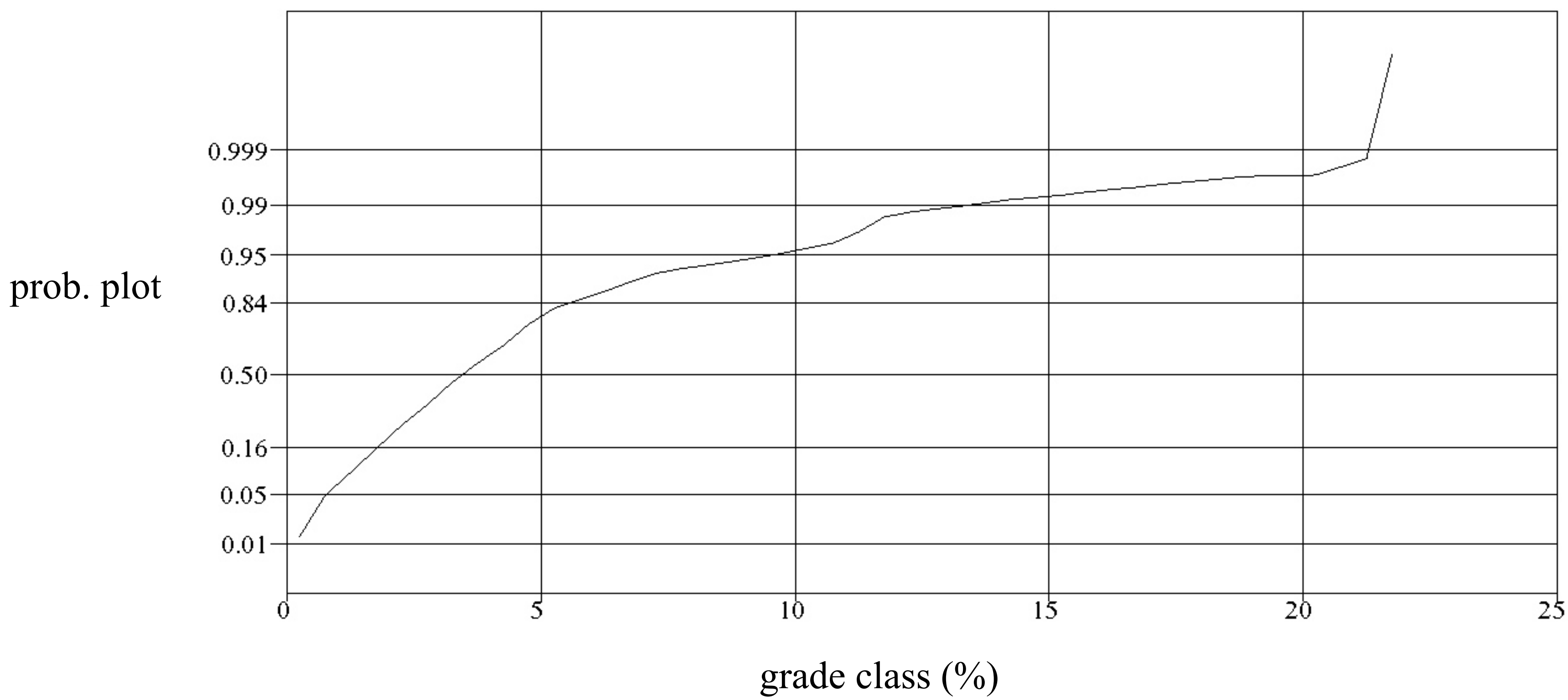
Pb Block Grade (n = 91180)

Cumulative Frequency of Pb Block Grades



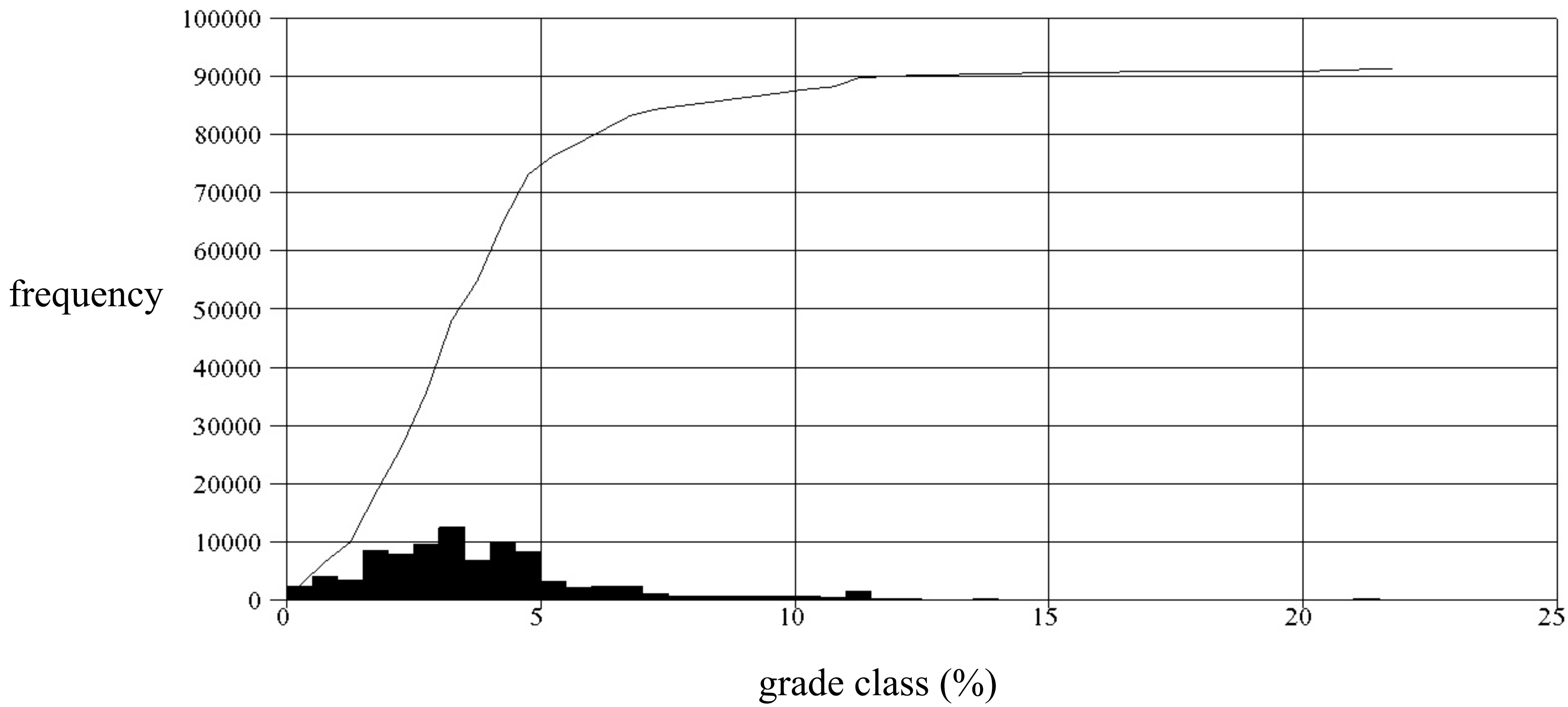
Pb Block Grade (n = 91180)

Probability Plot of Zn Equivalent Block Grades



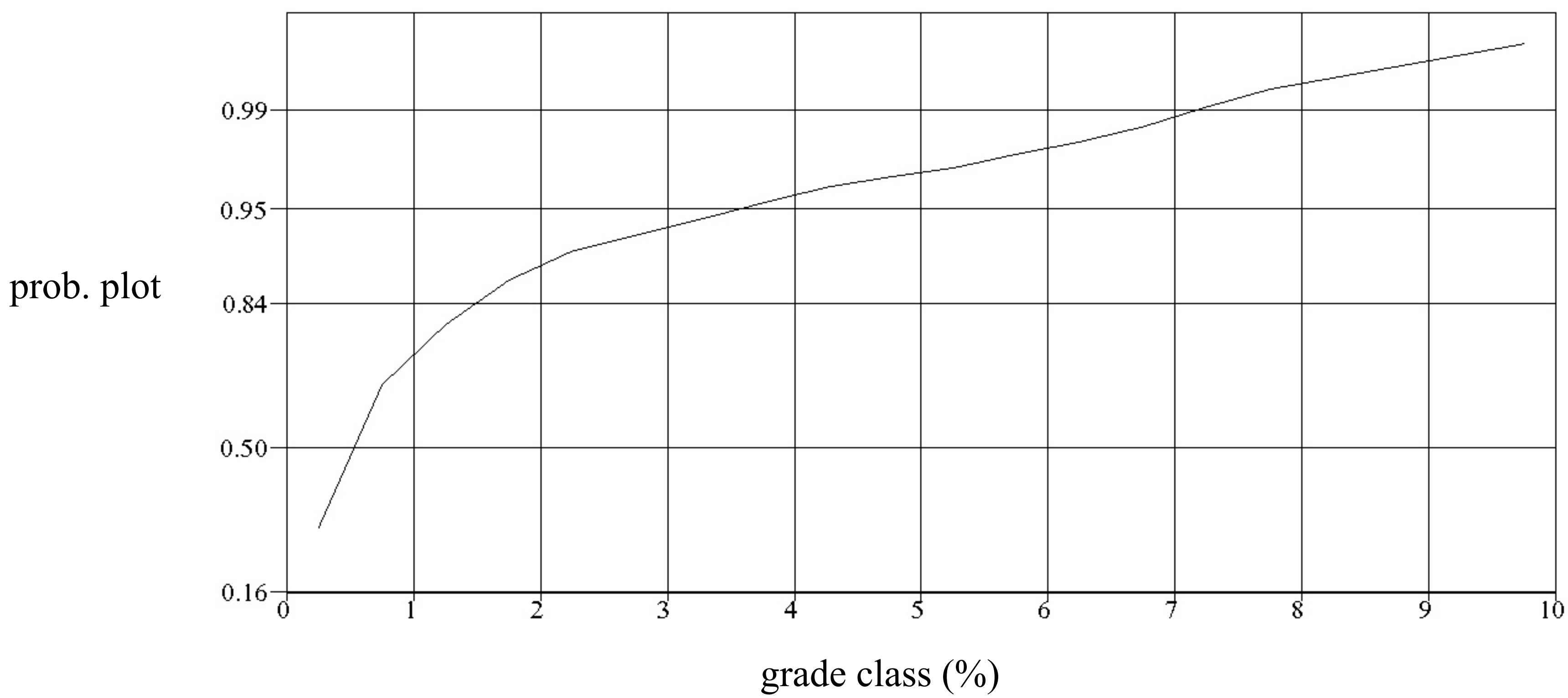
Zn Equivalent Block Grade (n = 91180)

Cumulative Frequency of Zn Equivalent Block Grades



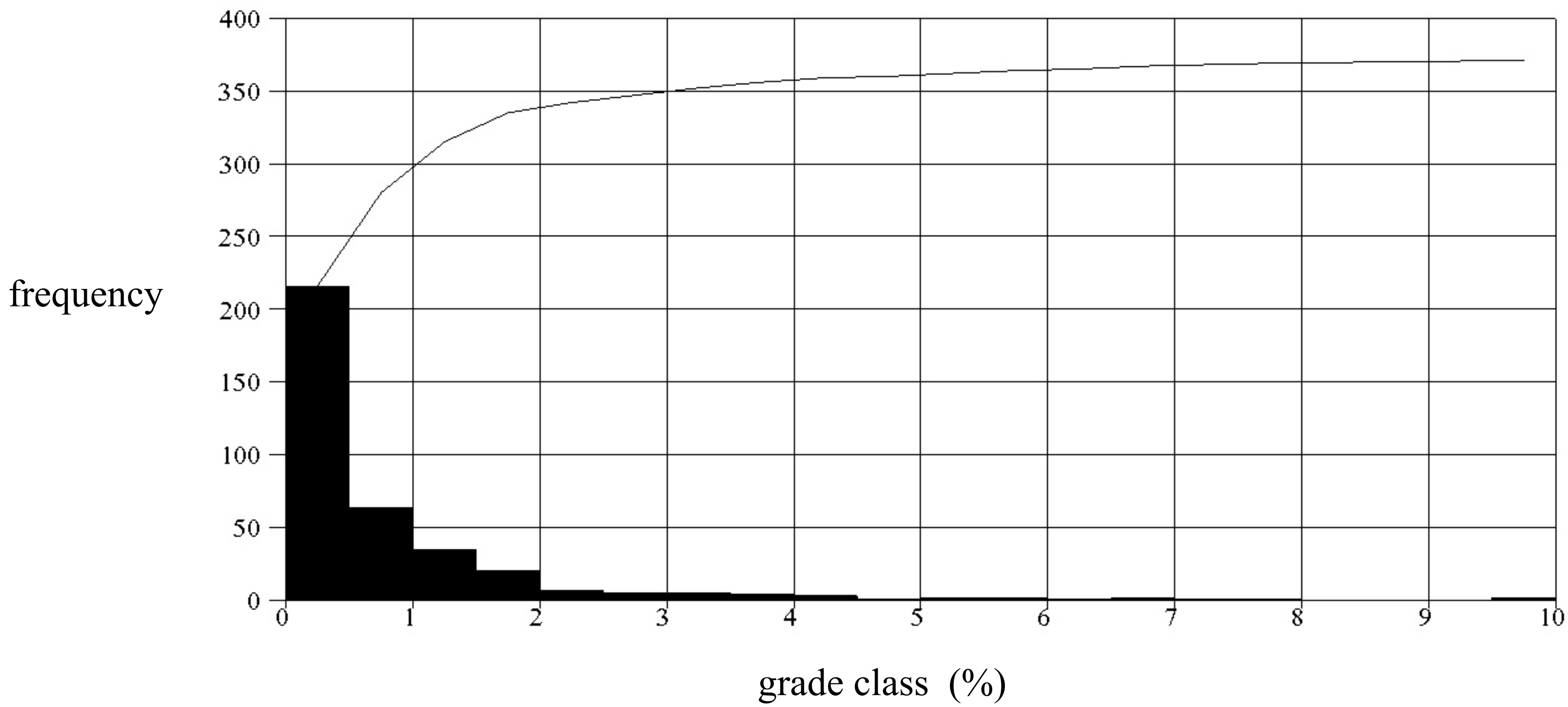
Zn Equivalent Block Grade (n = 91180)

Probability Plot of Pb Grade in 1 m Composites



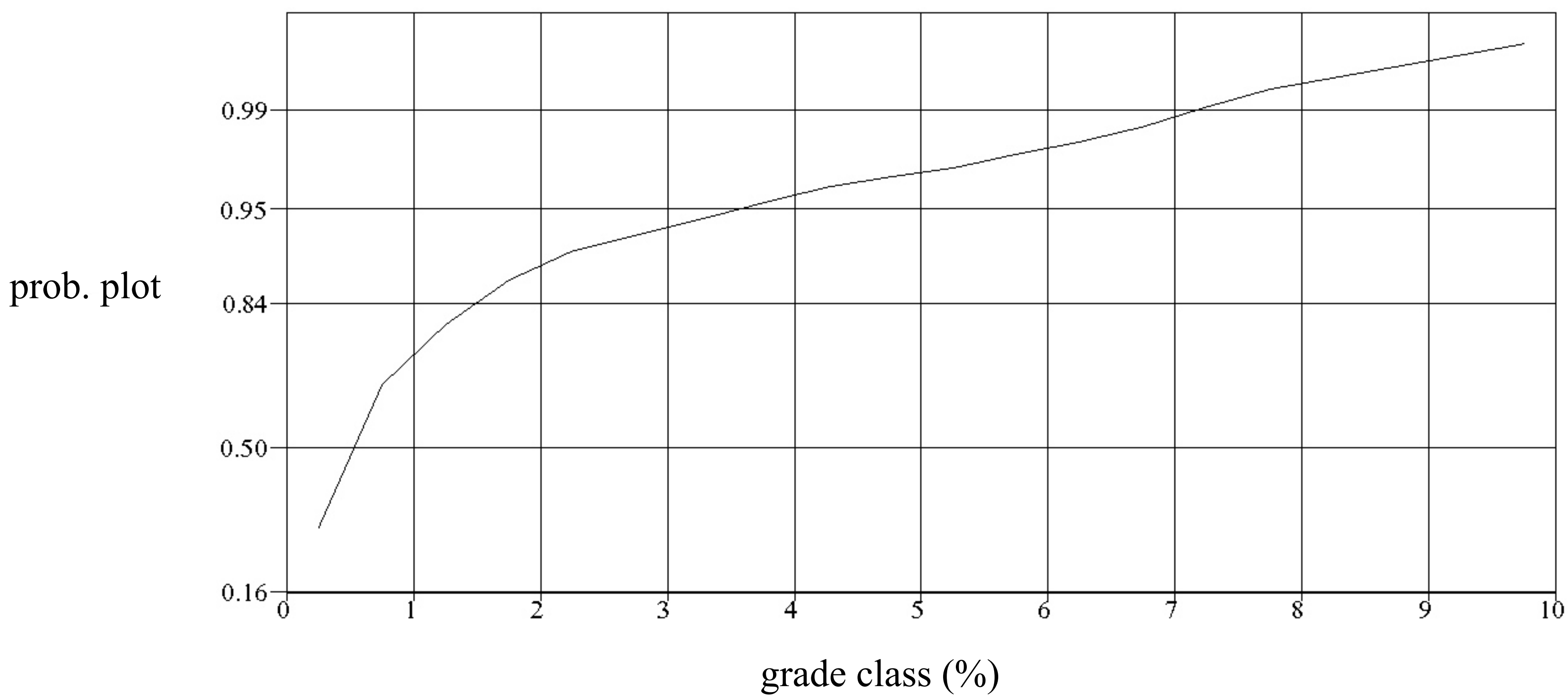
Pb Composite Grade (n = 371)

Cumulative Frequency of Pb Grade in 1 m Composites



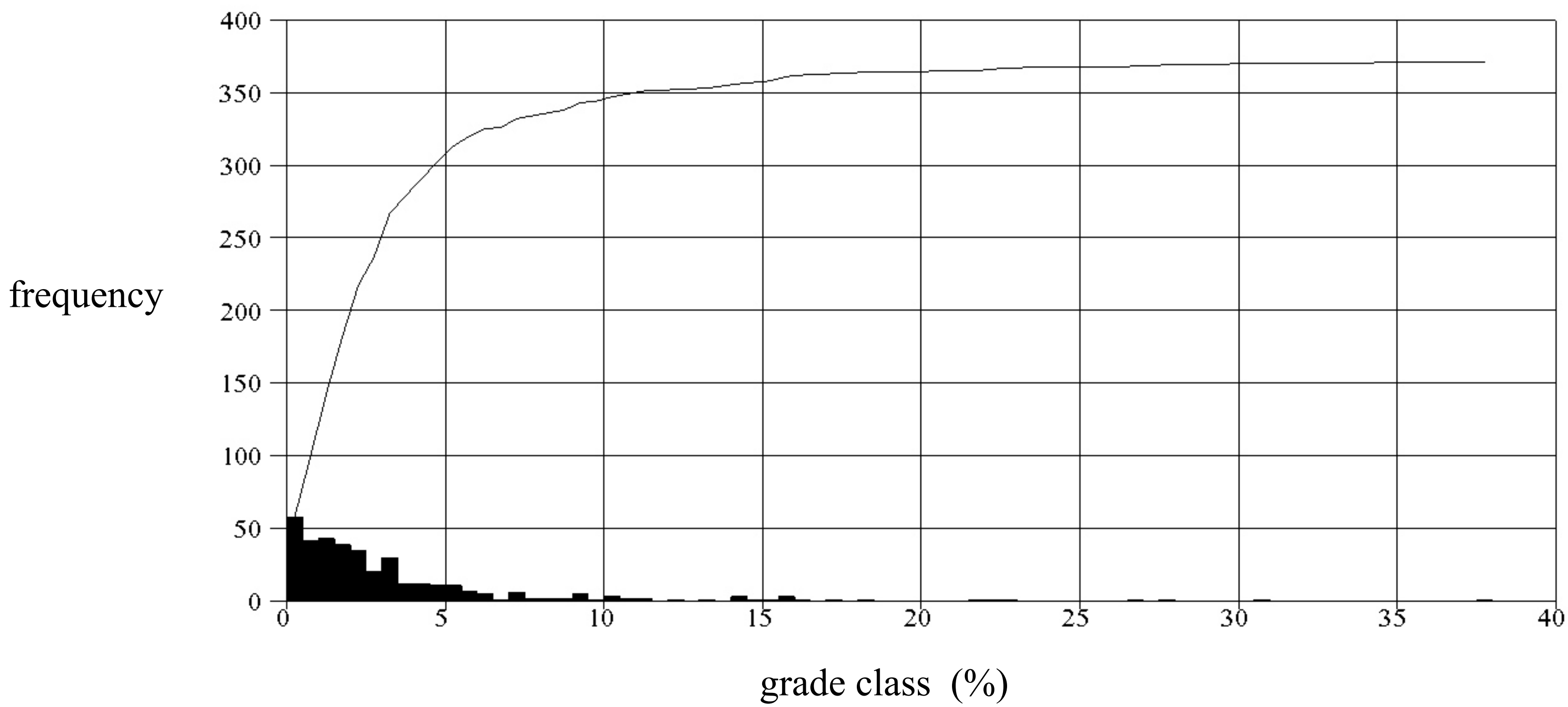
Pb Composite Grade (n = 371)

Probability Plot of Pb Grade in 1 m Composites



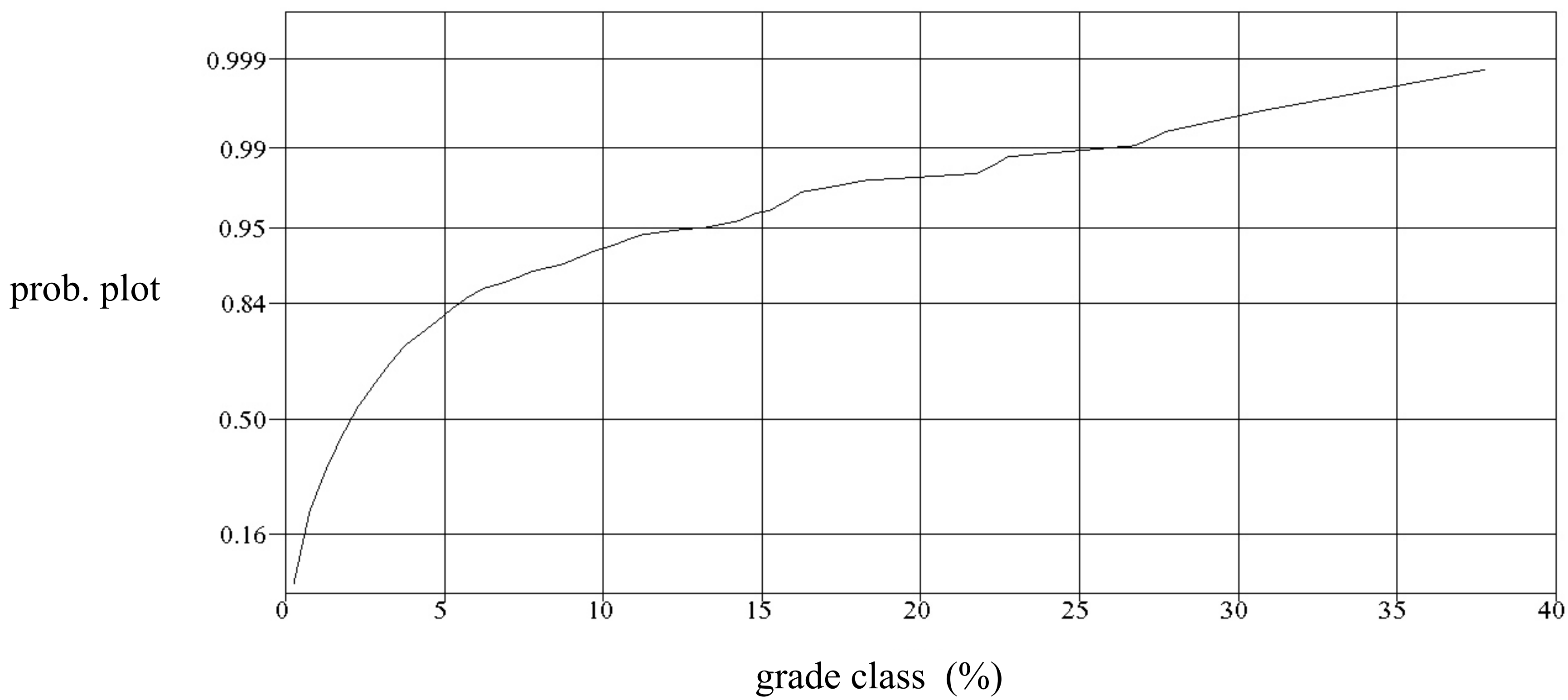
Pb Composite Grade (n = 371)

Cumulative Frequency of Zn Grade in 1 m Composites



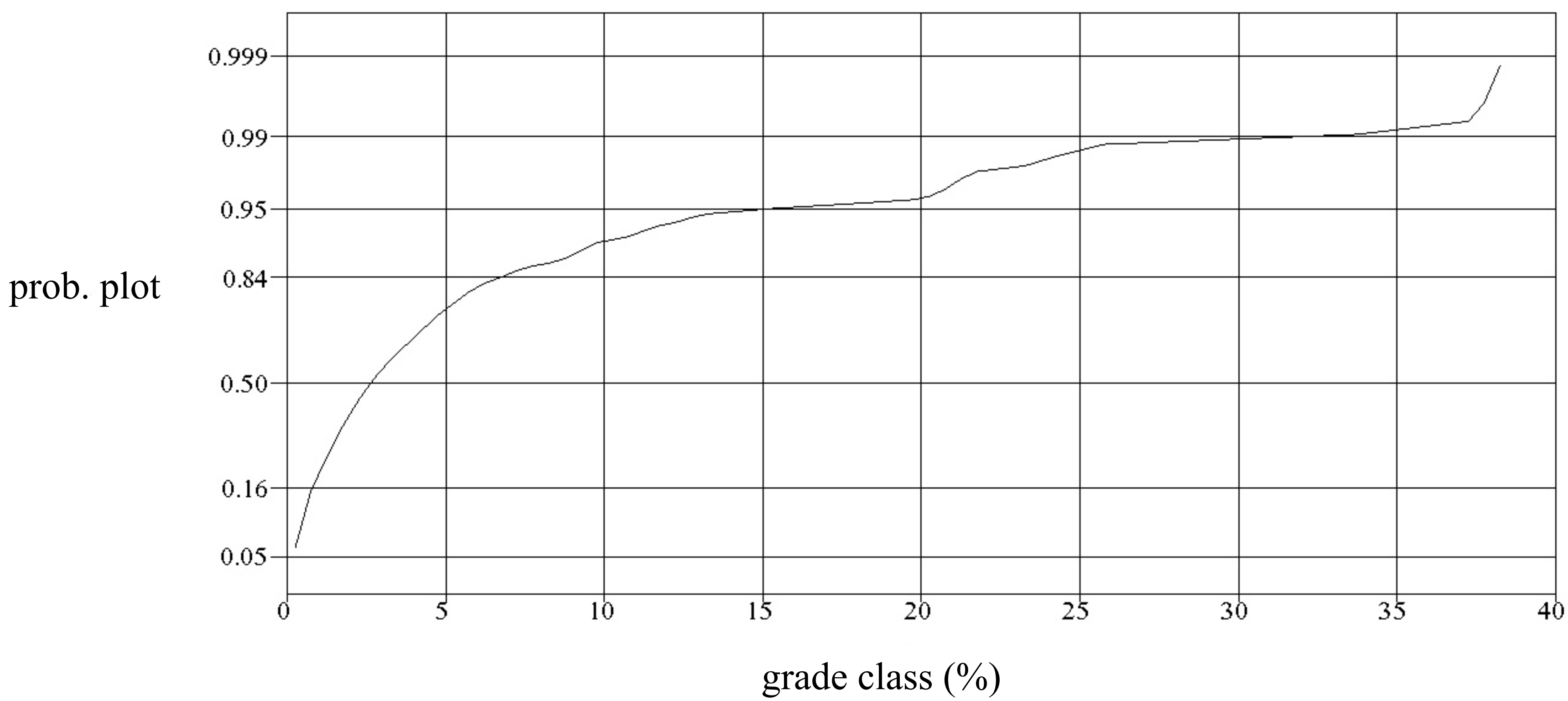
Zn Composite Grade (n = 371)

Probability Plot of Zn Grade in 1 m Composites



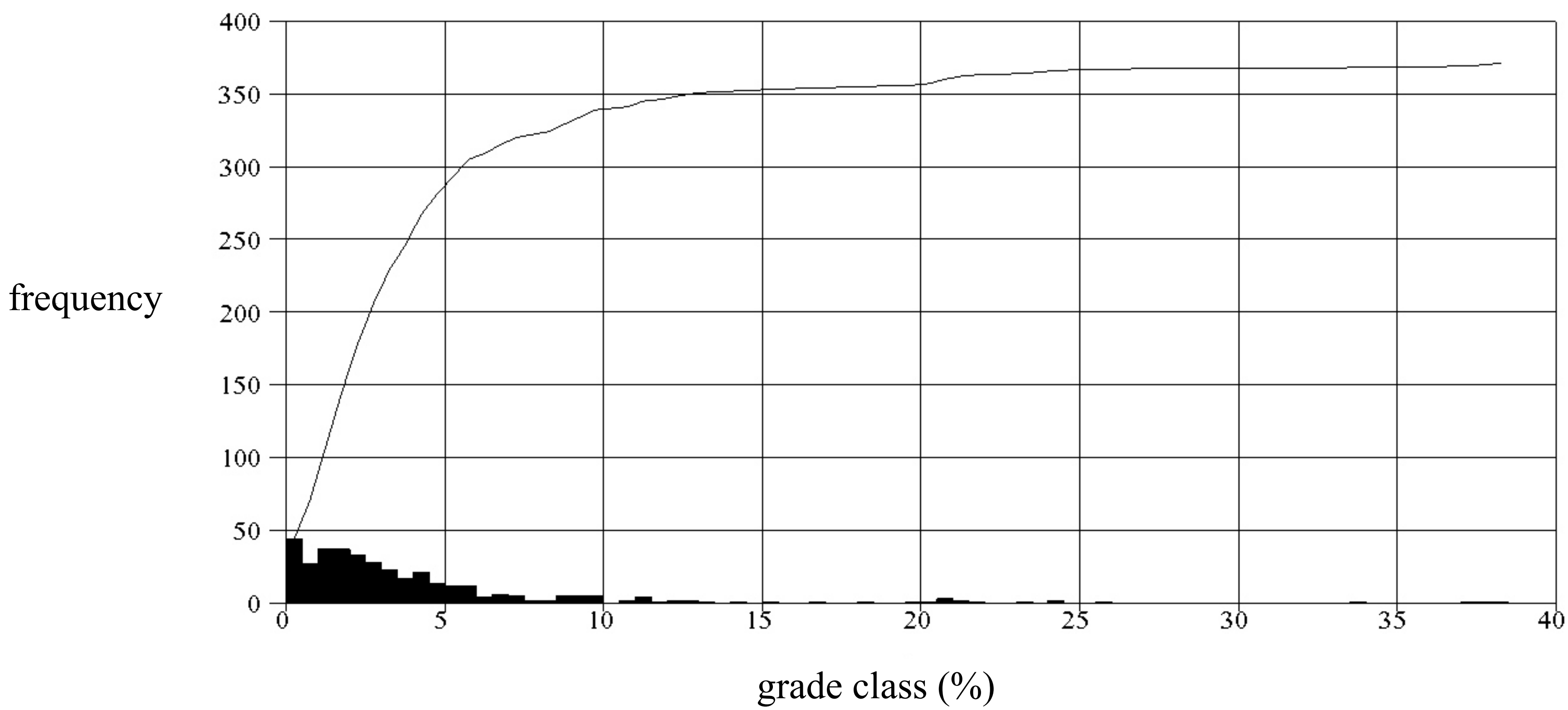
Zn Composite Grade (n = 371)

Probability Plot of Zn Equivalent Grade 1 m Composites



Zn Equivalent Composite Grade (n = 371)

Cumulative Frequency of Zn Equivalent Grade for 1 m Composites



Zn Equivalent Composite Grade (n = 371)

JUBILEE PROJECT - 2007 Resource Estimate
Listing of 1 meter drill hole composites included in resource solid - partial composites included

Hole ID	From (m)	To (m)	Length (m)	Zn (%)	Pb (%)	ZnEq %
ATG76-01	23.48	24.48	1.00	1.08	0.40	1.48
ATG76-01	24.48	25.48	1.00	2.37	0.22	2.59
ATG76-01	25.48	26.48	1.00	0.97	0.36	1.33
ATG76-01	26.48	27.48	1.00	0.13	0.12	0.25
ATG76-01	27.48	28.48	1.00	0.06	0.10	0.16
ATG76-01	28.48	29.48	1.00	0.06	0.10	0.16
ATG76-01	29.48	30.48	1.00	0.49	0.11	0.60
ATG76-01	30.48	31.48	1.00	2.64	0.48	3.12
ATG76-01	31.48	32.48	0.90	6.08	1.08	7.16
ATG76-04	88.51	89.51	1.00	1.04	0.02	1.06
ATG76-04	89.51	90.51	1.00	1.04	0.02	1.06
ATG76-04	90.51	91.51	1.00	0.62	0.01	0.63
ATG76-04	91.51	92.51	0.56	0.46	0.01	0.47
ATG76-11	78.05	79.05	1.00	5.00	1.33	6.33
ATG76-11	79.05	80.05	1.00	0.84	0.30	1.14
ATG76-11	80.05	81.05	1.00	2.38	0.30	2.68
ATG76-11	81.05	82.05	1.00	4.88	0.29	5.17
ATG76-11	82.05	83.05	1.00	4.88	0.29	5.17
ATG76-11	83.05	84.05	0.49	4.88	0.29	5.17
ATG76-15	130.73	131.73	1.00	4.12	0.04	4.16
ATG76-15	131.73	132.73	1.00	3.37	0.05	3.42
ATG76-15	132.73	133.73	1.00	2.28	0.06	2.34
ATG76-15	133.73	134.73	1.00	3.03	0.59	3.62
ATG76-15	134.73	135.73	0.64	3.12	0.66	3.78
ATG77-19	134.6	135.6	1.00	10.89	9.80	20.69
ATG77-19	135.6	136.6	1.00	17.34	5.87	23.21
ATG77-19	136.6	137.6	0.60	0.01	0.01	0.02
ATG77-19	138.6	139.6	0.88	0.01	0.00	0.01
ATG77-19	139.6	140.6	1.00	0.01	0.00	0.01
ATG77-19	140.6	141.6	1.00	0.89	0.20	1.09
ATG77-19	141.6	142.6	1.00	1.62	0.33	1.95
ATG77-19	142.6	143.6	1.00	3.18	0.27	3.45
ATG77-19	143.6	144.6	1.00	5.67	1.36	7.03
ATG77-19	144.6	145.6	1.00	3.03	1.19	4.22
ATG77-19	145.6	146.6	1.00	1.87	0.96	2.83
ATG77-19	146.6	147.6	1.00	1.56	0.81	2.37
ATG77-19	147.6	148.6	1.00	2.08	0.47	2.55
ATG77-19	148.6	149.6	1.00	2.27	0.39	2.66
ATG77-19	149.6	150.6	1.00	2.28	0.60	2.88
ATG77-19	150.6	151.6	1.00	3.04	1.18	4.22
ATG77-19	151.6	152.6	1.00	3.38	1.46	4.84
ATG77-19	152.6	153.6	1.00	3.38	1.54	4.92
ATG77-23	169.51	170.51	1.00	8.83	0.39	9.22
ATG77-23	170.51	171.51	1.00	2.00	1.56	3.56
ATG77-23	171.51	172.51	1.00	0.17	1.66	1.83
ATG77-23	172.51	173.51	1.00	1.43	3.79	5.22
ATG77-23	173.51	174.51	1.00	1.10	3.38	4.48
ATG77-23	174.51	175.51	1.00	0.30	1.44	1.74
ATG77-23	175.51	176.51	1.00	0.36	2.29	2.65
ATG77-23	176.51	177.51	1.00	0.24	1.26	1.50
ATG77-23	177.51	178.51	1.00	0.18	0.98	1.16
ATG77-23	178.51	179.51	1.00	1.95	1.76	3.71
ATG77-24	142.23	143.23	1.00	16.08	4.11	20.19
ATG77-24	143.23	144.23	1.00	27.63	9.72	37.35

JUBILEE PROJECT - 2007 Resource Estimate
Listing of 1 meter drill hole composites included in resource solid - partial composites included

Hole ID	From (m)	To (m)	Length (m)	Zn (%)	Pb (%)	ZnEq %
ATG77-24	144.23	145.23	1.00	30.56	7.93	38.49
ATG77-24	145.23	146.23	1.00	15.55	1.10	16.65
ATG77-24	146.23	147.23	1.00	3.31	0.09	3.40
ATG77-24	147.23	148.23	1.00	1.60	0.09	1.69
ATG77-24	148.23	149.23	1.00	1.09	0.09	1.18
ATG77-24	149.23	150.23	1.00	0.55	0.07	0.62
ATG77-24	150.23	151.23	1.00	0.32	0.04	0.36
ATG77-24	151.23	152.23	1.00	0.39	0.06	0.45
ATG77-24	152.23	153.23	1.00	0.18	0.03	0.21
ATG77-24	153.23	154.23	0.73	7.01	1.67	8.68
ATG77-25	148.48	149.48	1.00	5.73	0.01	5.74
ATG77-25	149.48	150.48	0.52	4.30	0.02	4.32
ATG77-26	35.98	36.98	1.00	2.09	0.21	2.30
ATG77-26	36.98	37.98	0.52	5.49	0.44	5.93
ATG77-28	172.26	173.26	1.00	2.69	0.61	3.30
ATG77-28	173.26	174.26	0.83	5.93	0.71	6.64
ATG77-29	189.79	190.79	1.00	2.95	2.58	5.53
ATG77-29	190.79	191.79	1.00	0.92	0.48	1.40
ATG77-29	191.79	192.79	1.00	0.74	0.18	0.92
ATG77-29	192.79	193.79	1.00	3.86	0.28	4.14
ATG77-29	193.79	194.79	0.87	3.15	0.06	3.21
ATG77-34	103.78	104.78	1.00	0.55	0.04	0.59
ATG77-34	104.78	105.78	1.00	0.58	0.11	0.69
ATG77-34	105.78	106.78	1.00	0.64	0.20	0.84
ATG77-34	106.78	107.78	0.54	1.10	0.88	1.98
ATG77-35	158.08	159.08	1.00	1.87	1.34	3.21
ATG77-38	209.45	210.45	1.00	7.47	0.13	7.60
ATG77-38	210.45	211.45	1.00	1.61	0.54	2.15
ATG77-38	211.45	212.45	1.00	1.52	0.32	1.84
ATG77-38	212.45	213.45	1.00	3.06	1.05	4.11
ATG77-38	213.45	214.45	1.00	4.56	4.11	8.67
ATG77-39	244.09	245.09	1.00	1.70	0.32	2.02
ATG77-39	245.09	246.09	1.00	0.58	0.62	1.20
ATG77-45	265.09	266.09	1.00	4.06	1.51	5.57
ATG77-45	266.09	267.09	1.00	4.59	2.46	7.05
ATG77-45	267.09	268.09	1.00	5.47	2.71	8.18
ATG77-45	268.09	269.09	1.00	4.19	1.16	5.35
ATG77-45	269.09	270.09	1.00	3.17	1.51	4.68
ATG77-45	270.09	271.09	1.00	2.30	1.20	3.50
ATG77-45	271.09	272.09	1.00	0.74	1.62	2.36
ATG77-45	272.09	273.09	0.62	2.28	1.86	4.14
ATG78-51	219.29	220.29	0.63	1.10	0.12	1.22
ATG78-51	220.29	221.29	1.00	1.28	0.40	1.68
ATG78-51	221.29	222.29	1.00	0.78	0.21	0.99
ATG78-51	222.29	223.29	0.88	1.40	0.06	1.46
ATG78-51	250.3	251.3	1.00	15.68	5.16	20.84
ATG78-51	251.3	252.3	1.00	7.11	2.53	9.64
ATG78-51	252.3	253.3	1.00	7.97	1.15	9.12
ATG78-51	253.3	254.3	1.00	2.45	1.10	3.55
ATG78-51	254.3	255.3	1.00	0.14	0.09	0.23
ATG78-51	255.3	256.3	1.00	1.17	0.58	1.75
ATG78-51	256.3	257.3	1.00	3.15	1.73	4.88
ATG78-51	257.3	258.3	1.00	1.16	1.27	2.43
ATG78-51	258.3	259.3	1.00	0.24	0.27	0.51

JUBILEE PROJECT - 2007 Resource Estimate
Listing of 1 meter drill hole composites included in resource solid - partial composites included

Hole ID	From (m)	To (m)	Length (m)	Zn (%)	Pb (%)	ZnEq %
ATG78-51	259.3	260.3	1.00	5.59	0.31	5.90
ATG78-51	260.3	261.3	1.00	10.39	0.26	10.65
ATG78-51	261.3	262.3	1.00	12.44	0.15	12.59
ATG78-51	262.3	263.3	1.00	3.73	0.01	3.74
ATG78-51	263.3	264.3	1.00	0.01	0.00	0.01
ATG78-51	264.3	265.3	1.00	0.01	0.00	0.01
ATG78-51	265.3	266.3	1.00	8.35	0.28	8.63
ATG78-51	266.3	267.3	1.00	22.50	1.87	24.37
ATG78-51	267.3	268.3	1.00	9.43	0.50	9.93
ATG78-51	268.3	269.3	1.00	0.02	0.00	0.02
ATG78-51	269.3	270.3	1.00	0.01	0.01	0.02
ATG78-51	270.3	271.3	1.00	0.02	0.01	0.03
ATG78-51	271.3	272.3	1.00	0.01	0.01	0.02
ATG78-51	272.3	273.3	1.00	0.01	0.01	0.02
ATG78-51	273.3	274.3	1.00	0.97	0.13	1.10
ATG78-51	274.3	275.3	1.00	0.12	0.04	0.16
ATG78-51	275.3	276.3	0.52	7.45	0.07	7.52
ATG78-52	218.29	219.29	1.00	6.46	0.47	6.93
ATG78-52	219.29	220.29	1.00	22.93	1.17	24.10
ATG78-52	220.29	221.29	0.75	1.87	1.07	2.94
ATG78-53	232.93	233.93	1.00	7.48	0.93	8.41
ATG78-53	233.93	234.93	1.00	1.54	0.25	1.79
ATG78-53	234.93	235.93	0.59	1.16	0.38	1.54
ATG78-54	271.95	272.95	1.00	3.11	1.16	4.27
ATG78-54	272.95	273.95	1.00	2.80	1.79	4.59
ATG78-54	273.95	274.95	1.00	2.15	1.58	3.73
ATG78-54	274.95	275.95	0.81	4.03	0.75	4.78
ATG78-55	269.66	270.66	1.00	3.08	1.84	4.92
ATG78-55	270.66	271.66	1.00	0.41	0.13	0.54
ATG78-55	271.66	272.66	0.85	1.35	0.30	1.65
ATG78-56	100.3	101.3	1.00	3.58	1.07	4.65
ATG78-56	101.3	102.3	1.00	5.44	0.81	6.25
ATG78-58	87.65	88.65	1.00	5.30	0.15	5.45
ATG78-58	88.65	89.65	1.00	2.11	0.23	2.34
ATG78-58	89.65	90.65	1.00	0.86	0.59	1.45
ATG79-64	152.7	153.7	1.00	1.12	0.35	1.47
ATG79-64	153.7	154.7	1.00	1.15	0.47	1.62
ATG79-64	154.7	155.7	1.00	3.13	0.67	3.80
ATG79-64	155.7	156.7	0.50	3.13	0.67	3.80
ATG79-65	153	154	1.00	0.80	0.48	1.28
ATG79-65	154	155	1.00	2.67	0.44	3.11
ATG79-65	155	156	0.80	1.44	0.32	1.76
ATG79-71	170.1	171.1	1.00	4.67	0.04	4.71
ATG79-71	171.1	172.1	1.00	0.29	0.09	0.38
ATG79-71	172.1	173.1	1.00	0.39	0.09	0.48
ATG79-71	173.1	174.1	1.00	0.76	0.21	0.97
ATG79-72	162.9	163.9	1.00	0.25	0.13	0.38
ATG79-72	163.9	164.9	1.00	0.08	0.14	0.22
ATG79-72	164.9	165.9	0.90	0.30	0.20	0.50
ATG79-72	165.9	166.9	0.40	0.55	0.43	0.98
J89-02	193.7	194.7	0.80	6.39	6.24	12.63
J89-02	194.7	195.7	0.61	22.00	4.00	26.00
J89-02	195.7	196.7	0.60	10.89	1.31	12.20
J89-02	196.7	197.7	1.00	3.49	0.62	4.11

JUBILEE PROJECT - 2007 Resource Estimate
Listing of 1 meter drill hole composites included in resource solid - partial composites included

Hole ID	From (m)	To (m)	Length (m)	Zn (%)	Pb (%)	ZnEq %
J89-02	197.7	198.7	1.00	3.89	0.39	4.28
J89-02	198.7	199.7	1.00	3.60	0.46	4.06
J89-02	199.7	200.7	1.00	3.77	0.52	4.29
J89-02	200.7	201.7	1.00	2.60	0.64	3.24
J89-02	201.7	202.7	1.00	4.33	1.44	5.77
J89-02	202.7	203.7	1.00	1.69	0.18	1.87
J89-02	203.7	204.7	1.00	1.09	0.18	1.27
J89-02	204.7	205.7	1.00	0.60	0.20	0.80
J89-02	205.7	206.7	1.00	1.17	0.68	1.85
J89-02	206.7	207.7	1.00	1.26	0.33	1.59
J89-02	207.7	208.7	1.00	0.89	0.16	1.05
J89-02	208.7	209.7	1.00	2.18	0.58	2.76
J89-02	209.7	210.7	1.00	3.31	1.15	4.46
J89-02	210.7	211.7	0.40	3.51	1.31	4.82
J89-03	195	196	1.00	4.29	0.22	4.51
J89-03	196	197	1.00	4.95	0.66	5.61
J89-03	197	198	1.00	4.48	2.61	7.09
J89-03	198	199	1.00	3.44	1.61	5.05
J89-03	199	200	1.00	2.16	1.04	3.20
J89-03	200	201	1.00	2.82	1.53	4.35
J89-03	201	202	1.00	1.62	0.62	2.24
J89-03	202	203	1.00	0.99	0.26	1.25
J89-03	203	204	1.00	2.44	1.38	3.82
J89-03	204	205	1.00	1.27	0.51	1.78
J89-03	205	206	1.00	0.70	0.11	0.81
J89-03	206	207	1.00	2.12	0.66	2.78
J89-03	207	208	1.00	1.98	0.79	2.77
J89-03	208	209	1.00	2.06	0.95	3.01
J89-03	209	210	1.00	0.93	0.54	1.47
J89-03	210	211	1.00	1.60	0.97	2.57
J89-04	108.2	109.2	1.00	2.05	0.85	2.90
J89-04	109.2	110.2	0.80	1.97	0.19	2.16
J89-06	271.1	272.1	1.00	2.46	0.29	2.75
J89-06	272.1	273.1	1.00	2.28	0.26	2.54
J89-06	273.1	274.1	1.00	2.42	2.33	4.75
J89-06	274.1	275.1	1.00	7.41	3.87	11.28
J89-06	275.1	276.1	1.00	6.64	4.50	11.14
J89-06	276.1	277.1	1.00	5.23	0.49	5.72
J89-06	277.1	278.1	0.90	3.32	0.16	3.48
J89-06	278.1	279.1	1.00	1.88	0.19	2.07
J89-06	279.1	280.1	1.00	1.42	0.13	1.55
J89-06	280.1	281.1	1.00	2.11	0.12	2.23
J89-06	281.1	282.1	0.80	2.91	0.20	3.11
J90-07	249.82	250.82	1.00	3.32	0.33	3.65
J90-07	250.82	251.82	1.00	1.83	0.20	2.03
J90-07	251.82	252.82	1.00	0.27	0.05	0.32
J90-07	252.82	253.82	1.00	0.04	0.02	0.06
J90-07	253.82	254.82	0.75	0.02	0.01	0.03
J90-07	254.82	255.82	1.00	0.84	0.03	0.87
J90-07	255.82	256.82	0.47	4.14	0.13	4.27
J90-07	264	265	1.00	2.17	1.41	3.58
J90-07	265	266	1.00	1.66	0.44	2.10
J90-07	266	267	1.00	1.54	0.53	2.07
J90-07	267	268	1.00	2.89	0.50	3.39

JUBILEE PROJECT - 2007 Resource Estimate
Listing of 1 meter drill hole composites included in resource solid - partial composites included

Hole ID	From (m)	To (m)	Length (m)	Zn (%)	Pb (%)	ZnEq %
J90-07	268	269	1.00	1.18	0.28	1.46
J90-07	269	270	1.00	0.96	0.34	1.30
J90-07	270	271	1.00	1.33	0.70	2.03
J90-07	271	272	1.00	0.91	0.43	1.34
J90-07	272	273	1.00	1.22	0.61	1.83
J90-07	273	274	1.00	1.11	0.31	1.42
J90-07	274	275	1.00	1.93	0.15	2.08
J90-07	275	276	1.00	1.57	0.58	2.15
J90-08	218.15	219.15	0.50	1.42	0.34	1.76
J90-08	219.15	220.15	0.94	1.67	0.13	1.80
J90-10	152.7	153.7	1.00	26.72	7.28	34.00
J90-10	153.7	154.7	1.00	14.06	5.63	19.69
J90-10	154.7	155.7	1.00	4.19	0.32	4.51
J90-10	155.7	156.7	1.00	1.48	0.10	1.58
J90-10	156.7	157.7	1.00	2.03	0.74	2.77
J90-10	157.7	158.7	0.53	3.27	1.73	5.00
J90-11	129.95	130.95	1.00	2.74	0.53	3.27
J90-12	144.35	145.35	1.00	10.19	1.03	11.22
J90-12	145.35	146.35	1.00	0.27	0.04	0.31
J90-12	146.35	147.35	1.00	0.52	0.10	0.62
J90-12	147.35	148.35	1.00	0.94	0.27	1.21
J90-12	148.35	149.35	0.65	1.00	0.45	1.45
J90-13	122.5	123.5	1.00	3.03	0.06	3.09
J90-13	123.5	124.5	1.00	2.31	0.06	2.37
J90-13	124.5	125.5	1.00	2.65	0.08	2.73
J90-14	268.76	269.76	1.00	2.16	0.26	2.42
J90-14	269.76	270.76	1.00	3.03	0.26	3.29
J90-14	270.76	271.76	1.00	1.56	0.58	2.14
J91-20	132.4	133.4	1.00	0.38	0.25	0.63
J91-20	133.4	134.4	1.00	0.86	0.79	1.65
J91-20	134.4	135.4	0.90	1.40	0.11	1.51
J91-22	175.2	176.2	1.00	0.03	0.64	0.67
J91-22	176.2	177.2	1.00	0.11	0.54	0.65
J91-22	177.2	178.2	1.00	0.92	0.21	1.13
J91-30	341	342	1.00	1.58	0.14	1.72
J91-30	342	343	1.00	4.57	0.70	5.27
J91-30	343	344	1.00	3.74	2.20	5.94
MJ-06-01	228.43	229.43	1.00	6.39	0.10	6.49
MJ-06-01	229.43	230.43	1.00	2.00	0.16	2.16
MJ-06-01	230.43	231.43	0.97	2.10	0.29	2.39
MJ-06-02	240.03	241.03	1.00	1.10	0.89	1.99
MJ-06-02	241.03	242.03	1.00	0.70	0.02	0.72
MJ-06-05	415.15	416.15	1.00	7.80	1.04	8.84
MJ-06-07	396.25	397.25	1.00	1.68	0.86	2.54
MJ-06-07	397.25	398.25	1.00	1.94	5.41	7.35
MJ-06-07	398.25	399.25	1.00	1.43	0.80	2.23
MJ-06-07	399.25	400.25	0.40	5.35	0.28	5.63
MJ-06-08	408.8	409.8	1.00	11.20	2.93	14.13
MJ-06-08	409.8	410.8	1.00	0.02	0.01	0.03
MJ-06-08	410.8	411.8	1.00	0.03	0.00	0.03
MJ-06-08	411.8	412.8	1.00	0.00	0.00	0.00
MJ-06-08	412.8	413.8	1.00	0.04	0.01	0.05
MJ-06-08	413.8	414.8	1.00	3.04	2.25	5.29
MJ-06-08	414.8	415.8	0.45	4.84	2.14	6.98

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Hole ID	From (m)	To (m)	Length (m)	Zn (%)	Pb (%)	ZnEq %
MJ-06-10	223.57	224.57	1.00	5.25	3.81	9.06
MJ-06-10	224.57	225.57	0.48	15.24	3.03	18.27
MJ-06-12	219.41	220.41	1.00	9.16	0.70	9.86
MJ-06-12	220.41	221.41	1.00	8.01	0.66	8.67
MJ-06-12	221.41	222.41	0.81	1.18	0.08	1.26
MJ-07-13	463.7	464.7	1.00	4.19	0.03	4.22
MJ-07-13	464.7	465.7	1.00	0.92	0.03	0.95
MJ-07-13	465.7	466.7	1.00	1.84	0.04	1.88
MJ-07-13	466.7	467.7	0.40	8.90	0.18	9.08
MJ-07-15A	460.25	461.25	1.00	1.15	1.15	2.30
MJ-07-15A	461.25	462.25	1.00	0.01	0.01	0.02
MJ-07-15A	462.25	463.25	1.00	1.22	1.22	2.44
MJ-07-17A	455.95	456.95	1.00	13.22	0.17	13.39
MJ-07-17A	456.95	457.95	1.00	37.64	0.37	38.01
MJ-07-17A	457.95	458.95	0.50	5.06	0.33	5.39
MJ-07-18	478.85	479.85	1.00	6.17	3.05	9.22
MJ-07-18	479.85	480.85	1.00	0.02	0.02	0.04
MJ-07-18	480.85	481.85	1.00	0.02	0.00	0.02
MJ-07-18	481.85	482.85	1.00	0.01	0.00	0.01
MJ-07-18	482.85	483.85	1.00	0.00	0.00	0.00
MJ-07-18	483.85	484.85	0.55	3.72	0.14	3.86
MJ-07-20	487.4	488.4	1.00	3.07	0.28	3.35
MJ-07-24	381.6	382.6	1.00	1.53	0.23	1.76
MJ-07-24	382.6	383.6	1.00	0.27	0.06	0.33
MJ-07-24	383.6	384.6	1.00	14.84	0.43	15.27
MJ-07-24	384.6	385.6	1.00	9.55	0.29	9.84
MJ-07-24	385.6	386.6	1.00	1.58	0.12	1.70
MJ-07-24	386.6	387.6	1.00	9.31	3.07	12.38
MJ-07-24	387.6	388.6	0.80	4.65	2.30	6.95
MJ-07-26	388.1	389.1	1.00	2.43	0.34	2.77
MJ-07-26	389.1	390.1	1.00	0.38	0.17	0.55
MJ-07-26	390.1	391.1	1.00	0.97	0.37	1.34
MJ-07-26	391.1	392.1	1.00	0.20	0.28	0.48
MJ-07-26	392.1	393.1	0.45	2.76	1.75	4.51
MJ-07-27	372.33	373.33	1.00	5.96	0.20	6.16
MJ-07-27	373.33	374.33	1.00	1.72	0.07	1.79
MJ-07-27	374.33	375.33	0.50	1.43	0.04	1.47
MX05-04	139.22	140.22	0.92	1.19	0.08	1.27
MX05-04	140.22	141.22	1.00	1.20	0.32	1.52
MX05-04	141.22	142.22	0.88	1.55	0.28	1.83
MX05-04	171.35	172.35	1.00	18.10	3.45	21.55
MX05-04	172.35	173.35	1.00	15.59	4.96	20.55
MX05-04	173.35	174.35	1.00	1.61	0.51	2.12
MX05-04	174.35	175.35	1.00	0.94	0.51	1.45
MX05-04	175.35	176.35	1.00	1.83	0.10	1.93
MX05-04	176.35	177.35	1.00	1.40	0.08	1.48
MX05-04	177.35	178.35	1.00	0.79	0.24	1.03
MX05-04	178.35	179.35	1.00	1.32	0.13	1.45
MX05-04	179.35	180.35	1.00	0.63	0.06	0.69
MX05-04	180.35	181.35	1.00	0.49	0.14	0.63
MX05-04	181.35	182.35	1.00	0.18	0.06	0.24
MX05-04	182.35	183.35	1.00	0.20	0.03	0.23
MX05-04	183.35	184.35	1.00	0.47	0.02	0.49
MX05-05	131.3	132.3	1.00	2.56	0.26	2.82

JUBILEE PROJECT - 2007 Resource Estimate
Listing of 1 meter drill hole composites included in resource solid - partial composites included

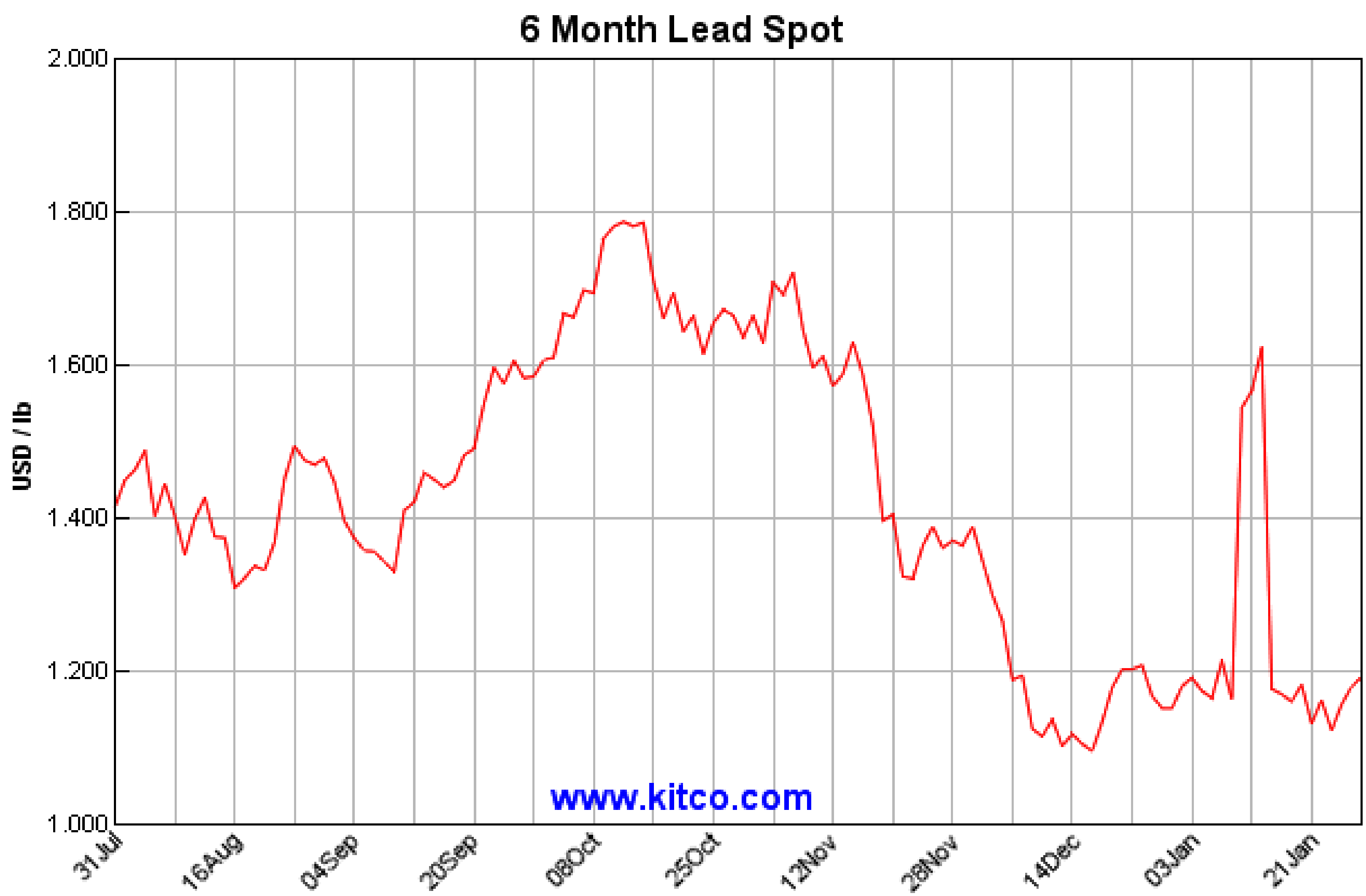
Hole ID	From (m)	To (m)	Length (m)	Zn (%)	Pb (%)	ZnEq %
MX05-05	132.3	133.3	1.00	2.11	0.09	2.20
MX05-05	133.3	134.3	1.00	2.10	0.07	2.17
MX05-05	134.3	135.3	1.00	2.85	0.19	3.04
MX05-05	135.3	136.3	1.00	2.96	0.05	3.01
MX05-05	136.3	137.3	1.00	2.78	0.06	2.84
MX05-05	137.3	138.3	1.00	3.57	0.18	3.75
MX05-05	138.3	139.3	1.00	4.34	0.05	4.39
MX05-05	187.1	188.1	1.00	3.27	0.61	3.88
MX05-05	188.1	189.1	0.76	2.35	0.64	2.99
SJL-97-04	335.33	336.33	1.00	10.20	1.23	11.43
SJL-97-05	359.81	360.81	1.00	5.32	0.14	5.46
SJL-97-05	360.81	361.81	1.00	5.32	0.51	5.83
SJL-97-05	361.81	362.81	1.00	2.86	1.05	3.91
SJL-97-05	362.81	363.81	1.00	5.67	0.96	6.63
SJL-97-05	363.81	364.81	0.53	9.01	1.97	10.98
SJL-97-05	365.81	366.81	0.47	0.02	0.00	0.02
SJL-97-05	366.81	367.81	1.00	11.44	0.42	11.86
SJL-97-05	367.81	368.81	0.71	9.50	0.39	9.89
SJL-98-09	97.3	98.3	1.00	2.53	0.07	2.60
SJL-98-09	98.3	99.3	1.00	2.08	0.15	2.23
SJL-98-09	99.3	100.3	0.45	3.79	0.44	4.23
TG75-02	6.4	7.4	1.00	0.48	0.15	0.63
TG75-02	7.4	8.4	1.00	1.86	0.27	2.13
TG75-02	8.4	9.4	1.00	0.99	0.19	1.18
TG75-02	9.4	10.4	1.00	0.32	0.12	0.44
TG75-02	10.4	11.4	1.00	0.68	0.01	0.69
TG75-02	11.4	12.4	0.94	0.87	0.02	0.89
TG75-03	4.57	5.57	1.00	3.55	1.51	5.06
TG75-03	5.57	6.57	1.00	2.44	0.28	2.72
TG75-03	6.57	7.57	1.00	1.00	0.52	1.52
TG75-08	7.01	8.01	1.00	5.32	0.36	5.68
TG75-08	8.01	9.01	1.00	5.86	0.66	6.52
TG75-08	9.01	10.01	0.44	0.94	0.74	1.68
TG75-12	29.57	30.57	0.91	1.44	1.18	2.62
TG75-12	30.57	31.57	0.63	1.32	1.36	2.68
TG75-14	51.51	52.51	1.00	2.74	0.59	3.33
TG75-14	52.51	53.51	1.00	3.01	0.70	3.71
TG75-14	53.51	54.51	1.00	3.32	0.82	4.14
TG75-14	54.51	55.51	1.00	1.21	0.46	1.67
TG75-14	55.51	56.51	1.00	1.81	0.28	2.09
TG75-14	56.51	57.51	1.00	2.75	0.06	2.81
TG75-14	57.51	58.51	1.00	1.48	0.33	1.81
TG75-14	58.51	59.51	1.00	1.62	0.58	2.20
TG75-14	59.51	60.51	1.00	2.08	0.94	3.02
TG75-14	60.51	61.51	0.45	2.08	0.94	3.02
ADIT_2	4	5	1.00	14.05	6.99	21.04

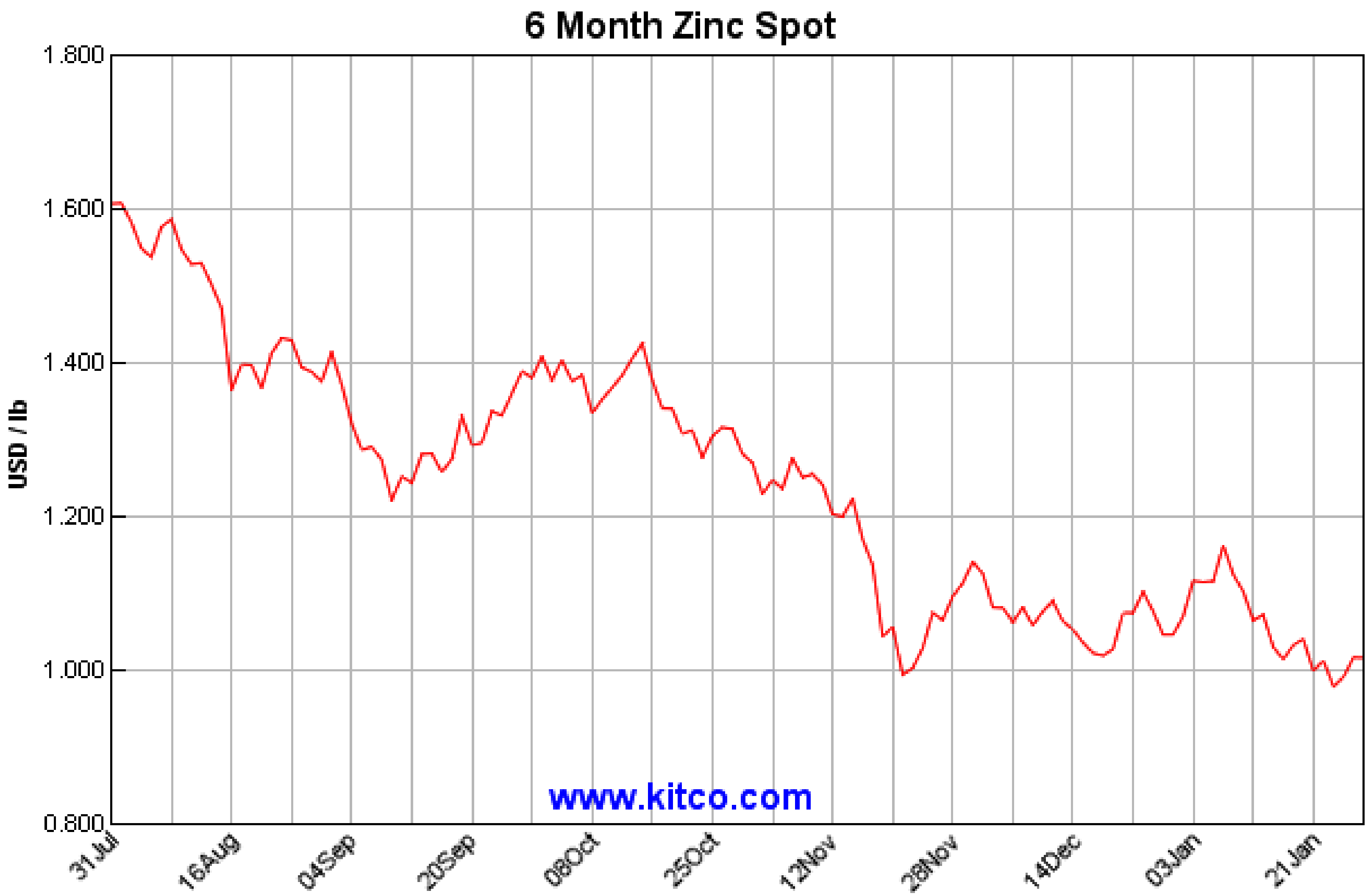
JUBILEE PROJECT - 2007 Resource Estimate
Weighted average drill hole intercepts sorted by MAF

Hole Id	From (m)	To (m)	Length	Pb %	Zn %	Zn Equivalent %	MAF (m* Zn Equiv. %)
ATG78-51	250.3	267.99	17.69	0.98	6.3	7.28	128.78
ATG77-24	142.23	153.96	11.73	2.09	8.73	10.82	126.92
ATG77-19	134.6	153.96	19.36	1.39	3.29	4.69	90.80
J89-02	193.7	211.1	17.40	0.93	3.47	4.4	76.56
J90-10	152.7	158.23	5.53	2.71	9.08	11.79	65.20
MX05-04	171.35	184.72	13.37	0.84	3.51	4.35	58.16
MJ-07-17A	455.95	458.45	2.50	0.28	21.35	21.63	54.08
J89-03	195	211.2	16.20	0.91	2.36	3.27	52.97
J89-06	271.1	281.9	10.80	1.16	3.44	4.6	49.68
MJ-07-24	381.6	388.4	6.80	0.89	6	6.89	46.85
SJL-97-05	359.81	368.52	8.71	0.5	4.84	5.34	46.51
ADIT_2	4	6.1	2.10	6.99	14.05	21.04	44.18
ATG77-45	265.09	272.71	7.62	1.75	3.4	5.15	39.24
ATG77-23	169.51	179.57	10.06	1.84	1.69	3.54	35.61
ATG78-52	218.29	221.04	2.75	0.89	11.2	12.09	33.25
TG75-14	51.51	60.96	9.45	0.55	2.22	2.77	26.18
ATG77-38	209.45	214.63	5.18	1.33	3.68	5.01	25.95
J90-07	264	276	12.00	0.52	1.54	2.06	24.72
MX05-05	131.3	139.3	8.00	0.12	2.91	3.03	24.24
ATG76-11	78.05	83.54	5.49	0.48	3.71	4.19	23.00
MJ-06-08	408.8	415.25	6.45	0.96	2.56	3.52	22.70
MJ-06-12	219.41	222.22	2.81	0.51	6.45	6.95	19.53
MJ-06-05	415.15	416.49	1.34	1.52	11.89	13.4	17.96
MJ-06-10	223.57	225.05	1.48	3.55	8.49	12.04	17.82
ATG78-54	271.95	275.76	3.81	1.35	2.97	4.32	16.46
ATG76-01	23.48	32.38	8.90	0.32	1.49	1.81	16.11
ATG76-15	130.73	135.37	4.64	0.25	3.19	3.44	15.96
SJL-97-04	335.33	336.65	1.32	1.33	9.99	11.32	14.94
ATG77-29	189.79	194.66	4.87	0.73	2.3	3.04	14.80
MJ-06-07	396.25	399.65	3.40	2.11	2.12	4.23	14.38
J90-12	144.35	149	4.65	0.37	2.7	3.08	14.32
TG75-08	7.01	9.51	2.50	0.54	4.64	5.18	12.95
J91-30	341	344	3.00	1.01	3.3	4.31	12.93
MJ-07-18	478.85	484.4	5.55	0.56	1.49	2.06	11.43
ATG78-56	100.3	102.35	2.05	0.93	4.61	5.54	11.36
ATG78-53	232.93	235.52	2.59	0.54	3.75	4.29	11.11
MJ-06-01	228.43	231.4	2.97	0.18	3.51	3.69	10.96
MJ-07-13	463.7	467.1	3.40	0.05	3.09	3.14	10.68
J90-13	122.5	125.83	3.33	0.07	2.9	2.97	9.89
TG75-03	4.57	7.92	3.35	0.74	2.19	2.94	9.85
ATG78-58	87.65	90.85	3.20	0.35	2.66	3.01	9.63
ATG77-28	172.26	174.09	1.83	0.65	4.16	4.81	8.80
ATG79-64	152.7	156.2	3.50	0.52	1.99	2.51	8.79
MJ-07-27	372.33	374.83	2.50	0.12	3.36	3.48	8.70
J90-14	268.76	272	3.24	0.38	2.2	2.58	8.36
ATG77-25	148.48	150	1.52	0.02	5.24	5.26	8.00
ATG78-55	269.66	273.02	3.36	0.75	1.55	2.3	7.73
MJ-07-26	388.1	392.55	4.45	0.44	1.17	1.61	7.16
SJL-98-09	97.3	99.75	2.45	0.17	2.58	2.75	6.74
ATG79-71	170.1	174.2	4.10	0.11	1.52	1.63	6.68

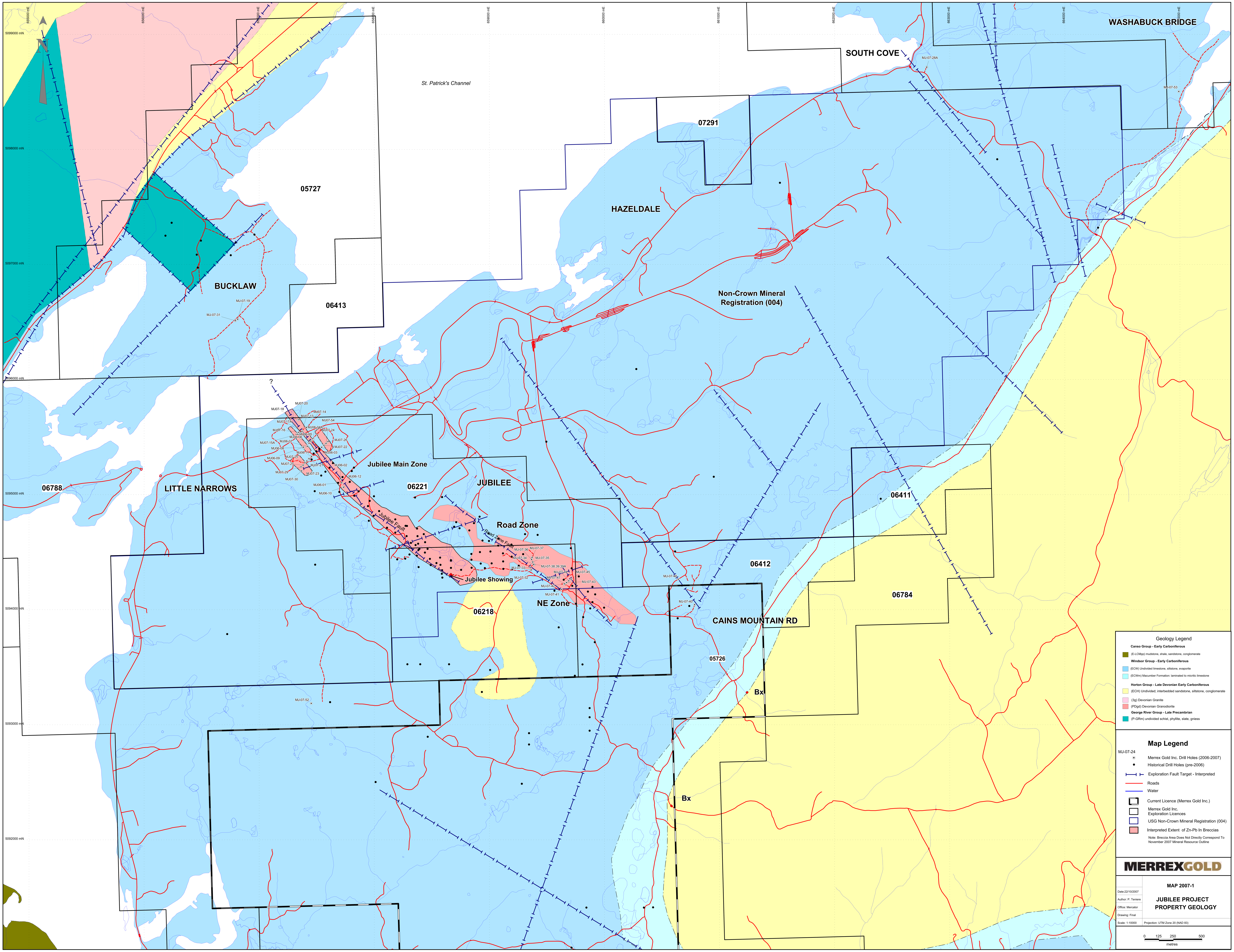
JUBILEE PROJECT - 2007 Resource Estimate
Weighted average drill hole intercepts sorted by MAF

Hole Id	From (m)	To (m)	Length	Pb %	Zn %	Zn Equivalent %	MAF (m* Zn Equiv. %)
MX05-05	187.1	188.86	1.76	0.62	2.87	3.49	6.14
ATG77-39	244.09	246.34	2.25	1.19	1.49	2.68	6.03
J90-07	249.82	252.32	2.50	0.23	2.16	2.39	5.98
TG75-02	6.4	12.34	5.94	0.13	0.87	0.99	5.88
ATG78-51	218.29	223.17	4.88	0.19	1	1.19	5.81
ATG79-65	153	155.8	2.80	0.42	1.65	2.07	5.80
ATG77-26	35.98	37.5	1.52	0.29	3.25	3.54	5.38
ATG78-51	273.32	275.82	2.50	0.08	1.99	2.07	5.18
TG75-12	29.57	31.88	2.31	1.02	1.1	2.12	4.90
MJ-07-15A	460.25	463.25	3.00	0.79	0.79	1.58	4.74
J90-11	129.95	131.26	1.31	0.48	3.13	3.61	4.73
J89-04	108.2	110	1.80	0.56	2.01	2.57	4.63
MX05-04	139.22	142.1	2.88	0.22	1.27	1.49	4.29
MJ-07-20	487.4	488.7	1.30	0.27	2.87	3.15	4.10
J91-20	132.4	135.3	2.90	0.39	0.86	1.25	3.63
ATG77-35	158.08	159.08	1.00	1.34	1.87	3.21	3.21
ATG77-34	103.78	107.32	3.54	0.23	0.67	0.9	3.19
ATG76-04	88.51	92.07	3.56	0.02	0.83	0.85	3.03
J90-07	253.79	256.29	2.50	0.04	1.12	1.17	2.93
J91-22	175.2	178.5	3.30	0.43	0.44	0.86	2.84
MJ-06-02	240.03	242.03	2.00	0.45	0.9	1.36	2.72
J90-08	218.15	220.09	1.94	0.15	1.17	1.32	2.56
ATG79-72	162.9	166.3	3.40	0.18	0.24	0.42	1.43

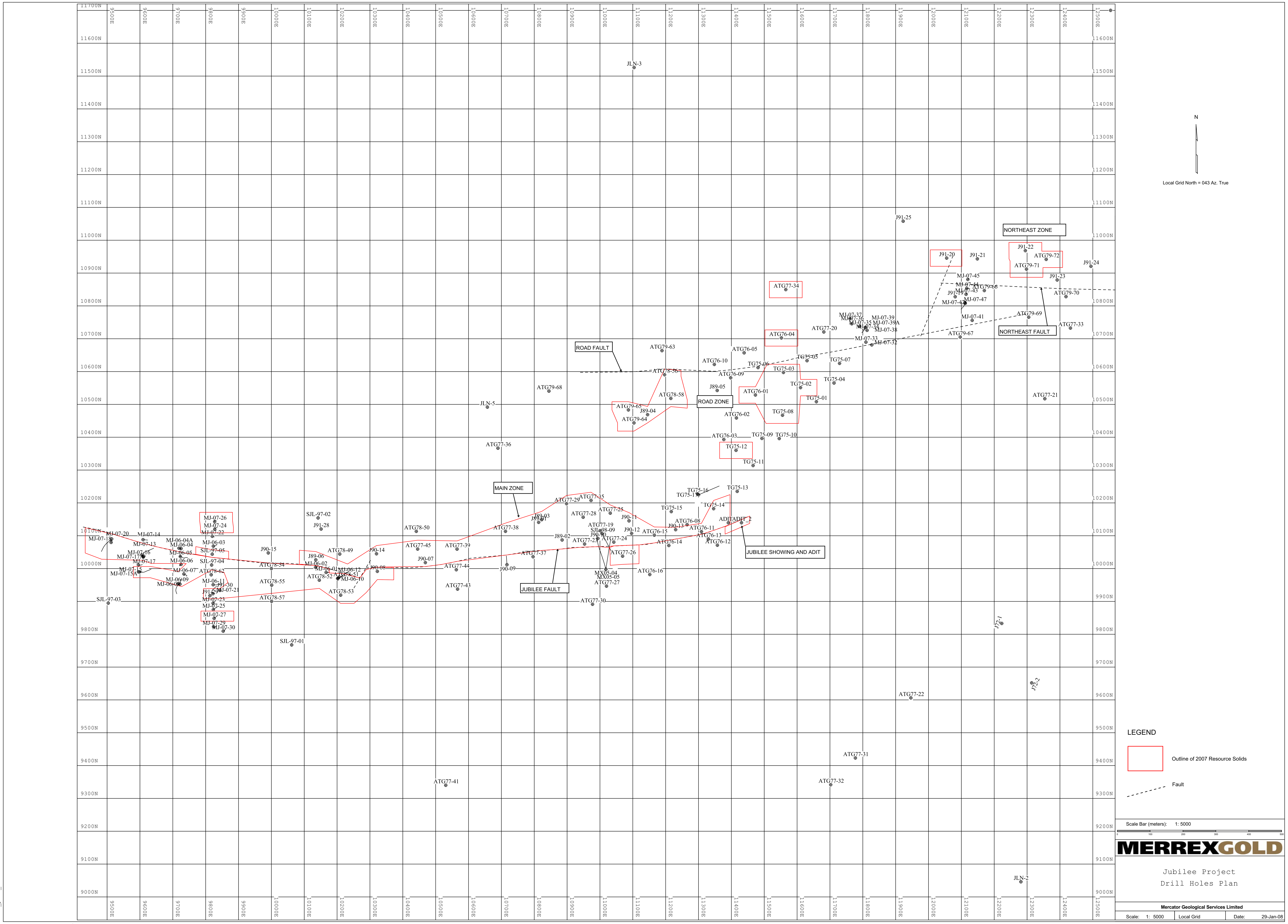

6 Month Lead Spot
USD / lb
2.000
1.800
1.600
1.400
1.200
1.000
31Jul
16Aug
04Sep
20Sep
08Oct
25Oct
12Nov
28Nov
14Dec
03Jan
21Jan
www.kitco.com


6 Month Zinc Spot
USD / lb
1.800
1.600
1.400
1.200
1.000
0.800
31Jul
16Aug
04Sep
20Sep
08Oct
25Oct
12Nov
28Nov
14Dec
03Jan
21Jan
www.kitco.com

Appendix 4: Report Plans and Sections

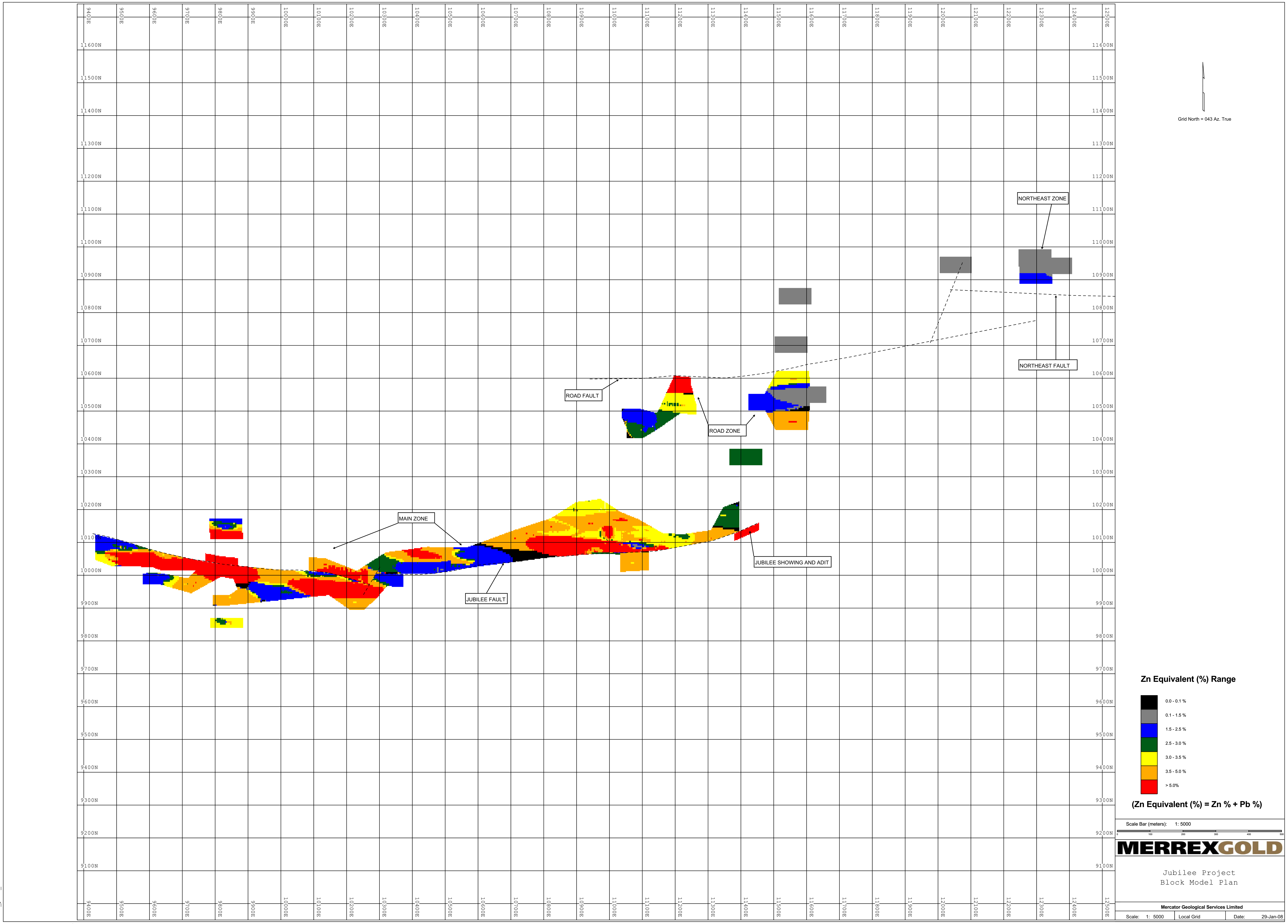


WASHABUCK BRIDGE
SOUTH COVE
St. Patrick's Channel
07291
05727
HAZELDALE
BUCKLAW
06413
Non-Crown Mineral
Registration (004)
Jubilee Main Zone
06221
JUBILEE
06788
LITTLE NARROWS
06411
Road Zone
Jubilee Fault
Jubilee Showing
06412
NE Zone
06218
06784
CAINS MOUNTAIN RD
05726
Bx
Bx
Geology Legend
Canso Group - Early Carboniferous
(E-LCMpp) mudstone, shale, sandstone, conglomerate
Windsor Group - Early Carboniferous
(ECW) Undivided limestone, siltstone, evaporite
(ECWm) Macumber Formation: laminated to micritic limestone
Horton Group - Late Devonian Early Carboniferous
(ECH) Undivided; interbedded sandstone, siltstone, conglomerate
(3g) Devonian Granite
(PDgd) Devonian Granodiorite
George River Group - Late Precambrian
(P-GRm) undivided schist, phyllite, slate, gniess
Map Legend
MJ-07-24
Merrex Gold Inc. Drill Holes (2006-2007)
Historical Drill Holes (pre-2006)
Exploration Fault Target - Interpreted
Roads
Water
Current Licence (Merrex Gold Inc.)
Merrex Gold Inc.
Exploration Licences
USG Non-Crown Mineral Registration (004)
Interpreted Extent of Zn-Pb In Breccias
Note: Breccia Area Does Not Directly Correspond To
November 2007 Mineral Resource Outline
MERREXGOLD
MAP 2007-1
Date:22/10/2007
Author: P. Teniere
Office: Mercator
Drawing: Final
Scale: 1:10000
JUBILEE PROJECT
PROPERTY GEOLOGY
Projection: UTM Zone 20 (NAD 83)
0 125 250 500
metres



dh_plan_01

SURPAC - Surpac Minex Group



bm_plan_02

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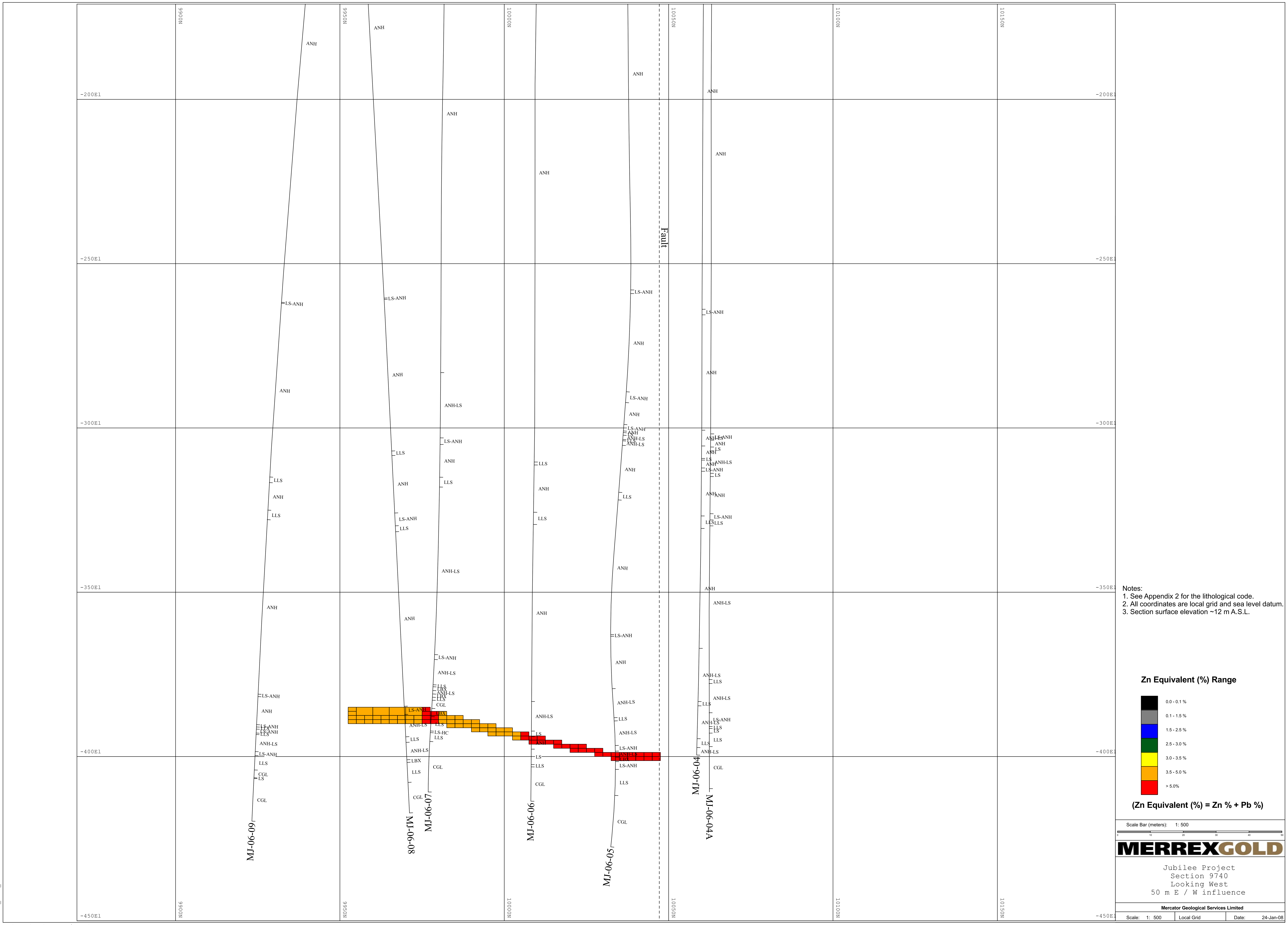

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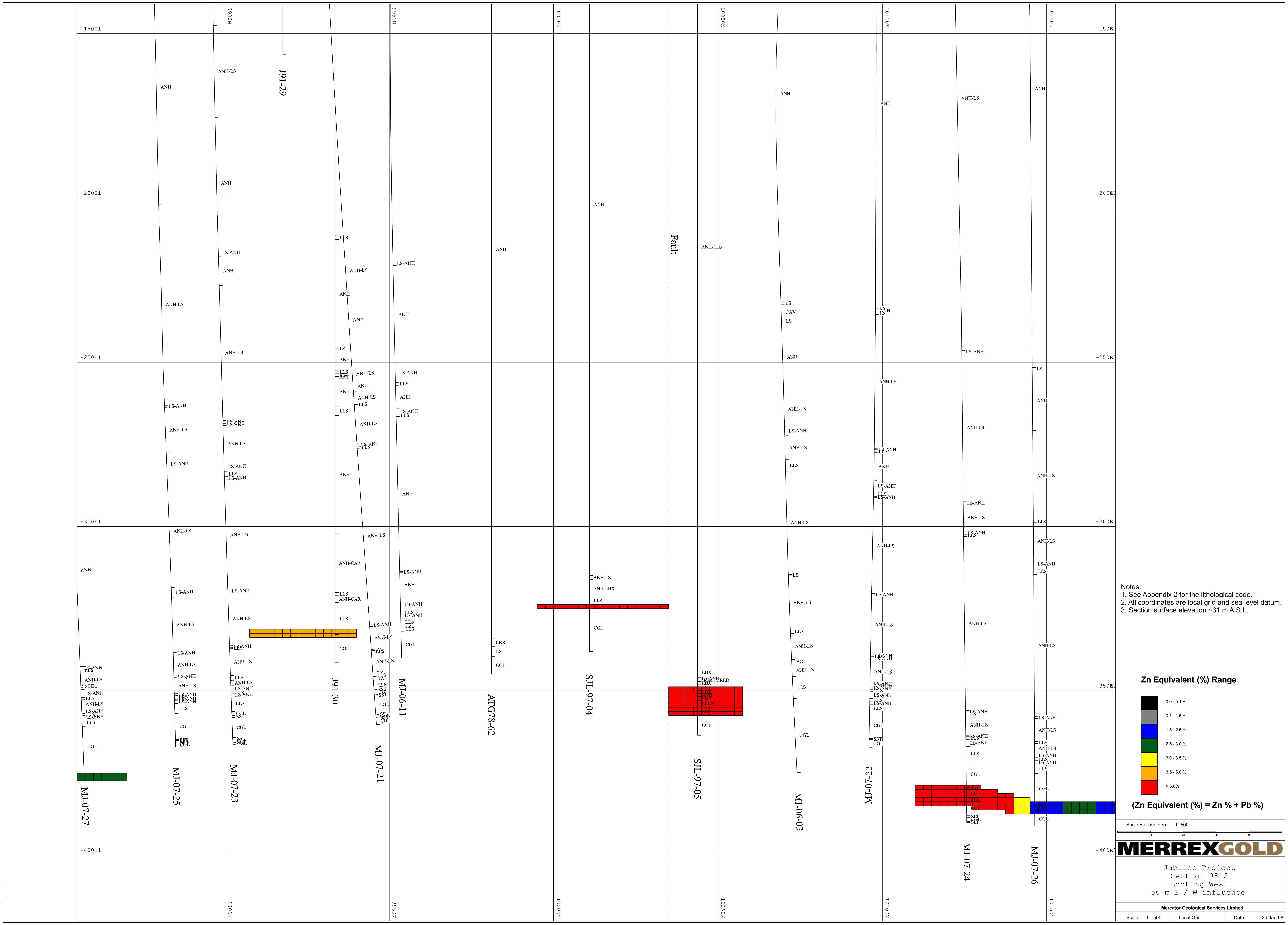

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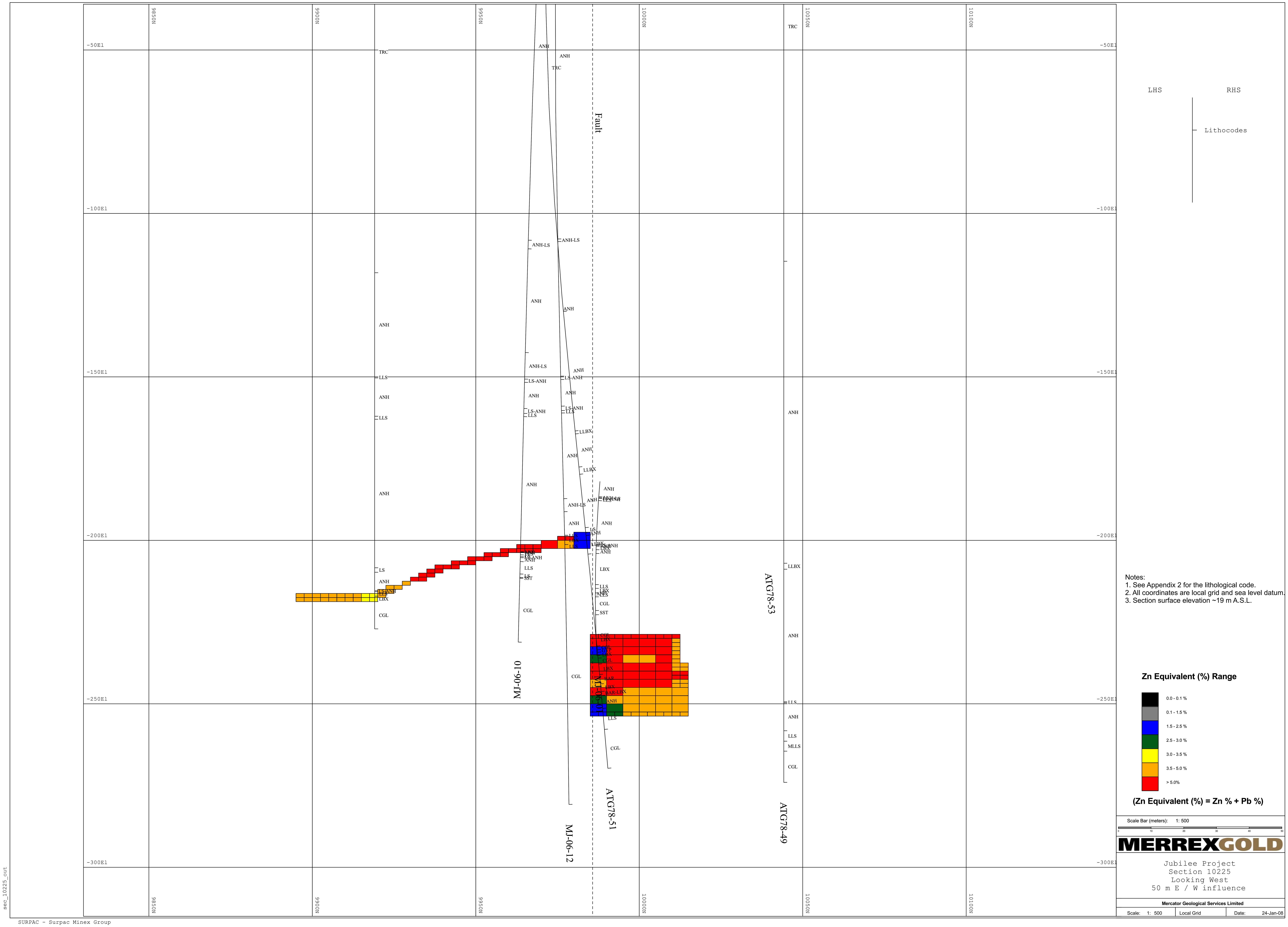
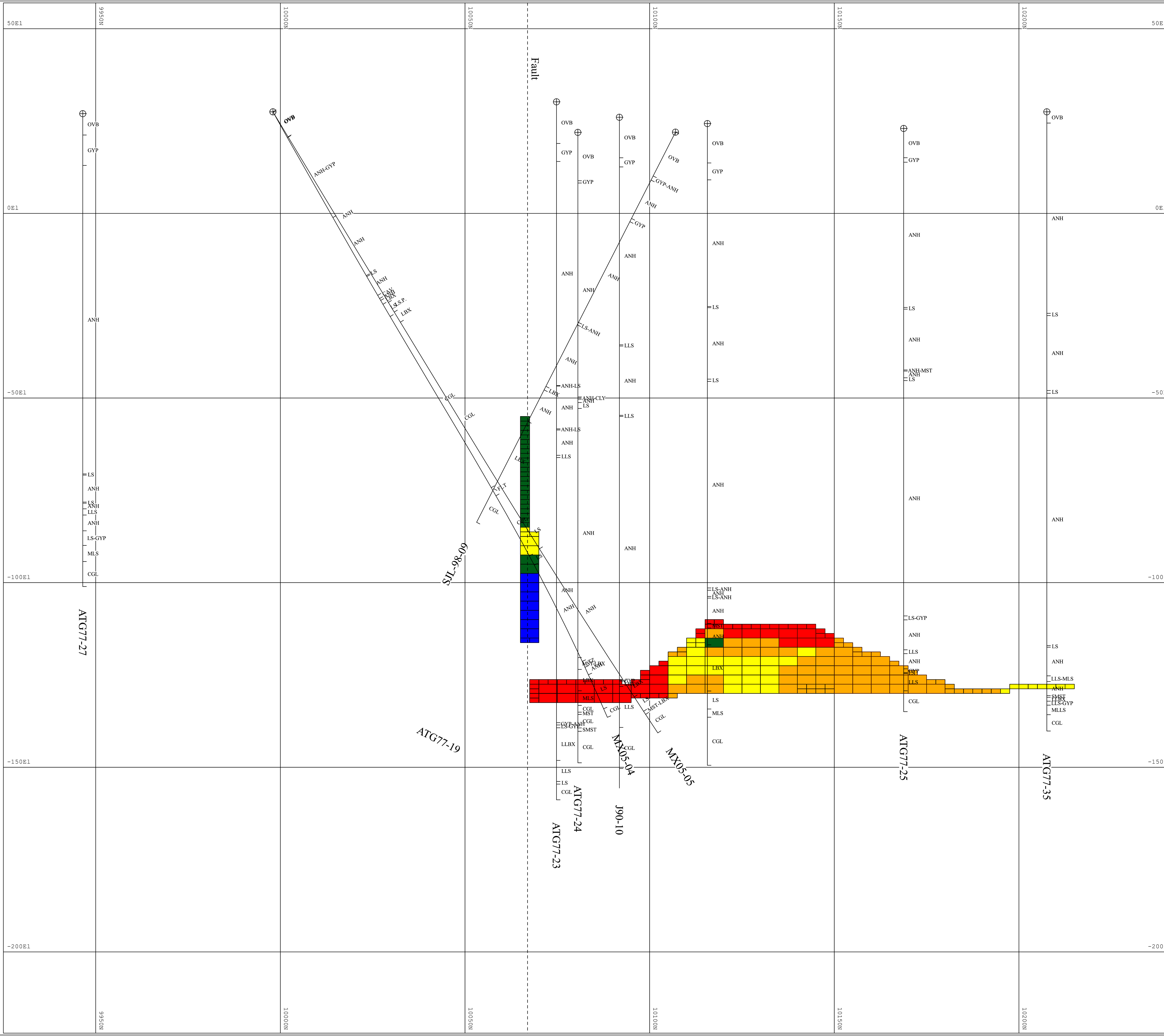


LHS
RHS
Lithocodes
Fault
MJ-06-10
MJ-06-12
ATG78-51
ATG78-53
ATG78-49
-50El
-100El
-150El
-200El
-250El
-300El
9850N
9900N
9950N
10000N
10050N
10100N
Notes:
1. See Appendix 2 for the lithological code.
2. All coordinates are local grid and sea level datum.
3. Section surface elevation ~19 m A.S.L.
Zn Equivalent (%) Range
0.0 - 0.1 %
0.1 - 1.5 %
1.5 - 2.5 %
2.5 - 3.0 %
3.0 - 3.5 %
3.5 - 5.0 %
> 5.0%
(Zn Equivalent (%) = Zn % + Pb %)
Scale Bar (meters): 1: 500
MERREXGOLD
Jubilee Project
Section 10225
Looking West
50 m E / W influence
Mercator Geological Services Limited
Scale: 1: 500
Local Grid
Date: 24-Jan-08
sec_10225_cut
SURPAC - Surpac Minex Group



LHS RHS

Lithocodes

Notes:
1. See Appendix 2 for the lithological code.
2. All coordinates are local grid and sea level datum.
3. Section surface elevation ~24 m A.S.L.

Zn Equivalent (%) Range

- 0.0 - 0.1 %
- 0.1 - 1.5 %
- 1.5 - 2.5 %
- 2.5 - 3.0 %
- 3.0 - 3.5 %
- 3.5 - 5.0 %
- > 5.0%

(Zn Equivalent (%) = Zn % + Pb %)

Scale Bar (meters): 1: 500

MERREXGOLD

Jubilee Project
Section 11000
Looking West
50 m E / W influence

Mercator Geological Services Limited

Scale: 1: 500	Local Grid	Date: 24-Jan-08

sec_11000_01

SURPAC - Surpac Minex Group