

### 5.4. Interpretation

The regional geology indicates that the geophysical response of chargeable and resistive regions can exist in one of three possible forms of mineralization as previously mentioned in the Regional Geology section. The inverted models do not provide strong evidence of a porphyry body on the 2011 survey grid portion of the property; however, a narrow north trending chargeability feature still provides an interesting target.

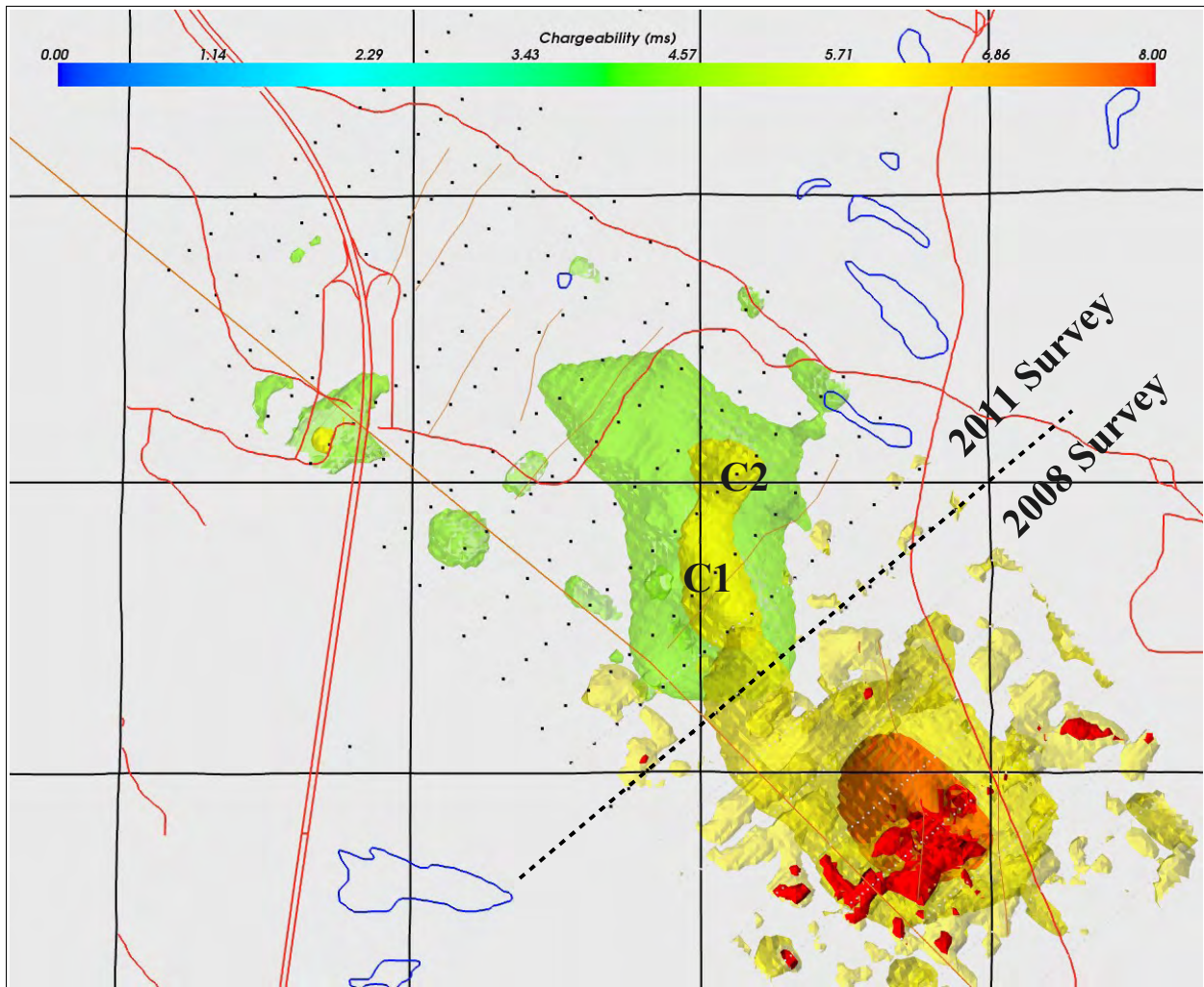


Figure 10: Merged 2008 & 2011 Inverted Chargeability Model

Chargeability Thresholds: Green – 4ms, Yellow – 6ms, Orange/Red > 8ms

Integrating SJ Geophysics' 2008 inverted chargeability model with this year's depicts that this narrow north trending chargeability feature extends further south and leads to the chargeability high detected in the 2008 survey. This has been described as a north trending finger (~ 6ms) from a body of higher chargeability (> 8ms) to the south, as shown in the plan view of Figure 10. A side view image from the southwest shows the strong continuation of the finger and shows an apparent downward dip towards the south.

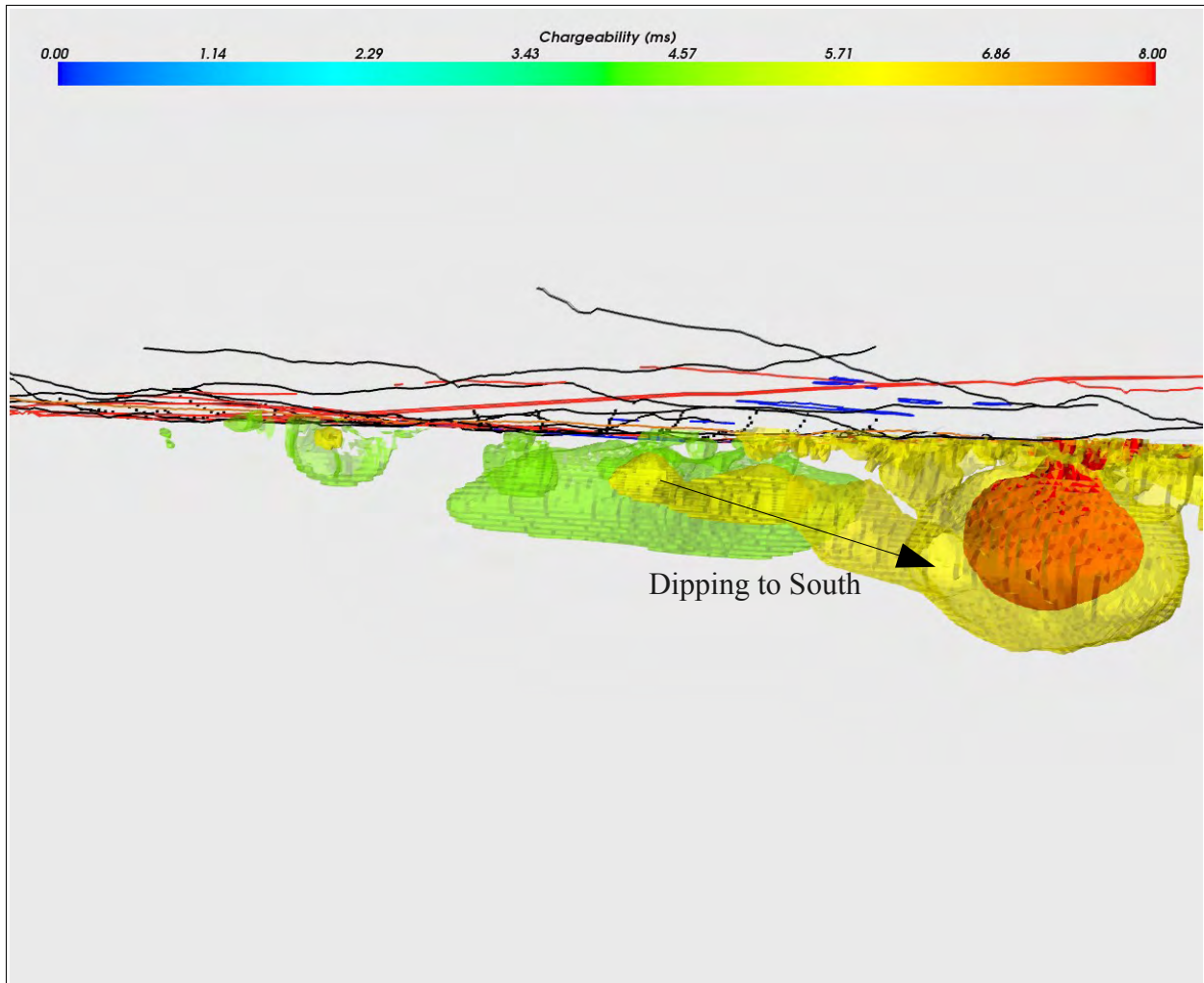


Figure 11: Chargeability feature; cross sectional view from the southwest

Directly associated with the northern flank of this chargeability finger is the zone of increased resistivity values (R1) and appears to be sitting slightly above the chargeability feature. Figure 12 provides an oblique view from below the chargeability feature and its association with the moderately high resistivity zone.

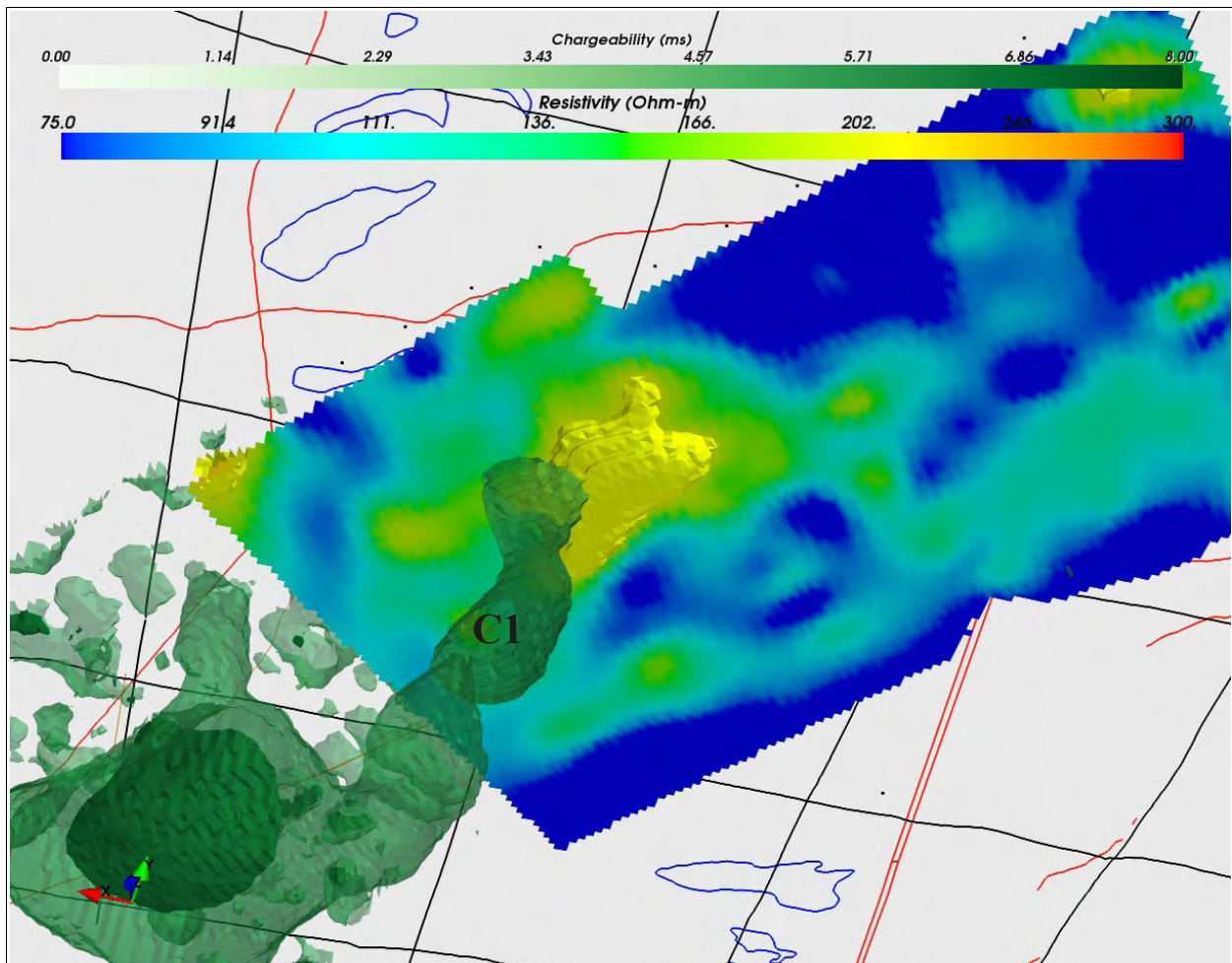


Figure 12: Correlation of chargeable and resistive features; view from below, looking north

Chargeability Thresholds: Light Green – 6ms, Darker Green > 8ms

Resistivity Thresholds: Yellow – 200 Ohm-m; Vertical plane is resistivity at ~ 50m depth

The 3DIP data results provided by Frontier Geosciences were similar in locating the general area of the prominent chargeability zone; however, a few anomalous features highlighted by the Frontier inverted model have been eliminated. These features were all situated along the edge of the survey block and may have been the result of edge effects caused by the inversion.

The northwesterly trending fault, identified as the Cherry Creek Fault, mentioned in the Regional Geology section is not clearly defined by the geophysical survey; however, there is a subtle northwesterly trend in both the resistivity and chargeability. The inverted resistivity plan map illustrated in Figure 4 provides the strongest evidence, although very subtle. The most defining evidence is a northwesterly trend of slightly increased resistivity features along the mapped location of the fault and a slight drop in resistance to the west.