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CNRP MINING INC.
GORILLA RESOURCES CORP.

TECHNICAL REPORT ON THE

MINERAL RESOURCE ESTIMATE

FOR THE

ELMTREE GOLD PROPERTY,

GLOUCESTER COUNTY

NEW BRUNSWICK, CANADA

Signing Date: 25 May, 2012
Effective Date: 4 March, 2011

PREPARED BY

Charley Z. Murahwi, P. Geo., FAusIMM
Alan J. San Martin, MAusIMM(CP)
Michael Godard, P. Eng.

SUITE 900 - 390 BAY STREET, TORONTO ONTARIO, CANADA M5H 2Y2
Telephone (1) (416) 362-5135 Fax (1) (416) 362 5763

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1.0 SUMMARY

1.1 TERMS OF REFERENCE AND PROPERTY DETAILS

Micon International Limited (Micon) has been retained by CNRP Mining Inc. (CNRP) and Gorilla Resources Corp. (Gorilla) to provide a mineral resource estimate for the Elmtree gold property in Gloucester County, New Brunswick, Canada, and to prepare an independent Technical Report in accordance with the reporting requirements of Canadian National Instrument 43-101 (NI 43-101).

Gorilla is a publicly listed company on the Canadian National Stock Exchange and has signed a Definitive Agreement (the Agreement) to conclude a proposed reverse take over transaction (RTO) with CNRP, a private company incorporated in British Columbia, the controlling shareholder of which is Danny Wettreich. It is proposed that the name of Gorilla will be changed to Winston Resources Inc.

Closing of the Agreement will be subject to approval by the shareholders of Gorilla, and other conditions, which requires an Information Circular to be distributed to the shareholders of Gorilla. Due to the Information Circular requirements, CNRP and Gorilla have commissioned Micon to provide an updated NI 43-101 Technical Report on Elmtree.

CNRP has agreed to acquire from Castle Resources Inc. (Castle) all rights, title and interest to an option agreement (the Castle Option Agreement) executed between Castle and Stratabound Minerals Corp. (Stratabound) whereby Castle has the right to acquire up to a 70% interest in Elmtree. Castle presently owns a 60% interest in Elmtree.

CNRP has also agreed to acquire from Stratabound all of Stratabound's rights, title and interest in Elmtree, including all of Stratabound's interest in the Castle Option Agreement. Stratabound presently owns 40% of Elmtree.

As a result of these transactions, CNRP will own 100% of Elmtree.

The Elmtree property is located approximately 25 km northwest of Bathurst, New Brunswick and comprises a total of 83 claims that cover a contiguous area of approximately 1,811 ha. There are three gold-bearing zones within the property: the West Gabbro Zone (WGZ), Discovery Zone (DZ) and the South Gold Zone (SGZ).

The mineral resource estimate presented in this Technical Report takes account of drilling conducted since Micon's previous Technical Report on the property that was prepared for Castle Resources Inc., entitled "Technical Report on Preliminary Assessment of the Elmtree Gold Property, Gloucester County, New Brunswick, Canada" with an effective date of 5 March, 2010. This report is intended to be used by CNRP and Gorilla subject to the terms and conditions of its agreement with Micon. That agreement permits CNRP and Gorilla to file this report as an NI 43-101 Technical Report with the Canadian Securities Regulatory Authorities pursuant to provincial securities legislation. Except for the purposes legislated under provincial securities laws, any other use of this report, by any third party, is at that party's sole risk.

1.2 OWNERSHIP

The Elmtree property is presently owned 60% by Castle and 40% by Stratabound.

It is understood that Stratabound's interest in the property is subject to a 2% Net Smelter Return (NSR) royalty held jointly by three private individuals, but that Stratabound may purchase this royalty at any time for $1,000,000.

1.3 GEOLOGY AND MINERALIZATION

1.3.1 Overview of Geology

The Elmtree property is situated within the Elmtree Inlier which constitutes a tectonic sliver considered to be a remnant of Dunnage Terrain oceanic crust, located adjacent to the north margin of the terrain's Exploits Sub-Zone. The Elmtree Inlier consists of strata of the Fournier Group and Belledune River Melange (formerly Elmtree Group). The first consists of an Ordovician volcanic-sedimentary sequence comprised of ophiolitic volcanics, deformed mafic intrusions, minor plagiogranite and dark grey slate, greywacke and melange, and the second contains later Ordovician lithic and quartz wacke and interbedded grey slate, locally with thinly interbedded limestone and conglomerate. Minor amounts of mafic volcanics are also present.

The most important structural aspects of the property are the Elmtree Fault system and its anastamosing subsidiary shears that trend generally east-west to east-northeast across the property and show steep to vertical dips where defined by drilling and mapping. The main Elmtree Fault structure is a splay of the crustally significant Rocky Brook-Millstream Fault that occurs approximately 8 km to the south, where it forms the tectonic boundary with adjacent rocks of the Mirimichi Terrain. Within the property area, the Elmtree Fault manifests itself as a broad zone of shearing, fracturing and deformation separating graphitic argillites of the Elmtree Formation from calcareous siltstones of the Chaleurs Group. The structure is thought to have controlled emplacement of the gabbroic intrusion that hosts the West Gabbro Zone gold mineralization on the property, while subsidiary structures on the Elmtree property have controlled emplacement of felsite and feldspar porphyry dykes as well as mineralized quartz vein arrays and hydrothermal alteration zones in the nearby South Zone and Discovery Zone areas.

1.3.2 Mineralization

Overview

Gold, base metal and silver mineralization have been identified on the Elmtree property and are considered to have been developed under mesothermal conditions conducive to ductile and brittle-ductile shearing and alteration. Pervasive alteration associated with such mineralization suggests control of associated hydrothermal alteration systems on the property by the Elmtree Fault and its related splays. Intensity of alteration development appears to reflect both original rock type and degree of deformation, since strongly sheared or fractured lithologies often show the greatest degrees of both hydrothermal alteration and associated gold and sulphide mineralization. Other factors, such as original grain size in mafic gabbroic intrusions, also appear to control alteration intensity, as seen in the West Gabbro Zone's central core.

Three separate gold deposits have been discovered on the property to date. These are the West Gabbro Zone (WGZ), the Discovery Zone (DZ) and the South Gold Zone (SGZ).

WGZ

Gold occurs in sulphide bearing vein arrays and also within the intensely altered host gabbro in association with finely disseminated to locally massive arsenopyrite and other sulphides such as pyrrhotite and pyrite. Lesser amounts of chalcopyrite, sphalerite and stibnite are also present. The highest gold grades are found in areas showing most intense alteration of the intrusion, with a direct association being seen between gold and presence of arsenopyrite.

DZ

This zone consists of multiple quartz-sulphide vein assemblages hosted by variably sheared and altered argillites and siltstones (Elmtree Formation), as well as variably sheared and altered calcareous siltsones of the Silurian Chaleurs Group. One of these assemblages carries significant silver, zinc, lead and antimony levels with relatively low gold and shows close association with specific felsic dyke contact intervals. Sphalerite, galena, chalcopyrite, pyrite, stibnite and silver bearing sulphosalts are present. The other assemblage is more comparable to that seen in some parts of the SGZ and WGZ, where finely disseminated to locally massive arsenopyrite occurs in association with pyrrhotite, pyrite and minor amounts of sphalerite, chalcopyrite and stibnite in either highly altered host sections or within quartz vein and stringer arrays.

The east-west striking shears typically show vertical or very steep dips and are considered brittle-ductile elements of the Elmtree Fault system.

SGZ

Gold mineralization in the SGZ occurs in Silurian siltstones and fine grained interbedded sandstones that frequently show calcareous matrix materials. The mineralized zone is characterized by cross shears and brittle fractures associated with the Elmtree Fault system and shows hydrothermal alteration represented by bleaching, sericitic alteration and silicification of the sedimentary section. Fine grained and generally acicular arsenopyrite is broadly present in the altered and locally sheared sections and often is associated with quartz vein arrays showing well developed sulphide assemblages consisting of arsenopyrite, pyrrhotite, pyrite and trace to minor amounts of base metal sulphides or sulphosalts.

1.4 EXPLORATION

The history of modern mineral exploration on the Elmtree property began with Amax Exploration Ltd. (1958) which completed ground geophysics on two grids located in the Alcida area and completed two diamond drill holes that failed to return significant gold, silver or base metals.

Lacana Mining Corp. (Lacana) prospectors are credited with the discovery of the Emltree gold deposits in 1994. These prospectors observed several boulders and bedrock showings of quartz and sulphides in vein style settings on the property. Thereafter, Lacana established the extents of the discovery using a multi-disciplinary approach involving ground and airborne geophysics (magnetics and VLF-EM), soil geochemistry, trenching and geological mapping followed by drilling.

Stratabound and Castle's exploration programs (2004 – 2010) have involved detailed delineation drilling of the deposits with special emphasis on the WGZ which was identified as offering the best potential.

1.5 MINERAL RESOURCE ESTIMATION

The resources in this report were estimated in accordance with the definitions contained in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Reserves Definitions and Guidelines that were prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council on November 27, 2010. The effective date of the mineral resource estimate is 4 March, 2011.

Resources have been estimated using a three-dimensional block modelling approach. For each mineralized zone, wireframe models have been built up from intersected geologic limits. Grade interpolation for the WGZ was conducted using the inverse distance cubed (ID^3) technique while interpolations for the DZ and SGZ were conducted using the nearest neighbour (NN) technique due to limited drill hole information. The total estimated resources for the Elmtree property are shown in Table 1.1 at a cut-off grade of 0.5 g/t gold.

Table 1.1
Elmtree Deposits Mineral Resource Estimate

Deposit / Zone	Category	Tonnes	Au (g/t)	Au oz	Ag (g/t)	Pb%	Zn%
WGZ	Indicated	1,611,000	1.91	99,000	-	-	-
					-	-	-
WGZ	Inferred	2,053,000	1.67	110,000	-	-	-
SGZ	Inferred	2,367,000	0.74	56,000			
DZ Au Only Zone	Inferred	583,000	1.15	22,000	-	-	-
DZ Au/Ag/Pb/Zn Zone	Inferred	117,000	1.77	7,000	44.36	0.78	2.17
DZ Ag/Pb/Zn Zone	Inferred	41,000	-		25.80	0.43	1.53
Sub-Total DZ Inferred	Inferred	741,000	1.18		8.43	0.15	0.43

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. There has been insufficient exploration to define the inferred resources as an indicated or measured mineral resource. It is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

At present there are no known environmental, permitting, legal, title, taxation, socio-economic, marketing or political issues which would adversely affect the mineral resources estimated above. However, mineral resources which are not mineral reserves, do not have demonstrated economic viability. There is no assurance that CNRP/Gorilla will be successful in obtaining any or all of the requisite consents, permits or approvals, regulatory or otherwise, for the project.

1.6 INTERPRETATION AND CONCLUSIONS

Geology and Mineralization

Presently, two types of deposits are known to occur on the Elmtree property; these are the gold only WGZ and SGZ deposits and the multi-metal DZ deposit with gold, silver, lead and zinc. The best explored is the WGZ which appears to offer more potential in terms of quality, quantity and continuity. Currently, all deposits have not been defined to their limits. However, there is no guarantee that further exploration work will expand these deposits nor is there any guarantee of other new deposits being discovered.

The resource block model sections and plans demonstrate that, although the mineralization occurs within a broad zone of disseminated sulphide, the high grade zones occur sporadically throughout the deposit.

No drilling, sampling or recovery factors have been identified that could result in sampling bias or otherwise materially impact the accuracy and reliability of the assays and, hence, the resource database and estimate.

Metallurgy

As detailed in Section 13, Micon has reviewed the preliminary metallurgical work previously carried out on the Elmtree property and concludes that a flowsheet comprising grinding to 80% passing (P_{80}) 137 microns, followed by regrinding of a rougher flotation concentrate to a P_{80} of 27 microns yields a gold recovery to a cleaner concentrate of approximately 90%. The concentrate produced contains approximately 31.5 g/t gold, 20.9% sulphur and 7.7% arsenic.

The Rod Mill Work Index (RWi) was determined to be 19.1 kWh/t (metric). This result classifies the sample as a ‘hard’ ore. The Abrasion Index (Ai) was determined to be 0.114.

Additional core samples collected from Elmtree in the first quarter of 2011 provided the basis for additional grinding and flotation testwork aimed at determining the response of the Elmtree resource to potential toll milling opportunities. Included in the metallurgical scope were concentrate self-heating tests due to the high sulphur content in the concentrate. These tests indicate that the concentrate sulphur content is manageable between 20% and 30%.

Results of the 2011 tests are shown in Table 1.2.

Table 1.2
Concentrate Produced in a One Cleaner Flowsheet

SGS Test No.	Mass	Grade			Recovery (%)		
	(wt%)	Au (g/t)	S (wt%)	As (wt%)	Au	S	As
F6	10.1	31.5	20.9	7.7	93.2	87.6	95.0
F7	7.4	39.6	23.7	9.2	86.0	79.2	85.6
F8	8.5	36.5	23.2	8.4	87.7	81.9	88.7
Average	**8.7**	**35.9**	**22.6**	**8.5**	**89.0**	**82.9**	**89.8**

1.7 RECOMMENDATIONS

Micon considers the deposit size and metallurgical characteristics to be critical to the success of the project and accordingly, makes the following recommendations.

Geology and Resources

In Micon’s opinion, the deposit limits should be established prior to embarking on detailed economic studies. Thus, in the short term, defining the overall size of the deposit and its characteristics should be prioritized. The following program of work is recommended.

- Prospecting and detailed mapping to define the strike extensions of the three known deposits and to search for other deposits that may occur on the property.

- Upgrading and expanding the known resources by infill drilling and testing the strike extensions by systematic drilling.

Metallurgy

Further metallurgical testwork should be undertaken to increase confidence in the capital and operating estimates and for on-site environmental controls, water management along with other project infrastructure design.

Project Economics

Preliminary economic studies should be undertaken to determine the minimum deposit size that is likely to bring an acceptable return on investment

Budget

In line with these recommendations, CNRP and Gorilla have proposed a budget of US$8.0 million for further work to be undertaken in two phases as shown in Tables 1.3 and 1.4.

Table 1.3
Proposed Budget for Work on the Elmtree Property - Phase One

Item	Cost (US$)
Prospecting and mapping	220,000
Diamond drilling	1,112,000
Assaying	160,000
Metallurgy	30,000
SGS mineralogical and metallurgical	24,000
Total	**1,546,,000**

Table 1.4
Proposed Budget for Work on the Elmtree Property - Phase Two

Item	Cost (US$)
Diamond drilling	5,328,000
Assaying	640,000
Metallurgy	120,000
Resource update	170,000
SGS mineralogical and metallurgical	96,000
Preliminary economic studies	100,000
Total	**6,454,000**

Phase 1 is mainly to define extensions of the mineralization while Phase 2 is mainly for delineation drilling. Advancing to Phase 2 is contingent on positive results from Phase 1. Micon considers that the proposed budget is reasonable and recommends that CNRP and Gorilla proceed with the proposed work programs.

2.0 INTRODUCTION

2.1 AUTHORIZATION, TERMS OF REFERENCE AND PURPOSE

Micon International Limited (Micon) has been retained by CNRP Mining Inc. (CNRP) and Gorilla Resources Corp. (Gorilla) to provide a mineral resource estimate for the Elmtree gold property in Gloucester County, New Brunswick, Canada, and to prepare an independent Technical Report in accordance with the reporting requirements of Canadian National Instrument 43-101 (NI 43-101).

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The Elmtree property is located approximately 25 km northwest of Bathurst, New Brunswick and comprises a total of 83 claims that cover a contiguous area of approximately 1,811 ha. There are three gold-bearing zones within the property: the West Gabbro Zone (WGZ), Discovery Zone (DZ) and the South Gold Zone (SGZ).

The mineral resource estimate presented in this Technical Report takes account of drilling conducted since Micon's previous Technical Report on the property that was prepared for Castle Resources Inc., entitled "Technical Report on Preliminary Assessment of the Elmtree Gold Property, Gloucester County, New Brunswick, Canada" with an effective date of 5 March, 2010. This report is intended to be used by CNRP and Gorilla subject to the terms and conditions of its agreement with Micon. That agreement permits CNRP and Gorilla to file this report as an NI 43-101 Technical Report with the Canadian Securities Regulatory Authorities pursuant to provincial securities legislation. Except for the purposes legislated under provincial securities laws, any other use of this report, by any third party, is at that party's sole risk.

2.2 SOURCES OF INFORMATION

The principal sources of information for this report are:

- Data and transcripts supplied by and at the instruction of Castle Resources Inc. (Castle).

- Previous NI 43-101 Technical Reports on the Elmtree gold property by Mercator Geological Services (for Stratabound Minerals Corp. (Stratabound), 2008) and Micon (for Castle, 2010) filed on SEDAR.
- Observations made during the site visits by Micon, represented by Chris Jacobs (2009) and Charley Murahwi (2010) during Castle's drilling programs.
- Review of various geological reports and maps produced by the Geological Survey of New Brunswick and the Geological Survey of Canada (GSC).
- Research of technical papers produced in various journals.
- Independent repeat analyses of sample pulps (assay splits).
- Personal knowledge of gold deposits in similar geological environments.

Micon is pleased to acknowledge the helpful cooperation of CNRP's and Gorilla's management who responded openly and helpfully to all questions, queries and requests for material.

2.3 SCOPE OF PERSONAL INSPECTION

Charley Murahwi visited the property on August 19-20, 2010 when he examined drill core, requested sample pulps for repeat/check analyses and reviewed sampling and QA/QC procedures for the 2010/2011 drilling.

3.0 RELIANCE ON OTHER EXPERTS

Micon has not carried out any independent exploration work, drilled any holes or carried out any sampling and assaying on the property, other than independent repeat analyses of 30 sample pulps. While exercising all reasonable diligence in checking, confirming and testing it, the authors have relied upon Castle's presentation of data for the Elmtree property and the findings of its consultants in formulating their opinion.

Micon has relied on Castle's public statements regarding its option to acquire a controlling interest in the Elmtree property, and the validity and currency of Stratabound's title to surface and/or mineral interests in the property. Micon has not conducted any further checking of these aspects of the project and offers no opinion thereon.

Micon understands that surface rights to lands in the property area are held by multiple private interests and that the company has established access agreements to these lands, as necessary, to allow exploration activities to be carried out. It is understood that these agreements provide payment to landowners for any drill holes, trenches and access roads established by the company and ensure that surface disturbances created by company activities are fully remediated. Micon has not reviewed these access agreements for the purposes of this report, and offers no opinion in that regard.

The existing environmental conditions, liabilities and remediation have been described under the relevant section as per NI 43-101 requirements. However, the statements made are for information purposes only and Micon offers no opinion in this regard.

The general descriptions of geology and past exploration activities used in this report are taken from transcripts prepared by Stratabound and Castle staff and consultants, and from reports prepared by various reputable companies or their contracted consultants, as well as from various government and academic publications. Micon has relied on these data, supplemented by its own observations at site.

4.0 PROPERTY DESCRIPTION AND LOCATION

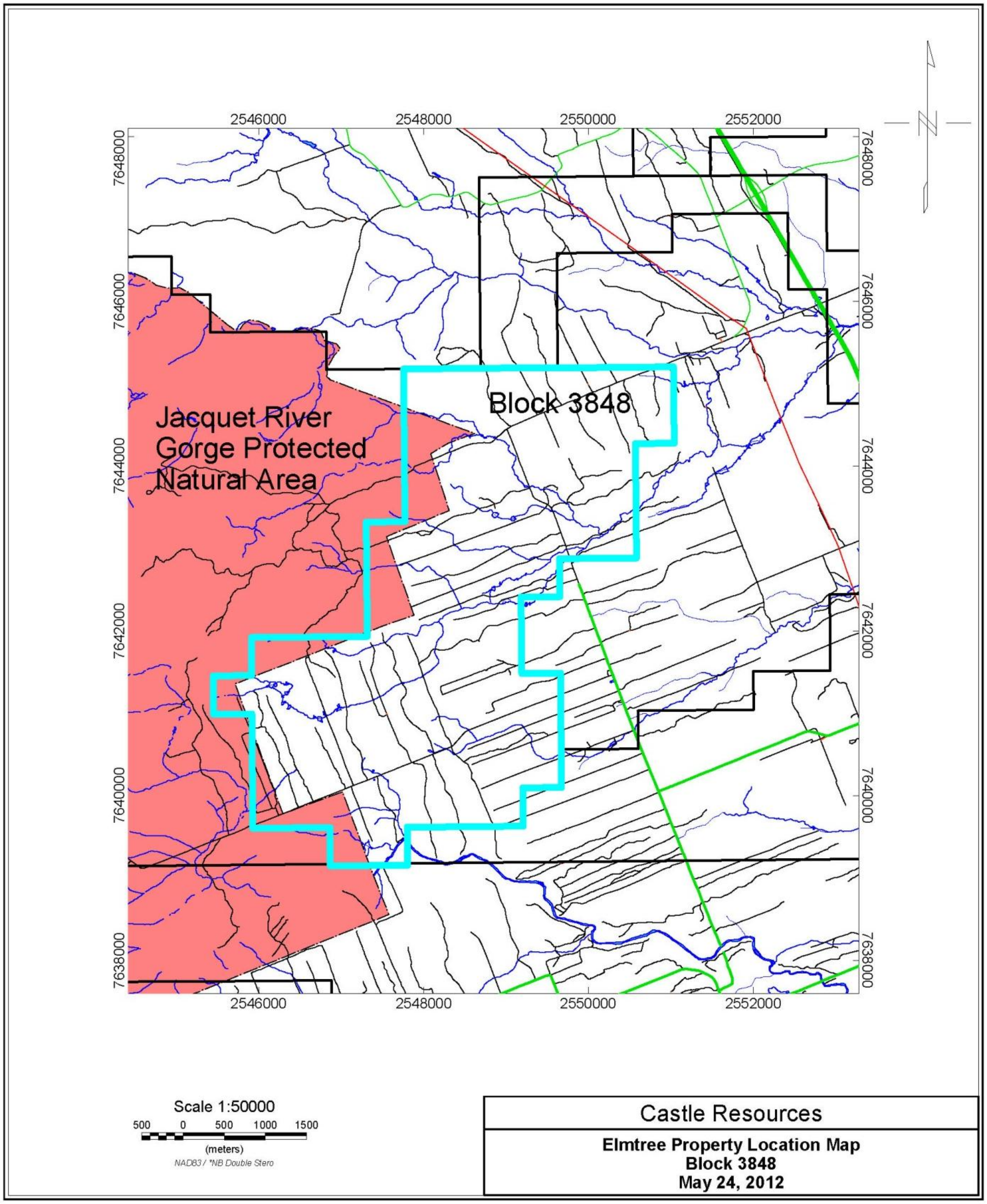
The following description of the Elmtree property and its location is reproduced from the March 5, 2010 Technical Report by Micon with minor edits.

4.1 LOCATION

The Elmtree property is located approximately 25 km northwest of the city of Bathurst, NB (Figure 4.1) and consists of 83 claims (1,811 hectares) under claim block 3848 (Stratabound Exploration Licence 13727), as shown in Figure 4.2. The centre of the property is roughly at latitude 47° 46′ 00″ N and longitude 65° 51′ 37″ W. The rest of the claims details are given in Appendix 1.

Figure 4.1
Map Showing Location of the Elmtree Property

Figure 4.2
Elmtree Property Boundaries



4.2 JOINT VENTURE AGREEMENT

On June 1, 2009, Castle announced that it had entered into an option agreement with Stratabound regarding Stratabound's wholly-owned Elmtree gold property located in Gloucester County, New Brunswick (Elmtree, or the property). The option allowed Castle to earn a 60% interest in Elmtree over a 3 year option period by: (i) spending $2.5 million on exploration and drilling expenses ($750,000 to be spent during the first year and the balance over the remaining two years of the option period), (ii) paying Stratabound a total of $200,000 over the three year option term and (iii) issuing 200,000 shares of Castle to Stratabound. Castle may earn a further 10% interest by paying Stratabound $1.0 million within 90 days of the end of the option period. Castle has fulfilled all the terms except the $1.0 million payment and now owns 60% of Elmtree.

4.3 CNRP/GORILLA INTEREST

CNRP has agreed to acquire from Castle all rights, title and interest to an option agreement (the Castle Option Agreement) executed between Castle and Stratabound whereby Castle has the right to acquire up to a 70% interest in Elmtree. Castle presently owns a 60% interest in Elmtree.

CNRP has also agreed to acquire from Stratabound all of Stratabound's rights, title and interest in Elmtree, including all of Stratabound's interest in the Castle Option Agreement. Stratabound presently owns 40% of Elmtree.

As a result of these transactions, CNRP will own 100% of Elmtree.

4.4 PROPERTY STATUS

In addition to the terms and conditions outlined above, it is understood that Stratabound's interest in the property is subject to a 2% Net Smelter Return (NSR) royalty held jointly by three private individuals, but that Stratabound may purchase this royalty at any time for $1,000,000.

Retention of claims in good standing from year to year requires payment of a renewal fee for each claim plus submission of documentation to the government describing work programs and associated costs applicable to the property during the course of the reporting year. Table 4.1 summarizes fees and work commitments applicable to the property to keep the mineral exploration claims in good standing. Under certain conditions, specific exploration rights to certain under-explored areas of the province may also be granted on a map-staked basis, subject to terms of tendering. There is no requirement in New Brunswick to legally survey all mineral exploration claim boundaries. A requirement to re-establish mineral exploration claim boundaries in the fifth year of claim issue and every five years thereafter does apply to all exploration claims. Application for a Mining Lease under the Act, which must be obtained to allow commercial production of a mineral to occur, does require completion of a legal boundary survey of the claims under application. None of the claim boundaries have been surveyed to date.

Table 4.1
Claim Renewal Fees and Work Requirements

Year of Issue	Required Work	Period	Renewal Fees
1	$100 per claim	Anniversaries 1 to 5	$ 4 per claim
2	$150 per claim	Anniversaries 6 to 10	$20 per claim
3	$200 per claim	Anniversaries 11 to 15	$25 per claim
4	$250 per claim	Anniversaries 16 to 25	$30 per claim
5 through 10	$300 per claim		
11 through 15	$400 per claim		
16 through 25	$500 per claim		
25 plus	$600 per claim		

4.5 ENVIRONMENTAL AND PERMITTING

CNRP and Gorilla report that there are no outstanding or pending adverse environmental issues attached to the Elmtree gold property. No mining or other potentially disruptive work has been carried out on the property beyond that described in this report.

Micon is not aware of any significant factors and risks that may affect access, title, or the right or ability to perform work on the property.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

This section is reproduced in its entirety from the Micon 2010 Technical Report which was addressed to Castle. Micon's current review shows that no edits are necessary.

5.1 ACCESSIBILITY

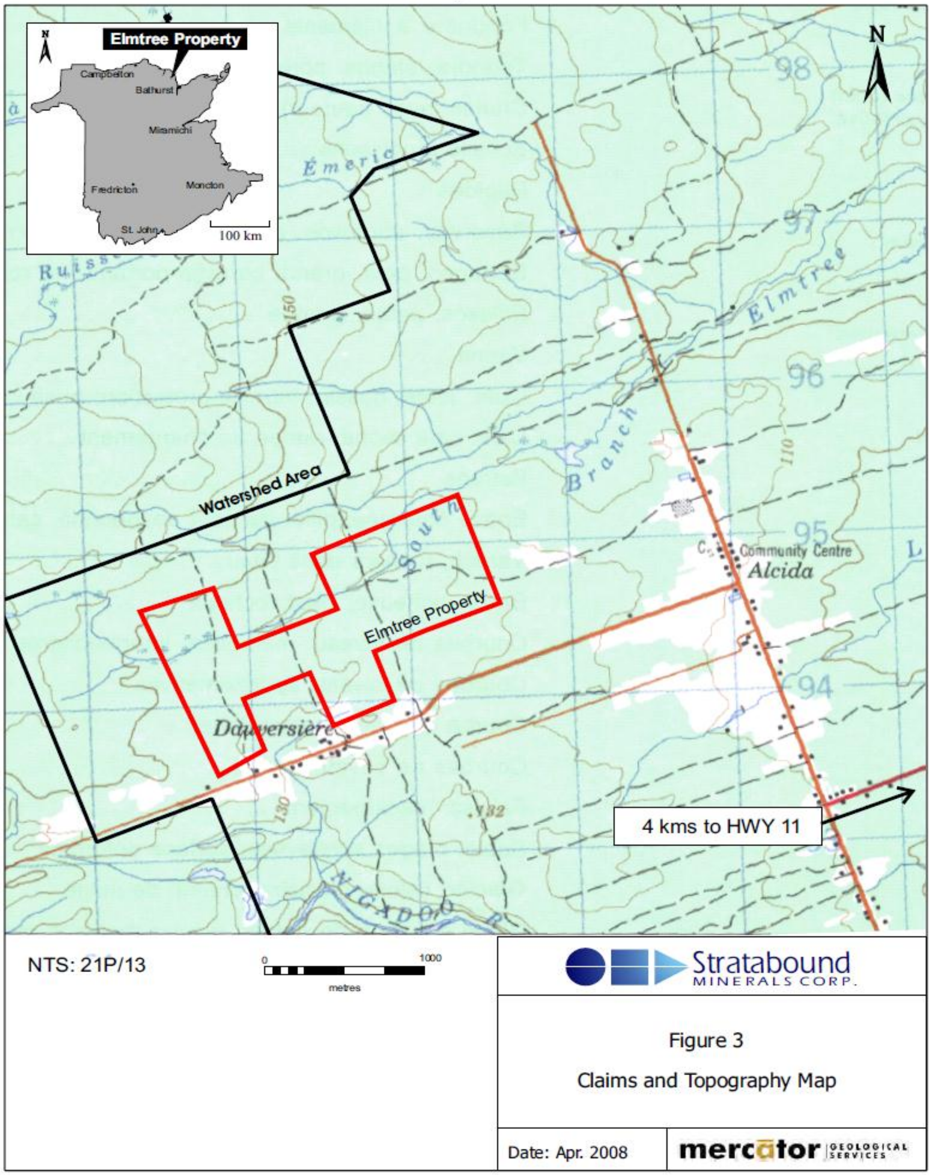
The Elmtree property is readily accessible from the nearby city of Bathurst by traveling north on Highway 11 approximately 21 km to exit 326 then west for 0.5 km on Highway 315 to its junction with a secondary road, then westerly for 1.8 km and northerly for 2.1 km on respective secondary roads to the south property boundary area. Private woodlot access roads are present on the property and are augmented by historic and recent drilling and trenching access trails. Main access trails can be traveled by 2 or 4 wheel drive vehicles, depending upon season, and no substantive impediments exist with respect to movement of mining equipment or personnel.

5.2 CLIMATE AND PHYSIOGRAPHY

This area of northeastern New Brunswick lies within the northern temperate climatic zone with dramatic seasonal variations in weather conditions. Winter conditions of freezing temperatures and substantial snowfall occur from December through March and both spring and fall seasons are relatively cool, with frequent periods of rain. Summer conditions prevail from late June through early September and typically provide good working conditions for field parties. Environment Canada records for the 1969 to 1990 period for the city of Bathurst show daily mean temperatures in July of 19.3°C and an average maximum daily temperature for the same period of 24.7°C and average minimum of 13.8°C. The average daily maximum temperature in January is -11.1°C and the corresponding average minimum is -16.1°C. Average annual precipitation totals 1,058 mm, including 314 cm of snowfall accumulation. Weather and site conditions during the spring breakup period can prevent some exploration activities from being carried out, but for the most part the property area can be considered accessible on a year round basis. Heavy snow cover and lack of ploughed roads in winter months require contract ploughing and use of snowmobiles in many instances.

Topographic relief on the property is low, with the regional land surface sloping gently toward the east from a high near the west property boundary of 160 m above sea level to 130 masl at the east boundary (Figure 5.1). The valley of South Branch Elmtree River trends northeasterly across the central property area and at least two small tributaries of the Nigadoo River originate on the property and flow south toward the main drainage system. Within the property area the South Elmtree River is represented by a small stream a few metres in width that occurs in a low valley immediately north of the West Gabbro Zone deposit. The mineralized area of the Discovery Zone is in part transected by this stream. With the exception of a small portion of cleared land near the south property boundary, all of the property is characterized by mixed forest cover. No residential dwellings are present within the property area but several year-round residences exist along the adjacent main provincial access road.

Figure 5.1
Topographic Map of Claims Area



5.3 LOCAL RESOURCES AND INFRASTRUCTURE

The area covered by the Elmtree gold property is sufficiently large to accommodate open pit and underground operations, including ancillary installations.

Bathurst is a commercial centre for this area of northeastern New Brunswick and is served by excellent highway and rail systems. New Brunswick is an officially bilingual province and

French is the first language of a large portion of the population in this part of New Brunswick. Service in both languages can be expected in most parts of the region. A full range of accommodations, support and services typically seen in cities of this size in Atlantic Canada are available, as are port facilities for small to mid-size cargo vessels of the type used to transport lumber and paper products.

In summary, the Elmtree area is considered advantageously situated with respect to potential future mine development due to its relatively undeveloped state, proximity to good road, rail and electrical grid systems and proximity to government, business and skilled work force population centres.

6.0 HISTORY

The following descriptions have been reproduced from the Micon 2010 report as presented by Michael Cullen, P.Geo., Mercator Geological Services, with very minor edits in the last paragraph of Sub-section 6.2.4.

6.1 INTRODUCTION

The history of modern mineral exploration on the actual Elmtree property spans the time period from the mid 1950's until the present, but exploration for vein associated silver and base metals has taken place south of the property, along the Rock Brook-Millstream Fault system, as early as the mid 1800's. Hoy (1986) assembled a useful review of early exploration history specific to the Elmtree property, and subsequent to that time relatively little work was carried out until programs were initiated by Stratabound in 2004. Mercator was provided with historic exploration files and reports originating in government assessment report archives and additional information, not present in the archives, was also made available by Stratabound. Specifically, the company provided information and digital files associated with the company's recent and ongoing exploration of the property, with records of diamond drilling and trenching programs being of particular importance to this report.

6.2 SUMMARY OF PAST EXPLORATION

The following itemized summary presents a chronological review of the Elmtree property's exploration history prior to programs carried out by Stratabound and Castle, and largely reflects compilation information originally reported by Hoy (1986) and subsequently updated and summarized in Lutes (2004). The area of historic exploration review considered below is limited to the immediate area of the current Elmtree property claims. Areas to the south along the Rocky Brook-Millstream Fault and surrounding the Nicholas Denys granite were not included nor was the Madran-Keymet mine area, 7 km northeast of the property, where a small historic producer exploited narrow base metal and silver bearing quartz veins.

6.2.1 Amax Exploration Ltd. (1958)

Amax completed ground geophysics on two grids located in the Alcida area and completed two diamond drill holes that failed to return significant gold, silver or base metal results.

6.2.2 Lacana Mining Corp. (1984-1988)

In 1984 Lacana Mining Corp. (Lacana) prospectors discovered several boulder and bedrock showings of quartz and sulphides in vein style settings on the property. Sulphides present included arsenopyrite, pyrite, galena and sphalerite, with minor amounts of stibnite also locally reported. The first area of gold and silver bearing occurrences was designated the Discovery Zone and was followed by later discovery of the West Gabbro Zone (WGZ) in the same year. Discovery Zone initial samples returned gold grades up to 0.5 oz/t (15 g/t) and silver grades as high as 15.3 oz/t (524 g/t). Surface trenching was completed to follow-up the initial positive results and grid based geophysical surveys (magnetics and VLF-EM) were carried out in early 1985. Lacana subsequently completed 19 diamond drill holes (1,537.5 m) during the same year and followed this in 1986 with an aggressive program of high resolution airborne geophysical surveying by Aerodat Ltd. (total field magnetics, vertical gradient magnetics and VLF-EM at 100 m flight line spacing), ground magnetometer and VLF-EM, soil geochemistry with analysis of gold, silver, arsenic and lead values, geological mapping, and completion of 41 additional diamond drill holes (5,259 m). In 1987 and 1988 Lacana completed an additional 18 holes on the property (3,874 m).

6.2.3 George Murphy and Norm Pitre (2003-2004)

Lone Pine Exploration Services Ltd. was contracted to carry out a small line cutting program to support completion of two detailed gravity survey transects and coincident VLF-EM and ground magnetic surveying.

6.2.4 Stratabound Minerals Corporation Exploration (2004-2008)

Stratabound acquired an interest in the Elmtree property in 2004 under an option to purchase agreement with private interests. In 2007, after fulfillment of agreement terms, the company was granted a 100% interest in the property, subject to a retained 2% Net Smelter Return Agreement held by the private interests.

In 2004, Stratabound completed a compilation of exploration results (Lutes, 2004) with emphasis placed on previous geochemical and geophysical surveys and development of a database of historic drill holes. This was followed by a 433 m trenching program consisting of 9 separate trenches, 3 of which re-opened trenches originally established by Lacana. Results of this work confirmed earlier results, where present, and served to better define both high and low grade gold bearing intervals at surface within the WGZ. High gold grade results in the range of 4.03 g/t to 7.76 g/t were returned over sampled intervals ranging between 0.50 m and 10.5 m in width, while longer sections, such as 54 m at a gold grade of 1.76 g/t, were also reported, these intervals being inclusive of the higher grade sub-intervals (Duncan, 2005).

Subsequent to the 2004 trenching program the company completed three campaigns of diamond drilling on the property, the first consisted of 7 holes completed on the WGZ in 2005 and the second consisted of 18 holes on the Discovery Zone (DZ) and 23 holes on the WGZ and South Gold Zone (SGZ) completed in 2006 and 2007. In 2007, a substantial program of core re-sampling was also carried out on archived Lacana core to provide the continuous analytical coverage necessary to properly assess potential of low grade gold zones identified on the property in preceding programs. In excess of 1,000 samples were collected in this program. In late 2007 and early 2008, an additional 11 holes were completed on the property, with these testing the WGZ and SGZ.

Results from all but the last drilling program by Stratabound were made available to Mercator in 2008 to support the preparation of a National Instrument 43-101 compliant mineral resource estimate. This estimate (Mercator, 2008) was disclosed by Stratabound in 2008 and formed the basis of the 2010 preliminary economic assessment (PEA) by Micon. A detailed description of resource estimation methodology and results appears in Section 17.0 of Micon's 2010 PEA report. The resource is summarized in Table 6.1.

Table 6.1
Summary Table of Historical Resources on the Elmtree Property

Deposit / Zone	Category	Tonnes (Rounded)	Au (g/t)	Ag (g/t)	Pb%	Zn%
WGZ (High Grade)	Indicated	145,000	4.76	-	-	-
WGZ (Low Grade)	Indicated	380,000	1.57	-	-	-
Total WGZ Indicated	**Indicated**	**525,000**	**2.45**	-	-	-
WGZ (High Grade)	Inferred	300,000	5.22	-	-	-
WGZ (Low Grade)	Inferred	1,156,000	1.26	-	-	-
WGZ (Peripheral)	Inferred	100,000	1.07	-	-	-
Sub-Total WGZ Inferred	**Inferred**	**1,556,000**	**2.01**	-	-	-
DZ Au Only Zone	Inferred	583,000	1.15	-	-	-
DZ Au/Ag/Pb/Zn Zone	Inferred	117,000	1.77	44.36	0.78	2.17
DZ Ag/Pb/Zn Zone	Inferred	41,000	-	25.80	0.43	1.53
Sub-Total DZ Inferred	**Inferred**	**741,000**	**1.18**	**8.43**	**0.15**	**0.43**
SGZ	Inferred	2,367,000	0.74			
Total Inferred	**Inferred**	**3,108,000**	**0.85**	**2.01**	**0.04**	**0.10**

Notes: WGZ = West Gabbro Zone, SGZ= South Gold Zone, DZ= Discovery Zone; WGZ High Grade Au threshold = 3.00 g/t/2.0m; Low Grade Au Threshold=0.5 g/t/3.0m; SGZ Au Threshold=0.3 g/t/3m; DZ Au threshold = 0.5 g/t/2.0m.

The Technical Report pertaining to the resource estimate is entitled "Technical Report on Mineral Resource Estimate, Stratabound Minerals Corp., Elmtree Gold Property, Gloucester County, New Brunswick, Canada" with an effective date of May 21, 2008 and prepared by Michael Cullen, P.Geo. and Matthew Harrington for Stratabound.

In Micon's opinion, the historical estimate as set out in Table 6.1 is NI 43-101 compliant and uses categories as set out in Sections 1.2 and 1.3 of the NI 43-101 Standards of Disclosure for Mineral Projects.

6.2.5 Castle (2009 – 2011)

Castle's exploration activities consisted mainly of diamond drilling programs as detailed in Section 10 of this report.

6.3 HISTORIC PRODUCTION

There has been no prior production from the Elmtree property and there are no historical mineral reserve estimates.

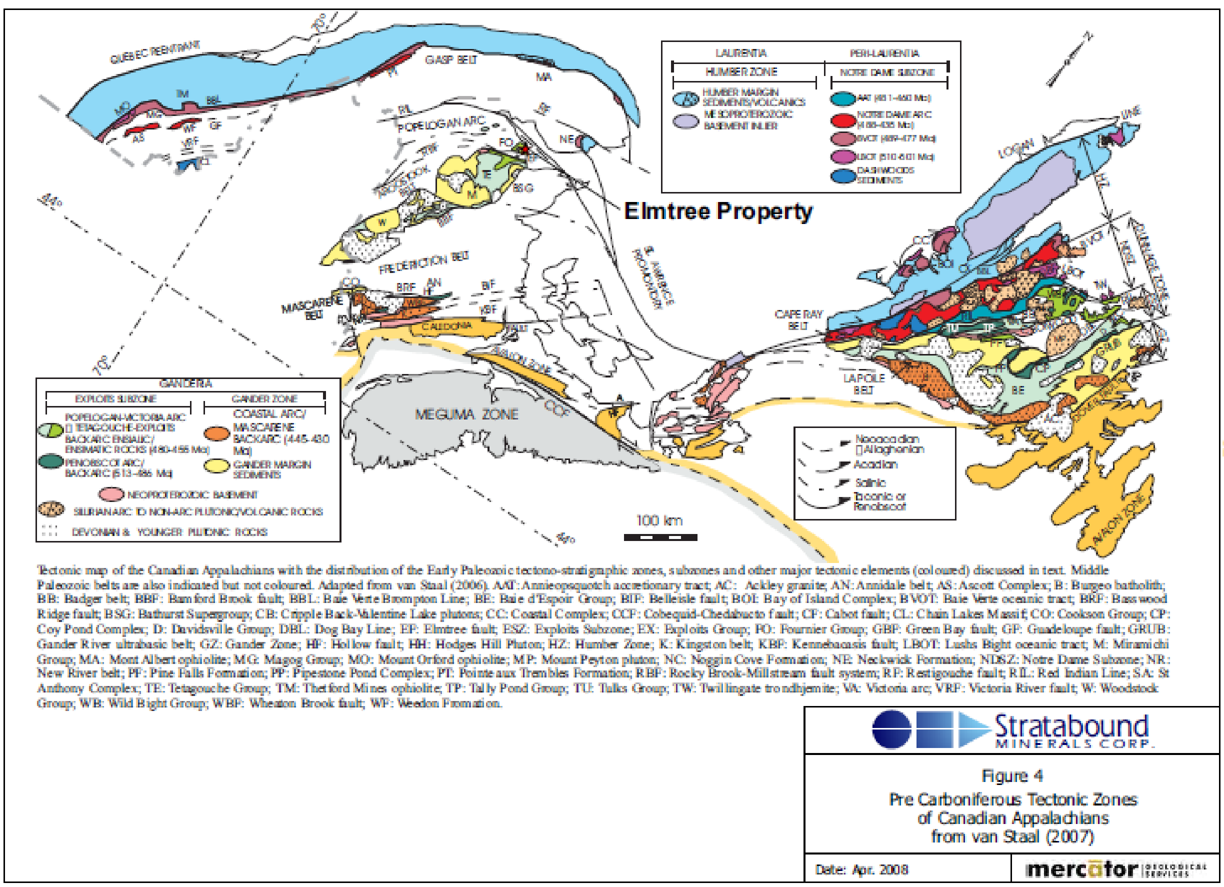
7.0 GEOLOGICAL SETTING AND MINERALIZATION

This section is reproduced in its entirety from the Micon 2010 Technical Report as presented by Michael Cullen, P.Geo., Mercator Geological Services.

7.1 REGIONAL GEOLOGY

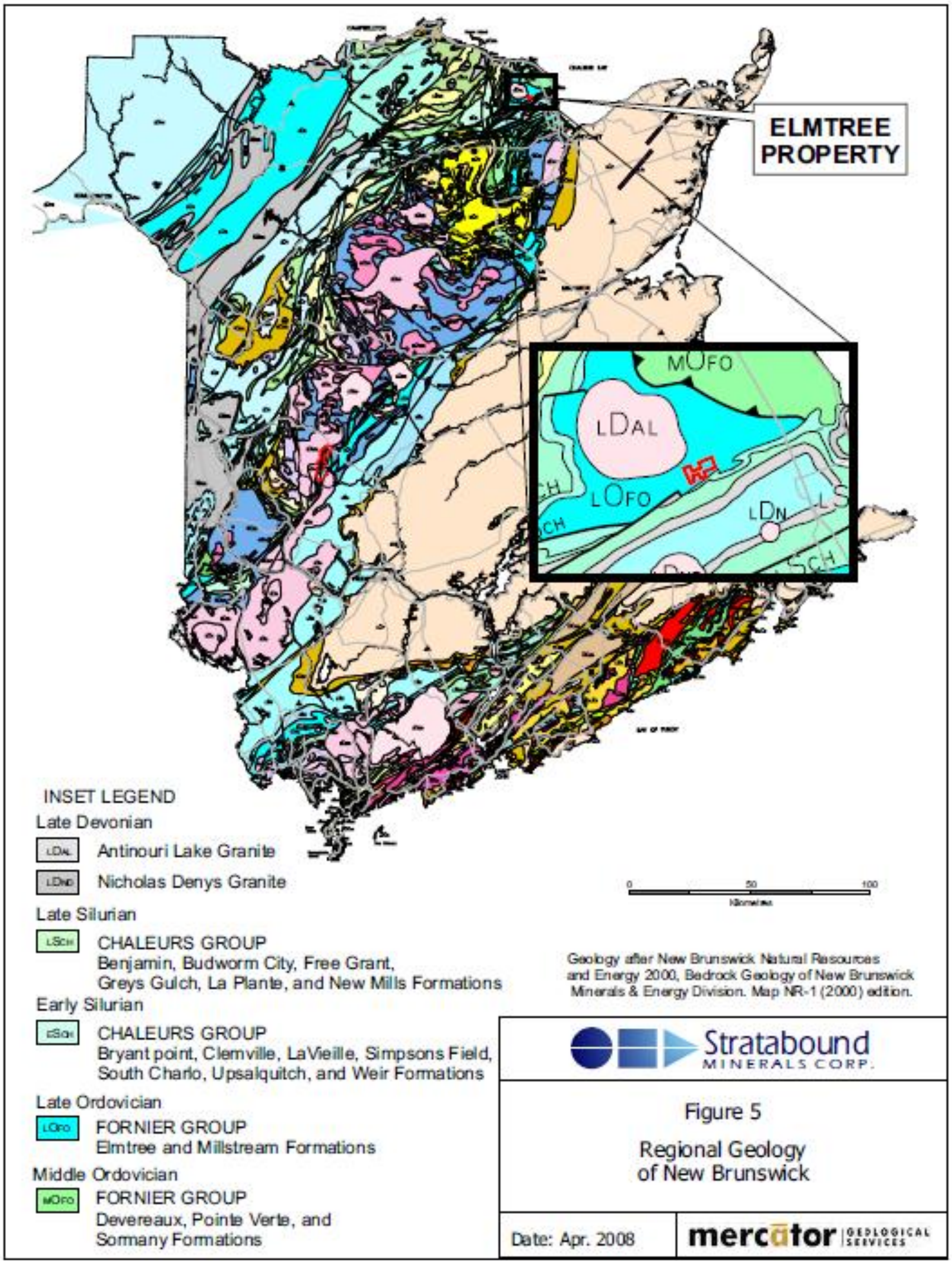
Williams (1979) proposed a five part litho-tectonic framework for the Northern Appalachian orogen and, although subsequently modified, this framework is still usefully applied with respect to regional geological studies. Terminology was subsequently updated to reflect terrain analysis concepts (e.g., van Staal and Fyffe, 1991). Figure 7.1 outlines the five major litho-tectonic zones, these being from west to east, the Humber, Dunnage, Gander, Avalon and Meguma zones and Figure 7.2 presents a corresponding regional geological summary for the province of New Brunswick. Evolution of these major zones reflects development and destruction of the Lower Paleozoic Iapetus Ocean through sequential closure that incorporated two periods of rifting with staged subsequent accretion and superimposed structural modification of accreted domains (Van Staal, 2006).

Figure 7.1
Regional Geology (1)



Tectonic map of the Canadian Appalachians with the distribution of the Early Paleozoic tectono-stratigraphic zones, subzones and other major tectonic elements (coloured) discussed in text. Middle Paleozoic belts are also indicated but not coloured. Adapted from van Staal (2006). AAT: Annieopsquotch accretionary tract; AC: Ackley granite; AN: Annidale belt; AS: Ascott Complex; B: Burgeo batholith; BB: Badger belt; BBF: Bamford Brook fault; BBL: Baie Verte Brompton Line; BE: Baie d'Espoir Group; BIF: Belleisle fault; BOI: Bay of Island Complex; BVOT: Baie Verte oceanic tract; BRF: Basswood Ridge fault; BSG: Bathurst Supergroup; CB: Cripple Back-Valentine Lake plutons; CC: Coastal Complex; CCF: Cobequid-Chedabucto fault; CF: Cabot fault; CL: Chain Lakes Massif; CO: Cookson Group; CP: Coy Pond Complex; D: Davidsville Group; DBL: Dog Bay Line; EF: Elmtree fault; ESZ: Exploits Subzone; EX: Exploits Group; FO: Fournier Group; GBF: Green Bay fault; GF: Guadeloupe fault; GRUB: Gander River ultrabasic belt; GZ: Gander Zone; HF: Hollow fault; HH: Hodges Hill Pluton; HZ: Humber Zone; K: Kingston belt; KBF: Kennebacasis fault; LBOT: Lushs Bight oceanic tract; M: Miramichi Group; MA: Mont Albert ophiolite; MG: Magog Group; MO: Mount Orford ophiolite; MP: Mount Peyton pluton; NC: Noggin Cove Formation; NE: Neckwick Formation; NDSZ: Notre Dame Subzone; NR: New River belt; PF: Pine Falls Formation; PP: Pipestone Pond Complex; PT: Pointe aux Trembles Formation; RBF: Rocky Brook-Millstream fault system; RF: Restigouche fault; RIL: Red Indian Line; SA: St Anthony Complex; TE: Tetagouche Group; TM: Thetford Mines ophiolite; TP: Tally Pond Group; TU: Talks Group; TW: Twillingate trondhjemite; VA: Victoria arc; VRF: Victoria River fault; W: Woodstock Group; WB: Wild Bight Group; WBF: Wheaton Brook fault; WF: Weedon Fromation.

Figure 7.2
Regional Geology (2)



In summary, the Humber Zone is interpreted to reflect the early Paleozoic continental margin sequence of cratonic North America, deposited on and adjacent to late Precambrian

(Grenvillian) basement. The Dunnage Zone adjoins to the east and is comprised of remnants of the Iapetan oceanic crust plus accreted fragments of associated back-arc basins and volcanic arc complexes. These record the earliest increments of Iapetan closure that correlate with the initial pulses of the Late Ordovician Taconic Orogeny and are adjoined to the east by the structurally distinct Gander, Avalon and Meguma Zones. The first of these consists predominantly of sedimentary sequences and remnants of subduction-related arc volcanic sequences that accumulated oceanward of the opposing Iapetan passive margin. Initial volcanic arc complexes developed as a result of east-directed subduction that culminated in full ocean closure during the final, Late Ordovician phase of the Taconic Orogeny. Van Staal (2007) inferred presence of a narrow micro-continental block of sialic crust within the Iapetan ocean basin that separated the major arc complexes, all of which were telescoped and accreted during late Ordovician through early Silurian time.

The Avalon Zone occurs as a separate and distinct sialic microcontinent that developed in mid Paleozoic time and was subsequently accreted to the Appalachian orogen through collision with the Meguma Terrain during the mid to late Devonian Acadian Orogeny that marked closure of the related middle Paleozoic Rheic ocean basin. Subsequent to the above, translation and wrench tectonics along the northern extents of the orogen resulted in development and filling of Late Devonian through Permian sedimentary sequences that overstep the Lower Paleozoic terrain zones. In part these sequences along with their older substrates were locally affected by Late Carboniferous through early Permian compression, faulting and heat flow associated with the Hercynian-Alleghenian Orogeny (Murphy et al., 1999).

7.2 PROPERTY GEOLOGY

In the context of this report, the Stratabound property is situated within the Elmtree Inlier which constitutes a tectonic sliver considered to be a remnant of Dunnage Terrain oceanic crust, located adjacent to the north margin of the terrain's Exploits Sub-Zone. As summarized by van Staal et al. (1998) rocks of this sub-zone are represented in northern New Brunswick by the Mirimichi Terrain (Fyffe and Fricker, 1989) that is comprised of accreted Ordovician volcanosedimentary sequences that host the major base metal sulphide deposits of the Bathurst Mining Camp (BMC).

The Elmtree Inlier consists of strata of the Fournier Group and Belledune River Melange (formerly Elmtree Group). The first consists of an Ordovician volcanic-sedimentary sequence comprised of ophiolitic volcanics, deformed mafic intrusions, minor plagiogranite and dark grey slate, greywacke and melange, and the second contains later Ordovician lithic and quartz wacke and interbedded grey slate, locally with thinly interbedded limestone and conglomerate. Minor amounts of mafic volcanics are also present.

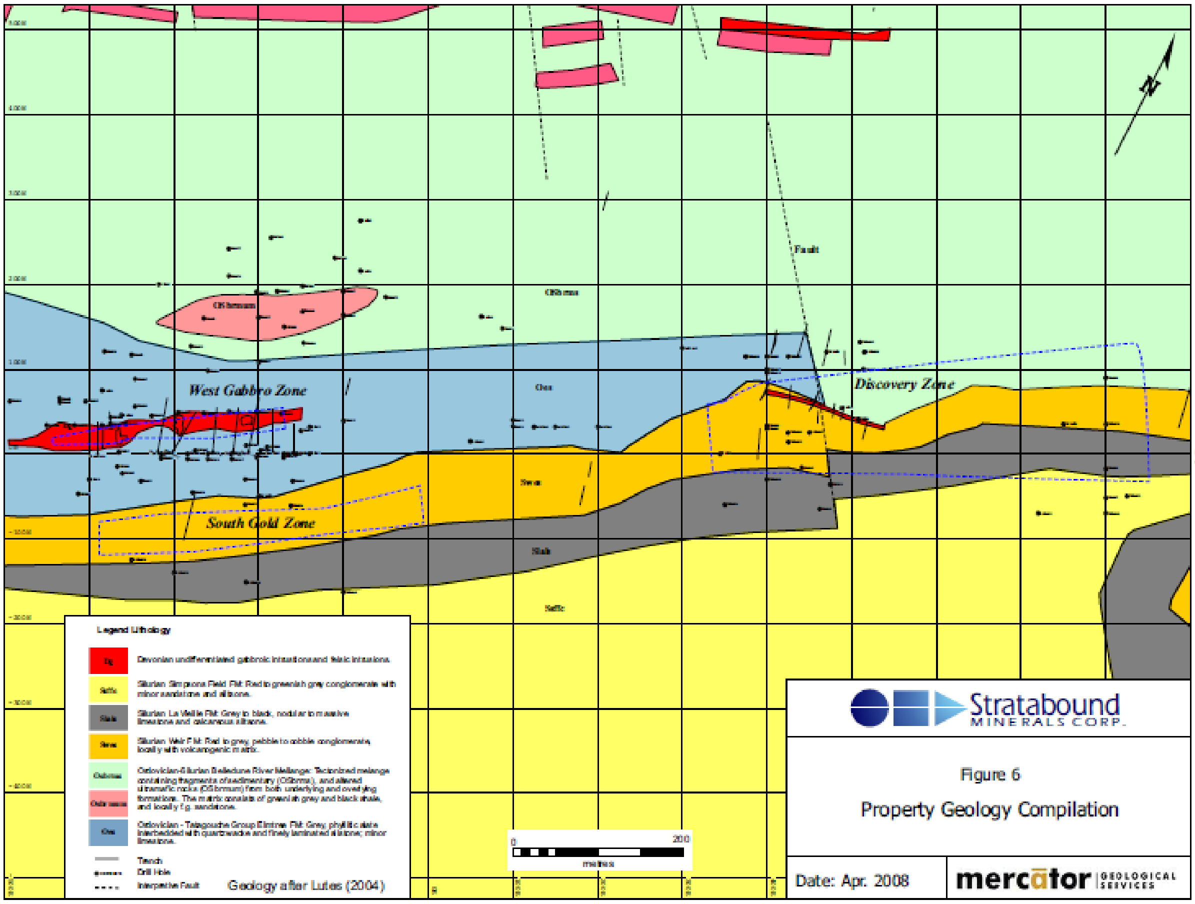
The southern limit of the Elmtree Inlier is marked by the Elmtree Fault, a major east trending splay of the regionally significant Rocky Brook-Millstream Fault (RBMF) that occurs approximately 8 km south of the property. The Elmtree Fault brings Silurian rocks of the Chaleurs Group into contact with the Ordovician stratified sequences to the north but these sequences are otherwise recognized as being unconformably configured. Immediately north of the property, Fournier Group greywacke, conglomerate and ultramafic rocks are present and have been interpreted as comprising an allochthonous outlier (van Staal, 2006, van Staal and Fyffe, 1991).

Figure 7.3 presents geology of the Elmtree property area as compiled by Lutes (2004) from interpreted results of historic mapping, drilling and trenching. Progressing from south to north across the property, red and green conglomerate assigned to the Simpsons Field Formation of the Silurian Chaleurs Group overlies a thin band of LaVeille Formation limestone and siltstone that in turn overlies red and grey conglomerate and sandstones of the Weir Formation. Both these formations are included in the Chaleurs Group in the area of the gold deposits discussed in this report. The second unconformably to disconformably overlies Ordovician strata of the Tetagouche Group, consisting of grey phyllitic slate, greywacke, siltstone and minor limestone.

The northern part of the Elmtree property is underlain by Ordovician to Silurian rocks assigned to the Belledune River Melange which shows mapped subunits of predominantly sedimentary or mafic volcanic and ultramafic materials existing as variably tectonized domains within a matrix sequence of greenish grey to black shale and fine grained sandstone. Mafic to felsic dykes and sills consisting of diabase, gabbro, granite feldspar porphyry and felsite intrude all Ordovician and Silurian stratified sequences in the property area and are considered to be Siluro-Devonian in age (van Staal and Fyffe,1991). Locally, contact metamorphic hornfels and skarn occur within host sequences of these intrusions, most of which strike east-west, dip steeply and parallel the regional structural grain of the area.

The most important structural aspects of the property are the Elmtree Fault system and its anastamosing subsidiary shears that trend generally east-west to east-northeast across the property and show steep to vertical dips where defined by drilling and mapping. As described by Hoy (1986) the main Elmtree Fault structure is a splay of the crustally significant Rocky Brook-Millstream Fault that occurs approximately 8 km to the south, where it forms the tectonic boundary with adjacent rocks of the Mirimichi Terrain. McCutcheon et al. (1988) described the Elmtree Fault, as reflected in the property area, as a broad zone of shearing, fracturing and deformation separating graphitic argillites of the Elmtree Formation (previously Elmtree Group) from calcareous siltstones and sandstones of the Chaleurs Group. The structure is thought to have controlled emplacement of the gabbroic intrusion that hosts the West Gabbro Zone gold mineralization on the property, while subsidiary structures on the Elmtree property have controlled emplacement of felsite and feldspar porphyry dykes as well as mineralized quartz vein arrays and hydrothermal alteration zones in the nearby South Zone and Discovery Zone areas.

Figure 7.3
Elmtree Property Local Geology



7.3 MINERALIZATION

The following description of mineralization at the Elmtree property is based on Micon 2010 as presented by Michael Cullen, P.Geo. with some modifications/edits.

7.3.1 Overview

Gold, base metal and silver mineralization are present at all three of the Elmtree deposits and are considered to have been developed under mesothermal conditions conducive to ductile and brittle-ductile shearing and alteration. Pervasive alteration associated with such mineralization suggests control of associated hydrothermal alteration systems on the property by the Elmtree Fault and its related splays. Intensity of alteration development appears to reflect both original rock type and degree of deformation, since strongly sheared or fractured lithologies often show the greatest degrees of both hydrothermal alteration and associated gold and sulphide mineralization. Other factors, such as original grain size in mafic gabbroic intrusions, also appear to control alteration intensity, as seen in the WGZ's central core.

In summary, work reported to date for all three zones shows that gold mineralization occurs in two primary forms within these deposits, these being vein settings and non-vein, highly altered host rock settings, both of which show direct spatial association with shearing-related fabric elements of the Elmtree Fault and associated splays that are present on the property. Association of arsenopyrite with gold mineralization is clearly represented in all three deposit areas on the property and various workers (e.g. Hoy, 1986, Paktunc and Ketchum (1989); Tremblay et al., 1991, 1993) reported that arsenopyrite typically occurs as fine grained acicular crystals in highly altered wall rock or as coarser grained aggregates in association with other sulphides. Paktunc and Ketchum (1989) documented presence of pyrrhotite and pyrite along with lesser amounts of sphalerite, galena, chalcopyrite, stibnite, possibly tetrahedrite and, rarely, stannite. Compilation program results reported by Lutes (2004) showed that anomalous “B” horizon soil geochemical survey responses for arsenic and gold on the property clearly reflect the bedrock arsenic and gold association.

7.3.2 Description of Mineralized Zones

West Gabbro Zone (WGZ)

Gold occurs in sulphide bearing vein arrays and also within the intensely altered host gabbro in association with finely disseminated to locally massive arsenopyrite and other sulphides such as pyrrhotite and pyrite. Lesser amounts of chalcopyrite, sphalerite and stibnite are also present. The highest gold grades are found in areas showing most intense alteration of the intrusion, with a direct association being seen between gold and presence of arsenopyrite.

The mineralization envelope defined on a 0.25 g/t Au shows broad continuity along strike (over 400 m) and down dip (over 200 m) with a width varying between 5 and 45 m. However, the distribution of the high grade areas (>5 g/t Au) within the envelope is highly erratic.

Discovery Zone

Hoy (1986) described this zone as consisting of multiple quartz-sulphide veins hosted by variably sheared and altered argillites and siltstones (Elmtree Formation), as well as variably sheared and altered calcareous siltsones of the Silurian Chaleurs Group. Mineralization was cited as frequently occurring along contacts of either steeply dipping Devonian felsic dykes (termed felsites), or along contacts of altered mafic intrusions, and to show direct spatial association with shears that mark the faulted contact between Ordovician strata and the Chaleurs Group sequence. The east-west striking shears typically show vertical or very steep dips and are considered brittle-ductile elements of the Elmtree Fault system.

South Gold Zone

Gold mineralization in the SGZ occurs in Silurian siltstones and fine grained interbedded sandstones that frequently show calcareous matrix materials. Fine grained and generally acicular arsenopyrite is broadly present in the altered and locally sheared sections and often is associated with quartz vein arrays showing well developed sulphide assemblages consisting of arsenopyrite, pyrrhotite, pyrite and trace to minor amounts of base metal sulphides or sulphosalts. Sulphide concentrations can reach submassive to massive levels locally (30% to +70%) (Stratabound drill hole logs, 2006). Drilling results define a variably continuous strike length for the SGZ of about 500 m within which mineralized widths across the structural trend range from less than 1 m for an individual mineralized shear or vein section to as much as 40 m in the area of drill hole DZ06-41, where alteration intensity is also high. Gold grades in the zone typically do not exceed 1 g/t and extended intervals of low grade mineralization in altered bedrock are present in drilling and trenching results returned to date.

8.0 DEPOSIT TYPES

8.1 GOLD/BASE METAL OCCURRENCES

The regional geology of the area encompassing the Elmtree property is conducive to a variety of deposits including copper-zinc+/-gold in volcanogenic massive sulphides and epigenetic gold deposits which are spatially associated with secondary structures within or in close proximity to major regionally extensive structures.

Gold occurrences on the Elmtree property have been described by several workers notably Hoy, 1986; McCutheon et al., 1988; Tremblay et al., 1993. More recently Lutes (2004) presented a compilation of pertinent geological, geophysical and geochemical information pertaining to the property and its associated gold and base metal deposits. As already noted under Sections 6 and 7, three separate gold deposits have been identified on the property to date, i.e. the West Gabbro Zone (WGZ), the Discovery Zone (DZ) and the South Gold Zone (SGZ). Hoy (1986) provided the first comprehensive descriptions of the WGZ and DZ and these were followed by those of Tremblay et al. (1993). Knowledge of the SGZ is based mainly on transcripts by Stratabound and information from drill hole logs.

8.2 DEPOSIT GENETIC MODEL AND CLASS

Gold and lesser base metal mineralization present in the three deposits outlined to date at Elmtree show strong hydrothermal alteration features and spatial distribution of mineralized zones that are interpreted as being directly related to evolution of the Elmtree Fault system. Structural fabrics developed within the mineralized zones document brittle-ductile deformation conditions during which quartz vein emplacement, sulphide and gold introduction and wall rock alteration processes were at least in part syn-kinematic with major shearing strains (Tremblay et. al., 1993). These features suggest emplacement of associated arsenopyrite, sulphide and gold mineralization under mesothermal crustal conditions, the relative timing of which is constrained by the Siluro-Devonian age of related igneous host intrusions. Shear fabric elements are interpreted as indicating a dextral wrench-fault configuration for substantial increments of deformation, with this providing focus for hydrothermal systems that affected substantial areas of both sedimentary strata and igneous intrusions that were spatially proximal to main shear zone splays (Paktunc and Ketchum, 1989; Tremblay et al., 1993).

Competency contrasts between sequences probably played a role in development and evolution of quartz vein arrays on the property, and local emplacement of mafic and felsic intrusions also appears to have affected adjacent host rocks in some settings through development of superimposed skarn or hornfels assemblages. Influence of the iron rich composition of host rocks as seen in the WGZ intrusion is cited by Tremblay et al. (1993) as being a potentially important factor that contributed to local precipitation of gold mineralization in particular. A similar influence could have been exerted by smaller mafic dykes and sills that have been logged as altered intrusions within the SGZ and DZ areas tested by drilling to date.

Based on the above, the Elmtree deposits discussed in this report are considered members of the structurally controlled mesothermal class of gold deposits as outlined by Dubé (1990) and also determined for the Elmtree area by Tremblay et al. (1993). An important distinguishing feature of the Elmtree setting is the presence of chemically receptive sedimentary strata in the form of calcareous siltstones and sandstones, predominantly of the Silurian Chaleurs Group, in direct association with shear-zone focused hydrothermal alteration systems that introduced gold, arsenic, silver and base metal mineralization on the property. This combination produced the observed mix of vein and disseminated styles of mineralization characteristic of the SGZ and DZ areas in particular. Influence of buried Siluro-Devonian granitic or dioritic intrusions that were regionally emplaced in proximity to the nearby Rocky Brook-Millstream Fault system may have played a role in development of associated hydrothermal systems, but this has not been definitively determined to date.

9.0 EXPLORATION

9.1 PREVIOUS EXPLORATION

All exploration work leading to the discovery of the Elmtree deposits was carried out prior to Castle's involvement in the property and is summarized under history in Section 6 of this report. More detailed descriptions of recent past exploration by Stratabound appear in Mercator (2008).

9.2 CASTLE EXPLORATION

Exploration completed on the Elmtree property by Castle is limited to two drilling campaigns in 2009 and 2010 both of which were primarily aimed at increasing confidence in the Mercator (2008) estimate, upgrading and expanding the resource, rather than new discoveries.

The 2009 drilling campaign involved 25 drill holes which included twin holes to further validate the pre-Stratabound holes. These holes tested mainly the WGZ but also included a few holes on the SGZ.

The 2010 drilling program involved 30 drill holes directed at the WGZ and was in compliance with the Micon (2010) recommendations.

Details on both drilling campaigns are given in Section 11.

9.3 CASTLE EXPLORATION RESULTS

Castle's exploration drilling results demonstrate that gold values within a mineralization envelope defined on a 0.25 g/t Au cut-off is random i.e. displays a high nugget effect. Even twinned holes as close as 2 m to each other show contrasting distributions of gold values.

Validation twinned holes compare favourably only in so far as the broad zone of mineralization is concerned but not in the distribution of values. More details on Castle's drilling results are provided in Section 11 of this report.

10.0 DRILLING

Sub-sections 10.1 and 10.2 are updated from Micon (2010) with appropriate edits to the text and table(s) to include the 2010 drilling.

10.1 GENERAL

Diamond drilling data from the Elmtree property considered in the Mercator (2008) resource estimate consisted of 69 historic drill holes completed by Lacana between 1985 and 1988 as well as 48 drill holes completed by Stratabound programs during 2005 and 2006. No results for drilling carried out by Stratabound in 2007-2008 were available for use in the Mercator (2008) estimate at the time of deposit modelling. Castle completed 25 additional drill holes in 2009 and another 30 in 2010. All the Castle holes also postdate the Mercator resource estimate.

Company-specific details of all drilling programs 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 information was assembled from hard copy assessment reports filed with the New Brunswick government or from in-house data sets and reports provided by Stratabound. Some digital compilation of historic drilling data had been completed for the company (Lutes, 2004) and this was also accessed for validation prior to use in the Mercator (2008) resource estimate. Castle drilling information was accessed directly from the company in digital format during 2010.

Table 10.1 provides a summary of all drilling conducted on the Elmtree property and includes all additional holes used in the current resource estimate.

Table 10.1
Elmtree Diamond Drill Holes Listed by Company

Company	Year	Drill Hole Series	No. of Holes	Metres
Lacana Mining Corporation	1985	85-1 to 85-19	19	
Lacana Mining Corporation	1986	86-20 to 86-60	41	
Lacana Mining Corporation.	1987	87-61 to 87-65	5	
Lacana Mining Corporation.	1988	88-74 to 88-77	4	
Stratabound Minerals Corporation	2005	WG05-001 to WG05-007	7	
Stratabound Minerals Corporation	2006	DZ06-01 to DZ06-18	18	
Stratabound Minerals Corporation	2006	DZ06-19 to DZ06-41	23	
Stratabound Minerals Corporation	2007	ELM07-042 to ELM07-045	4	
Stratabound Minerals Corporation	2008	ELM08-046 to ELM08-0851	6	
Castle Resources Inc.	2009	ELM09-052 to ELM09-076	25	4,823.61
Castle Resources Inc.	2010	ELM10-77 to ELM10-100	30	
Grand Total			**176**	

10.2 DRILLING/LOGGING/SAMPLING LOGISTICS

Ideal Drilling Ltd. of Bathurst, NB, provided contract drilling services for the Lacana programs completed in 1985 through 1988 and recovered NQ size drill core measuring approximately 47.6 mm in diameter. Lacana staff supervised on-site geological work and also carried out core logging, sampling, interpretive and reporting functions. The 2005 through 2007 drilling programs by Stratabound were carried out by Maritime Diamond Drilling Limited of Hilden, NS and Forages La Virole of Rimouski, QC, and also recovered NQ size drill core. Castle drilling in 2009 and 2010 was carried out by Morecore Diamond Drilling Services Ltd., of Prince George, BC, and also recovered NQ size drill core.

In all programs, collar positions and elevations were established by the site geologist along traverses aligned approximately perpendicular to the strike of the deposit using a hand held GPS. Down-hole surveys were completed by the drilling company (supervised by the site geologist) using a Reflex Survey instrument to determine hole dip and azimuth. Survey readings were taken at 50 m intervals. Drill core was transported to the core storage facilities at the end of each shift. Prior to sampling the core, technicians completed geotechnical logging which included the measurement of the total core recovery (TCR) per run (3 m) and the determination of the rock quality designation (RQD) per run. During geotechnical logging, the depth blocks were also checked. Geological detailed logging was performed by the project geologist upon completion of the geotechnical logging. Data in the geological logs included mineralogy, mineralization percentages, alteration, structural features, lithological contacts and the sampling intervals and descriptions. Typical samples were 1 m length, but increased variability in mineralization resulted in the collection of more samples.

Stratabound staff/consultants supervised all aspects of the 2005 through 2008 programs, including on-site supervision, core logging, sampling, interpretive and reporting functions, and were contracted by Castle to carry out the 2009 and 2010 Castle programs. Conventional core drilling equipment was utilized and all programs were coordinated from Stratabound's Bathurst field office under the direction of Mr. John Duncan, P. Geo. Most drill core from the Lacana programs is archived at the Madran New Brunswick core library operated by the provincial government's Department of Natural Resources. Core from the Stratabound programs is also archived at Madran, along with most of the 2009 core from the Castle programs.

Drill hole collar locations and elevations for Lacana holes were coordinated to the local exploration grid at the time of the exploration programs and this information was compiled by Stratabound and supplied to Mercator. As noted in Lutes (2004) who reported on the compilation of such information, not all original Lacana drill logs contained complete drill collar coordinates and in such instances original hard copy drill collar plans created by the company were used to establish collar coordinates. Stratabound drill holes in the WGZ were originally surveyed by the company but elevation values were not assigned. For Mercator (2008) resource estimation purposes, elevations in these instances were assigned based on adjacent Lacana holes. Drill holes by Stratabound in the DZ and SGZ areas were also surveyed but lacked collar elevations. Since topographic relief is minimal in these areas, common surface elevations derived from closest previously surveyed holes were assigned. All hole locations for the 2007 through 2010 programs were surveyed for Stratabound/ Castle by a contractor using a Trimble DGPS unit.

While local grid coordination was retained for resource estimate purposes, the dataset received from Stratabound and Castle also included Universal Transverse Mercator (UTM) coordinates reflecting coordination to UTM Zone 20 and the NAD 83 datum. Many of the historic drill holes were tested for inclination and azimuthal variation using down-hole survey instruments, as were all Stratabound and Castle holes, and this information was incorporated, after validation, in the Microsoft Access database developed for resource estimation purposes. Trenches completed by Stratabound in 2004 were modelled as horizontal drill holes in the WGZ resource block model.

10.3 DRILL HOLE DETAILS

Detailed information on drill holes used in the initial resource estimate are provided in the 2010 Technical Report compiled by Micon for Castle. Drill holes pertaining to the current resource estimate are summarized in Appendix 2 and the layout is shown in Figure 10.1.

10.4 SUMMARY OF DRILLING RESULTS

In general, the drilling results show that all three zones comprising the Elmtree deposit (i.e. the WGZ, DZ and the SGZ) are in the main characterized by low grade mineralization in shear zones. Elevated gold values are associated with higher concentrations of arsenopyrite. In addition to gold, the DZ also contains appreciable amounts of base metals.

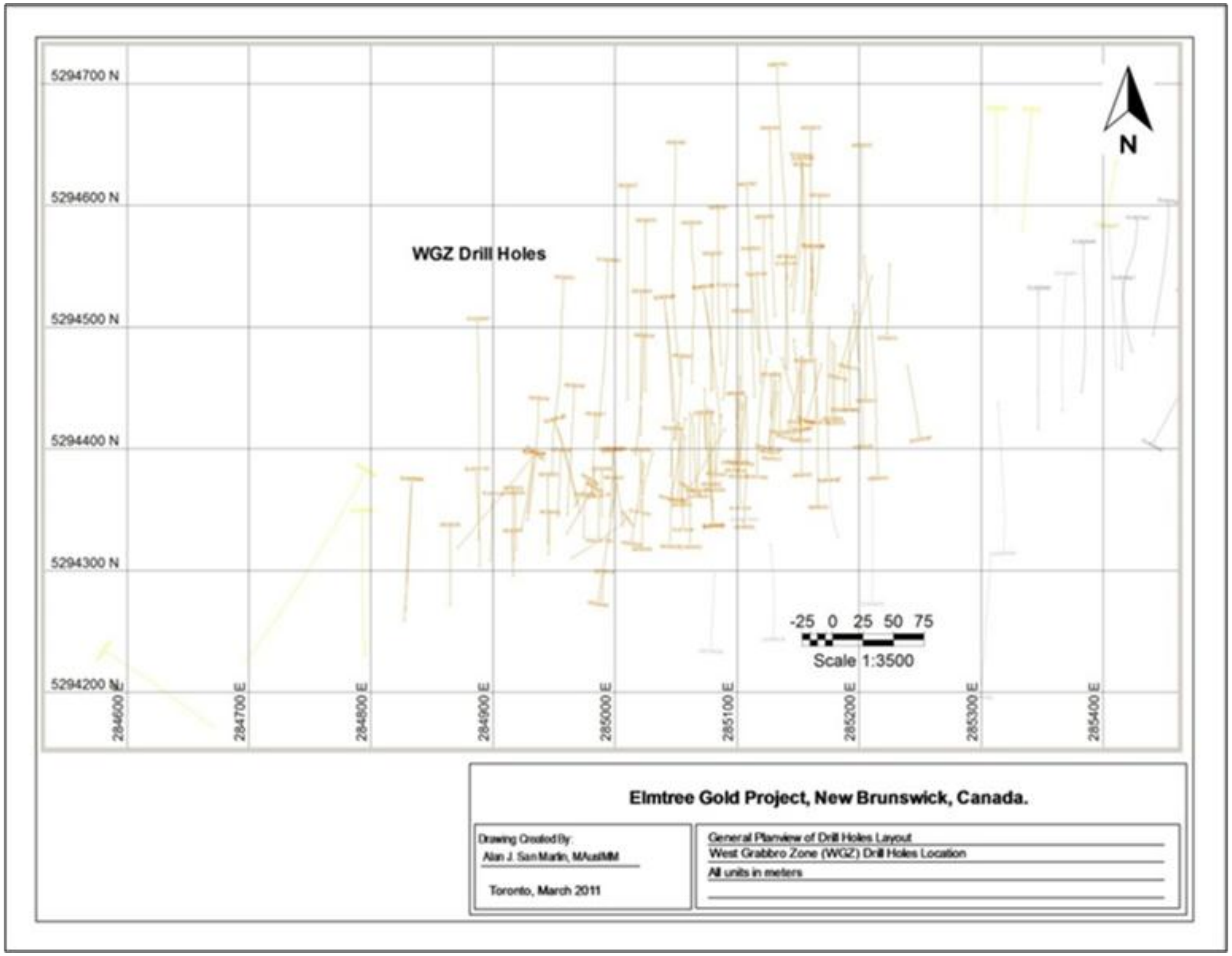
10.4.1 WGZ

The drilling has defined a strike length of between 500 and 600 m down to a vertical depth of just over 200 m. The zone thins out to the west and shows a very sharp limit to the east, most likely due to faulting. Five satellite horizons representing splays from the main zone have been established to the south and southwest of the main zone (see details in Section 17). The thickness of the main zone ranges from 5 m to about 45 m. Gold values are highly erratic with no clearly defined pattern but the broad zone of mineralization can be defined on a cut-off of 0.25 g/t Au. Occasionally, exceptionally high gold values (i.e. >10 g/t Au) can be encountered but only over very narrow intervals, often 0.5 m or less, as shown in Table 10.2. There are no appreciable concentrations of base metals.

10.4.2 DZ

Drilling intercepts in the DZ area show three patterns of mineralization, i.e. (i) gold-only drill hole intercepts with associated arsenic, (ii) gold-arsenic drill hole intercepts with silver, lead and zinc values of economic interest, and (iii) silver, lead and zinc drill hole intercepts with no substantial gold component.

Figure 10.1
Plan Showing Drill Hole Layout of the WGZ



The DZ drilling has defined a discontinuously mineralized east-west strike length of approximately 500 m within which several discrete zones of vein associated mineralization and intervening lower grade disseminated mineralization occur across widths ranging from less than 1 m to several metres.

10.4.3 SGZ

Drilling results define a variably continuous strike length for the SGZ of about 500 m within which mineralized widths across the structural trend range from less than 1 m for an individual mineralized shear or vein section to as much as 40 m in the area of drill hole DZ06-41, where alteration intensity is also high. Gold grades in the zone typically do not exceed 1 g/t. The SGZ contains no appreciable concentrations of base metals.

Table 10.2
High Grade Intersections of the WGZ

HOLE-ID	ZONE	FROM	TO	LENGTH	AU_GPT
DDH06030	DZE	104.5	105	0.5	14.35
ELM08051	WGZ	69	69.5	0.5	11.1
ELM09054	WGZ	34	34.5	0.5	11.06
ELM09054	WGZ	47.5	48	0.5	10.83
ELM09058	WGZ	242	242.5	0.5	11.26
ELM10-77	WGZ	105	105.5	0.5	10.25
ELM10-79	WGZ	133.5	134	0.5	10.29
ELM10-83	WGZ	151.5	152	0.5	16.52
ELM10-83	WGZ	152	152.5	0.5	12.44
ELM10-83	WGZ	152.5	153	0.5	11.9
ELM10-86	WGZ	161	161.5	0.5	16.01
ELM10-86	WGZ	167	167.5	0.5	12.13
ELM10-88	WGZ	228	228.5	0.5	17.26
ELM10-88	WGZ	228.5	229	0.5	12.22
ELM10-88	WGZ	229	229.5	0.5	10.56
ELM10-89	WGZ	141.5	142	0.5	11.5
ELM10-90	WGZ	136.5	137	0.5	15.23
ELM10-90	WGZ	138.5	139	0.5	12.13
ELM10-90	WGZ	153	153.5	0.5	13.59
ELM10-90	WGZ	153.5	154	0.5	14.26
ELM10-90	WGZ	154.5	155	0.5	17.93
ELM10-90	WGZ	155	155.5	0.5	12.56
ELM10-90	WGZ	156.5	157	0.5	11.92
ELM10-90	WGZ	157	157.5	0.5	12.03
ELM10-90	WGZ	199.5	200	0.5	11.11
ELM10-91	WGZ	101	101.5	0.5	10.77
ELM10-91	WGZ	102	102.5	0.5	10.37
ELM10-92	WGZ	99	99.5	0.5	16.2
ELM10-92	WGZ	99.5	100	0.5	12.5
ELM10-92	WGZ	100	100.5	0.5	11.2
ELM10-94	WGZ	110	110.5	0.5	13.25
ELM10-98	WGZ	76	76.5	0.5	10.9

HOLE-ID	ZONE	FROM	TO	LENGTH	AU_GPT
ME85001	WGZ	39.93	41.15	1.22	13.3
ME85002	WGZ	74.37	75.29	0.92	10.97
ME85004	WGZ	68.88	69.8	0.92	14.06
ME85004	WGZ	69.8	70.71	0.91	14.26
ME85006	WGZ	28	28.5	0.5	20.6
ME85007	WGZ	27.74	28.65	0.91	11.52
ME85012	WGZ	69.34	70.1	0.76	12.41
ME85016	WGZ	41.76	42.67	0.91	12.27
ME85017	WGZ	64.31	64.62	0.31	28.8
ME85017	WGZ	72.09	73.15	1.06	16.25
ME85017	WGZ	73.15	74.37	1.22	13.71
ME85017	WGZ	85.34	86.26	0.92	25.68
ME85018	WGZ	43.59	44.5	0.91	12.17
ME85018	WGZ	45.11	45.42	0.31	17.66
ME85018	WGZ	55.17	56.08	0.91	12
ME85019	WGZ	61.72	62.18	0.46	10.76
ME85019	WGZ	67.06	67.36	0.3	21.12
ME85019	WGZ	70.41	71.32	0.91	13.44
ME85019	WGZ	72.39	72.85	0.46	10.87
ME85019	WGZ	77.27	78.33	1.06	19.2
ME86025	WGZ	44.96	45.4	0.44	10.56
ME86029	WGZ	118.87	119.79	0.92	10.42
ME86029	WGZ	138.68	139.29	0.61	10.97
ME86034	WGZ	215.65	216.93	1.28	16.76
ME86037	WGZ	173.74	173.92	0.18	10.42
ME86037	WGZ	174.35	174.96	0.61	16.66
ME86037	WGZ	175.11	175.72	0.61	16.46
ME86037	WGZ	176.33	177.09	0.76	10.42
ME86037	WGZ	179.07	179.53	0.46	18.65
ME86041	WGZ	211.23	211.38	0.15	10.42
ME86041	WGZ	211.84	212.45	0.61	10.15
ME86042	WGZ	101.19	102.26	1.07	16.46
ME86042	WGZ	103.02	103.17	0.15	12.1
ME86043	WGZ	116.43	116.74	0.31	14.4
ME86043	WGZ	119.79	120.85	1.06	13.16
ME86043	WGZ	120.85	122.22	1.37	10.97
ME86043	WGZ	124.97	126.49	1.52	11.52
ME86043	WGZ	126.49	127.56	1.07	13.16
ME86051	WGZ	4.57	5.27	0.7	12.62
ME86051	WGZ	24.99	26	1.01	13.17
ME86051	WGZ	26.3	26.61	0.31	10.42
ME86052	WGZ	21.73	22.17	0.44	14.81
ME86052	WGZ	26.3	27.13	0.83	26.33
ME86052	WGZ	27.13	28.25	1.12	13.71
ME86053	WGZ	12.8	12.95	0.15	12.07
ME86055	WGZ	17.86	18.2	0.34	11.52
ME86055	WGZ	18.59	19.51	0.92	12.89
ME86057	WGZ	17.59	17.98	0.39	13.99
ME86057	WGZ	17.98	18.59	0.61	12.82
ME86058	WGZ	19.2	19.57	0.37	14.26
ME88076	WGZ	265.48	265.94	0.46	11.93

HOLE-ID	ZONE	FROM	TO	LENGTH	AU_GPT
TR04-01-16A	WGZ	14	14.5	0.5	10.55
TR04-01-16A	WGZ	16	16.5	0.5	13.6
TR04-01-16A	WGZ	16.5	17	0.5	10.4
TR04-01-16A	WGZ	18.5	19	0.5	10.55
TR04-04-15	WGZ	34.5	34.75	0.25	11.35
TR04-04-15	WGZ	42	42.5	0.5	18.3
TR04-04-15	WGZ	42.5	43	0.5	13.65
TR04-05-14B	WGZ	36.5	37	0.5	15.6
TR04-07-14	WGZ	38	38.5	0.5	12.7
WG05003	WGZ	42	42.3	0.3	21.6
WG05004	WGZ	80.5	81.1	0.6	15.8
WG05006	WGZ	48.5	49	0.5	10.35
WG05007	WGZ	50.2	50.5	0.3	11.15

As far as was possible, all drill holes were designed to intersect the mineralized bodies at right angles to the strike and dip in order to attain true thickness intersections. However, most intercepts/sample lengths do not represent the true thicknesses due to the sub-vertical nature of the deposits. Drill hole coordinates, azimuths, dips and lengths are in Appendix 2.

10.5 MICON COMMENTS

Based on observations made during the site visit, sample recoveries beneath the overburden are generally good (+95%) and this ensured good quality samples. Micon is not aware of any drilling, sampling, or recovery factors that could result in sampling bias or otherwise materially impact the accuracy and reliability of the drilling results.

11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

The following descriptions are partly based on Micon 2010 with some edits.

11.1 LACANA PROGRAMS 1985-1988

Government assessment reports reviewed by Mercator 2008 showed that drill core was logged and sampled by company employees who produced hard copy lithologic logs and sample records for each drill hole. Detailed information related to lithology, alteration and mineralization was systematically recorded in the logs along with complete records of core sampling and posted analytical results.

Core sample intervals were laid out on the basis of visually determined mineralization and alteration, as defined by the logging geologist, and sample intervals recorded on the drill log. Core samples were split and half core samples were submitted for analysis. Reports do not specify details of actual sample handling, tagging or shipping protocols. Sample lengths ranged from 0.06 m to 4.7 m with the majority being 0.30 m and 1.52 m.

Archived Lacana reports documenting company drilling programs do not provide detailed descriptions of sample preparation methodologies, analytical procedures or security considerations. However, Mr. J. Duncan, P.Geo., Stratabound and Castle’s project manager, advised Mercator that Lacana’s laboratory work was carried out at Custom Laboratory, formerly Stairs Laboratories, a commercial laboratory operating in Bathurst at the time, serving exploration and mining interests. Conventional rock or core sample preparation procedures were used and it is understood that gold analysis included fire assay pre-concentration techniques (J. Duncan, personal communication, 2008).

11.2 STRATABOUND PROGRAMS 2005-2008

11.2.1 Drill Core Logging and Sampling

Stratabound personnel were consulted with respect to determination of core logging and sampling procedures used during Stratabound’s drilling programs and a review of related core logs and sample records were completed to augment such information. Core logging and sampling procedures were carried out at the Bathurst facility and included use of a pre-numbered sample tag system. This included insertion of a sample tag record defining the down-hole sample interval in the archived core boxes at corresponding locations. A sample tag was also inserted in the pre-numbered sample bag in which core sample material was placed and sealed for shipment.

Standard company practice was to have a qualified geologist prepare detailed conventional core log descriptions for each hole and to mark core sampling intervals. Sample records and drill logs were entered into Microsoft Excel ® digital spreadsheets to facilitate data handling and development of interpretive sections and plans. Core sample intervals were laid out based on visually determined mineralized zone limits or lithologic boundaries. A 0.50 m minimum sample length parameter was applied to all programs along with a maximum sample interval length of 1.0 m. In contrast to the Lacana programs, continuous down-hole sampling of core across weakly altered zones was commonly carried out to document low grade gold values present in the alteration envelope. All core was split by sawing under supervision of Stratabound staff or consultants. Half core samples were submitted for analysis to ALS Chemex Canada Limited in Vancouver, BC for the 2005- 006 period and to either SGS Canada Limited in Don Mills, ON or Eastern Analytical Limited in Springdale, NL during the 2007-2008 period. All the laboratories used are independent of Stratabound, Castle, CNRP and Gorilla. Eastern Analytical Limited is not certified. ALS and SGS are both ISO 9001 : 2008 and ISO 17025 : 2005 certified.

11.2.2 Trenching

During 2005 Stratabound completed 9 surface trenches (TR-1 through TR-9) in the WGZ area and completed continuous bedrock channel sampling programs in these areas, where possible. As described by Duncan (2005) trenches were typically 3 m in width and less than 2 m in depth but in two instances (TR2 and TR-9) depths exceeding 5 m were encountered and this prevented collection of channel samples. Grab samples of excavator materials were collected in these areas. Lithologic logs for the trenched intervals were also prepared.

Channel samples were collected using a gas powered rock saw and were nominally 100 mm in width and 50 mm in depth. Where trench conditions prevented cutting of samples from the trench floor, chip samples of trench wall materials were collected. All samples were systematically recorded and locations coordinated to the local survey grid. Samples ranged between 0.25 m and 1.0 m in length and were placed in labelled plastic bags prior to shipment by commercial courier to ALS Canada Limited (ALS Chemex) in Vancouver, BC for laboratory analysis.

11.2.3 Quality Assurance/Quality Control (QA/QC)

The 2005 trenching program and 2006 drilling program carried out by Stratabound were not subject to an independent QA/QC protocol but internal laboratory QA/QC results were monitored by staff for project purposes. In addition, Mercator completed a limited check sampling program for several holes of this era and obtained satisfactory results.

Beginning with the 2007-2008 drilling program, Stratabound modified its QA/QC protocols to include systematic insertion of blank samples and certified reference standards as well as systematic analysis of duplicate analytical pulp splits, quarter core duplicate samples and third party check samples. Nominal insertion rates for blank samples was 1 in 20 and for reference standards 1 in 35. Duplicate pulp splits and third party check sample splits were analyzed at a nominal 1 in 25 frequency from the same source samples and quarter core duplicates were prepared at a nominal frequency of 1 in 40. Third party check sample analyses were carried out by ALS Chemex Limited.

Blank samples consisted of non-mineralized gabbro core samples from the Goodwin intrusion, located in the Bathurst area, and samples were blind to the receiving laboratory. Certified reference standards used by Stratabound were MAC-2C obtained from CANMET Certified Reference Materials Project and CDN-GS-2B supplied by CDN Laboratories of Vancouver.

11.2.4 Security

All Stratabound core handling, sampling and sample handling activities were carried out in Bathurst under secure site conditions and under direct supervision of Stratabound's project manager, Mr. John Duncan, P.Geo. The Bathurst facility is located in an industrial park setting and consists of an office and storage complex that is accessible only to Stratabound staff and protected by a modern electronic security systems. Samples dispatched to laboratories were transported in sealed containers.

11.2.5 Laboratory Sample Preparation and Analyses

For 2005 and 2006 programs bagged core and trench samples were shipped by commercial courier from Bathurst, NB to ALS Canada Limited (ALS Chemex) in Sudbury, ON for preparation and laboratory analysis. Upon arrival at the laboratory samples were subjected to standard rock preparation procedures that included jaw crushing, pulverizing and splitting. This produced an 85% minus 75 micron rock pulp that was used in subsequent analytical procedures. Gold levels were initially determined using the ALS Chemex AA-23 code which provides fire assay pre-concentration of a 30 gram pulp prior to gold determination by Atomic Absorption (AA) methods. Any samples grading in excess of 10 parts per million were re-analyzed using the AU-Grav21 code method which incorporates a gravity finish after fire assay pre-concentration of a 30 gram pulp sample. Additional metal levels were obtained for selected sample sections using Inductively Coupled Plasma Emission or Mass Spectroscopy methods after multi-acid digestion (ME-ICP-41 or MS-61 codes). Samples determined to have high base metal contents were submitted directly for assay quality determinations with final metal levels determined by Atomic Absorption methods.

Most of the core samples from the 2007-2008 program by Stratabound were analyzed at SGS Canada Limited using fire assay pre-concentration and Atomic Absorption finish methods.

11.3 CASTLE RESOURCES PROGRAMS (2008-2011)

11.3.1 Drill Core Logging and Sampling

Logging and sampling protocols adopted for the Castle programs were the same as those described above for the previous Stratabound drilling campaigns. However, Micon notes that continuous down-hole sampling of core across weakly altered zones was occasionally not conducted due to error in the visual determination of sheared zones thereby resulting in undocumented low grade gold values present in the alteration envelope.

11.3.2 Quality Assurance/Quality Control (QA/QC)

The Quality Control and Quality Assurance program (QA/QC) followed by Castle for its 2009-2010 drilling program was the same as that followed earlier by Stratabound during its 2007-2008 program. This consisted of systematic insertion of certified standards and blanks as well as analysis of duplicate split samples, quarter core replicate samples and analysis of check samples at an independent laboratory.

Blank samples used consisted of silica sand material of comparable weight to normal 0.5 m half core samples. Certified reference standards OREAS 15Pb and OREAS 18Pb were obtained by Castle from Analytical Solutions Ltd. of Toronto, ON for use in the 2009-2010 drilling program on the property. Reference standard samples, consisting of pre-packaged, prepared sample pulp material (minus 75 micron grain size) weighing approximately 60 grams, were inserted by drilling program staff. Samples of certified reference material were submitted in company with the core samples collected from the drill program at a nominal frequency of 1 per 35 samples, alternating between the 2 reference standards.

11.3.3 Security

As was the case with Stratabound, all core handling, sampling and sample handling activities were carried out in Bathurst under secure site conditions and under direct supervision of Castle's contracted project manager, Mr. John Duncan, P.Geo.

Once all core was logged and sampled, drill cores were relocated to the New Brunswick government core storage facility in Madran. At the time of Micon's August, 2010 site visit, all 2010 drill cores were being temporarily stored at the Stratabound/Castle's Bathurst facility.

Bagged core samples in sealed boxes such as depicted in Figure 13.1 were shipped by commercial courier from Bathurst NB to Eastern Analytical Limited in Springdale, NL (2009) or to AGAT Laboratories in Mississauga, ON (2010). Both laboratories are independent of Castle, Stratabound, CNRP and Gorilla. AGAT laboratory is accredited and certified to the International Organization for Standardization for the following standards: ISO 9001; ISO/IEC 17025.

Eastern Analytical Limited is not accredited.

Figure 11.1
Sample Packaging Facility in Bathurst

Photograph taken by Micon, August, 2010

11.3.4 Laboratory Sample Preparation and Analyses

Sample preparation at the laboratory involved standard rock preparation procedures that included drying followed by jaw crushing, pulverizing and splitting. This produced an 85% minus 75 micron rock pulp that was used in subsequent analytical procedures. The determination of gold levels was carried out using fire assay pre-concentration and Atomic Absorption finish methods on 30 g splits. Selected samples were also submitted for ICP analysis of 35 additional elements.

11.4 RESULTS OF QA/QC SAMPLES

Under the pass/fail criteria for standards, if measured concentrations in standards differ from accepted values by more than three standard deviations, the entire batch fails and is re-analyzed. Micon has analyzed the results of QA/QC procedures employed by Stratabound and Castle and has noted that in the majority of the cases (>90%), the control samples used attained the pass level. Micon's independent repeat analyses also produced good results as described in Section 12. In instances where the standards and blanks failed, repeat analyses and further checks were performed.

11.5 MICON COMMENTS

Micon is satisfied that Stratabound and Castle's sampling protocols that were employed at the Elmtree property are in line with the CIM best practice guidelines. No drilling, sampling or recovery factors have been identified that could result in sampling bias or otherwise materially impact the accuracy and reliability of the assays and, hence, the resource database.

The restriction of sample intervals to lithological/mineralization boundaries results in samples being representative of the mineralization types encountered and, thus, facilitates geological modelling of the deposit. Micon is not aware of any actions and/or factors that may have resulted in sample biases. The samples taken by Stratabound and Castle are considered by Micon to be generally representative of the areas tested by drilling despite a few instances where sampling was incomplete as described in Section 11.3.1.

Micon considers that the sample preparation, security and analytical procedures were adequate to ensure credibility of the assays. The QA/QC procedures and protocols employed by Stratabound and Castle are sufficiently rigorous to ensure that the sample data are appropriate for use in mineral resource estimation.

12.0 DATA VERIFICATION

12.1 2008 AND PREVIOUS YEARS

The data verification for the 2008 program and previous years is described by Michael Cullen, P. Geo., as reported in Micon's March, 2010 Technical Report for Castle entitled "Technical Report on Preliminary Assessment of the Elmtree Gold Property, Gloucester County New Brunswick, Canada". This report is filed on SEDAR under Castle Resources.

12.2 2009/2010 DATAVERIFICATION

Micon achieved data verification by conducting a site visit to the project area, including the shared Castle/Stratabound office complex where drill core logging and sampling are undertaken, conducting independent repeat analyses of selected sample pulps, and analyzing monitoring reports on the performance of control samples.

12.2.1 Site Visit

The site visit for data verification purposes was conducted by Charley Murahwi, P.Geo., on August 20, 2010, in the company of John Duncan, P. Geo. and Kevin Vienneau, field manager for Castle. The tasks accomplished included the following:

- Verification of some of the drill hole collar positions and topographic features.
- Examination of drill cores and visual verification of mineralized intercepts.
- Partial validation of analytical results by comparing assays with drill core intercepts.
- Review of QA/QC protocols.

In summary, the main observations are that (a) gold mineralization is associated mainly with arsenopyrite and to a lesser extent, pyrite; (b) the mineralization is confined to sheared gabbro with attendant pervasive silicification accompanied by sericitization (Figure 14.1); (c) drill core handling, logging and sampling are conducted satisfactorily; (d) QA/QC protocols are reasonable and are supervised by the project geologist, John Duncan, P.Geo., and (e) assay results generally match the mineralized intercepts observed in drill cores.

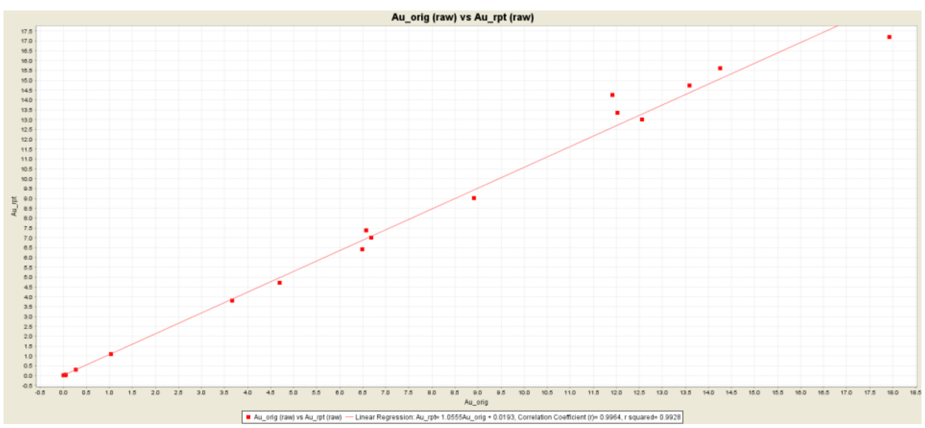
12.2.2 Repeat Analyses

Micon selected 30 sample pulps encompassing a wide range of assay values (from low through medium to high) and re-numbered them in a different sequence before submitting them to the AGAT Laboratories in Mississauga for repeat analyses using the same method previously used. Comparison between original and repeat assays on a scatter plot (Figure 14.2) gives a good correlation coefficient of 0.996 thereby confirming the laboratory's lack of bias and precision.

Figure 12.1
Arsenopyrite Mineralization in Sheared and Silicified Gabbro

Photograph taken by Micon, August, 2010

Figure 12.2
Scatter Plot of Original (orig) Assays Versus Repeat (rpt) Assays



12.2.3 Monitoring Reports and Control Charts

Analysis of the monitoring reports reveals that adequate control samples incorporating high quality certified reference material (CRM), blanks and duplicates were used to ensure accuracy of the analytical database. In a few instances where standards failed, appropriate investigations were conducted and re-assaying was conducted whenever it was deemed necessary. Micon did not identify any flaws in the QA/QC protocols

12.2.4 Review of Verification Completed by Mercator

In the earlier resource estimate, Mercator verified the data by re-sampling old drill hole cores, and carrying out repeat/check analyses. Mercator also reviewed the performance of the laboratories on independent control samples. Overall, the results obtained were satisfactory. Micon has reviewed this work and concurs with Mercator's findings.

12.3 RESOURCE DATABASE VALIDATION

The resource database validation conducted by Micon involved the following steps:

- Checking for any non-conforming assay information such as duplicate samples and missing sample numbers.
- Verifying collar elevations against survey information for each drill hole.
- Verifying collar coordinates against survey information for each drill hole.
- Verifying the dip and azimuth against survey information for each hole.
- Comparing the database assays and intervals against the original assay certificates and drill logs.

Some minor discrepancies were noted with duplication of sample intervals where duplicate analyses had been conducted. The necessary corrections were made.

12.4 CONCLUSIONS ON DATA VERIFICATION

On the basis of the verification procedures described above, Micon considers the database generated to be representative of the main characteristics of the Elmtree gold deposit and therefore appropriate for use in resource estimation.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

CNRP and Gorilla have not conducted any metallurgical testwork. The following has been summarized from Micon's PEA of 2010 and subsequent metallurgical test reports by Micon, SGS and others.

Previous tests done by RPC Science and Engineering in September, 2009 show the flotation concentrate to have low gold values (11.5 g/t) and a deleterious arsenopyrite content which potentially resulted in high smelter penalties.

Further tests at SGS Lakefield show that a flotation concentrate can be produced by regrinding the rougher concentrate to 27 microns prior to cleaner flotation. The tests produced a concentrate grade of 31.5 g/t gold, 20.9% sulphur, and 7.7% arsenic, with a gold recovery of 93.2%.

It was found that the Elmtree samples oxidize quickly. Gold recovery from three-year-old split core from WGO series holes was 5% less than from the 2010 ELM series core which may be explained by the oxidation of sulphide in the WGO core that proved detrimental to flotation. All further float tests, if required, should be done with fresh core.

In order to conserve core from the 2010 drill campaign, it was proposed that selected intervals of the 2010 spilt core be split once more to quarter core. Two WGO hole intervals selected by RPC were supplemented by additional samples from holes ELM10-80 and ELM10-90. These additional intervals were chosen so that, when combined with the WGO sample, they would make up a 3.0 g/t gold composite. The intervals selected were:

- ELM10-80 from 166 m to 175 m, calculated 1.2 g/t Au.
- ELM10-90 from 151 m to 160 m, calculated 6.0 g/t Au.

These intervals selected were individually tested before combining with the WGO samples. The results are reported in Table 13.1.

The 7 kg sample from WGO-5004 and WGO-5007 tested at SGS assayed 1.93 g/t gold. Combined with the ELM core intervals, this produced a composite of 3.0 g/t gold.

13.1 PRELIMINARY ROUGHER FLOTATION TESTS

Table 13.1 summarizes the gold recovery and concentrate grade for the preliminary rougher tests conducted by SGS, compared to the RPC results. Table 13.1 also lists SGS's preliminary results on the WGO drill core, the TRO trench samples and the two fresh intervals from the 2010 drill campaign, ELM10-80 and ELM10-90. The TRO sample had a low gold recovery of 85.6%. The WGO split core had a recovery of 93.0% which was slightly lower than the RPC recoveries at 95.3%, and produced a generally similar gold grade of 8.8 g/t in the rougher concentrate. On average, the rougher flotation tests produced a gold recovery of 94.5%.

The rougher flotation tests completed by SGS suggest that the TRO trench samples are oxidized. It was not established if the oxidation occurred in situ or after the sample was crushed to minus four inches. This could be confirmed by further tests.

Table 13.1
SGS Flotation Results Compared to RPC Results

Test	Head (Au g/t)	P_{80} (micron)	Rgh Conc (Au g/t)	Recovery (% Au)
RPC WGZ-120(6)	2.12	96	13.5	94.2
RPC WGZ-120(11)	2.13	96	10.0	96.3
RPC WGZ-180(4)	2.12	79	15.8	98.6
RPC WGZ-120(15)	2.12	96	10.9	95.5
RPC WGZ-120(17)	2.12	96	7.5	91.7
SGS WGO	1.93	75	8.8	93.0
SGS TRO	2.71	71	11.9	85.6
SGS ELM10-80	0.83	137	5.2	92.3
SGS ELM10-90	8.72	80	29.2	98.2

An explanation for the low recovery of 93.0% obtained by SGS from the WGO samples, as compared to the RPC results, is the possible oxidation of the WGO split core during storage. This was confirmed when additional flotation tests were done on fresh drill core from ELM10-90, with a recovery of 98.2%.

The other fresh core sample ELM10-80 had a low recovery at 92.3% due to the coarse grind size selected. Tables 13.2 and 13.3present data for all the tests, and show that ELM10-80 was tested at a coarser grind of 80% passing (P_{80}) 137 microns, compared to the other tests at a P_{80} of 80 microns. It was suspected at that time that grinding to a P_{80} of 80 microns was needed to achieve good gold recovery.

However, further investigations on the composite sample during the cleaner floatation stage (see Section 13.2) show that a coarse rougher flotation, followed by regrinding the rougher concentrate prior to a cleaner flotation not only resulted in good gold recovery, but may also decrease grinding costs since only 9% of the mass (the rougher concentrate) must be fine-ground in a regrind mill to achieve good recovery and an acceptable concentrate grade. The reground rougher concentrate fed to the cleaner had a P_{80} of 27 microns.

13.2 CLEANER FLOTATION RESULTS

A composite sample consisting of the WGO, ELM10-80 and ELM10-90 samples was subjected to cleaner flotation to further investigate the flotation process that would produce an acceptable concentrate.

The tests aimed to maximize the gold recovery and sulphur grade in the concentrate, to optimize value of the concentrate as a smelter feed. The results of the cleaner tests are shown in Table 13.4.

Table 13.2
Rougher Flotation Tests - Raw Data (F1-F5)

Test No.	Sample	Test Purpose	Feed P_{80}(µm)	Flotation Conditions (g/t)	Product (cumulative)	Flot. (min)	Mass %	Assays			Distribution (%)		
								Au g/t,	S%	As %	Au	S	As
F1	Nominal Drill Core	scoping	75	PAX (60)	Rougher Conc 1	2	2.27	12.9	14.3	1.21	15.2	16.9	5.2
				MIBC	Rougher Conc 1+2	5	5.39	9.57	12.7	1.61	26.8	35.8	16.6
				CuSO4 (100) in Ro 5	Rougher Conc 1-3	9	8.54	8.57	10.8	1.86	38.0	48.2	30.4
				NaHS (300) + CuSO4 (100)	Rougher Conc 1-4	14	11.9	8.89	9.69	2.23	54.9	60.2	50.7
				in Ro 6	Rougher Conc 1-5	19	15.5	10.9	9.32	3.11	87.8	75.2	92.0
					Rougher Conc 1-6	24	20.3	8.82	8.72	2.49	93.0	92.5	96.6
					Rougher Tail		79.7	0.17	0.18	0.02	7.0	7.5	3.4
					Calc Head		100.0	1.93	1.92	0.52	100.0	100.0	100.0
F2	TRO	scoping	71	PAX (60)	Rougher Conc 1	2	2.27	17.7	9.47	0.86	14.8	9.7	2.4
				MIBC	Rougher Conc 1+2	5	5.55	12.4	7.70	1.09	25.4	19.3	7.5
				CuSO4 (100) in Ro 5	Rougher Conc 1-3	9	8.79	10.7	7.41	1.61	34.7	29.5	17.5
				NaHS (300) and CuSO4 (100)	Rougher Conc 1-4	14	12.16	10.8	7.30	2.20	48.5	40.2	33.0
				in Ro 6	Rougher Conc 1-5	19	15.5	11.7	7.01	2.98	66.5	49.0	56.8
					Rougher Conc 1-6	24	19.5	11.9	7.48	3.36	85.6	66.1	81.1
					Rougher Tail		80.5	0.49	0.93	0.19	14.4	33.9	18.9
					Calc Head		100.0	2.71	2.21	0.81	100.0	100.0	100.0
F3	Elm 10-80	scoping	137	PAX (60)	Rougher Conc 1	2	3.21	18.8	21.8	7.31	72.9	36.8	78.4
				MIBC	Rougher Conc 1+2	5	5.55	12.9	19.1	5.00	86.2	55.6	92.5
				CuSO4 (100) in Ro 5	Rougher Conc 1-3	9	7.34	9.99	16.8	3.87	88.4	64.6	94.7
				NaHS (300) and CuSO4 (100)	Rougher Conc 1-4	14	9.28	8.01	14.6	3.10	89.7	71.1	95.9
				in Ro 6	Rougher Conc 1-5	19	11.0	6.88	13.0	2.66	91.0	74.9	97.2
					Rougher Conc 1-6	24	14.7	5.19	11.0	2.00	92.3	85.2	98.2
					Rougher Tail		85.3	0.08	0.33	0.01	7.7	14.8	1.8
					Calc Head		100.0	0.83	1.91	0.30	100.0	100.0	100.0
F4	Elm 10-90	scoping	80	PAX (60)	Rougher Conc 1	2	7.97	61.3	31.0	9.90	56.0	57.8	44.0
				MIBC	Rougher Conc 1+2	5	14.7	51.6	23.5	10.4	86.9	80.6	85.2
				CuSO4 (100) in Ro 5	Rougher Conc 1-3	9	18.1	44.6	20.6	9.20	92.5	86.9	92.7
				NaHS (300) and CuSO4 (100)	Rougher Conc 1-4	14	21.2	39.0	18.2	8.11	94.9	90.5	95.8
				in Ro 6	Rougher Conc 1-5	19	26.0	32.8	15.4	6.84	97.6	93.4	99.0
					Rougher Conc 1-6	24	29.3	29.2	14.1	6.08	98.2	96.7	99.2
					Rougher Tail		70.7	0.22	0.20	0.02	1.8	3.3	0.8
					Calc Head		100.0	8.72	4.27	1.79	100.0	100.0	100.0
F5	Master Comp	scoping	~80	3418 (30)	Rougher Conc 1	2	1.42	30.1	4.4	0.52	12.1	2.5	0.9
				SIPX(80%):PAX (20%) (60)	Rougher Conc 1+2	5	6.1	19.9	17.5	2.5	34.5	43.0	18.5
				MIBC	Rougher Conc 1-3	9	11.3	20.7	14.5	4.31	66.4	66.1	59.4
				CuSO4 (200) in Ro 4 and 5	Rougher Conc 1-4	14	15.0	22.1	13.2	5.33	93.7	79.4	96.8
					Rougher Conc 1-5	19	18.1	18.4	11.5	4.45	94.7	83.8	97.9
					Rougher Tail		81.9	0.23	0.49	0.02	5.3	16.2	2.1
					Calc Head		100.0	3.53	2.48	0.82	100.0	100.0	100.0

Table 13.3
Cleaner Flotation Tests - Raw Data (F6-F8)

est	Sample	Primary Grind P_{80}, µm	Regrind P_{80}, µm	Flotation Conditions (g/t)	Product (cumulative)	Mass %	Assays			Distribution (%)		
							Au (g/t)	S (%)	As (%)	Au	S	As
F6	Master Comp.	85	27	2nd Cl: Nothing	2nd Cl Conc	6.72	44.0	28.0	10.6	86.8	78.0	86.7
				1st Cl Scav: PAX (10)	1st Cl Conc	10.1	31.5	20.9	7.74	93.2	87.6	95.0
					1st Cl Conc + Scav Conc	11.7	27.5	18.7	6.78	94.8	91.2	96.7
				$CuSO_4$ (200), NaSH (600) 3418 (25), PAX (50) MIBC; 1st Cl: NaSH (200), PAX (10), MIBC	Ro Conc 1-5	20.0	16.49	11.45	4.06	96.9	95.0	98.9
					Ro Tail	80.0	0.13	0.15	0.01	3.1	5.0	1.1
					Calc Head	100.0	3.41	2.41	0.82	100.0	100.0	100.0
F7	Master Comp.	94	25	1st Cl Scav: PAX (10)	1st Cl Conc	7.43	39.6	23.7	9.20	86.0	79.2	85.6
					1st Cl Conc + Scav Conc	8.45	36.1	22.2	8.48	89.2	84.2	89.7
				$CuSO_4$ (200), 3418 (25), PAX (50) , MIBC 1st Cl: CuSO4 (50),PAX (20), MIBC	Ro Conc 1-5	14.7	22.3	13.7	5.32	95.3	90.0	97.6
					Ro Tail	85.3	0.19	0.26	0.02	4.7	10.0	2.4
					Calc Head	100.0	3.42	2.23	0.80	100.0	100.0	100.0
F8	Master Comp.	137	25	1st Cl Scav: PAX (10)	1st Cl Conc	8.45	36.5	23.2	8.44	87.7	81.9	88.7
					1st Cl Conc + Scav Conc	10.70	30.3	20.0	7.04	92.1	89.5	93.7
				$CuSO_4$ (200), 3418 (25), PAX (50) , MIBC 1st Cl: CuSO4 (50),PAX (20), MIBC	Ro Conc 1-5	19.4	17.5	11.7	4.11	96.4	94.9	99.0
					Ro Tail	80.6	0.16	0.15	0.01	3.6	5.1	1.0
					Calc Head	100.0	3.52	2.39	0.80	100.0	100.0	100.0

Table 13.4
Concentrate Produced in a One Cleaner Flowsheet

SGS Test No.	Mass	Grade			Recovery (%)		
	(wt%)	Au (g/t)	S (wt%)	As (wt%)	Au	S	As
F6	10.1	31.5	20.9	7.7	93.2	87.6	95.0
F7	7.4	39.6	23.7	9.2	86.0	79.2	85.6
F8	8.5	36.5	23.2	8.4	87.7	81.9	88.7
Average	**8.7**	**35.9**	**22.6**	**8.5**	**89.0**	**82.9**	**89.8**

Test F6 used NaHS as a reagent to facilitate sulphide flotation in the cleaner. Tests F7 and F8 are the results without adding NaHS to the cleaner.

13.3 GRINDING TEST RESULTS

The Rod Mill Work Index (RWi) was determined to be 19.1 kWh/t (metric). This result classifies the sample as a ‘hard’ ore. The Abrasion Index (Ai) was determined to be 0.114. Table 13.5 shows the predicted grinding media consumptions for the sample.

Table 13.5
Predicted Grinding Media Consumption

Item	Formula	Consumption	
		lb/kWh	kg/kWh
Wet rod mill, rods:	0.35*(Ai-0.020)^0.20	0.22	0.10
Wet rod mill, liners:	0.035*(Ai-0.015)^0.30	0.017	0.008
Ball mill (overflow and grate discharge types)			
Wet ball mill, balls:	0.35*(Ai-0.015)^0.33	0.16	0.074
Wet ball mill, liners:	0.026*(Ai-0.015)^0.30	0.013	0.0059
Ball mill (grate discharge type)			
Dry ball mill, balls:	0.05*(Ai)^0.5	0.017	0.008
Dry ball mill, liners:	0.005*(Ai)^0.5	0.0017	0.0008
Crushers (gyratory, jaw, cone)			
Crusher, liners:	(Ai+0.22)/11	0.030	0.014
Roll crusher, shells:	(Ai/10)^0.67	0.050	0.023

13.4 CONCENTRATE SELF-HEATING TEST

A concentrate self-heating test was conducted due to the high sulphur and pyrite values in the concentrate. The tests were performed by NesseTech Consulting Services Inc., St Catharines, Ontario.

Sample preparation and shipping was by SGS Lakefield and was a composite of rougher flotation concentrates from float tests F1 to F8. The sample was received on June 13, 2011 at the testing facility at McGill University and was tested the following week. No specific mineralogical data were made available, although limited assay data were provided for the rougher composite as well as for cleaner concentrate and were used to help in the interpretation of results.

The self-heating testing of the rougher concentrate sample, and analysis of resulting data, yielded the following conclusions:

1. The rougher concentrate sample shows moderate self-heating behaviour, falling just within Risk Region 4 (Recommend Monitoring).

2. The most significant risk to this, and similar materials, will be exposure to a high heat source (>100^{o}C) due to its Stage B activity (4.2 J/g) which places it close to Risk Region 3 (Do Not Expose to a High Heat Source).

14.0 MINERAL RESOURCE ESTIMATES

The resource in this report was estimated in accordance with the definitions contained in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Reserves Definitions and Guidelines that were prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council on November 27, 2010.

14.1 MICON REVIEW OF THE 2008/2010 RESOURCE ESTIMATE

Micon has reviewed the Elmtree property mineral resource estimate originally reported in Mercator, 2008, and subsequently used as the basis for the preliminary economic assessment reported in Micon, 2010. The resource estimate was based on three-dimensional block modelling of the three separate deposit areas using Surpac® Version 6.01 modelling software. The models were based on composited results of 6,844 drill core samples from a total of 121 separate drill holes completed by Lacana and Stratabound, and 7 of 9 trenches completed by Stratabound. Prior to initiation of digital deposit modelling, complete sets of vertical cross-sections through each of the three areas were produced, based on lithocode and assay data from the validated drill hole database. These sections were manually interpreted to develop a geological and grade distribution model for each area. Section spacing varied between areas, with 25 m typical in much of the WGZ, 80 to 100 m typical of the SGZ and 25 to 50 m typical of the DZ.

A geostatistical approach utilizing ordinary kriging was used for grade interpolation. A summary of the results is presented in Table 14.1.

Table 14.1
Mercator Mineral Resource Estimate for the Elmtree Property (February, 2008)

Deposit / Zone	Category	Tonnes(Rounded)	Au (g/t)	Ag (g/t)	Pb%	Zn%
WGZ (High Grade)	Indicated	145,000	4.76	-	-	-
WGZ (Low Grade)	Indicated	380,000	1.57	-	-	-
Total WGZ Indicated	**Indicated**	**525,000**	**2.45**	-	-	-
WGZ (High Grade)	Inferred	300,000	5.22	-	-	-
WGZ (Low Grade)	Inferred	1,156,000	1.26	-	-	-
WGZ (Peripheral)	Inferred	100,000	1.07	-	-	-
Sub-Total WGZ Inferred	**Inferred**	**1,556,000**	**2.01**	-	-	-
DZ Au Only Zone	Inferred	583,000	1.15	-	-	-
DZ Au/Ag/Pb/Zn Zone	Inferred	117,000	1.77	44.36	0.78	2.17
DZ Ag/Pb/Zn Zone	Inferred	41,000	-	25.80	0.43	1.53
Sub-Total DZ Inferred	**Inferred**	**741,000**	**1.18**	**8.43**	**0.15**	**0.43**
SGZ	Inferred	2,367,000	0.74			
Total Inferred	**Inferred**	**3,108,000**	**0.85**	**2.01**	**0.04**	**0.10**

Notes: WGZ = West Gabbro Zone, SGZ= South Gold Zone, DZ= Discovery Zone; WGZ High Grade Au threshold = 3.00 g/t/2.0m;Low Grade Au Threshold=0.5 g/t/3.0m; SGZ Au Threshold=0.3 g/t/3m; DZ Au threshold = 0.5 g//t/2.0m.

In the light of current information, the resources for the DZ and SGZ as presented in Table 14.1 remain valid and only the WGZ needs revision as a result of an additional 55 drill holes drilled between the last quarter of 2008 and December, 2010.

14.2 WGZ MINERAL RESOURCE ESTIMATE

Based on Micon's 2010 Technical Report, the WGZ was identified as offering the best potential for mine development. A systematic diamond drilling program involving infill and step-out holes to upgrade and expand the resource for the WGZ was subsequently completed in the latter half of 2010. The current resource estimate for the Elmtree property focuses on the WGZ; resources for the SGZ and DZ as reported in Micon, 2010, remain unchanged.

14.2.1 Database Description

The database comprises geological, collar, survey and assay data of 7 trenches and 72 diamond drill holes of HQ size. The drill holes and trenches generated a total of 3,000 samples. The database differs from that presented in Micon, 2010 by the addition of 55 drill holes drilled between the last quarter in 2008 and December, 2010.

14.2.2 Estimation Methodology

The Elmtree WGZ deposit mineral resource estimate has been conducted systematically using geological interpretation, conventional statistics on raw assay data, creation of three-dimensional models (3DM solids), statistics on composites, geostatistics, creation of interpolation parameters, block modelling, block model validation and classification.

14.2.2.1 Overall Geological Interpretation

The Elmtree deposit comprises three distinct sub-parallel mineralized horizons which have been designated as the West Gabbro Zone (WGZ), Discovery Zone (DZ) and the South Gold Zone (SGZ). The location of these zones in relation to each other is shown in the local geology map (Figure 7.3). The host rock for the WGZ is gabbro while for the DZ and SGZ the host rocks are typically sedimentary in nature with variable calcareous matrix components.

In all three horizons, gold and arsenic mineralization is directly related to shearing, hydrothermal alteration, quartz vein arrays and silicification. These characteristics (i.e. shearing, etc.) have been used to guide correlation of mineralized zones from hole to hole on drilling sections and from drill section to drill section along the strike of the three sub-parallel mineralized horizons.

The WGZ is exposed in seven trenches at surface and has been intersected in drill holes over a strike length of about 500 m and down to a vertical depth of 200 m. It averages about 20 m in width and is considered potentially a target for open pit exploitation.

14.2.2.2 Statistics on Raw Assay Data

A statistical analysis on raw assay data and sample lengths of the WGZ was conducted to establish the mineralization indicator grade to demarcate the potential resource envelope (solid) and to determine the composite length, respectively.

The primary statistics on of the raw assay data are presented in Table 14.2 and the log-probability plot in Figure 14.1. Based on its review of these data, Micon selected a grade of 0.25 g/t Au as representing the appropriate lower limit for constructing the mineralized envelope.

Statistical analysis of the sample lengths shows minimum and maximum values of 0.06 m and 4.70 m, respectively. For consistency with Micon, 2010, 2 m was adopted as the appropriate sample length for compositing.

Table 14.2
Primary Statistics of Raw Assay Data

Variable	Au g/t
Number of samples	5,373.00
Minimum value	0.01
Maximum value	28.80
Mean	1.24
Median	0.19
Geometric mean	0.19
Variance	5.96
Standard deviation	2.44
Coefficient of variation	1.97
Sichel-t	2.21

14.2.2.3 Creation of 3-Dimensional Models (3DMs)

One major solid and six subsidiary ones (to the immediate south and southwest) were created using a cut-off grade of 0.25 g/t Au. These represent the main WGZ body and smaller semi-detached satellite bodies arising from splays off the main body (Figure 14.2). The solids were created using the Surpac software version 6.1.4. Points defining the mineralized envelope were snapped to the end points of the appropriate drill hole intervals to ensure proper sample capture. Snapped points were validated through visual checks. Using an in-built module within the Surpac software, the volumes were verified to ensure that there were no intersecting or invalid (open or shared) edges.

Figure 14.1
Cumulative Log-probability Plot For Au

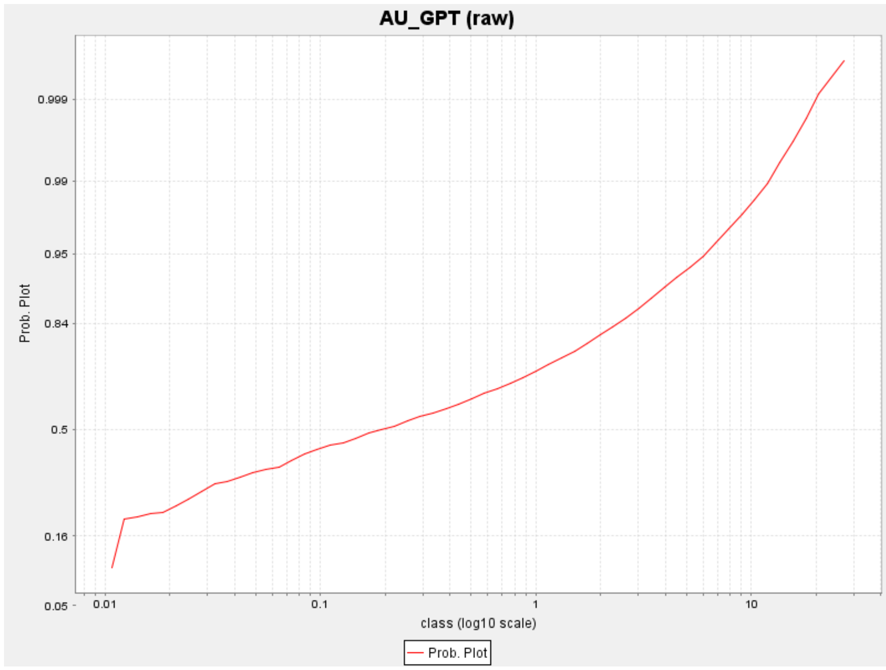
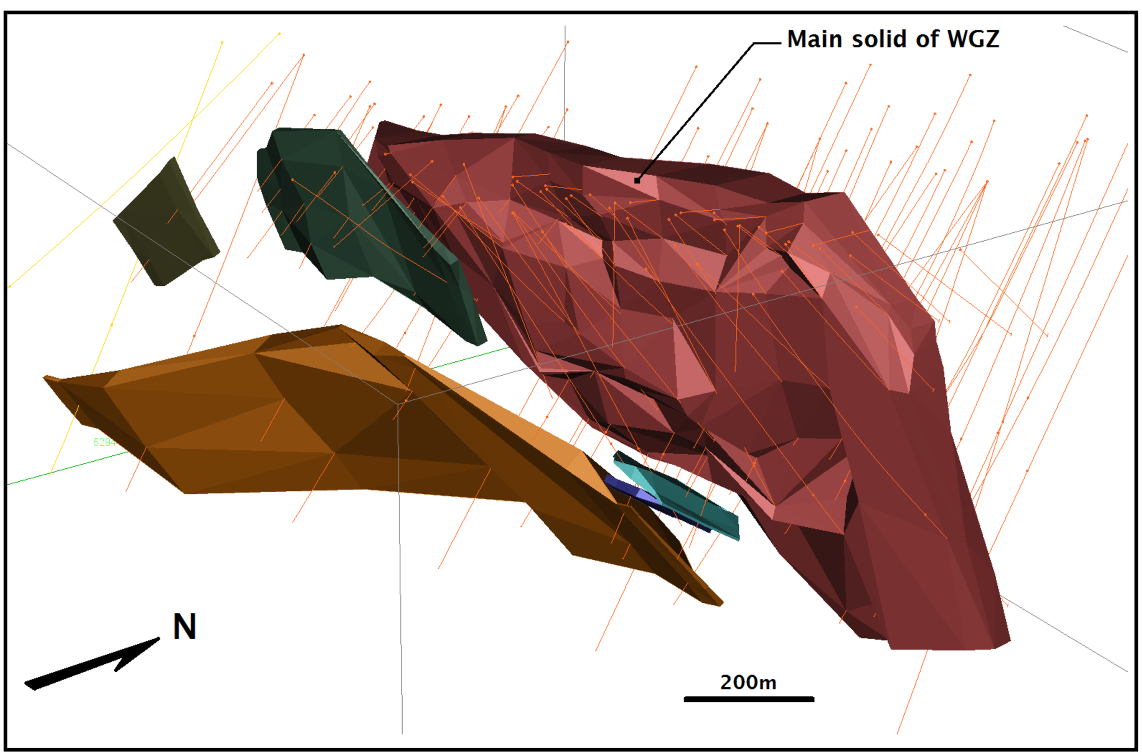


Figure 14.2
Elmtree 3D Isometric View of the Components of the WGZ and Diamond Drill Coverage



14.2.2.4 Compositing and Statistics on Composites

Composites were developed (within the envelope defined on a 0.25 g/t Au cut-off grade) using a 2 m run length down-hole and rejecting any lengths at the bottom limit which were less than 1 m. Composites were generated without applying a top-cut and this is considered appropriate because the scale of mining selection will be significantly larger than that of uncomposited samples.

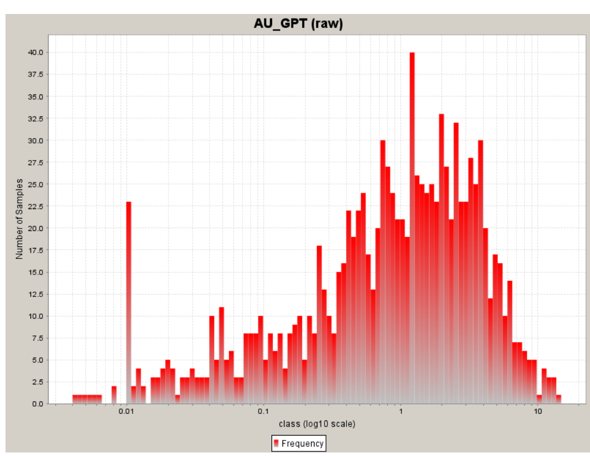
Statistical analysis of composite samples within the solids was performed to determine population pattern, top-cut value and global mean. A summary of the statistical results is presented in Table 14.3.

Table 14.3
Summary Statistics on Composite Samples

Variable	Au g/t
Number of Samples	1131.00
Minimum value	0.004
Maximum value	14.83
Mean	1.77
Median	1.04
Geometric mean	0.74
Variance	4.43
Standard deviation	2.11
Coefficient of variation	1.19
Sichel-t	2.84

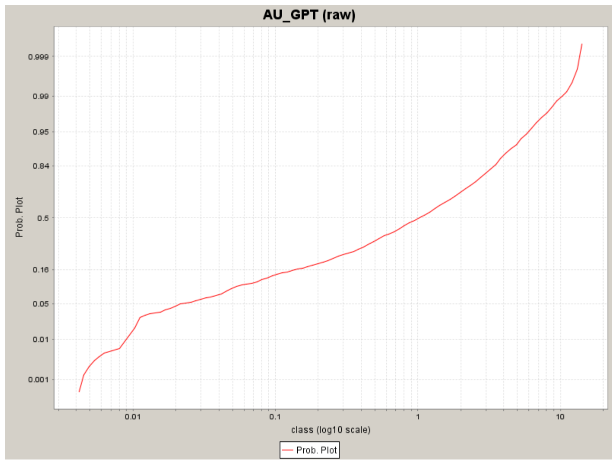
The log-histogram (Figure 14.3) shows three major populations with difuse boundaries. These populations correspond to waste inclusions within the solids with Au values below 0.25 g/t, the main mineralized mass with values ranging from 0.25 g/t Au to 10 g/t Au and an outlier population of values above 10 g/t.

Figure 14.3
Log-histogram Showing Distribution of Au Values in Composites



A threshold cutting value for the composites of 10 g/t Au was adopted; all composites values in excess of 10 g/t were be reduced to this limit before carrying out grade interpolations. The threshold value of 10 g/t Au is also supported by the log-probability plot (Figure 14.4).

Figure 14.4
Log-probability Plot of Au Values in Commposites



14.2.2.5 Grade Variography

Grade variography was conducted for the main solid of the WGZ which is adequately covered by drilling at a spacing of approximately 25 m, and in some cases, even less. The results are summarized in Table 14.4 and the variography details are presented in Appendix 3. The short ranges (Table 14.4) are consistent with the erratic nature of the gold values. Although the few intercepts covering the satellite bodies were excluded from the variography data, the results obtained are applicable to all of the components of the WGZ.

Table 14.4
Summary Results of Variographic Analysis

Axis	Direction	Nugget	Sill	Range of Influence
Major	Along strike (x)	2.35	4.43	33
Semi-major	Down dip (y)	2.35		10
Minor	Across strike (z)	2.35		10

14.2.2.6 Specific Gravity

As documented in Mercator, 2008 and Micon, 2010, no substantive specific gravity data are available on the Elmtree property. The range of SG values used in that report was established "based on consideration of the Stratabound laboratory results as well as published average values for gabbro and siliciclastic sedimentary rocks" and is presented in Table 14.5.

Table 14.5
Specific Gravity Values Used in the Mercator (2008) Resource Estimate

Deposit Area	Specific Gravity
WGZ - High Grade and Low Grade Solid Blocks	3.00
WGZ – Peripheral Solids Blocks	2.94
SGZ – All Blocks	2.70
DZ – Gold Only Blocks	2.70
DZ – Gold, Silver, Lead, Zinc Blocks	2.80
DZ – Silver Lead Zinc Only Blocks	2.75

In the current estimate for the WGZ, Micon used an SG of 2.97 obtained by averaging the two values of 3.00 and 2.94 given in Table 14.5. This figure appears reasonable and conservative.

14.2.2.7 Block Size, Interpolation Search Parameters and Technique

In an ideal situation, the longest axis of a block should equal the drill spacing but, in practice, it is varied between half and a quarter of the spacing. On this basis, the block size along the long axes of the block (i.e. along strike and down dip) was selected as 5 m. The other dimension across strike was selected as 3 m based the minimum width of the mineralized envelope.

In deriving the search radii for the major and semi-major axes, Micon was guided by the ranges of influence as determined by the variography.

The search parameters are summarized in Table 14.6. Note that the largest of the satellite bodies (located in the extreme south part of the WGZ) has two search directions designated as WGZ2a and WGZ2b in Table 14.6.

Table 14.6
Estimation Search Parameters for the WGZ Components

Domain	Bearing	Pass	Range X	Range Y	Range Z	Min Samples	Max Samples	Max. Samp. Per Hole	Method
WGZ1	65	1	15	5	5	4	12	3	OK
WGZ1	65	2	30	10	10	4	15	3	OK
WGZ1	65	3	60	20	20	3	18	3	OK
WGZ1	65	4	120	50	50	3	18	3	OK
WGZ1	65	1	15	5	5	4	12	3	ID^3
WGZ1	65	2	30	10	10	4	15	3	ID^3
WGZ1	65	3	60	20	20	3	18	3	ID^3
WGZ1	65	4	120	50	50	3	18	3	ID^3
WGZ2a	65	1	15	5	5	4	12	3	ID^3
WGZ2a	65	2	30	10	10	4	15	3	ID^3
WGZ2a	65	3	60	20	20	3	18	3	ID^3
WGZ2a	65	4	120	50	50	3	18	3	ID^3
WGZ2b	42	1	15	5	5	4	12	3	ID^3
WGZ2b	42	2	30	10	10	4	15	3	ID^3

Domain	Bearing	Pass	Range X	Range Y	Range Z	Min Samples	Max Samples	Max. Samp. Per Hole	Method
WGZ2b	42	3	60	20	20	3	18	3	ID^3
WGZ2b	42	4	120	50	50	3	18	3	ID^3
WGZ3	75	1	15	5	5	4	12	3	ID^3
WGZ3	75	2	30	10	10	4	15	3	ID^3
WGZ3	75	3	60	20	20	3	18	3	ID^3
WGZ3	75	4	120	50	50	3	18	3	ID^3
WGZ4	65	1	15	5	5	4	12	3	ID^3
WGZ4	65	2	30	10	10	4	15	3	ID^3
WGZ4	65	3	60	20	20	3	18	3	ID^3
WGZ4	65	4	120	50	50	3	18	3	ID^3
WGZ5	65	1	15	5	5	4	12	3	ID^3
WGZ5	65	2	30	10	10	4	15	3	ID^3
WGZ5	65	3	60	20	20	3	18	3	ID^3
WGZ5	65	4	120	50	50	3	18	3	ID^3
WGZ6	105	1	15	5	5	4	12	3	ID^3
WGZ6	105	2	30	10	10	4	15	3	ID^3
WGZ6	105	3	60	20	20	3	18	3	ID^3
WGZ6	105	4	120	50	50	3	18	3	ID^3
WGZ7	80	1	15	5	5	4	12	3	ID^3
WGZ7	80	2	30	10	10	4	15	3	ID^3
WGZ7	80	3	60	20	20	3	18	3	ID^3
WGZ7	80	4	120	50	50	3	18	3	ID^3

In every case, the fourth pass was to fill the entire solid.

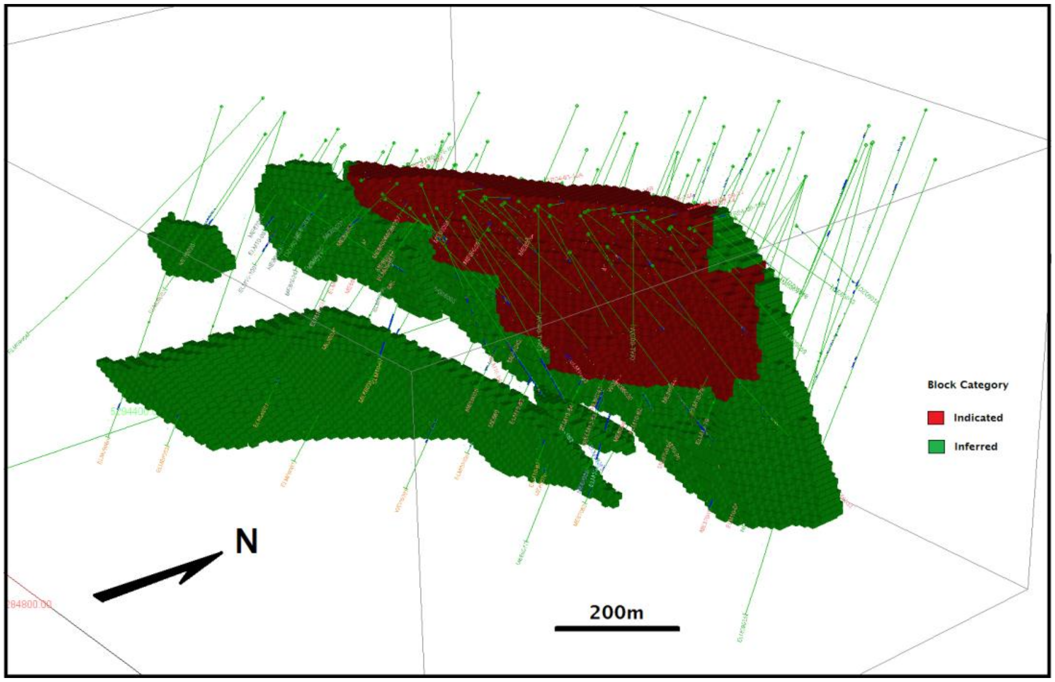
14.2.2.8 Basis for Interpolation Technique(s)

The inverse-distance-cubed (ID^3) interpolation method was selected as the most ideal to bring out grade patterns inherent in the deposit both at micro- and mega-scales due to waste inclusions/xenoliths and the high nugget effect discernible from the population statistics (Figure 14.3) and variography. In addition, the ordinary kriging (OK) method was used to run a parallel estimate on the main solid of the WGZ (designated WGZ1) to act as a check on the ID^3 estimate.

14.2.2.9 Resource Modelling/Estimation and Categorization

Block model grades for the density-weighted elements were estimated using the ID^3 function of the GEMS software. Categorization of the resource was as follows and is illustrated in Figure 14.5.

Figure 14.5
Resource Model Categorization for the WGZ



Measured Resource

There is no Measured resource due to lack of sufficient confidence in the SG used, inadequate sampling in some zones within the envelope and the fact that drill hole collars had to be adjusted up and down to fit onto the DTM. Adequacy of sample coverage was confirmed visually.

Indicated Resource

The Indicated resource category was assigned to coherent portions of the deposit covered by Passes 1 and 2 of the search ellipsoid, excluding isolated spots/islands of both passes. Pass 3 areas with good visual evidence of sample coverage were also considered and assigned to this category.

Inferred Resource

The Inferred resource category was assigned to coherent Pass 4 areas including islands of Pass 3. These areas have very limited drill hole information and include all the satellite bodies to the south and southwest of the Main zone.

The resource block model is shown in Figure 14.6 and the estimated resources at various cut-off grades are presented in Table 14.7.

Figure 14.6
Resource Block Model Showing Distribution of Gold Grades

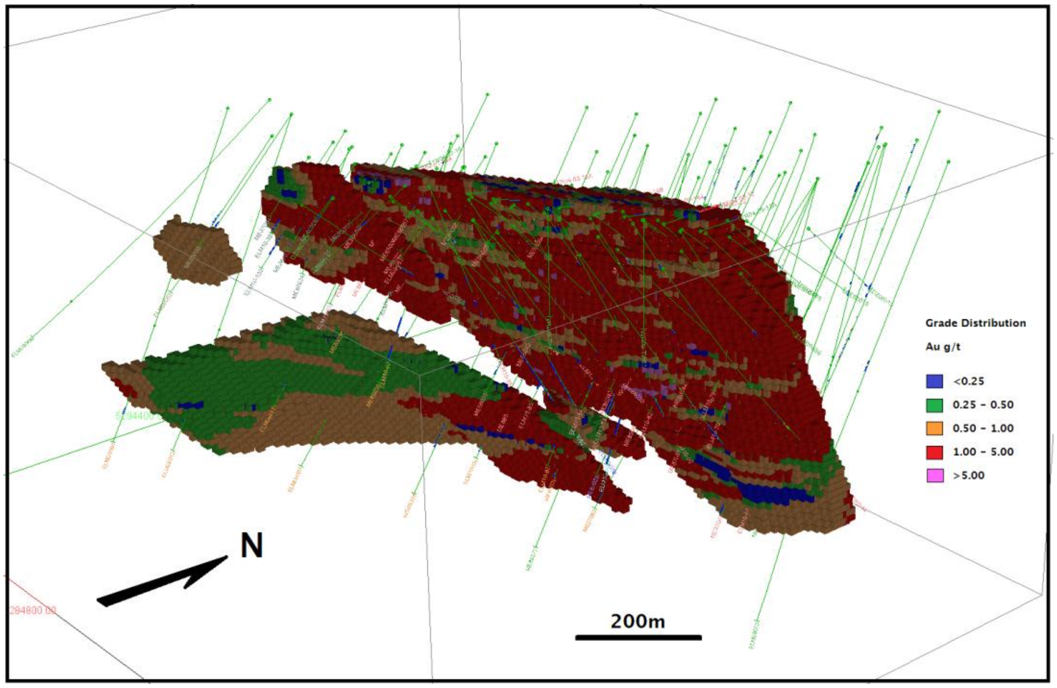


Table 14.7
WGZ Mineral Resources as at 4 March, 2011

Category	Au g/t Cut-off	Tonnes	Cum. Tonnes	Cum Avg Grade Au g/t	Gold Ounces
	>5.0	38,590	38,590	5.82	7,226
	4.0	56,201	94,791	4.99	15,200
	3.0	151,987	246,778	4.04	32,068
	2.0	339,234	586,012	3.11	58,527
	1.0	663,215	1,249,227	2.24	89,851
	0.9	83,032	1,332,259	2.16	92,384
	0.8	80,247	1,412,506	2.08	94,572
Indicated	0.7	76,744	1,489,250	2.01	96,427
	0.6	66,590	1,555,840	1.96	97,821
	0.5	**55,191**	**1,611,031**	**1.91**	**98,802**
	0.4	51,718	1,662,749	1.86	99,551
	0.3	48,647	1,711,396	1.82	100,100
	0.2	36,964	1,748,360	1.79	100,401
	>5.0	12,208	12,208	5.71	2,241
	4.0	98,061	110,269	4.64	16,434
	3.0	143,513	253,782	3.93	32,099
	2.0	343,314	597,096	3.08	59,053
	1.0	733,662	1,330,758	2.19	93,704
	0.9	92,501	1,423,259	2.11	96,529
	0.8	96,440	1,519,699	2.03	99,165
Inferred	0.7	137,458	1,657,157	1.92	102,475

Category	Au g/t Cut-off	Tonnes	Cum. Tonnes	Cum Avg Grade Au g/t	Gold Ounces
	0.6	183,358	1,840,515	1.80	106,336
	0.5	**212,211**	**2,052,726**	**1.67**	**110,048**
	0.4	200,955	2,253,681	1.56	112,942
	0.3	170,502	2,424,183	1.47	114,877
	0.2	83,999	2,508,182	1.43	115,552

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. There has been insufficient exploration to define the inferred resources as an indicated or measured mineral resource. It is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

For reasonable prospects for economic recovery, the resource is reported at a cut-off grade of 0.5 g/t Au based on the following parameters: gold price = US$1,250.00/oz, metallurgical recovery = 90%, mining = US$2.50/t, processing = US$13.50 and G and A = US$2.00/t. The gold price is approximately equal to the trailing average gold price for the 12 months ended February 2011.

At present there are no known environmental, permitting, legal, title, taxation, socio-economic, marketing or political issues which would adversely affect the mineral resources estimated above. However, mineral resources, which are not mineral reserves, do not have demonstrated economic viability. There are no mineral reserves on the Elmtree property. There is no assurance that any or all of the requisite consents, permits or approvals, regulatory or otherwise, will be obtained for the project. Other hindrances may include interference with ability to work on the property and lack of efficient infrastructure. There is no assurance that the project will be placed into production.

The Qualified Persons responsible for the preparation of this resource estimate are Charley Murahwi, M.Sc., P.Geo., FAusIMM, and Alan J. San Martin, MAusIMM(CP). Both are independent of Castle, Stratabound, CNRP and Gorilla as defined in NI 43-101.

The effective date of the resource estimate is 4 March, 2011 and the estimate is based on drilling and assay data up to that date. No further drilling has been done since the effective date of this report.

14.2.2.10 Block Model Validation

The two methods used to validate the resource are visual inspection and swath plots.

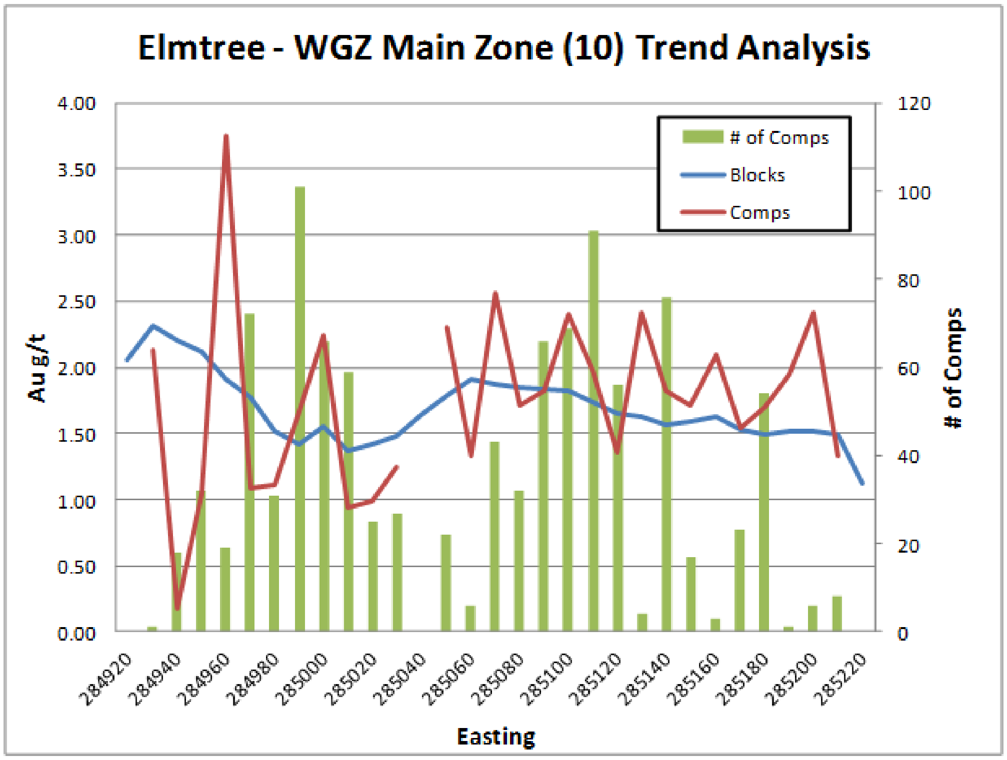
Visual Inspection

The resource block model was validated by visual inspection in plan and section to ensure that block grade estimates reflect the grades seen in intersecting drill holes. Typical level plans and sections are presented in Appendices 4 and 5, respectively, from which it is evident that the block grades are complemented by the drill hole intersections.

Swath Plots

Swath plots comparing grade interpolations obtained from the nearest neighbour (NN) and ID^3 techniques are shown in Figure 14.7.

Figure 14.7
Swat Plots for the WGZ



The swath plots, together with the composites, broadly reflect the accuracy of the estimate. The composites show more variation by virtue of being smaller aggregates than the blocks.

14.2.2.11 Resource Statement

A summary of the WGZ resources at the selected cut-off of 0.5 g/t Au, rounded to the nearest thousand, is given in Table 14.8.

Table 14.8
Summary of the WGZ Resources

Category	Tonnes	Average Au g/t	Gold Ounces
Measured	-	-	-
Indicated	1,611,000	1.91	99,000
Inferred	2,053,000	1.67	110,000

The overall Elmtree property resources including those of the DZ and SGZ are summarized in Table 14.9.

Table 14.9
Summary of the Elmtree Deposits Mineral Resources as at 4 March, 2011
(Rounded to the Nearest Thousand)

Deposit / Zone	Category	Tonnes	Au (g/t)	Au oz	Ag (g/t)	Pb%	Zn%
WGZ	Indicated	1,611,000	1.91	99,000	-	-	-
					-	-	-
WGZ	Inferred	2,053,000	1.67	110,000	-	-	-
SGZ	Inferred	2,367,000	0.74	56,000			
DZ Au Only Zone	Inferred	583,000	1.15	22,000	-	-	-
DZ Au/Ag/Pb/Zn Zone	Inferred	117,000	1.77	7,000	44.36	0.78	2.17
DZ Ag/Pb/Zn Zone	Inferred	41,000	-		25.80	0.43	1.53
Sub-Total DZ Inferred	Inferred	741,000	1.18		8.43	0.15	0.43

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. There has been insufficient exploration to define the inferred resources as an indicated or measured mineral resource. It is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

At present there are no known environmental, permitting, legal, title, taxation, socio-economic, marketing or political issues which would adversely affect the mineral resources estimated above. However, mineral resources which are not mineral reserves, do not have demonstrated economic viability. There are no mineral reserves on the Elmtree property. There is no assurance that CNRP/Gorilla will be successful in obtaining any or all of the requisite consents, permits or approvals, regulatory or otherwise, for the project.

15.0 MINERAL RESERVE ESTIMATES

Section 15 and the following NI 43-101 Technical Report sections (i.e. Sections 16 through 22) are not applicable to the current Elmtree property report. Further work will need to be conducted by CNRP/Gorilla prior to the inclusion of these sections in a Technical Report.

16.0 MINING METHODS

Not applicable

17.0 RECOVERY METHODS

Not applicable

18.0 PROJECT INFRASTRUCTURE

Not applicable

19.0 MARKET STUDIES AND CONTRACTS

Not applicable

20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

Not applicable

21.0 CAPITAL AND OPERATING COSTS

Not applicable

22.0 ECONOMIC ANALYSIS

Not applicable

23.0 ADJACENT PROPERTIES

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

24.0 OTHER RELEVANT DATA AND INFORMATION

All relevant data and information regarding the Elmtree property have been disclosed under the relevant sections of this report.

25.0 INTERPRETATION AND CONCLUSIONS

Geology and Mineralization

Presently, two types of deposits are known to occur on the Elmtree property; these are the gold only WGZ and SGZ deposits and the multi-metal DZ deposit with gold, silver, lead and zinc. The best explored is the WGZ which appears to offer more potential in terms of quality, quantity and continuity. Currently, all deposits have not been defined to their limits. However, there is no guarantee that further exploration work will expand these deposits nor is there any guarantee of other new deposits being discovered.

The resource block model sections and plans demonstrate that, although the mineralization occurs within a broad zone of disseminated sulphide, the high grade zones occur sporadically throughout the deposit.

No drilling, sampling or recovery factors have been identified that could result in sampling bias or otherwise materially impact the accuracy and reliability of the assays and, hence, the resource database and estimate.

Mineral Resource

The resources in this report were estimated in accordance with the definitions contained in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Reserves Definitions and Guidelines that were prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council on November 27, 2010. The effective date of the mineral resource estimate is 4 March, 2011.

The overall mineral resource estimate is summarized in Table 25.1.

Table 25.1
Summary of the Overall Resources on the Elmtree Property

Deposit / Zone	Category	Tonnes	Au (g/t)	Au oz	Ag (g/t)	Pb%	Zn%
WGZ	Indicated	1,611,000	1.91	99,000	-	-	-
					-	-	-
WGZ	Inferred	2,053,000	1.67	110,000	-	-	-
SGZ	Inferred	2,367,000	0.74	56,000			
DZ Au Only Zone	Inferred	583,000	1.15	22,000	-	-	-
DZ Au/Ag/Pb/Zn Zone	Inferred	117,000	1.77	7,000	44.36	0.78	2.17
DZ Ag/Pb/Zn Zone	Inferred	41,000	-		25.80	0.43	1.53
Sub-Total DZ Inferred	Inferred	741,000	1.18		8.43	0.15	0.43

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. There has been insufficient exploration to define the inferred resources as an indicated or measured mineral resource. It is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

At present there are no known environmental, permitting, legal, title, taxation, socio-economic, marketing or political issues which would adversely affect the mineral resources estimated above. However, mineral resources which are not mineral reserves, do not have demonstrated economic viability. There is no assurance that CNRP/Gorolla will be successful in obtaining any or all of the requisite consents, permits or approvals, regulatory or otherwise, for the project. Other hindrances may include aboriginal challenges to title or interference with the ability to work on the property, and lack of efficient infrastructure. There are currently no mineral reserves on the Elmtree property and there is no assurance that the project will be placed into production.

Metallurgy

As detailed in Section 13, Micon has reviewed the preliminary metallurgical work previously carried out on the Elmtree property and concludes that a flowsheet comprising grinding to 80% passing (P_{80}) 137 microns, followed by regrinding of a rougher flotation concentrate to a P_{80} of 27 microns yields a gold recovery to a cleaner concentrate of approximately 90%.

The Rod Mill Work Index (RWi) was determined to be 19.1 kWh/t (metric). This result classifies the sample as a 'hard' ore. The Abrasion Index (Ai) was determined to be 0.114.

Additional core samples collected from Elmtree in the first quarter of 2011 provided the basis for additional grinding and flotation testwork aimed at determining the response of the Elmtree resource to potential toll milling opportunities. Included in the metallurgical scope were concentrate self-heating tests due to the high sulphur content in the concentrate. These tests indicate that the concentrate sulphur content is manageable between 20% and 30%.

Results of the 2011 tests are shown in Table 25.2.

Table 25.2
Concentrate Produced in a One Cleaner Flowsheet

SGS Test No.	Mass	Grade			Recovery (%)		
	(wt%)	Au (g/t)	S (wt%)	As (wt%)	Au	S	As
F6	10.1	31.5	20.9	7.7	93.2	87.6	95.0
F7	7.4	39.6	23.7	9.2	86.0	79.2	85.6
F8	8.5	36.5	23.2	8.4	87.7	81.9	88.7
Average	**8.7**	**35.9**	**22.6**	**8.5**	**89.0**	**82.9**	**89.8**

26.0 RECOMMENDATIONS

Micon considers the deposit size and metallurgical characteristics to be critical to the success of the project and accordingly, makes the following recommendations.

26.1 GEOLOGY AND RESOURCES

In Micon's opinion, the deposit limits should be established prior to embarking on detailed economic studies. Thus, in the short term, defining the overall size of the deposit and its characteristics should be prioritized. The following program of work is recommended.

- Prospecting and detailed mapping to define the strike extensions of the three known deposits and to search for other deposits that may occur on the property.

- Upgrading and expanding the known resources by infill drilling and testing the strike extensions by systematic drilling.

- Petrographic and mineralogical studies in order to confirm the genetic model of the deposit, understand the paragenetic sequence of the sulphides associated with the gold mineralization, and to complement and understand the metallurgical characteristics of the deposit.

26.2 METALLURGY

Further metallurgical testwork should be undertaken to increase confidence in the capital and operating estimates and for on-site environmental controls, water management along with other project infrastructure design.

26.3 PROJECT ECONOMICS

Preliminary economic studies should be undertaken to determine the minimum deposit size that is likely to bring an acceptable return on investment

26.4 BUDGET

In line with these recommendations, CNRP and Gorilla have proposed a budget of US$8.0 million for further work to be undertaken in two phases as shown in Tables 26.1 and 26.2

Table 26.1
Proposed Budget for Work on the Elmtree Property – Phase 1

Item	Cost (US$)
Prospecting and mapping	220,000
Diamond drilling	1,112,000
Assaying	160,000
Metallurgy	30,000
SGS mineralogical and metallurgical	24,000
Total	**1,546,000**

Table 26.2
Proposed Budget for Work on the Elmtree Property – Phase 2

Item	Cost (US$)
Diamond drilling	5,328,000
Assaying	640,000
Metallurgy	120,000
Resource update	170,000
SGS mineralogical and metallurgical	96,000
Preliminary economic studies	100,000
Total	**6,454,000**

Phase 1 is mainly to define extensions of the mineralization while Phase 2 is mainly for delineation drilling followed by a resource update. Advancing to Phase 2 is contingent on positive results from Phase 1. Micon considers that the proposed budget is reasonable and recommends that CNRP and Gorilla proceed with the proposed work programs.

27.0 DATE AND SIGNATURE PAGE

MICON INTERNATIONAL LIMITED

Effective Date: 4 March, 2011

Signing Date: May 25, 2012

"Michael Godard" {signed and sealed}

Michael Godard, P.Eng.
Micon International Limited

"Charley Murahwi" {signed and sealed}

Charley Murahwi, M.Sc., P. Geo., FAusIMM.
Micon International Limited

"Alan J. San Martin" {signed and sealed}

Alan J. San Martin, MAusIMM(CP)
Micon International Limited

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29.0 CERTIFICATES

MICON INTERNATIONAL LIMITED | mineral industry consultants

CERTIFICATE OF QUALIFIED PERSON

CHARLEY Z. MURAHWI, P.GEO.

As an author of this report entitled "Technical Report on the Mineral Resource Estimate for the Elmtree Gold Property, Gloucester County, New Brunswick, Canada", with an effective date of March 4, 2011, I, Charley Z. Murahwi do hereby certify that:

1) I am employed as a Senior Geologist by, and carried out this assignment for, Micon International Limited, Suite 900, 390 Bay Street, Toronto, Ontario M5H 2Y2, telephone 416 362 5135, fax 416 362 5763, e-mail cmurahwi@micon-international.com.

2) I hold the following academic qualifications:

   B.Sc. (Geology) University of Rhodesia, Zimbabwe, 1979;

   Diplome d´Ingénieur Expert en Techniques Minières, Nancy, France, 1987;

   M.Sc. (Economic Geology), Rhodes University, South Africa, 1996.

3) I am a registered Professional Geoscientist in Ontario (membership # 1618) and in PEGNL (membership # 05662), a registered Professional Natural Scientist with the South African Council for Natural Scientific Professions (membership # 400133/09) and am also a Fellow of the Australasian Institute of Mining & Metallurgy (FAusIMM, membership number 300395).

4) I have worked as a mining and exploration geologist in the minerals industry for over 30 years.

5) I do, by reason of education, experience and professional registration, fulfill the requirements of a Qualified Person as defined in NI 43-101. My work experience includes 14 years on gold, silver, copper, tin and tantalite projects (on and off mine), 12 years on Cr-Ni-Cu-PGE deposits in layered intrusions/komatiitic environments and 3.5 years in the consultancy business.

6) I visited the Elmtree Property property from 19 to 20 August, 2010.

7) I have had no prior involvement with the mineral property in question.

8) As of the date of this certificate to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make this report not misleading;

9) I am independent of the parties involved in the Elmtree mineral property as described in Section 1.5 of NI 43-101.

10) I have read NI 43-101 and the portions of this Technical Report for which I am responsible have been prepared in compliance with this Instrument.

11) I am responsible for all sections, except Section 13, of this Technical Report entitled "Technical Report on the Mineral Resource Estimate for the Elmtree Gold Property, Gloucester County, New Brunswick, Canada", with an effective date of March 4, 2011.

Effective Date: March 4, 2011
Signing Date: May 25, 2012

"Charley Z. Murahwi" {signed and sealed}

Charley Z. Murahwi, M.Sc., P. Geo. Pr.Sci.Nat., FAusIMM

CERTIFICATE OF AUTHOR

Michael Godard

As a co-author of this report entitled "Technical Report on the Mineral Resource Estimate for the Elmtree Gold Property, Gloucester County, New Brunswick, Canada", with an effective date of March 4, 2011 I, Michael Godard, do hereby certify that:

1. I am employed by, and carried out this assignment for Micon International Limited,
   205 – 700 West Pender Street, Vancouver, BC, V6C 1G8,
   Tel: 604-647-6463, email: mgodard@micon-international.com.

2. I hold the following academic qualifications:
   Bachelor of Applied Science Degree (Metallurgy) University of British Columbia, May, 1985.

3. I am a Professional Engineer registered with the Association of Professional Engineers and Geoscientists of BC, APEGBC, (registration number 33114).

4. I do, by reason of education, experience and professional registration, fulfill the requirements of a Qualified Person as defined in NI 43-101. My work experience includes over 25 years of experience in design, commissioning and process engineering within the oil sands extraction, mineral processing and metals fabrication industries.

5. I have visited the Elmtree property from June 13 to June 17, 2011.

6. I am responsible for the preparation of Section 13 of this Technical Report.

7. I am independent of CNRP Mining Inc. and Gorilla Resources Inc. as defined in Section 1.4 of NI 43-101.

8. I have had no prior involvement with the mineral properties in question.

9. I have read NI 43-101 and the portions of this report for which I am responsible have been prepared in compliance with the instrument.

10. As of the date of this certificate to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make this report not misleading.

Effective Date: March 4, 2011
Signing Date: May 25, 2012

"Michael Godard" {signed and sealed}

Michael Godard, P.Eng.

CERTIFICATE OF QUALIFIED PERSON
ALAN J. SAN MARTIN

As a co-author of this report entitled "Technical Report on the Mineral Resource Estimate for the Elmtree Gold Property, Gloucester County, New Brunswick, Canada", with an effective date of March 4, 2011, I, Alan J. San Martin do hereby certify that:

1) I am employed as a Mineral Resource Modeller by Micon International Limited, Suite 900, 390 Bay Street, Toronto, Ontario M5H 2Y2, tel. (416) 362-5135, fax (416) 362-5763, e-mail asanmartin@micon-international.com;

2) I hold a Bachelor Degree in Mining Engineering (equivalent to B.Sc.) from the National University of Piura, Peru, 1999;

3) I am a registered Engineer with the Colegio de Ingenieros del Peru (CIP) Membership # 79184;

4) I am a Chartered Professional member of the Australasian Institute of Mining and Metallurgy (Membership #301778)

5) I have worked as a mining engineer in the minerals industry for 10 years;

6) I do, by reason of education, experience and professional registration, fulfill the requirements of a Qualified Person as defined in NI 43-101.

7) I have not visited the Elmtree property.

8) I have had no prior involvement with the mineral property in question.

9) As of the date of this certificate to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make this report not misleading;

10) I am independent of the parties involved in the Elmtree property as described in Section 1.5 of NI 43-101.

11) I have read NI 43-101 and the portions of this report for which I am responsible have been prepared in compliance with the instrument.

12) I am jointly responsible for Section 14 of this Technical Report dated April 18, 2011 entitled "Technical Report on the Mineral Resource Estimate for the Elmtree Gold Property, Gloucester County, New Brunswick, Canada", with an effective date of March 4, 2011.

Effective Date: March 4, 2011
Signing Date: May 25, 2012

"Alan J. San Martin" {Signed and sealed}

Ing. Alan J. San Martin, MAusIMM(CP)
Micon International Limited

APPENDICES

APPENDIX 1

CLAIMS DETAILS

SCHEDULE "A"

Natural Resources

Renewal

Current time: 26 Mar 2012, 10:01:58 AM
You are logged in as: bleonard

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Prospector Information

Applicant:	BRAD LEONARD	Submitter:	BRAD LEONARD
Date of Entry:	2012-03-26		

Mineral Claim Info

Right Number	Right Name	Issue Date	Expiry Date	Current Term	Work Declared Expiry Date	Work Declared	Work Declared Balance
3848	Alcida Gold	2000-12-18	2012-12-18	12		$0.00	$0.00

Claim(s) Info

Renew Unit	Claim Unit Number	Renewal Date	Required Work	Excess Work	Work Declared Used
Renew	1223028M	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223028D	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223036E	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223036K	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223036L	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223036M	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223036N	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223037C	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223037D	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223037E	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223037L	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223037M	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223037N	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038A	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038B	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038C	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038D	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038E	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038F	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038G	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038H	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038I	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038J	2012-12-18	$500.00	$2,846.95	$0.00

Renew Unit	Claim Unit Number	Renewal Date	Required Work	Excess Work	Work Declared Used
Renew	1223038K	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038L	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038M	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038N	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038O	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223038P	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223039A	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223039B	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223039C	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223039D	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046C	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046D	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046E	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046F	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046G	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046H	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046I	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046J	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046K	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046L	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046M	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046N	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046O	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223046P	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047A	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047B	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047C	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047D	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047E	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047F	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047G	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047H	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047I	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047J	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047K	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047N	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047O	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223047P	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223048A	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223048B	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223048C	2012-12-18	$500.00	$2,846.95	$0.00
Renew	1223048G	2012-12-18	$500.00	$2,846.95	$0.00

Renew Unit	Claim Unit Number	Renewal Date	Required Work	Excess Work	Work Declared Used
Renew ☐	1223048H	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223048I	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223048J	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223048O	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223048P	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223049A	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223049B	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223056G	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223056H	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223056I	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223056J	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223056O	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223056P	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223057A	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223057B	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223057C	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223057G	2012-12-18	$500.00	$2,846.95	$0.00
Renew ☐	1223057H	2012-12-18	$500.00	$2,846.95	$0.00

APPENDIX 2

ELMTREE PROPERTY DRILL HOLE DETAILS

Hole-ID	Easting	Northing	Elevation	Depth	Azimuth (º)	Dip (º)	Zone
DDH06019	285642.84	5294773.36	140.00	156.20	183	-40	DZ
DDH06020	285611.86	5294778.79	140.00	150.00	180	-40	DZ
DDH06021	285656.30	5294801.58	140.00	153.00	183	-40	DZ
DDH06022	285697.80	5294721.90	140.00	61.50	3	-50	DZ
DDH06023	285720.01	5294733.29	140.00	124.00	3	-50	DZ
DDH06024	285694.00	5294826.53	140.00	195.00	183	-45	DZ
DDH06025	285724.01	5424675.93	140.00	267.00	240	-50	DZ
DDH06026	285733.99	5424669.85	140.00	180.00	183	-40	DZ
DDH06027	285641.00	5294776.91	140.00	147.00	3	-40	DZ
DDH06028	285700.94	5294661.81	140.00	189.00	3	-50	DZ
DDH06029	286074.86	5424656.76	140.00	150.00	3	-40	DZE
DDH06030	286026.46	5424727.71	140.00	144.00	3	-50	DZE
DDH06031	286003.76	5424624.40	140.00	173.00	3	-45	DZE
DDH06032	285982.03	5424707.48	140.00	149.00	3	-45	DZE
DDH06033	286087.86	5424680.39	140.00	252.50	3	-45	DZE
DDH06034	285670.35	5294612.48	140.00	251.00	3	-40	DZ
DDH06035	285702.87	5294712.16	140.00	129.00	3	-60	DZ
DDH06036	285210.33	5294275.88	146.09	143.00	3	-45	SGZ
DDH06037	285176.21	5294371.46	146.01	66.00	183	-45	SGZ
DDH06038	285078.46	5294237.21	147.05	85.00	3	-45	SGZ
DDH06039	285129.60	5294246.76	146.21	105.00	3	-45	SGZ
DDH06040	285318.33	5294317.37	141.53	170.00	3	-45	SGZ
DDH06041	285369.16	5294541.30	142.10	150.00	183	-45	SGZ
DZ06001	285677.82	5294707.58	138.86	69.00	182	-60	DZ
DZ06002	285677.82	5294711.00	138.86	75.00	2	-60	DZ
DZ06003	285634.08	5294790.19	140.00	162.00	182	-40	DZ
DZ06004	285764.18	5424613.64	140.00	63.00	280	-40	DZ
DZ06005	285742.32	5424655.93	140.00	87.00	235	-40	DZ
DZ06006	286050.66	5424692.23	140.00	84.00	2	-40	DZE
DZ06007	286066.57	5424668.92	140.00	72.00	3	-40	DZE
DZ06008	286001.11	5424764.87	140.00	75.00	183	-40	DZE
DZ06009	286361.35	5424663.63	140.00	63.00	3	-40	DZE
DZ06010	286368.50	5424653.16	140.00	78.00	183	-45	DZE
DZ06011	286223.30	5424866.00	140.00	75.00	183	-40	DZE
DZ06012	285340.89	5294676.26	140.07	120.00	183	-40	WGZE
DZ06013	285402.03	5294586.57	140.28	69.00	10	-45	WGZE
DZ06014	285404.79	5294580.06	140.65	150.00	177	-45	SGZ
DZ06015	285223.01	5294494.37	143.31	81.00	2	-45	WGZ
DZ06016	285183.51	5294461.72	145.86	75.00	15.5	-45	WGZ
DZ06017	285008.02	5294341.14	149.85	75.00	228	-45	WGZ
DZ06018	284990.43	5294296.83	147.82	30.00	183	-45	WGZ
ELM07042	285427.86	5294587.35	140.41	150.00	180	-40	SG
ELM07043	285453.43	5294600.75	139.39	150.00	180	-40	SG
ELM07044	285490.99	5294633.26	138.81	166.00	180	-40	SG
ELM07045	285542.43	5294749.99	136.78	295.00	207	-40	SG
ELM08046	285383.49	5294567.89	141.38	250.00	180	-60	SG
ELM08047	285416.36	5294537.90	141.41	96.00	180	-40	SG
ELM08048	285346.90	5294529.64	142.56	226.90	180	-60	SG
ELM08049	285441.82	5294406.04	139.40	253.00	28	-65	SG
ELM08050	285066.34	5294368.65	148.84	84.00	360	-45	WGZ
ELM08051	285067.91	5294364.14	149.06	96.00	360	-50	WGZ
ELM09052	285061.57	5294322.73	148.10	206.35	360	-60	WGZ
ELM09053	285080.14	5294339.88	147.66	227.69	355	-60	WGZ
ELM09054	285152.17	5294418.18	148.10	74.07	346	-40	WGZ
ELM09055	285152.31	5294638.42	145.44	352.65	180	-72	WGZ

ELM09056	284932.99	5294394.30	144.97	93.00	185	-60	WGZ
ELM09057	284932.99	5294394.30	144.97	218.54	215	-65	WGZ
ELM09058	284994.08	5294552.61	146.08	267.31	180	-60	WGZ
ELM09059	285249.39	5294410.85	144.15	83.21	352	-45	WGZ
ELM09060	285299.83	5294199.88	142.98	156.36	4	-45	SGZ
ELM09061	284997.92	5294396.09	146.42	75.59	171	-41	WGZ
ELM09062	284833.12	5294372.74	146.10	150.27	184	-45	WGZ
ELM09063	284833.12	5294372.74	146.10	255.12	180	-65	WGZ
ELM09064	284794.79	5294380.29	145.33	250.85	210	-45	WGZext
ELM09065	284582.86	5294232.90	147.09	150.00	121	-45	WGZext
ELM09066	284792.73	5294346.61	146.25	252.50	180	-65	WGZext
ELM09067	284887.58	5294504.36	144.39	297.79	180	-55	WGZ
ELM09068	285486.39	5294420.50	138.18	243.00	356	-55	SGZ
ELM09069	285563.14	5294542.63	138.99	148.44	360	-45	SGZ
ELM09070	285615.86	5294559.68	139.20	191.11	360	-45	SGZ
ELM09071	285615.86	5294559.68	139.20	169.77	360	-60	SGZ
ELM09072	285514.17	5294476.45	138.31	236.85	360	-60	SGZ
ELM09073	285656.51	5294585.98	141.31	194.16	360	-50	SGZ
ELM09074	285727.76	5294610.46	141.95	226.90	360	-50	SGZ
ELM09075	285898.86	5294705.78	137.92	172.82	360	-45	SGZ
ELM09076	286916.13	5295404.75	113.15	297.79	180	-45	Murphy Op
ELM10-100	284886.43	5294380.72	145.88	111.00	180	-45	WGZ
ELM10-77	285161.89	5294563.91	142.02	114.00	183	-45	WGZ
ELM10-78	285161.89	5294563.91	142.02	156.00	180	-55	WGZ
ELM10-79	285161.89	5294563.91	142.02	174.00	180	-60	WGZ
ELM10-80	285161.89	5294563.91	142.02	189.00	180	-70	WGZ
ELM10-81	285140.13	5294549.59	141.95	125.00	180	-45	WGZ
ELM10-82	285115.89	5294540.86	142.15	174.00	180	-60	WGZ
ELM10-83	285091.86	5294531.77	142.25	186.00	180	-60	WGZ
ELM10-84	285072.40	5294530.34	142.59	186.00	170	-55	WGZ
ELM10-85	285072.40	5294530.34	142.59	220.00	170	-68	WGZ
ELM10-86	285040.49	5294521.81	142.54	192.00	173	-55	WGZ
ELM10-87	285040.49	5294521.81	142.54	231.00	174	-65	WGZ
ELM10-88	285153.42	5294635.70	145.47	264.00	177	-63	WGZ
ELM10-89	285174.87	5294377.79	146.11	172.50	360	-45	WGZ
ELM10-90	285116.12	5294380.47	148.25	204.00	360	-62	WGZ
ELM10-91	285102.60	5294354.69	146.51	150.00	360	-45	WGZ
ELM10-92	285080.33	5294340.30	147.67	135.00	360	-45	WGZ
ELM10-93	285080.33	5294340.30	147.67	153.00	360	-55	WGZ
ELM10-94	285055.63	5294336.95	147.73	129.00	360	-55	WGZ
ELM10-95	285020.79	5294351.26	150.31	141.00	7	-70	WGZ
ELM10-96	284951.00	5294422.12	143.93	108.00	163	-50	WGZ
ELM10-97	284951.00	5294422.12	143.93	154.00	161	-60	WGZ
ELM10-98	284932.99	5294394.30	144.97	120.00	186	-60	WGZ
ELM10-99	284899.89	5294360.78	145.94	75.00	183	-45	WGZ
ME85001	285152.14	5294419.29	148.10	72.40	0	-40	WGZ
ME85002	285151.92	5294410.47	147.84	99.45	0	-57	WGZ
ME85003	285078.58	5294374.42	148.40	72.55	0	-40	WGZ
ME85004	285081.61	5294369.52	148.94	89.31	0	-55	WGZ
ME85005	285022.20	5294321.02	148.25	90.23	0	-40	WGZ
ME85006	284989.24	5294381.19	146.67	53.65	180	-47	WGZ
ME85007	284981.33	5294366.28	148.01	54.26	210	-40	WGZ
ME85008	284978.13	5294372.46	147.46	45.11	210	-60	WGZ
ME85009	285178.08	5294428.06	146.98	78.65	0	-40	WGZ
ME85010	285180.18	5294424.66	147.19	105.47	0	-55	WGZ
ME85011	285205.61	5294442.75	146.14	73.16	0	-40	WGZ
ME85012	285192.08	5294435.43	146.64	91.44	0	-46	WGZ
ME85013	285191.40	5294470.86	145.24	95.72	15	-40	WGZ

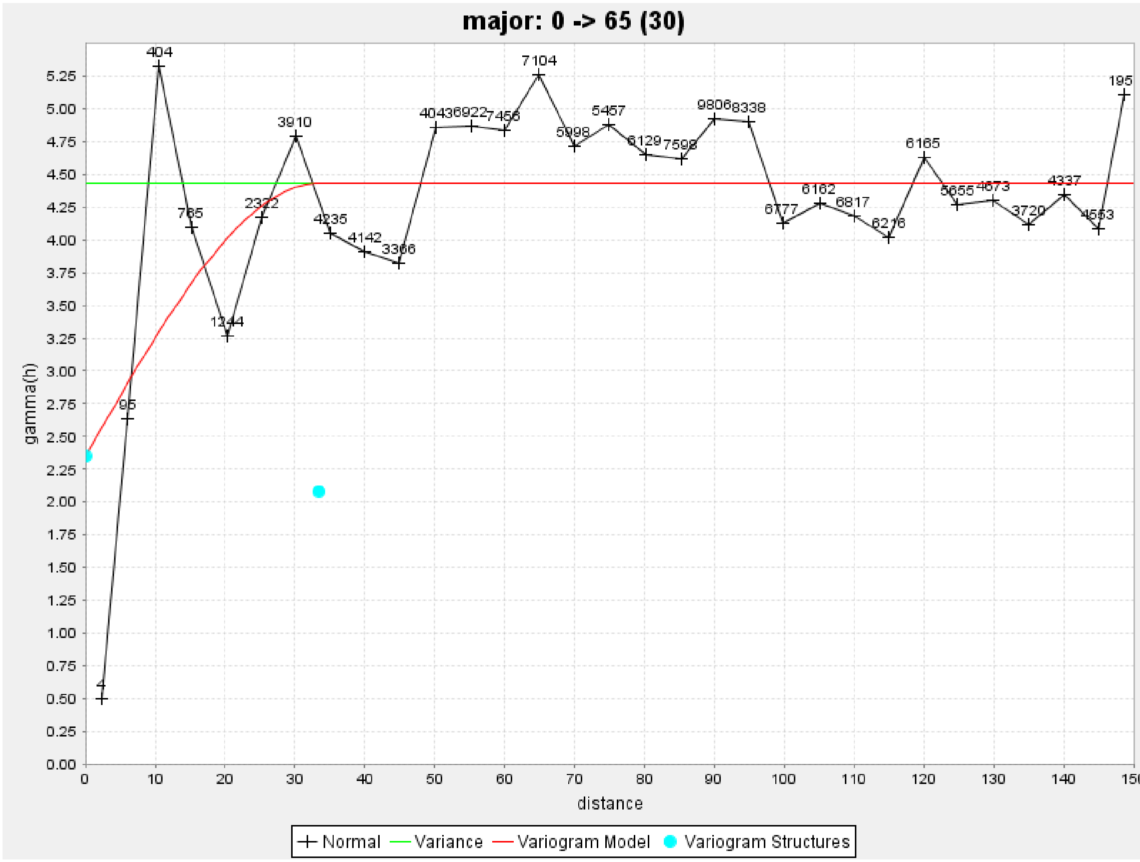
ME85014	285770.35	5294690.67	140.00	95.72	15	-40	DZ
ME85015	285740.42	5424614.33	140.00	46.64	195	-40	DZ
ME85016	285126.58	5294400.89	148.89	82.61	4	-43	WGZ
ME85017	285128.61	5294395.48	148.45	94.49	5	-58	WGZ
ME85018	285098.11	5294385.97	148.68	71.94	3	-41	WGZ
ME85019	285101.16	5294380.77	148.25	102.58	3	-57	WGZ
ME86020	285051.72	5294361.51	149.57	77.73	1	-40	WGZ
ME86021	285053.99	5294357.34	149.27	108.82	1	-58	WGZ
ME86022	284998.49	5294397.24	146.38	71.03	183	-41	WGZ
ME86023	284915.92	5294365.30	145.90	82.00	179	-46	WGZ
ME86024	284917.97	5294361.29	146.03	90.54	179	-61	WGZ
ME86025	284945.01	5294376.37	146.01	76.21	180	-45	WGZ
ME86026	284864.74	5294335.09	147.51	89.93	180	-45	WGZ
ME86027	284983.58	5294426.16	142.30	91.45	182	-46	WGZ
ME86028	285202.83	5294405.26	146.12	166.74	3	-50	WGZ
ME86029	285152.43	5294381.50	146.91	172.83	0	-55	WGZ
ME86030	285105.84	5294339.28	147.13	169.73	2	-55	WGZ
ME86031	285045.27	5294323.47	148.02	115.82	0	-55	WGZ
ME86032	284955.75	5294396.52	145.21	90.54	183	-55	WGZ
ME86033	285166.03	5294355.22	146.05	250.72	0	-55	WGZ
ME86034	285215.10	5294379.14	145.57	282.56	0	-55	WGZ
ME86035	285023.56	5294490.54	140.97	180.15	182	-60	WGZ
ME86036	284937.23	5294438.80	142.12	155.95	180	-53	WGZ
ME86037	285079.53	5294557.84	144.44	209.10	180	-62	WGZ
ME86038	284966.23	5294449.59	141.49	183.19	180	-60	WGZ
ME86039	285062.38	5294583.07	146.20	258.18	180	-62	WGZ
ME86040	285021.51	5294526.76	143.67	206.36	180	-60	WGZ
ME86041	285084.32	5294595.49	146.45	220.68	180	-60	WGZ
ME86042	285054.51	5294473.93	139.33	125.59	180	-60	WGZ
ME86043	285103.63	5294510.71	139.71	152.41	180	-60	WGZ
ME86044	285139.97	5294555.28	142.53	154.49	180	-60	WGZ
ME86045	285167.41	5294605.79	144.24	153.23	180	-60	WGZ
ME86046	285312.56	5294677.34	141.22	211.54	180	-70	WGZE
ME86047	285153.36	5294630.51	145.72	209.41	180	-60	WGZ
ME86048	285772.17	5294659.07	140.00	132.29	15	-45	DZ
ME86049	285730.92	5294692.89	140.00	81.39	15	-45	DZ
ME86050	285638.24	5294663.31	140.00	75.30	15	-45	DZ
ME86051	285154.92	5294469.62	145.70	35.71	180	-46	WGZ
ME86052	285127.88	5294458.29	145.94	41.15	180	-44	WGZ
ME86053	285098.64	5294442.80	146.56	33.53	180	-44	WGZ
ME86054	285073.08	5294427.07	146.89	37.44	180	-45	WGZ
ME86055	285046.38	5294414.16	145.74	50.00	180	-44	WGZ
ME86056	285021.03	5294396.48	146.14	35.06	180	-46	WGZ
ME86057	284998.73	5294373.75	148.31	35.37	180	-46	WGZ
ME86058	284974.62	5294360.20	148.03	45.73	180	-46	WGZ
ME86059	284946.31	5294345.48	146.87	44.51	180	-45	WGZ
ME86060	285122.11	5294587.74	145.03	191.89	180	-61	WGZ
ME87061	285108.41	5294614.50	146.39	235.93	180	-68	WGZ
ME87062	285049.60	5294648.98	146.41	320.05	180	-61	WGZ
ME87063	285127.03	5294660.80	145.60	289.86	180	-62	WGZ
ME87064	284915.68	5294330.00	147.07	47.86	180	-45	WGZ
ME87065	285132.96	5294712.62	146.80	308.63	180	-62	WGZ
ME88074	285160.40	5294660.67	145.40	245.68	180	-62	WGZ
ME88075	285202.15	5294646.66	144.67	219.77	180	-61	WGZ
ME88076	285024.97	5294585.05	146.95	275.70	180	-60	WGZ
ME88077	285010.21	5294613.50	147.14	345.50	180	-60	WGZ
TR04-01-16A	284986.48	5294327.96	149.39	38.00	0	-1.6	WGZ
TR04-02-16	284984.77	5294364.34	148.67	17.00	352	0	WGZ

TR04-03-15A	285046.68	5294362.38	149.87	64.00	10	-4.3	WGZ
TR04-04-15	285062.91	5294370.24	149.04	54.00	30	-7.9	WGZ
TR04-05-14B	285102.62	5294391.85	149.01	52.00	5	-5.5	WGZ
TR04-06-14A	285126.04	5294404.28	149.04	52.00	7	-5.7	WGZ
TR04-07-14	285141.49	5294412.46	148.82	65.00	11	-5.5	WGZ
TR04-08-13	285164.99	5294424.89	147.53	49.00	0	0	WGZ
TR04-09-13A	285187.39	5294435.25	146.70	33.00	0	0	WGZ
WG05001	284957.80	5294537.98	144.95	301.50	183	-60	WGZ
WG05002	285110.71	5294561.72	144.09	169.50	178	-45	WGZ
WG05003	285134.94	5294417.00	149.16	58.00	1	-45	WGZ
WG05004	285013.59	5294325.29	148.20	86.50	10	-45	WGZ
WG05005	284986.21	5294275.80	147.27	126.00	9	-40	WGZ
WG05006	285157.48	5294426.51	147.57	63.50	15	-45	WGZ
WG05007	285082.84	5294382.39	148.45	64.50	5	-45	WGZ

APPENDIX 3

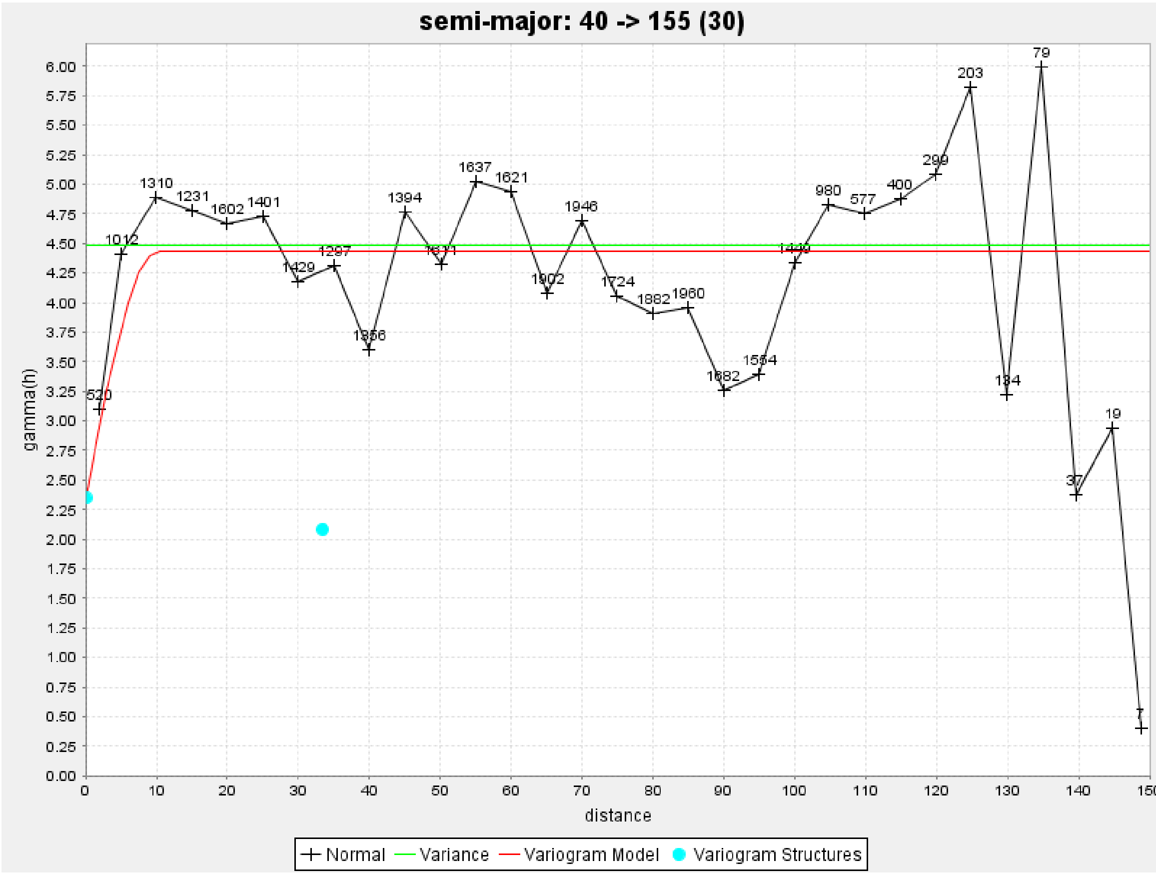
VARIOGRAPHY

MAJOR AXIS (ALONG STRIKE)

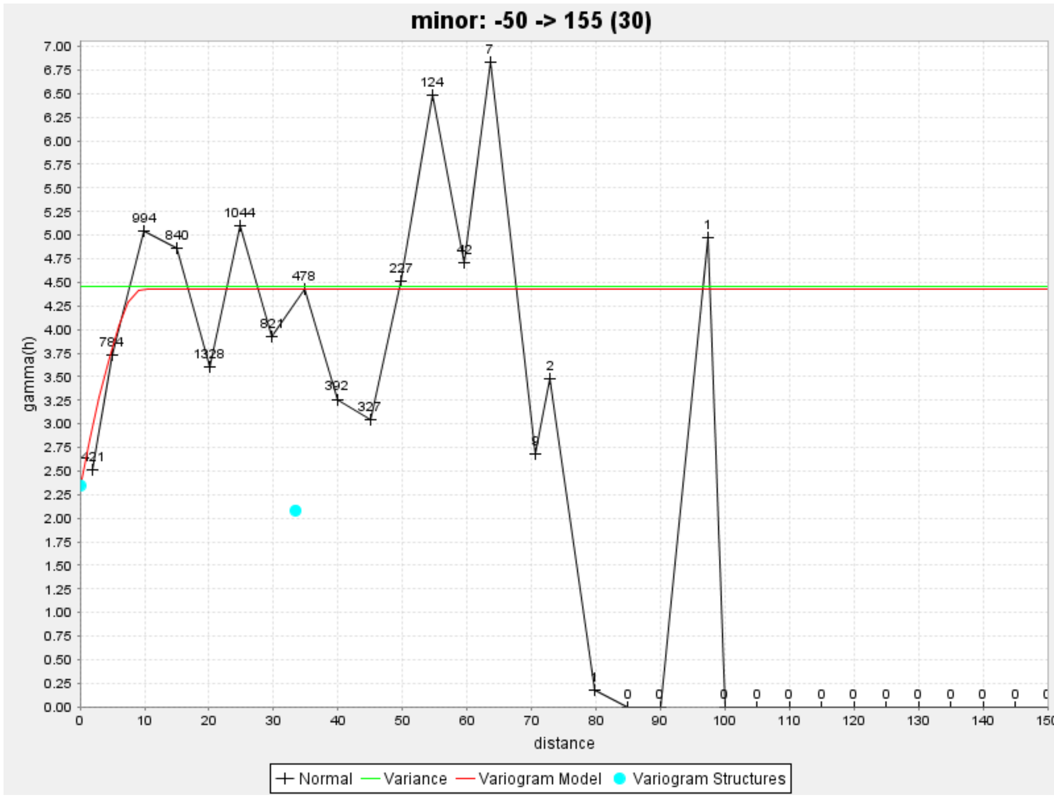



```
Number of Samples: 1150

Variogram Modelling

Model Type      : Spherical
Nugget          : 2.347642

Structure         Sill        Range
---------------------------------

   1          2.083101      33.415

Ellipsoid Bearing (P. Azimuth)  : 65.000000
Ellipsoid Plunge (P. Dip)       : 0.000000
Ellipsoid Dip                   : 40.000000
Intermediate Azimuth            : 155.000000

Major:Semi-Major                : 3.340912
Major:Minor                     : 3.456950
```

SEMI-MAJOR AXIS (DOWN DIP)

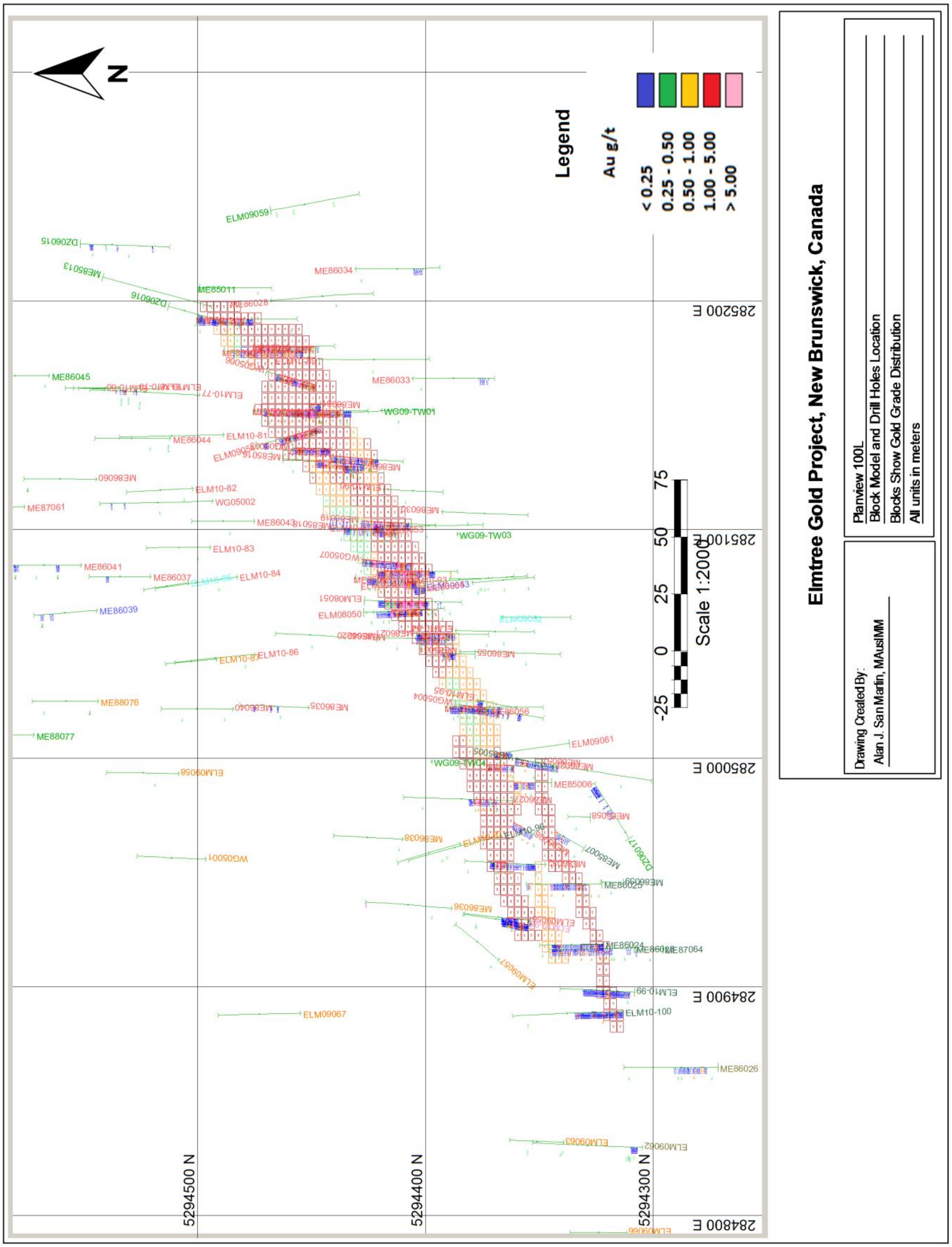


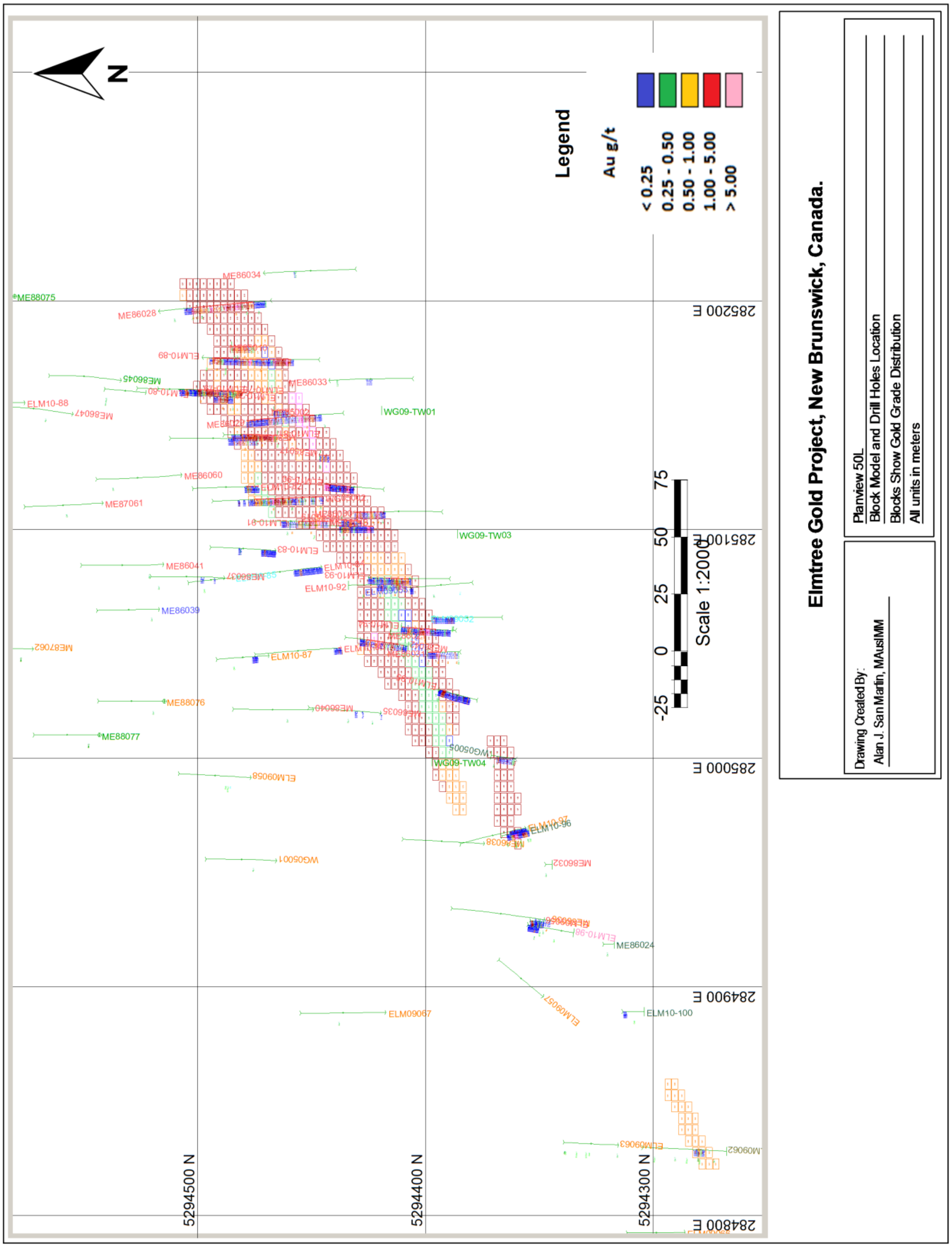
MINOR AXIS (ACROSS WIDTH)

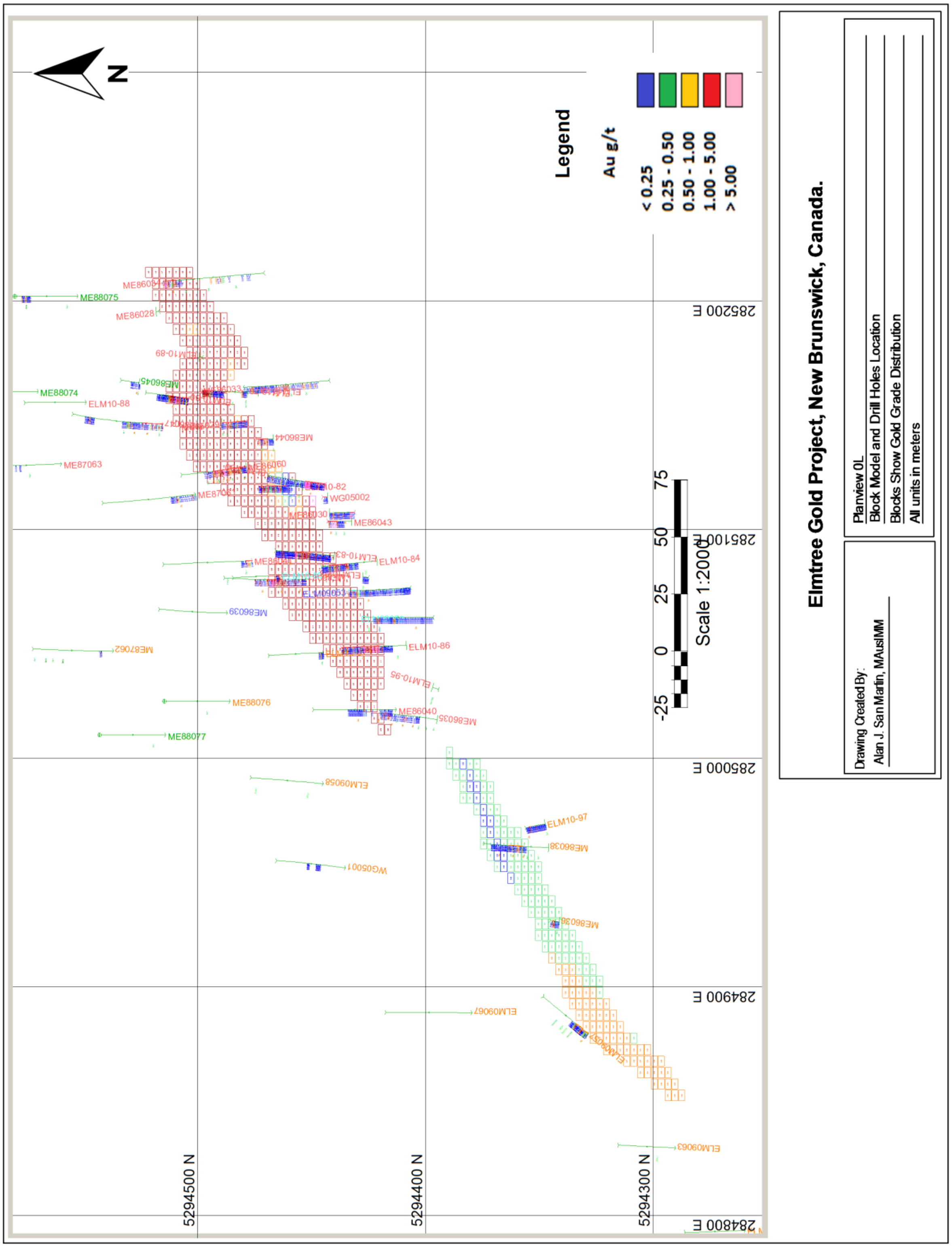


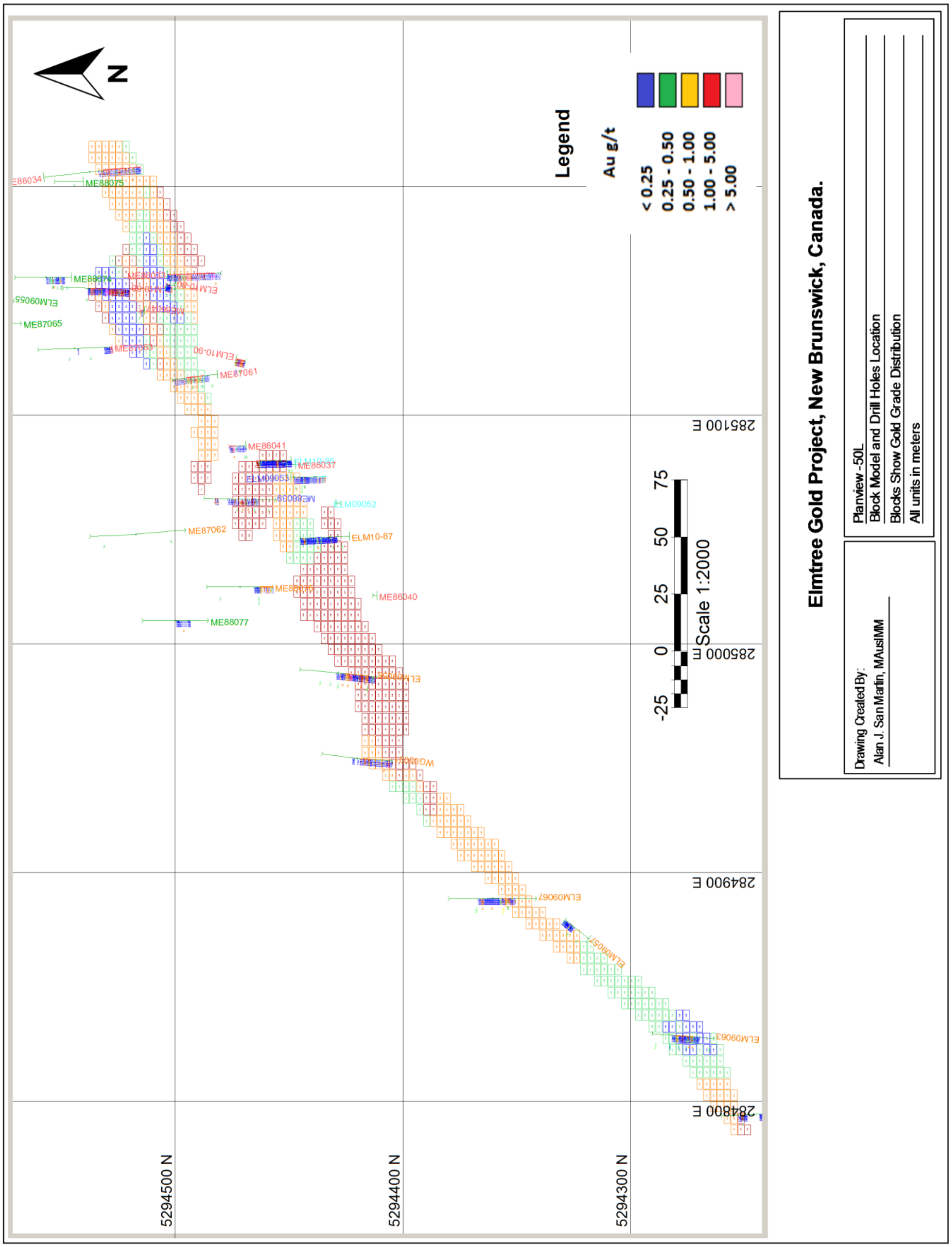
APPENDIX 4

LEVEL PLANS OF THE WGZ


Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Scale 1:2000
Elmtree Gold Project, New Brunswick, Canada
Planview 100L
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters
Drawing Created By:
Alan J. San Martin, MAusIMM
5294500 N
5294400 N
5294300 N
285200 E
285100 E
285000 E
284900 E
284800 E


Elmtree Gold Project, New Brunswick, Canada.
Planview 50L
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters
Drawing Created By:
Alan J. San Martin, MAusIMM
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Scale 1:2000
-25 0 25 50 75
N
5294500 N
5294400 N
5294300 N
285200 E
285100 E
285000 E
284900 E
284800 E


N
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
-25 0 25 50 75
Scale 1:2000
285200 E
285100 E
285000 E
284900 E
284800 E
5294500 N
5294400 N
5294300 N
ME88075
ME86028
ME88074
ELM10-88
ME87063
ME86044
WG05002
ME86043
ELM10-84
ME86039
ME87062
ELM10-86
ME88076
ME88077
ME86040
ME86035
ELM09058
ELM10-97
ME86038
WG05001
ELM09067
ELM09063
Elmtree Gold Project, New Brunswick, Canada.
Planview 0L
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters
Drawing Created By:
Alan J. San Martin, MAusIMM


Elmtree Gold Project, New Brunswick, Canada.
Planview -50L
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters
Drawing Created By:
Alan J. San Martin, MAusIMM
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Scale 1:2000
-25
0
25
50
75
N
5294500 N
5294400 N
5294300 N
285100 E
285000 E
284900 E
284800 E
ME88075
ME88074
ELM09055
ME87065
ME87061
ME86041
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ME88077
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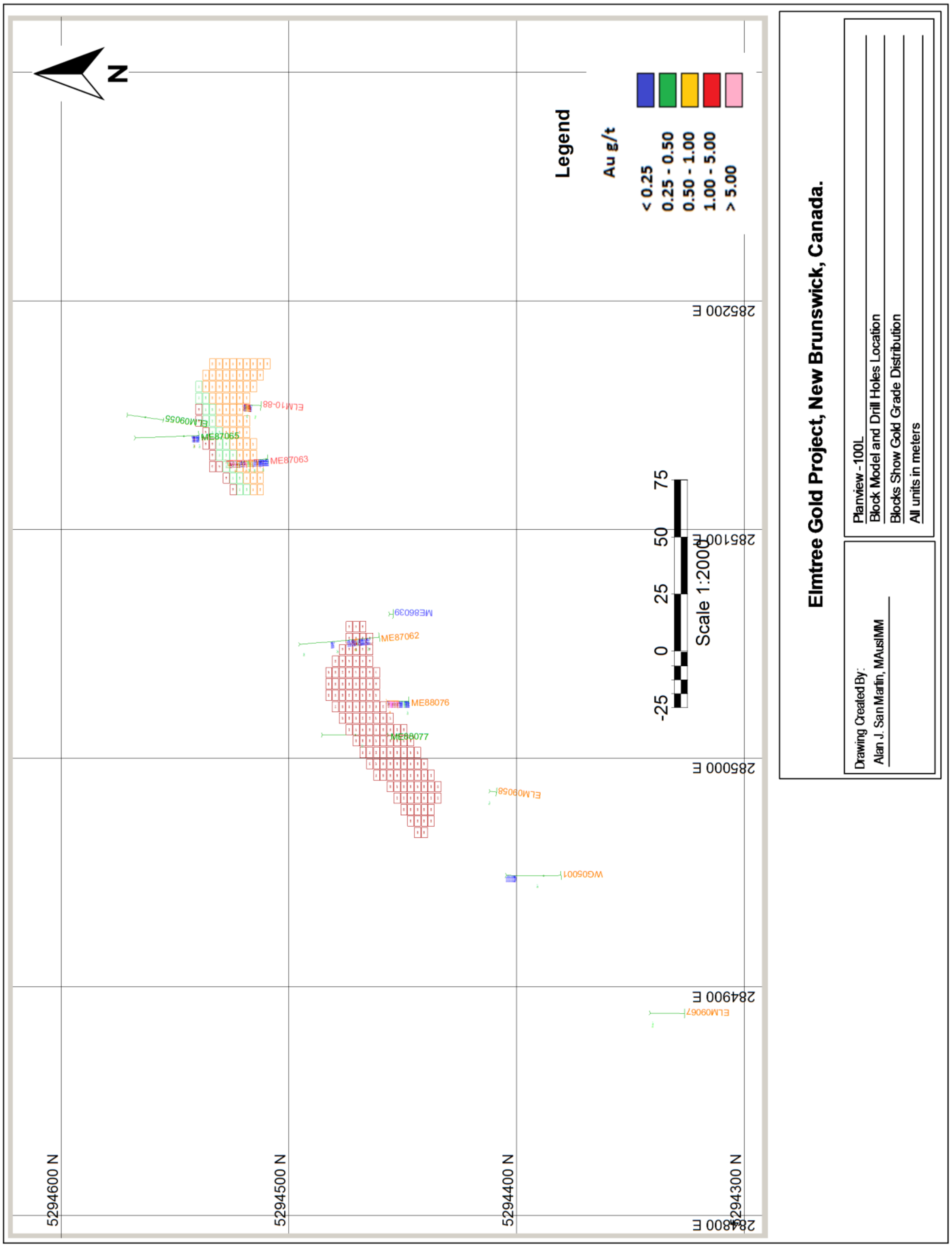
ELM09057
ELM09063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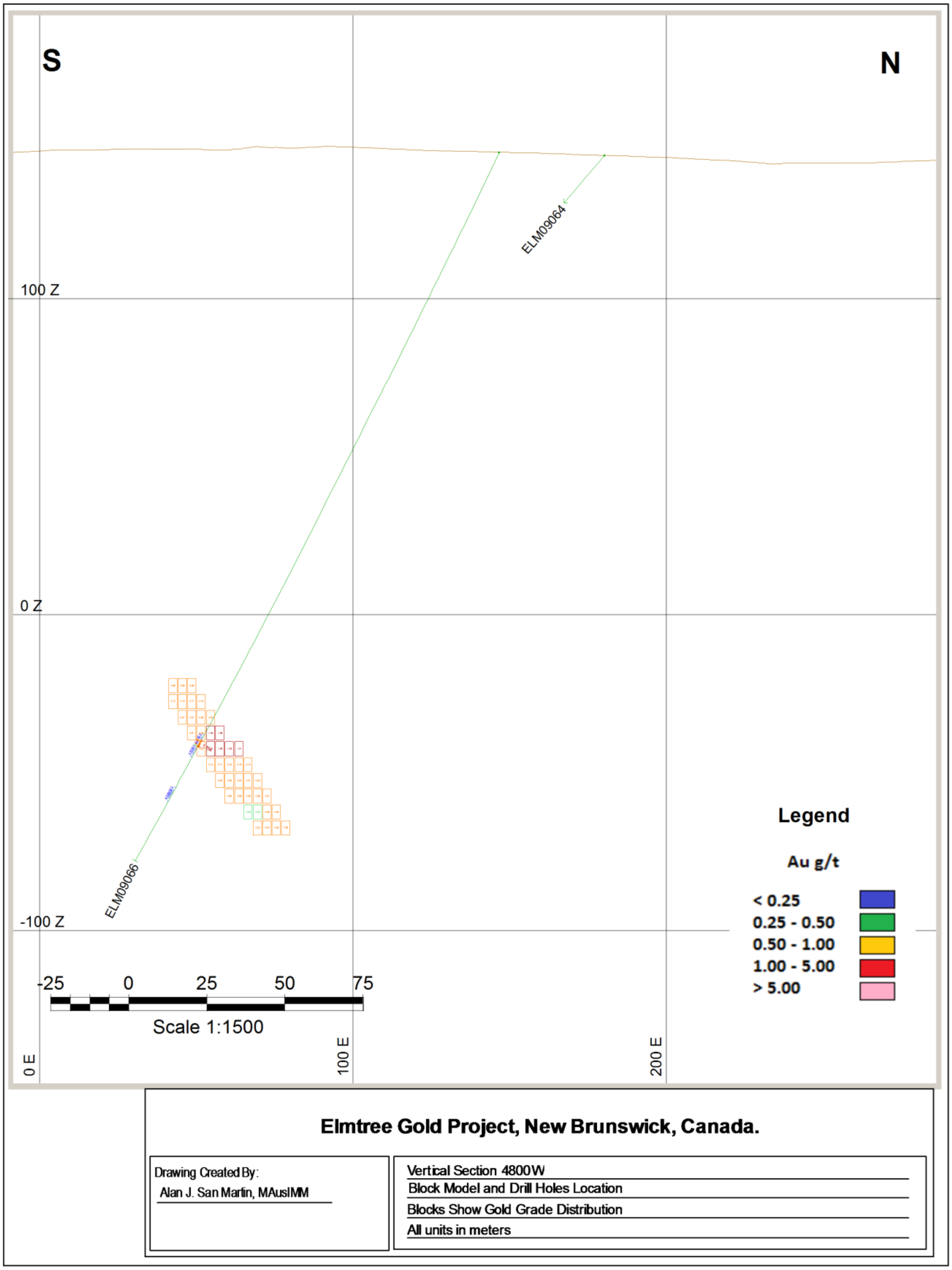
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
-25 0 25 50 75
Scale 1:2000
5294600 N
5294500 N
5294400 N
5294300 N
284800 E
284900 E
285000 E
285100 E
285200 E
ELM10-88
ELM09055
ME87065
ME87063
ME88039
ME87062
ME88076
ME88077
ELM09058
WG05001
ELM09067
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Planview -100L
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters

APPENDIX 5

VERTICAL SECTIONS OF THE WGZ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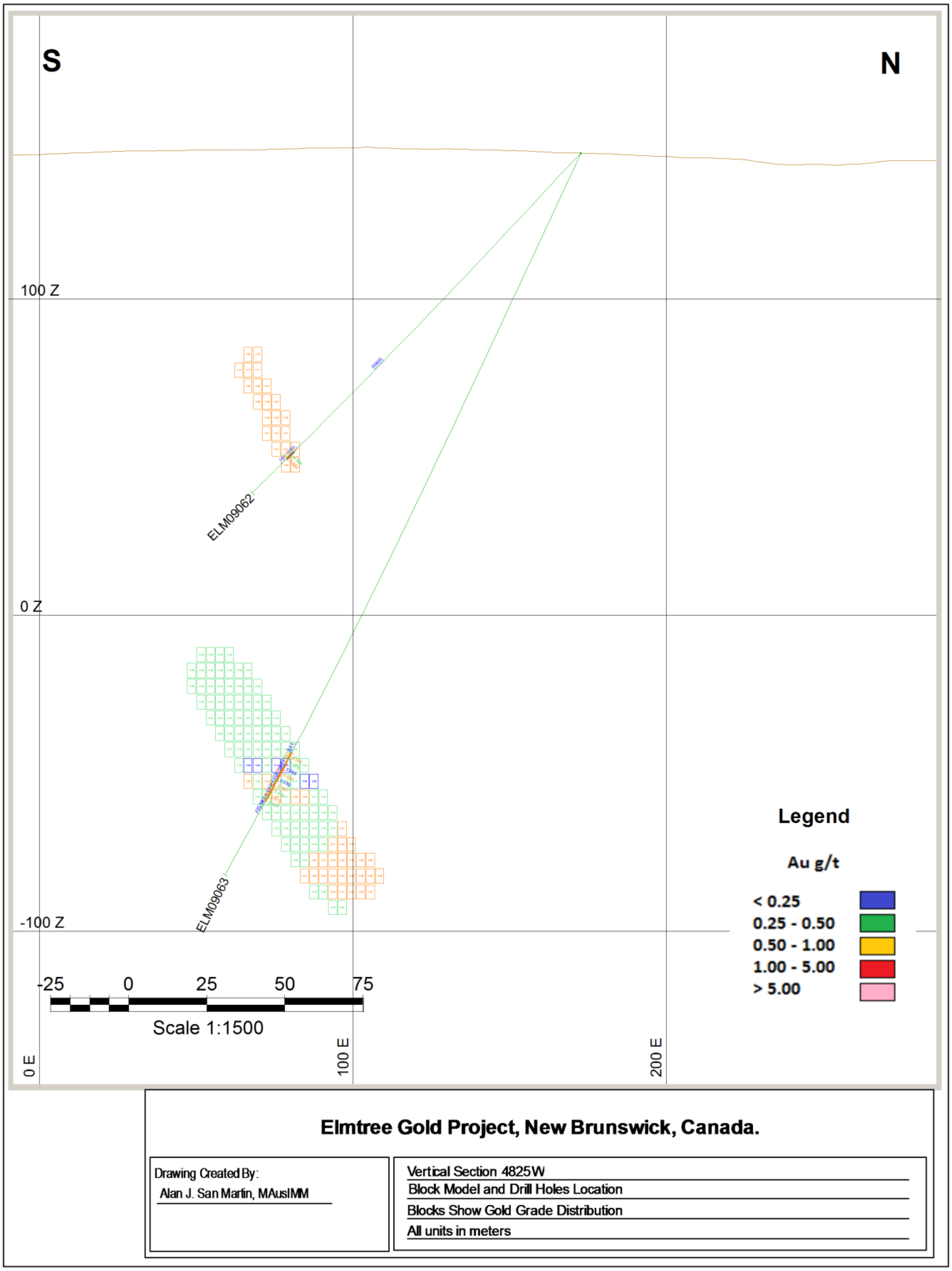
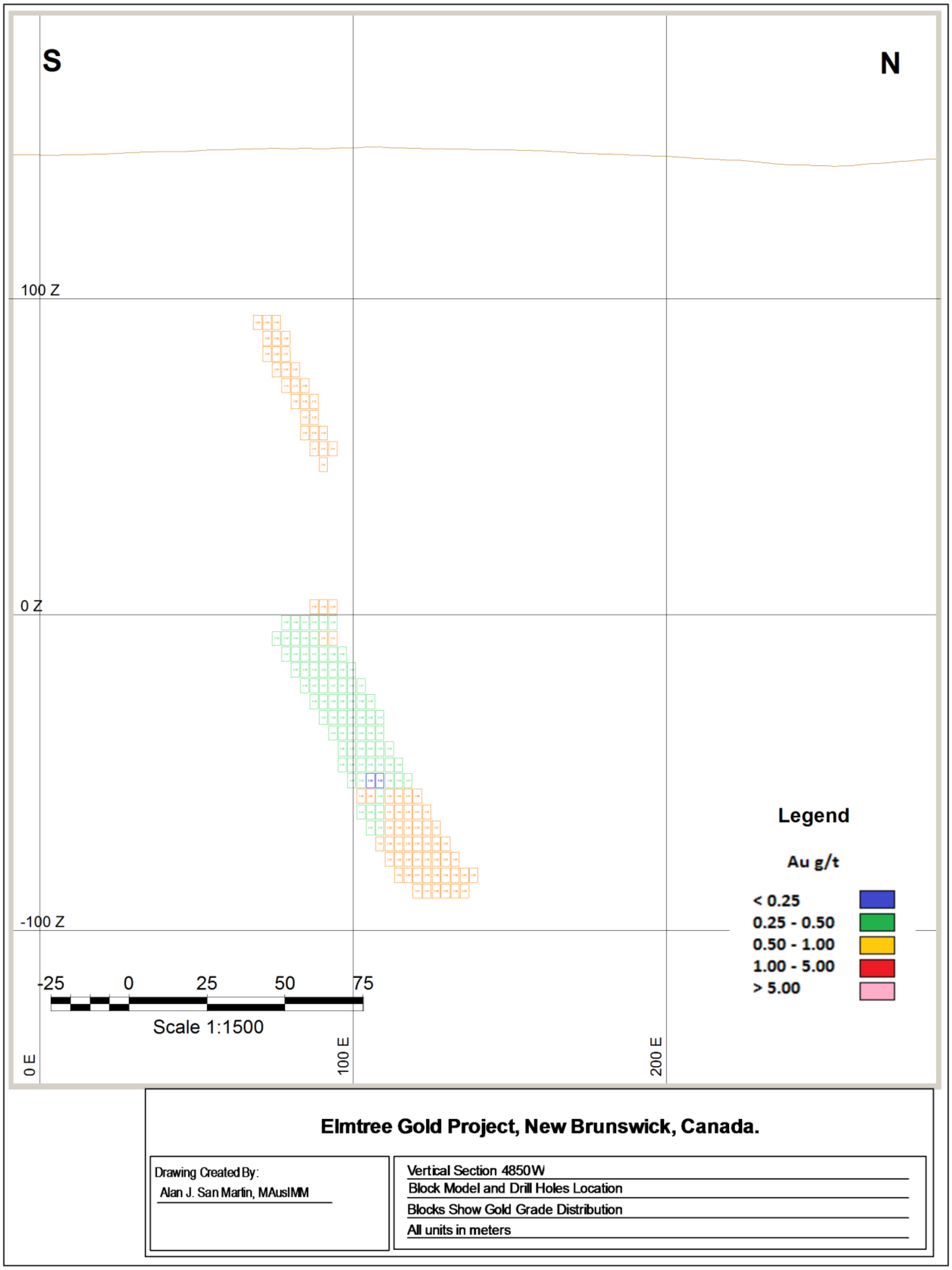
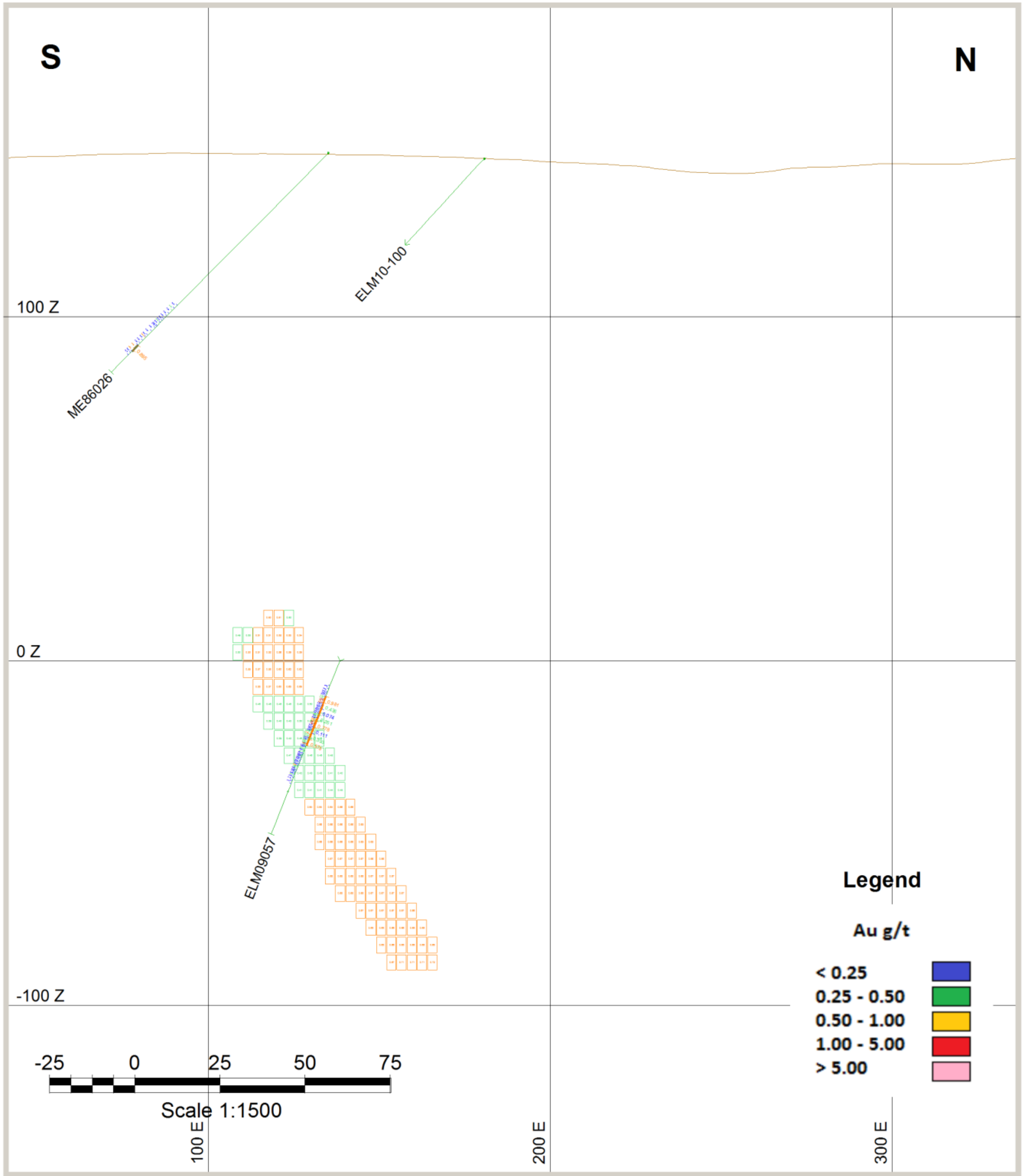
100 Z
0 Z
-100 Z
ELM09066
-25
0
25
50
75
Scale 1:1500
0 E
100 E
200 E
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 4800W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters

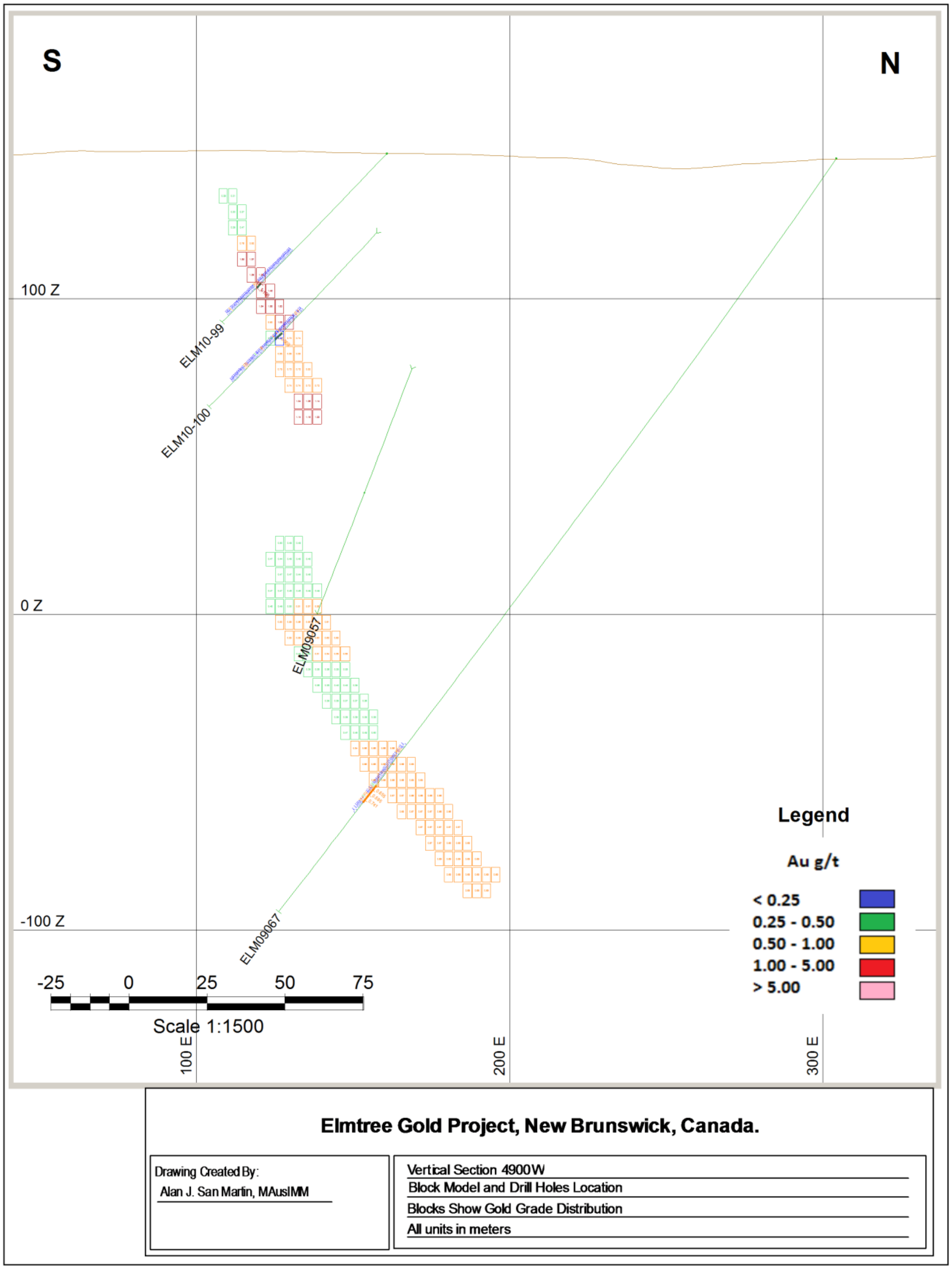

S
N
100 Z
0 Z
-100 Z
ELM09062
ELM09063
-25 0 25 50 75
Scale 1:1500
0 E
100 E
200 E
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 4825W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters

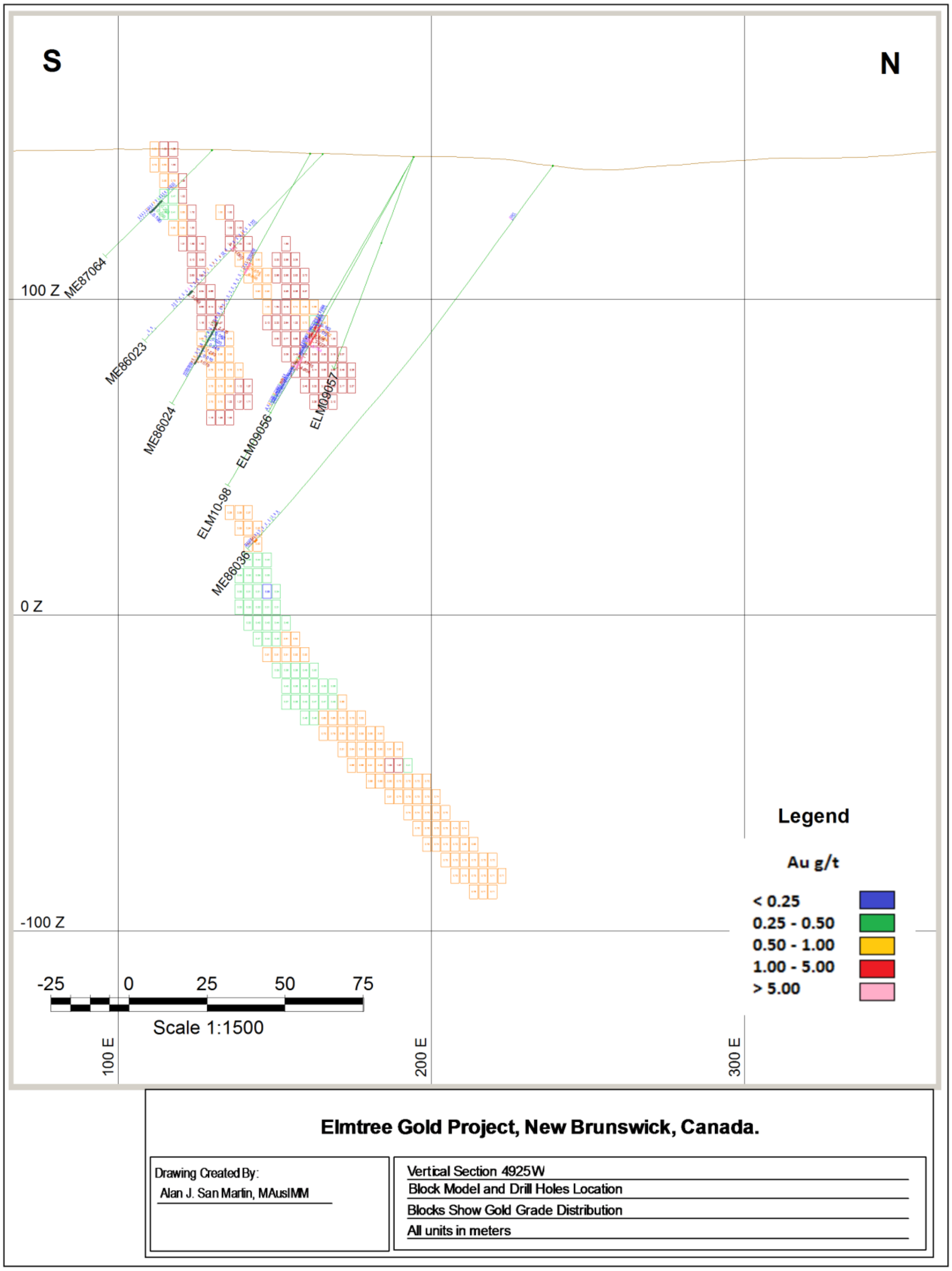

S
N
100 Z
0 Z
-100 Z
-25
0
25
50
75
Scale 1:1500
0 E
100 E
200 E
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 4850W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters



Elmtree Gold Project, New Brunswick, Canada.

Drawing Created By: Alan J. San Martin, MAusIMM	Vertical Section 4875W Block Model and Drill Holes Location Blocks Show Gold Grade Distribution All units in meters


S
N
100 Z
0 Z
-100 Z
ELM10-99
ELM10-100
ELM09057
ELM09067
-25
0
25
50
75
Scale 1:1500
100 E
200 E
300 E
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 4900W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters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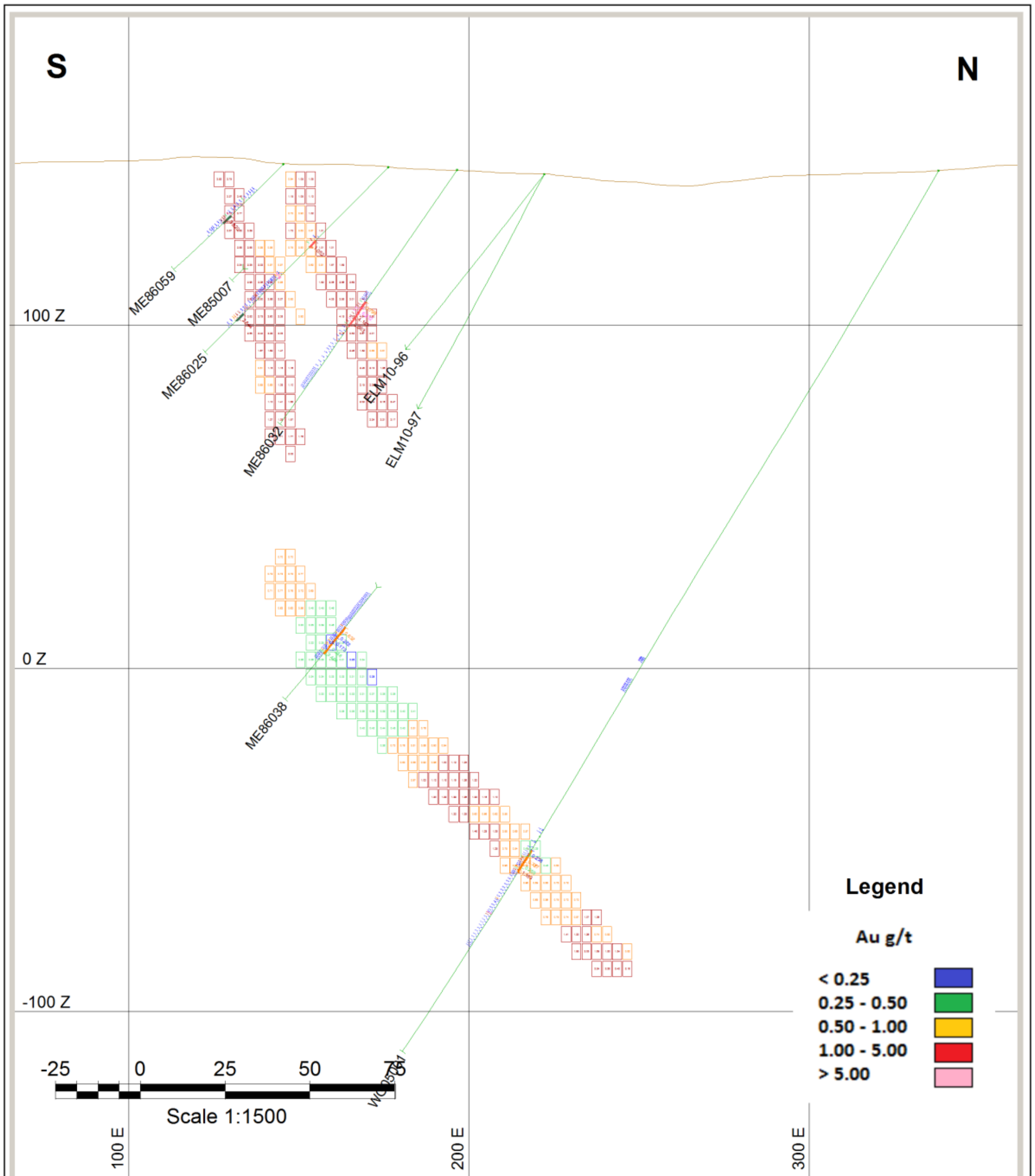
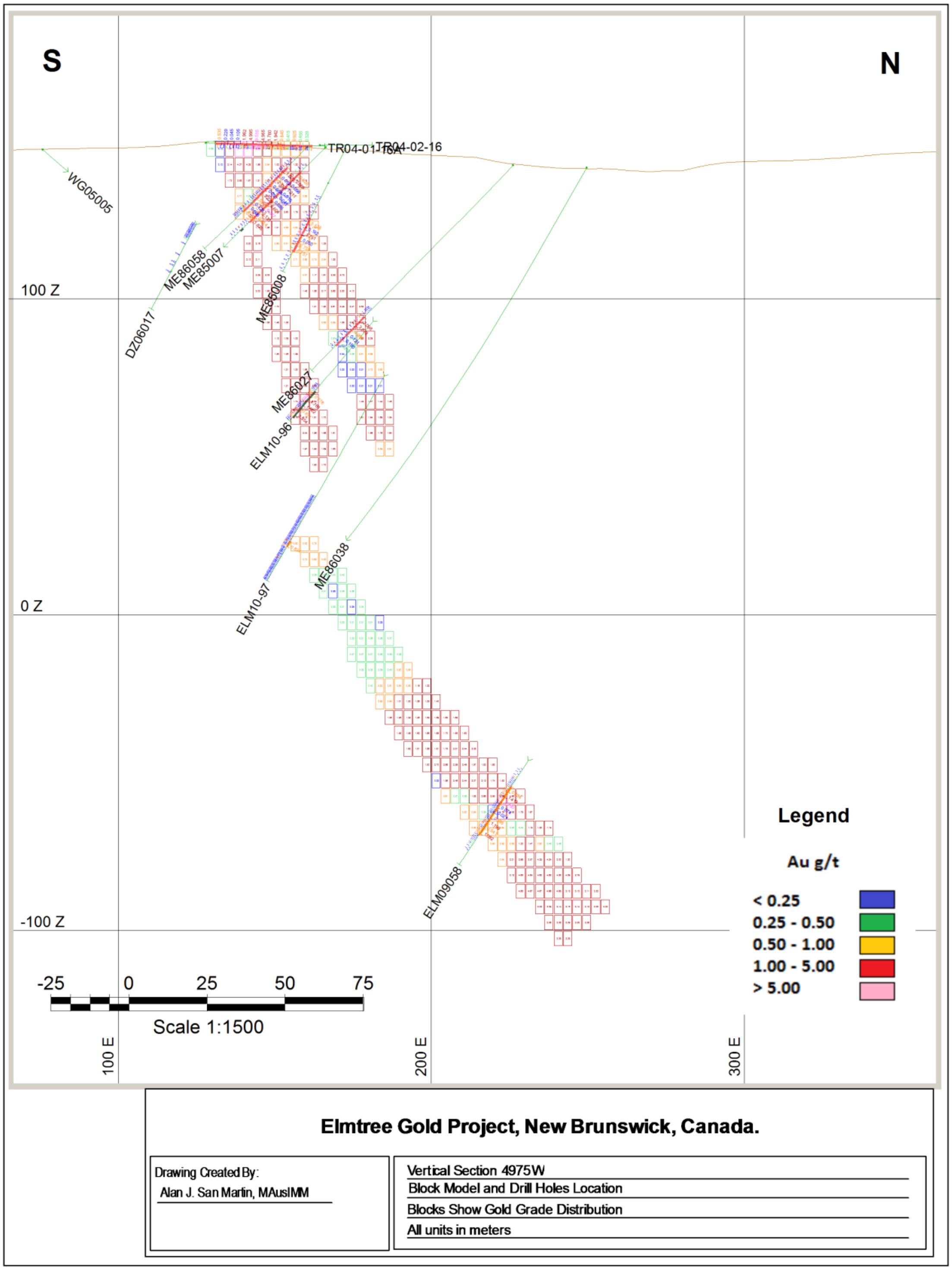
N
100 Z
0 Z
-100 Z
ME87064
ME86023
ME86024
ELM09056
ELM09057
ELM10-98
ME86036
-25
0
25
50
75
Scale 1:1500
100 E
200 E
300 E
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 4925W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters



Elmtree Gold Project, New Brunswick, Canada.

Drawing Created By: Alan J. San Martin, MAusIMM	Vertical Section 4950W Block Model and Drill Holes Location Blocks Show Gold Grade Distribution All units in meters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TR04-02-16
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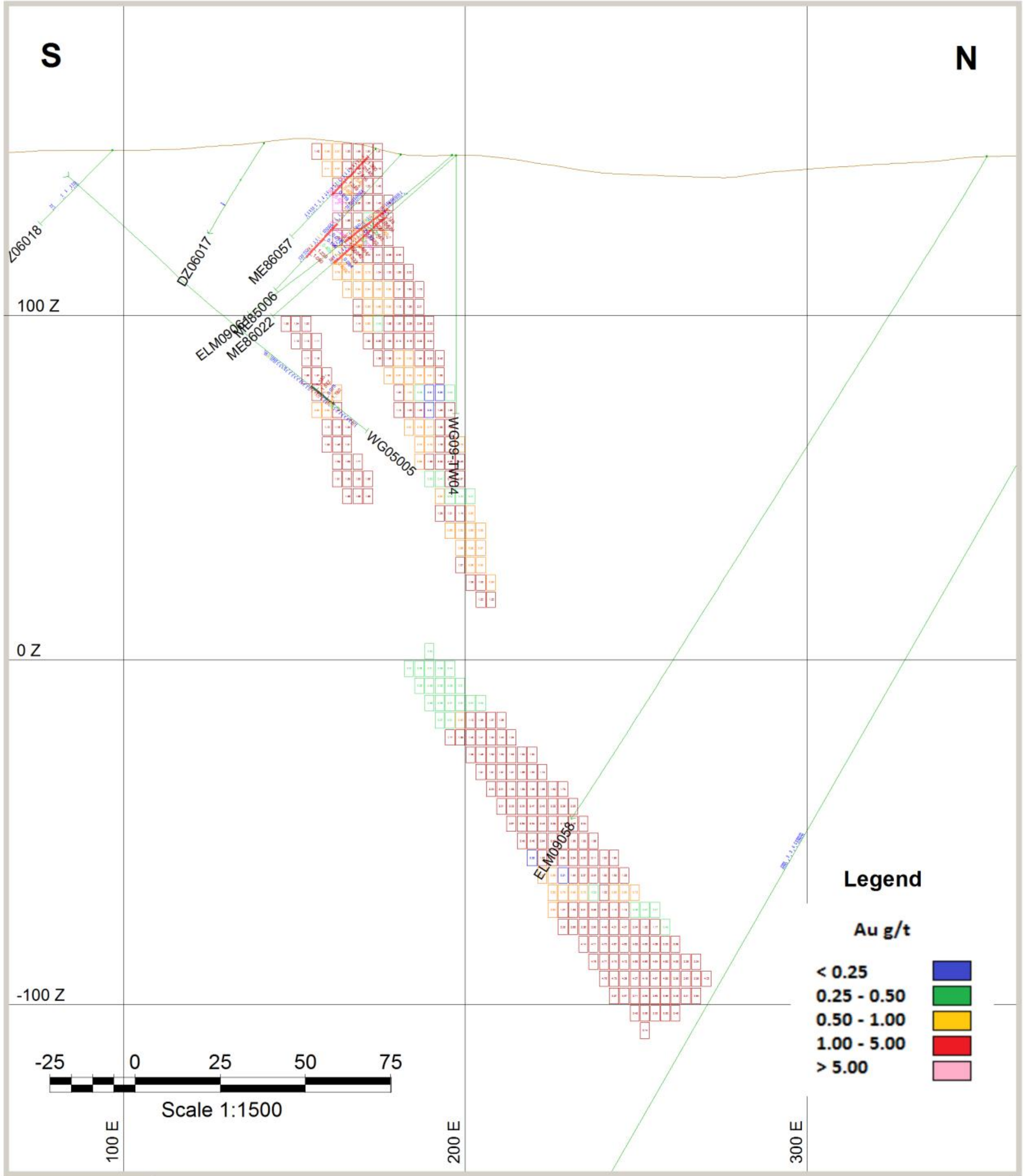
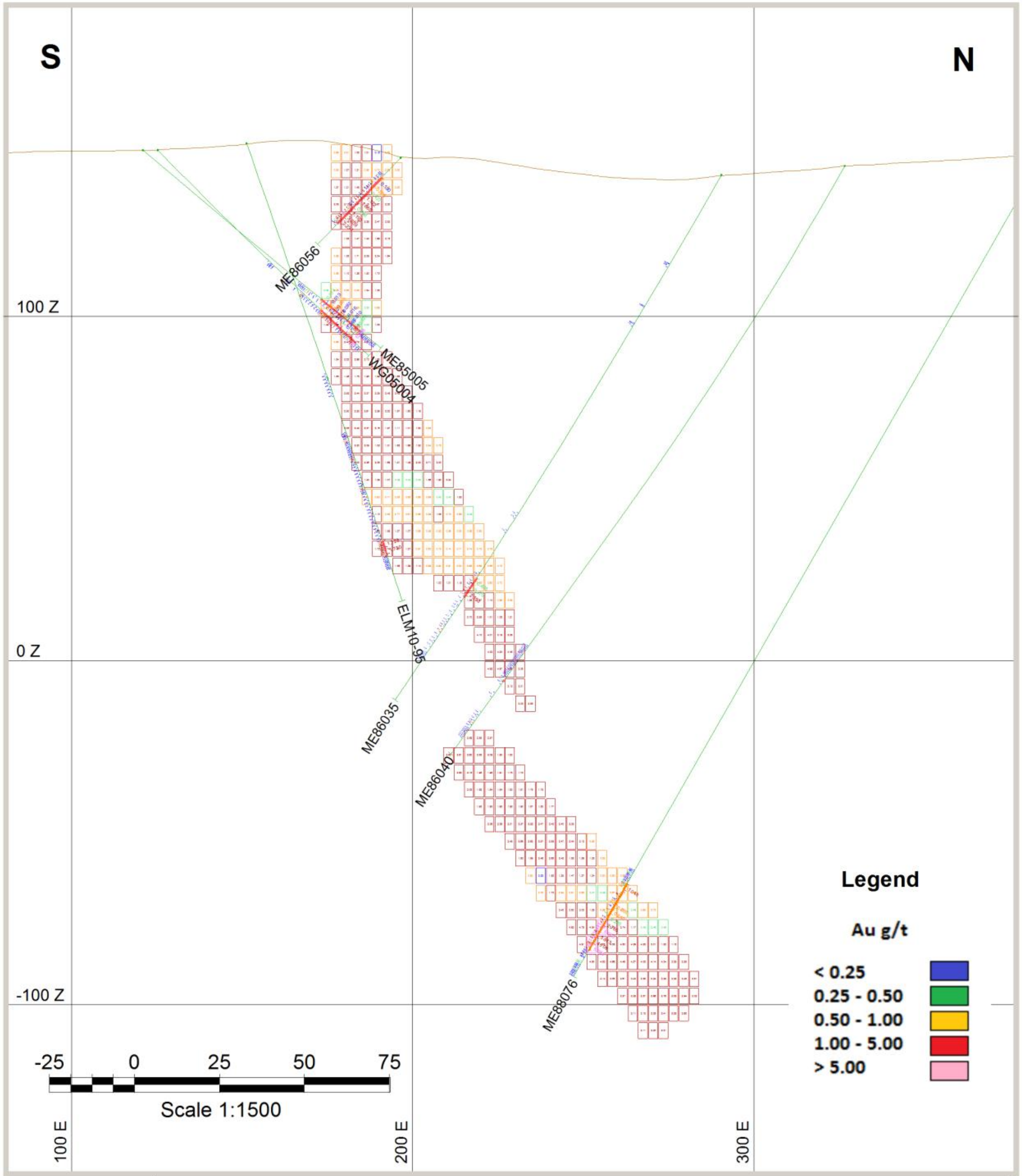
ME86058
ME85007
DZ06017
ME86008
ME86027
ELM10-96
ELM10-97
ME86038
ELM09058
100 Z
0 Z
-100 Z
-25
0
25
50
75
Scale 1:1500
100 E
200 E
300 E
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 4975W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters



Elmtree Gold Project, New Brunswick, Canada.

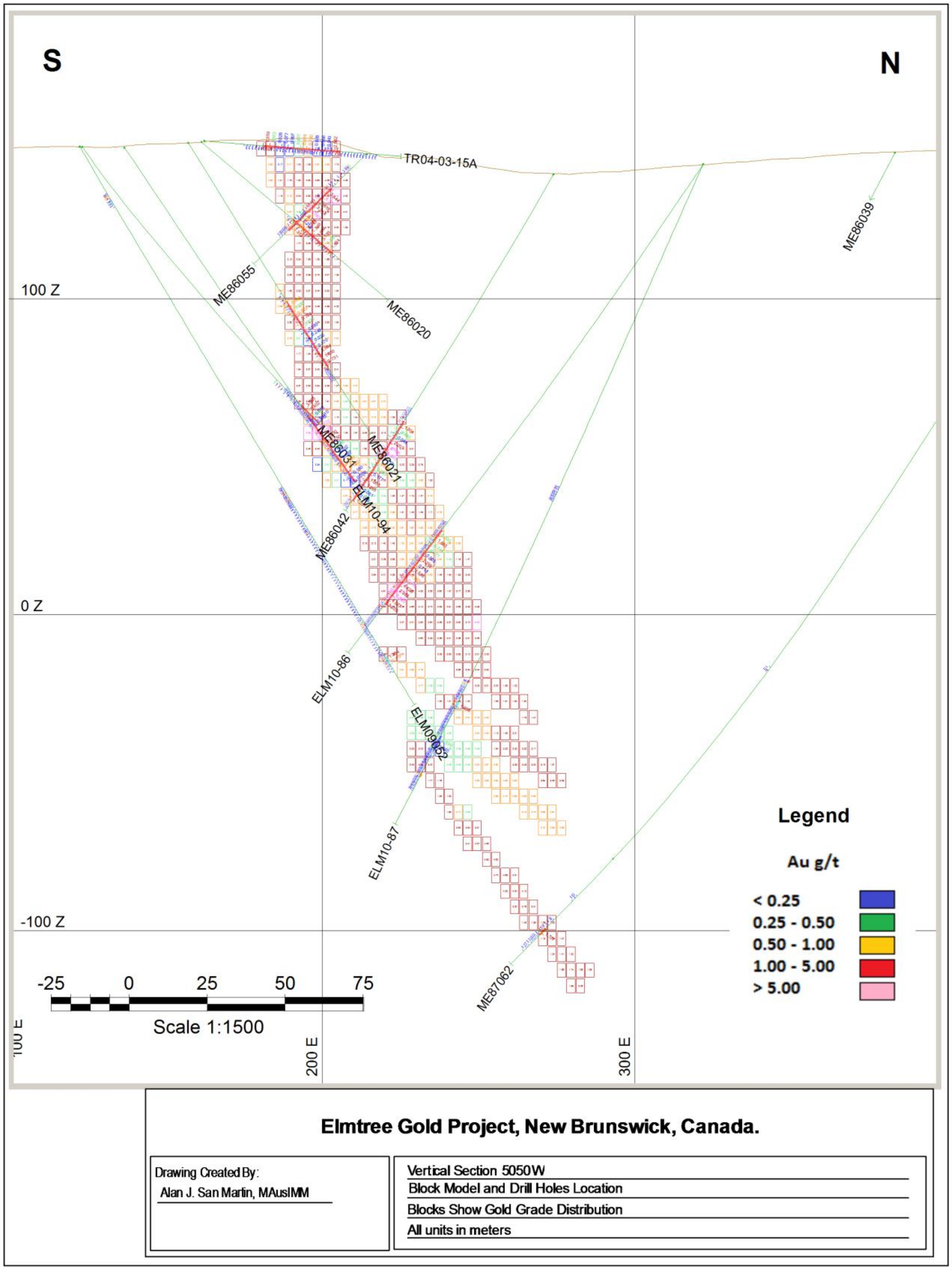
Drawing Created By:
Alan J. San Martin, MAusIMM

Vertical Section 5000W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters



Elmtree Gold Project, New Brunswick, Canada.

Drawing Created By:	Vertical Section 5025W
Alan J. San Martin, MAusIMM	Block Model and Drill Holes Location
	Blocks Show Gold Grade Distribution
	All units in meters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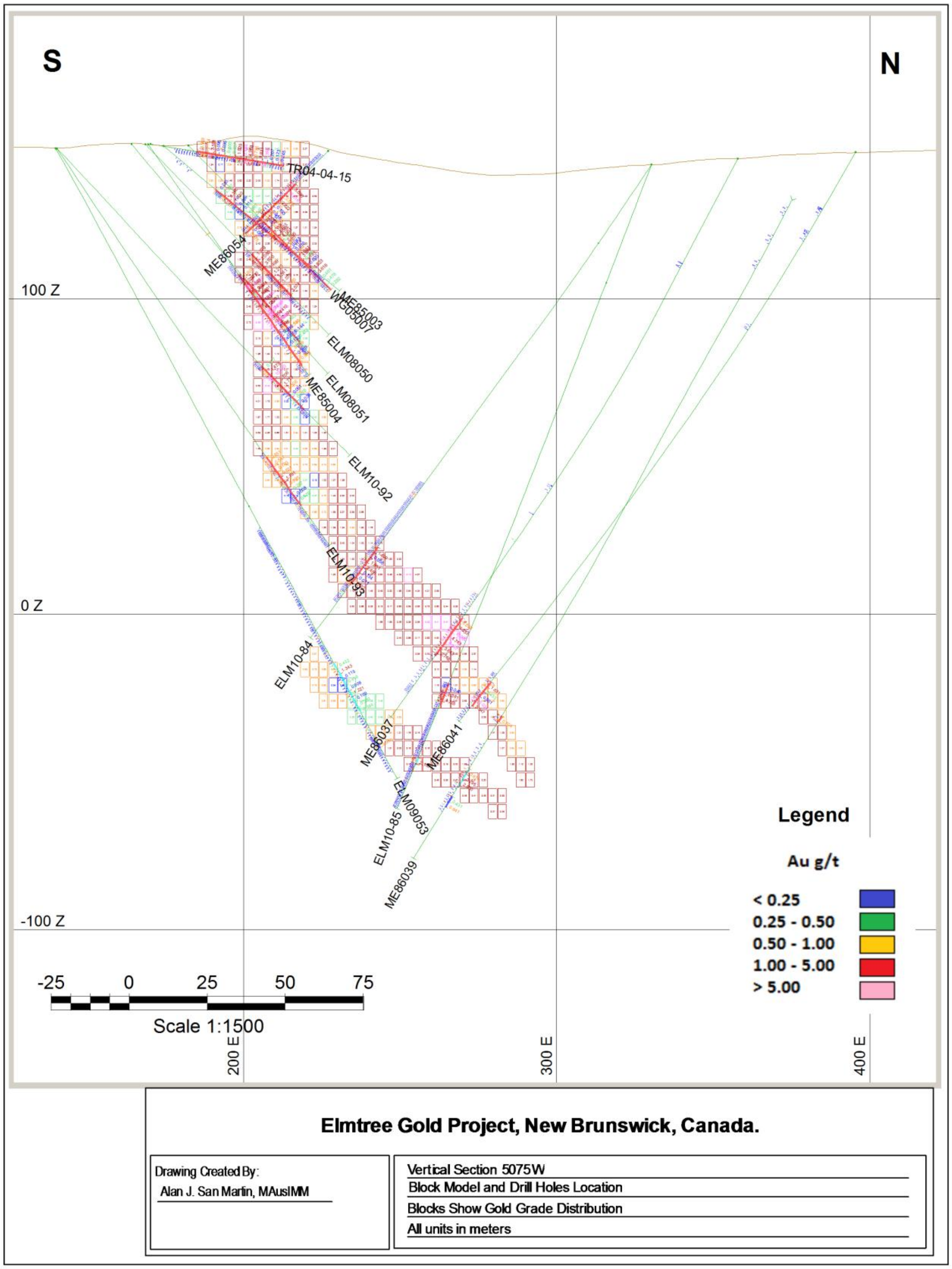
TR04-03-15A
ME86039
ME86055
ME86020
100 Z
ME86031
ME86021
ELM10-94
ME86042
0 Z
ELM10-86
ELM10-87
-100 Z
ME87062
-25 0 25 50 75
Scale 1:1500
200 E
300 E
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 5050W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters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N
TR04-04-15
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WG05007
ME85003
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ELM08051
ME85004
ELM10-92
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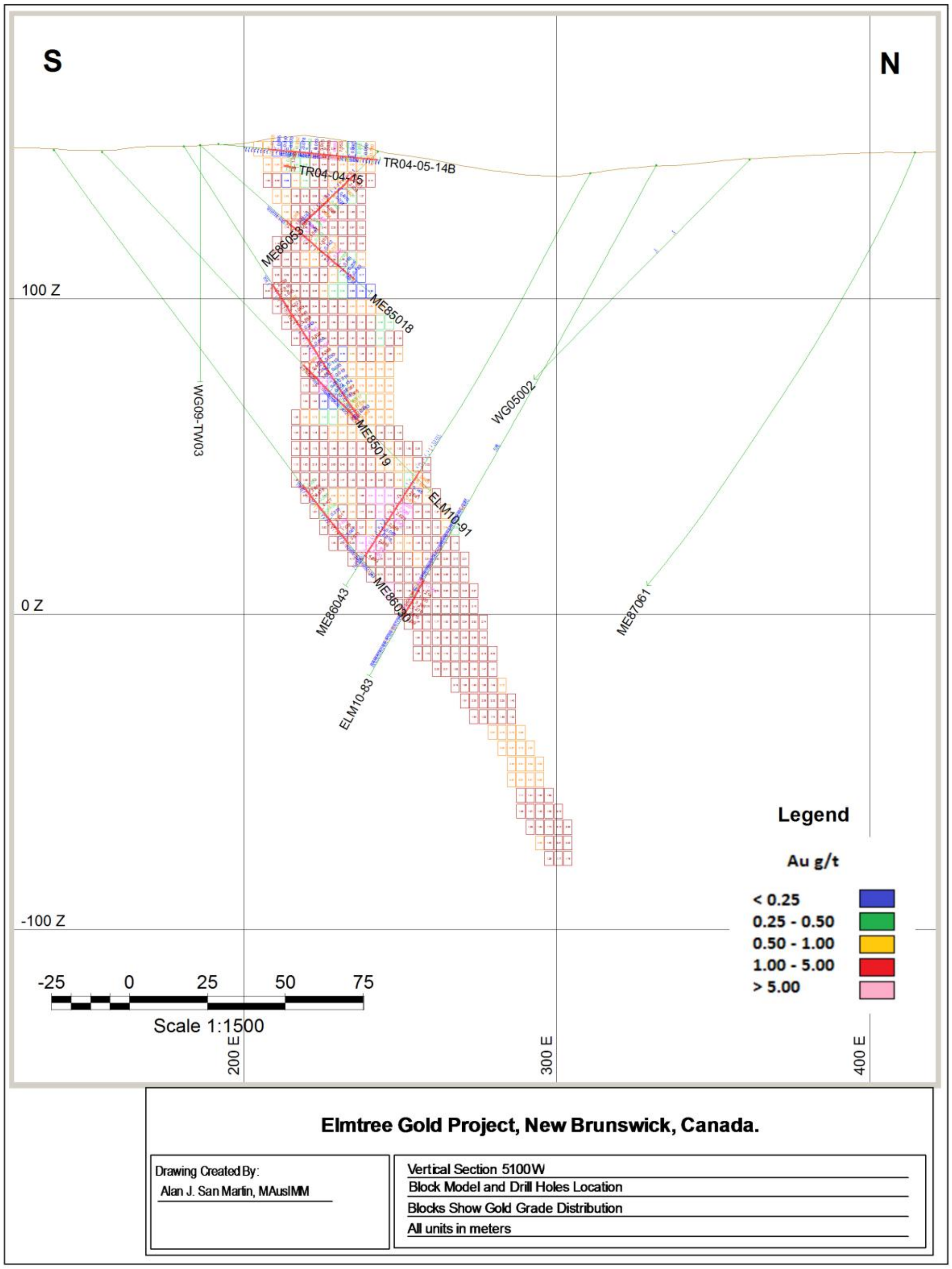
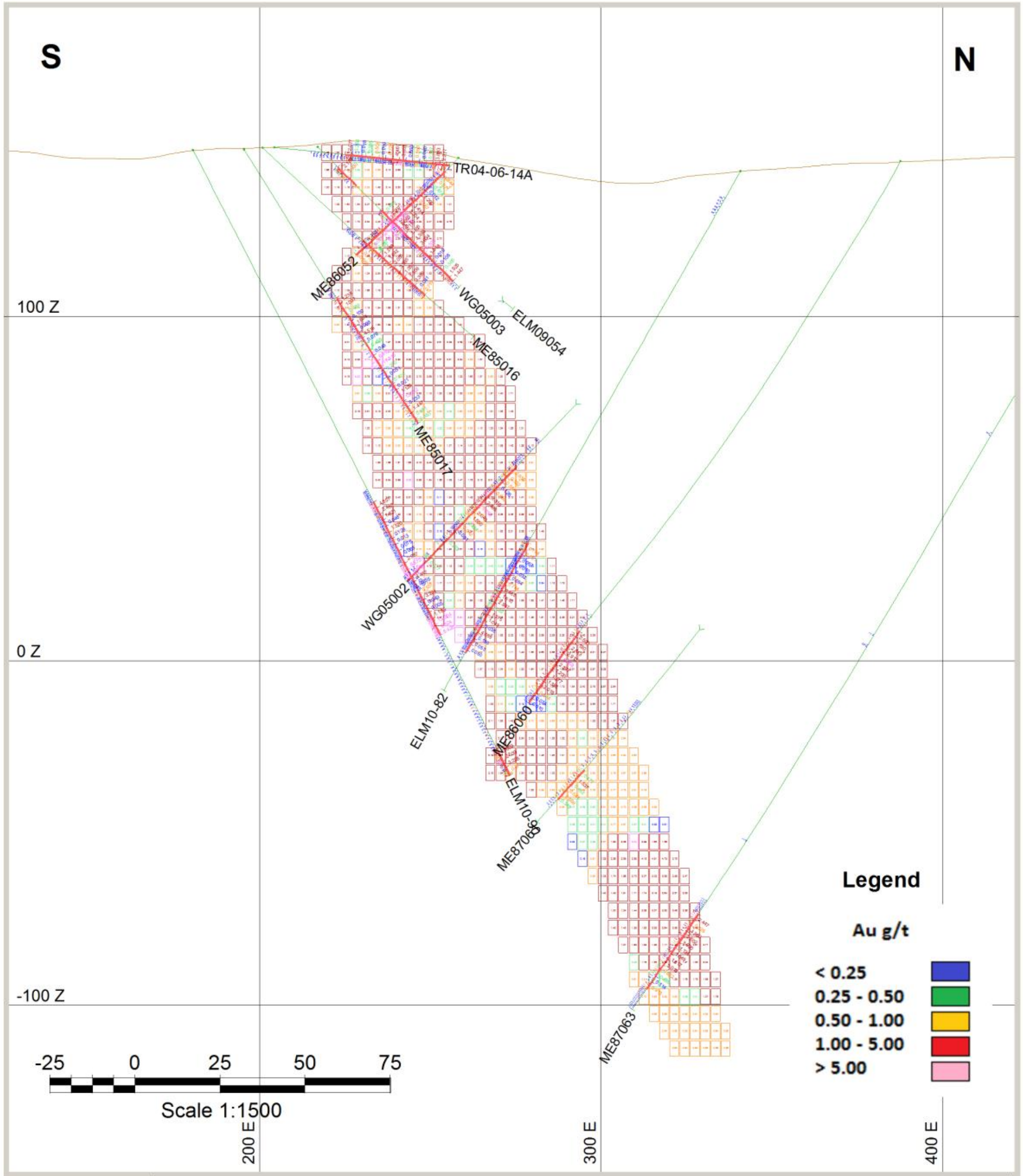
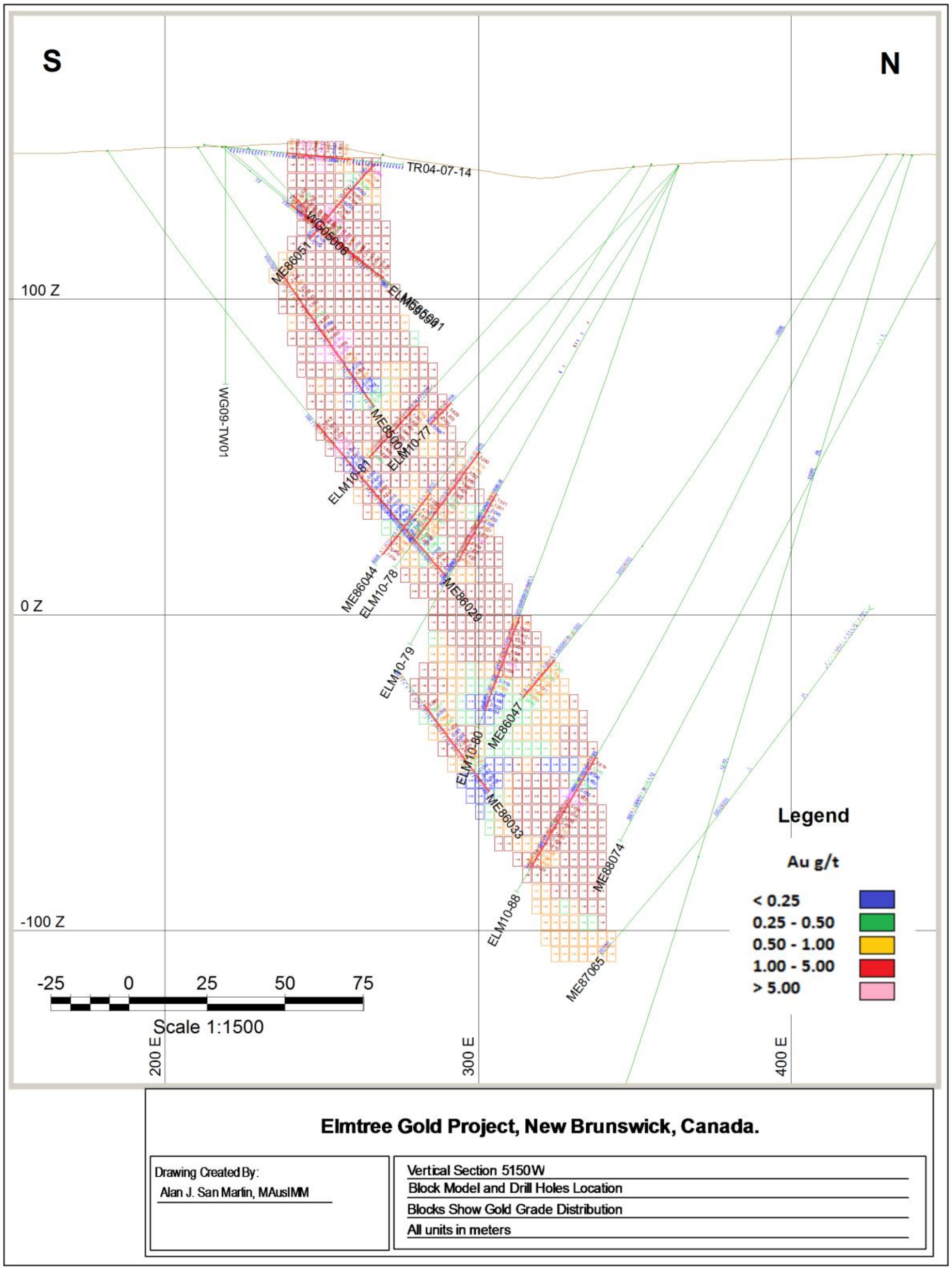
0 Z
ELM10-84
ME86037
ME86041
ELM09053
ELM10-85
ME86039
-100 Z
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
-25 0 25 50 75
Scale 1:1500
200 E
300 E
400 E
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 5075W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters

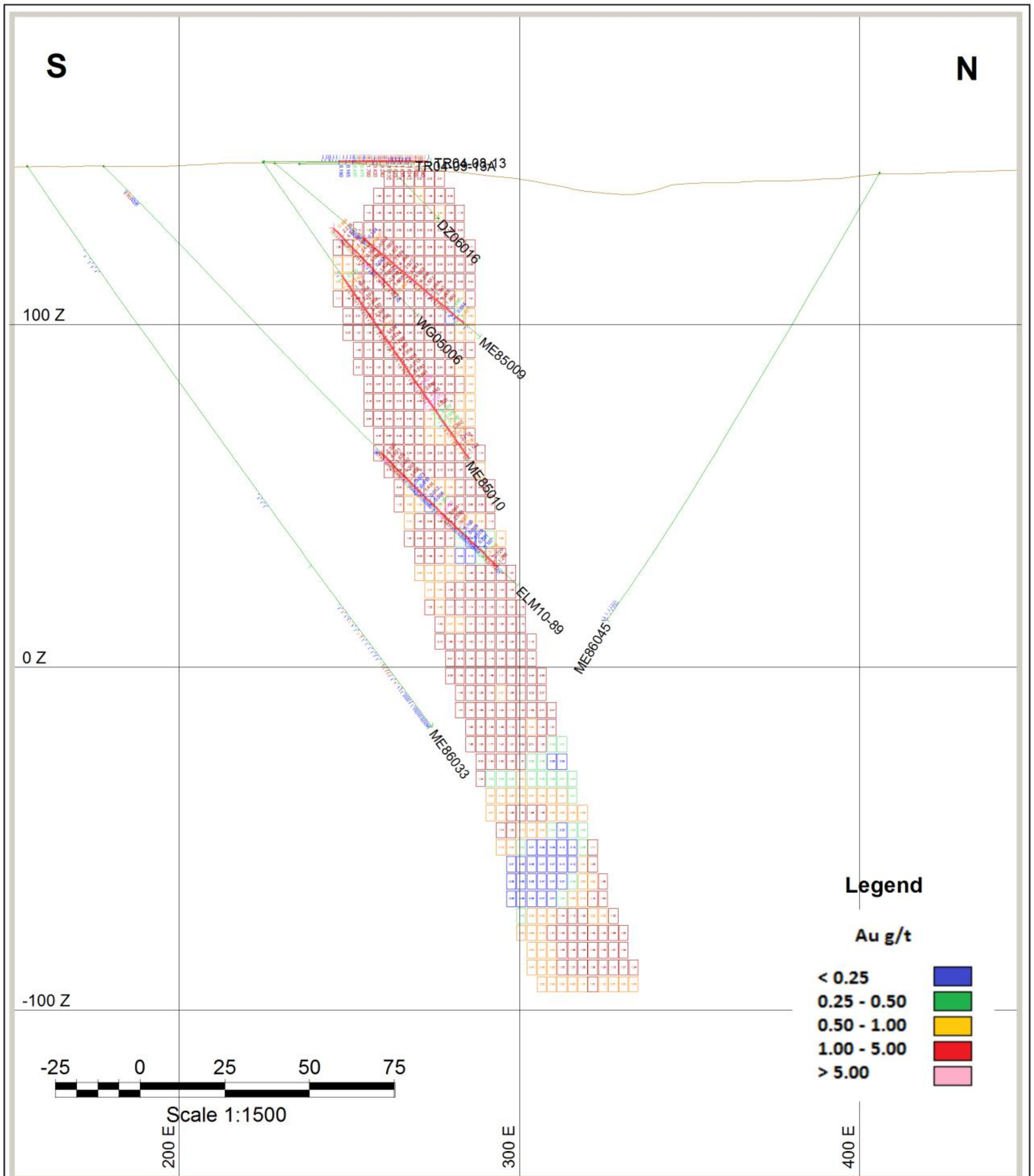

S
N
TR04-05-14B
TR04-04-15
ME86053
ME85018
100 Z
WG09-TW03
WG05002
ME85019
ELM10-91
0 Z
ME86043
ME86030
ME87061
ELM10-83
-100 Z
-25 0 25 50 75
Scale 1:1500
200 E
300 E
400 E
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 5100W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters



Elmtree Gold Project, New Brunswick, Canada.

Drawing Created By: Alan J. San Martin, MAusIMM	Vertical Section 5125W Block Model and Drill Holes Location Blocks Show Gold Grade Distribution All units in meters

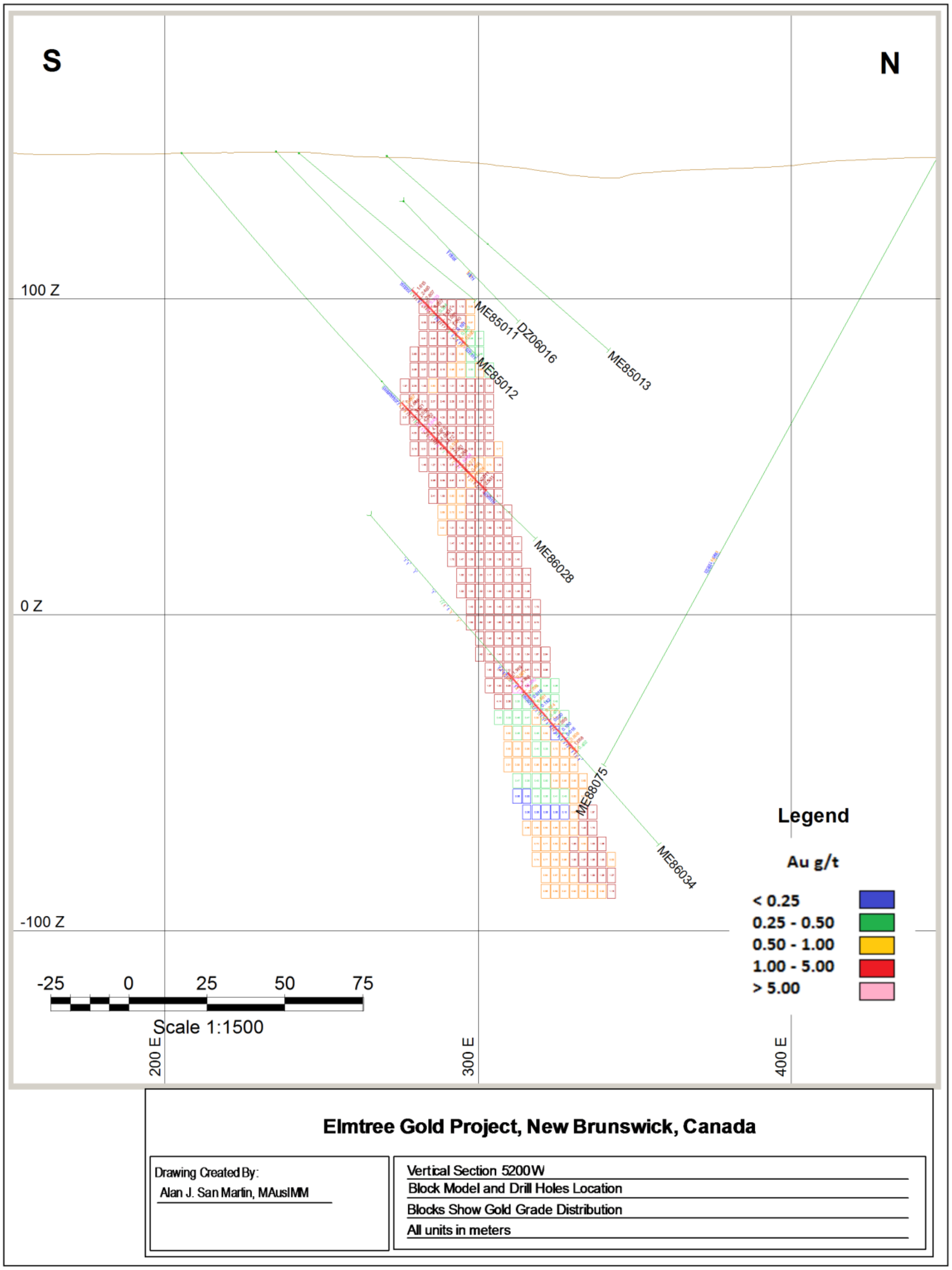

S
N
100 Z
0 Z
-100 Z
TR04-07-14
WG05006
ME86051
ELM10-91
WG09-TW01
ME86036
ELM10-77
ELM10-81
ME86044
ELM10-78
ME86029
ELM10-79
ME86047
ELM10-80
ME86033
ME88074
ELM10-88
ME87065
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
-25
0
25
50
75
Scale 1:1500
200 E
300 E
400 E
Elmtree Gold Project, New Brunswick, Canada.
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 5150W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters



Elmtree Gold Project, New Brunswick, Canada.

Drawing Created By:
Alan J. San Martin, MAusIMM

Vertical Section 5175W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters


S
N
100 Z
0 Z
-100 Z
ME85011
DZ06016
ME85013
ME85012
ME86028
ME88075
ME86034
Legend
Au g/t
< 0.25
0.25 - 0.50
0.50 - 1.00
1.00 - 5.00
> 5.00
-25
0
25
50
75
Scale 1:1500
200 E
300 E
400 E
Elmtree Gold Project, New Brunswick, Canada
Drawing Created By:
Alan J. San Martin, MAusIMM
Vertical Section 5200W
Block Model and Drill Holes Location
Blocks Show Gold Grade Distribution
All units in meters