GEOLOGIC ASSESSMENT / QUARRY PLAN REVIEW
BLACK GOLD GRANITE QUARRY DEVELOPMENT

GARIBALDI RESOURCES CORP.
BLACK GOLD GRANITE CLAIMS
GREENWOOD MINING DIVISION
GRAND FORKS, B.C., CANADA

NTS 82 E/7 E
UTM (Zone 11) N5463300m, E385200m
(NAD 83)

Prepared for:
Steve Regoci, President
Garibaldi Resources Corp.
Vancouver, British Columbia, Canada

Prepared by:
Jim Purdy, PG, Geologist
Geomapping Associates Ltd.
Pittsford, Vermont, USA

Date:
March 21, 2007
March 11, 2008 (Revised)
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Executive Summary

A geologic assessment of the granite (gabbro) deposit and dimension stone quarry development located on mineral claims controlled by Garibaldi Resources Corp. in Grand Forks, British Columbia, Canada has been conducted by Geomapping Associates Ltd. The purpose for this geologic assessment was to make determinations regarding the quality and quantity of the dimension stone mineral resource, as well as to review the quarry development logistics for the Black Gold Granite.

Previous studies have delineated an area of dark colored gabbro underlying the Garibaldi Resources Corp., Black Gold Granite Claims which is potentially suitable for extraction of dimension stone quality “black granite”. Initial test quarrying (1995) and development of a prospect quarry (1999) have provided further confirmation that the targeted stone deposit is, in fact, suitable for dimension stone quarry development. The projected recovery of commercial grade blocks from the black gabbro (granite) deposit is anticipated to be typical for similar granite deposits worldwide.

The black gabbro (granite) with commercial designations of Cambrian Black, Pedro Black, and Black Gold is an attractive decorative and structural grade stone, as indicated by initial ASTM testing and visual observation of fabricated material. The stone would likely be well received in North American and worldwide markets.

Exploration information for the black gabbro deposit has been compiled from a relatively minimal level of subsurface investigation and evaluation of the deposit by means of diamond core drilling. A Preliminary Feasibility Study involving an expanded core drilling program is warranted at this point in time in order to further define the mineral resource and mineral reserves within the target quarry zone.
Site Description
The Garibaldi Resources Corp. (hereafter Garibaldi) Black Gold Mineral Claim Group is comprised of (11) contiguous normal unit (500 Mt. x 500 Mt.) claims. In general, the subject claims are located on the eastern flank of Almond Mountain at elevations ranging from 1600 – 2100 Meters above sea level. Road access to the claim area is by the Pass / Kennedy Creek FSR system (See Appendix A1). The specific information for the Claim Group is described in the table below and on the following Claim Index Map:

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History
Previous study work on the mineral claims, including a geologic investigation conducted by Hun Kim, PG (1993) and an economic evaluation conducted by Laurence Sookochoff, PE (1995), identified a dark colored gabbro formation which was determined to be suitable for the production of granite dimension stone. Test quarrying was conducted in 1995 for assessment of both the production quality and marketability of the stone. In 1999 the test area was expanded to the prospect quarry scale in order to extract a small volume of marketable stone and to develop the quarry for additional exposure of stone reserves to a shallow depth. The quarry site has been idle since 1999 and the geologic assessment summarized within the scope of this report is the first in time evaluation since development of the prospect quarry area.

Summary of Work
The geologic assessment of the granite (gabbro) deposit and dimension stone quarry development located on mineral claims controlled by Garibaldi Resources Corp. in Grand Forks, British Columbia, Canada has been conducted by Geomapping Associates Ltd.. The purpose for this geologic assessment was to make determinations regarding the dimension stone reserve quality, recoverable reserve volume, and quarry development logistics for the Black Gold Granite. The assessment has involved the following scope of work:

1) Review of previous studies conducted on the subject mineral claims as reported by Hun Kim, Professional Geologist (8/9/1993)\(^1\), and Laurence Sookochoff, Professional Engineer (8/17/1993)\(^2\),
2) Field investigation (2 days on-site) of the Black Gold Granite claims in October 2006 for mapping of surface outcrops and quarry development area, evaluation of stone quality for blocks inventoried in B.C., and geologic assessment of the quarry development area on-site,
3) Review of existing published geologic and topographic information.

The results of the geologic assessment are summarized within this report along with determinations and recommendations regarding granite stone quality, reserve status, product types, and quarry development planning.
Granite Deposit Characterization – The scope of this assessment has been limited to the dark colored gabbro which has been designated as the primary target formation for dimension stone development. The darker color gabbro is a black – very dark green colored, biotite rich unit which forms the central core of the formation. The black gabbro (black granite) is a massive, medium grained stone which has been classified under a variety of commercial names such as Cambrian Black, Pedro Black, and Black Gold. The black gabbro unit trends northwest – southeast and has been mapped over an average width of +/- 175 Mt. with a length along strike of +/- 650 Mt.. The stone deposit as exposed in the prospect quarry and adjacent outcrops, and as described from the previous diamond drilling program conducted by Kim (1993), is relatively sound with common orthogonal (right angle) joint sets crossing the deposit. Joints and fractures below the weathered zone of surface rock were observed to be sufficiently spaced for extraction of commercial quality dimension stone blocks.

The stone texture and mineral composition of the black gabbro lends a very attractive appearance to the stone. Crystal faces in the feldspars and biotite plates reflect light giving an aesthetic depth to the fabric of the stone. This effect is apparent on the roughly split block faces (as shown at left) as well as for a variety of fabricated finishes (polished, sandblasted, honed...). 

Dimension Stone Resources – Previous investigation of the black gabbro (granite) underlying the Garibaldi Black Gold Claims has been methodical and well planned. Stone resource quality and quantity has become increasingly well defined through outcrop mapping, diamond core drilling, and prospect quarry development. The gross volume of black gabbro stone suitable for extraction as dimension stone has been quantified previously. The percentage of stone recovered per unit volume quarried has not been quantified on a site specific basis to date and, therefore, the scope of this assessment has included both approximate measurement of the volume of stone extracted to date, and recording of the volume of stone recovered as either first quality dimension stone blocks (sold to date) or second quality blocks (remaining in inventory).

Below the weathered zone of surface rock, which must be stripped for exposure of commercial quality stone, the factors affecting stone recovery as observed in the field
include; dimensional waste due to fracturing, quartz veins of varying thickness, and andesite dikes (generally < 1 Ft. in thickness) which cut across the gabbro unit.

The majority of the blocks classified as second quality and remaining in inventory in Grand Forks (example in photo at right) are graded as such due to dimensional waste (irregular shapes) and relatively small size (estimated average size < 100 Cu. Ft. or 3 Cu. Mt.). Waste rock disposed at the quarry site was observed to be primarily weathered surface rock and dimensional waste.

Quarry floor space was measured by taping during the field survey in order to quantify the square footage of the prospect quarry area (See Appendix A2). An approximate bench height has been applied to these measurements for calculation of the volume of stone extracted. The volume of stone inventoried in Grand Forks was calculated by visual estimation of the size and quantity of blocks in storage on-site. The volume of first quality stone distributed to market was calculated from Garibaldi sales records. The results of the volumetric calculations are outlined below:

**1999 Extraction Volume**

Quarry Floor Space Opened (Measured 10/2006) = 2300 Sq. Ft.
Average Bench Height 1st Level = 10 Ft.
Average Bench Height 2nd Level = 6 Ft.
Cubic Space Excavated = +/- 17,800 Cu. Ft. (500 Cu. Mt.)

1st Quality Blocks Recovered (distributed to market) = 5825 Cu. Ft. (165 Cu Mt.)
Recovery = 33%

2nd Quality Blocks Recovered (in inventory) = 1000 Cu. Ft. (30 Cu. Mt.)
Recovery = 6%

Overall Initial Recovery Factor = 39%
The % recovery realized to date is above average for typical black granite deposits. The long term average % recovery will likely trend somewhat lower as the quarry is developed through dike zones, fracture zones… In the event that the blocks graded as 2nd Quality are, in fact, determined to be waste, then the current overall Initial Recovery Factor should be quantified closer to 30% (still above average).

**Mineral Resources**

An additional area of the stone deposit has been stripped of overburden exposing Black Gold type Granite over an area of 2700 Sq. Ft.. The combined area of quarry exposure, including both the initial development and production benches is 5000 Sq. Ft.. Previous diamond core drilling has confirmed the depth of the Black Gold Granite to a depth of +/- 30 Mt. (100 Ft.) Stone resources confirmed by both surface exposure and drilling can therefore be conservatively estimated as follows:

**Indicated Mineral Resource**

$$5000 \text{ Sq. Ft. Surface Area} \times 100 \text{ Ft. Depth of Drilling} = 500,000 \text{ Cu. Ft.}$$

$$\pm 14,000 \text{ Cu. Mt.}$$

At 30% Estimated Recovery =

$$150,000 \text{ Cu. Ft.}$$

$$\pm 4250 \text{ Cu. Mt.}$$

**Inferred Mineral Resource**

Previous geologic mapping by Kim (1993) and Sookochoff (1995) have delineated the Black Gold Granite deposit over a length along strike of 650 Mt. (2000 Ft.) with an average width of 175 Mt. (500 Ft.). Granite reserves have been drilled to a depth of 30 Mt. (100 Ft.). The Inferred Mineral Resources of Black Gold Granite would be conservatively estimated as follows:

$$1,000,000 \text{ Sq. Ft.} \times 100 \text{ Ft. Depth of Drilling} = 100,000,000 \text{ Cu. Ft.}$$

$$\pm 2,800,000 \text{ Cu. Mt.}$$

Due to site limitations, extrapolation between surface exposures, the presence of dike zones, and the likely potential for intersecting zones of fractured rock, the above figure should be discounted by 50% until the stone reserve can be further delineated by additional geologic exploration work. The adjusted Inferred Mineral Resource would then be conservatively estimated as follows:

$$100,000,000 \text{ Cu. Ft.} \times 0.5 \text{ (50%)} = 50,000,000 \text{ Cu. Ft.}$$

$$\pm 1,400,000 \text{ Cu. Mt.}$$
At 30% Estimated Recovery = 15,000,000 Cu. Ft.
(+/- 400,000 Cu. Mt.)

Quarry Development – The prospect quarry development to date on the Garibaldi Black Gold Granite Claims has involved extraction of stone by the drilling and broaching (splitting) method. Although further evaluation is required for final determination, initial field observations of the gabbro deposit indicate that there is no prominent rift or grain to the stone. However, the rift, or preferred splitting direction, likely follows the trend of the primary joints in the formation which trend both north-south and east-west (quarry prospect shown in photo at right, view to east).

Split faces on blocks and quarry walls are somewhat irregular due to the medium grained texture of the stone and lack of a well defined grain. This condition results in rough block faces which must be squared by sawing during the fabrication process. As these rough slabs or "backs" are removed the waste factor increases for the stone (see below).

Future extraction of the black gabbro (granite) at the Garibaldi quarry site should employ the combined use of diamond wire saws with drilling and broaching. Extraction of large primary blocks by combined wire sawing and broaching with small explosive charges will likely improve block quality (reduced dimensional waste) and will facilitate an increased production rate. The mineral composition of the stone and configuration of the deposit are factors indicating that wire saw extraction methods will be the most cost effective for stone production within the Black Gold granite deposit. A preliminary budget analysis has been conducted to outline estimated capital spending costs in order to bring the Black Gold Granite Quarry from the current pilot quarry scale – to full production scale (See Appendix A4).

The terrain investigation of the Garibaldi quarry site indicates that the topography of the area lends itself well to development of a “hillside bench” type quarry. Significant topographic relief exists within the quarry area and granite stone resources have been delineated both to the north and south of the quarry prospect site. A tributary of the Almond Creek adjacent to the quarry site limits the advancement of the quarry.
development in a northwesterly direction, therefore, the primary direction for quarry
development lies to the southeast. Descending elevations to the north will facilitate haul
road access to lower levels within the quarry for development at depth. Ascending elevations to the southeast will facilitate “hillside bench”
development into the primary reserve area. Overall, the terrain of the quarry site, except for the proximity to surface waters, is very conducive to cost
effective quarry development.

Future quarry development planning will require relocation of the waste rock disposal area (shown at left) to a site off of the black gabbro (granite)
deposit so as not to compromise cost effective extraction. The existing waste rock material disposed of on the ground surface above black granite reserves can be utilized in the future for haul road and ramp construction.

Conclusions & Recommendations

Previous studies have delineated an area of dark colored gabbro underlying the Garibaldi Resources Corp., Black Gold Granite Claims which is potentially suitable for extraction of dimension stone quality “black granite”. Initial test quarrying (1995) and development of a prospect quarry (1999) have provided further confirmation that the targeted stone deposit is, in fact, suitable for dimension stone quarry development. Above average recovery rates have been realized for the initial stage of prospect quarry development on-site. Although the current assessment of the quarry site indicates that the recovery rate will likely be lower in the future as quarrying advances across dikes and zones of fractured rock, the projected recovery of commercial grade blocks from the black gabbro (granite) deposit is anticipated to be typical for similar granite deposits worldwide.

The black gabbro (granite) with commercial designations of Cambrian Black, Pedro Black, and Black Gold is an attractive decorative and structural grade stone, as indicated by initial ASTM testing and visual observation of fabricated material. The stone would likely be well received in North American and worldwide markets.

Initial geologic assessment of the black gabbro deposit has involved relatively minimal subsurface investigation and evaluation of the deposit by means of diamond core drilling. An expanded core drilling program is warranted at this point in time in order to further assess the quality of stone resources at depth within the target quarry zone. Any future drilling program should be focused on the black gabbro stone resource. The
outlying, light colored gabbro formations delineated in previous studies are not likely to be of sufficient value to warrant further investigation.

Based on the conclusions described above, all indications are positive for development of an economically viable dimension stone quarry operation on the Garibaldi Black Gold Granite Claims. It is recommended that the following scope of work be initiated in order to further advance to the production planning phase of quarrying (See Cost Estimates, Appendix A3):

1) Conduct additional diamond core drilling to determine granite reserve quality within the proposed quarry development area. Focus should be on delineation of a minimum 20-25 year stone reserve volume within the immediate quarry area. An estimated additional drilling footage of +/- 500 lineal feet should be sufficient to support the required determination.

2) Conduct a full ASTM granite specification testing program on quarried material in order to finalize determinations regarding the soundness and structural qualities of the black gabbro (granite).

3) Based on the results of the final geologic assessment work described here, and development of a 20-25 year business plan by Garibaldi, design a quarry operation plan for development of scaled dimension stone production.

James E. Purdy, PG
Geologist
American Institute of Professional Geologists
CPG #10525
Author’s Qualifications

James Edward Purdy

Title: Certified Professional Geologist, President – Geomapping Associates Ltd.

Specialized Area of Practice: Consultant to the dimension stone, industrial mineral, and construction aggregate industries with (25) years experience in resource investigation, quarry and mine planning / design, reclamation planning / design, hydrogeologic investigations, and environmental permitting.

Education: Slippery Rock University – B.A. Geology (1981)

Experience: Principal investigator on Geomapping Associates Ltd. projects including; quarry and mine site evaluations, appraisal of resources, production monitoring, and stone selection and testing.

I, James E. Purdy, Professional Geologist, hereby certify that the information presented in this assessment report has been assembled by myself. The determinations and factual conclusions presented within this report are based on my personal analysis, or as according to the references cited. The information contained in this report is accurate within the exercise of my reasonable professional judgment. I further certify that I have no financial interest, either direct or indirect, in Garibaldi Resources Corp.

By:

James E. Purdy, PG
Geologist
American Institute of Professional Geologists
CPG #10525
References


### Cost Statement (US Dollars)

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TOTAL $4862.77
Appendix
GARIBALDI RESOURCES CORP.
BLACK GOLD GRANITE QUARRY SITE
GREENWOOD MINING DIVISION
GRAND FORKS, B.C., CANADA

QUARRY DEVELOPMENT AREA
10/4/2006

TOPOGRAPHIC INFORMATION PLOTTED FROM NTS SHEET 82 E/7 (1:50000) AND FROM PASS CREEK CLAIM AREA MAP (1:25000). 1000 METER UTM GRID SHOWN ON BOTH MAPS FOR SCALE.

NOTES:
1. DEVELOPMENT AREA PLOTTED FROM GEOMAPPING GPS LOCATIONS OBTAINED DURING 10/4/2006 FIELD INVESTIGATION.
3. TOPOGRAPHIC INFORMATION PLOTTED FROM NTS SHEET 82 E/7 (1:50000) AND FROM PASS CREEK CLAIM AREA MAP (1:25000). 1000 METER UTM GRID SHOWN ON BOTH MAPS FOR SCALE.
BLACK GOLD QUARRY DIAGRAM
GARIBALDI RESOURCES CORP.
GRAND FORKS, BRITISH COLUMBIA

1999 EXTRACTION VOLUME (Approx.)
QUARRY FLOOR AREA (Measured 2006) = +/- 2300 Sq. Ft.
1000 Sq. Ft. at an AVERAGE BENCH HEIGHT of +/- 10 Ft. = 10,000 Cu. Ft.
1300 Sq. Ft. at an AVERAGE BENCH HEIGHT of +/- 6 Ft. = 7800 Cu. Ft.
CUBIC SPACE EXTRACTED = +/- 17,800 Cu. Ft. (560 Cu. M.)
FIRST QUALITY BLOCKS RECOVERED = 5825 Cu. Ft. (165 Cu. M.)
% RECOVERY = 33%
SECOND QUALITY BLOCKS INVENTORYED = 1000 Cu. Ft. (30 Cu. M.)
% RECOVERY = 6%

GEOGRAPHING ASSOCIATES LTD.
Projected Costs – Final Geologic Assessment
(Costs in Canadian Dollars)

Diamond Core Drilling Program
- 500 Lineal Ft. of NQ Wireline Drilling @$35/Ft. $17,500
- Mobilization $2500
- Misc. Hourly Costs, Per Diem $5000
- Drilling Supervision, Core Logging, Mapping, Report $10,000

Total $35,000

ASTM Testing Program
- Sample Selection, Shipment, Specimen Fabrication $2000
- Granite Specification Testing $2500

Total $4500

Quarry Planning
- Production Plan $2000
- Reclamation Plan $2000
- Permit Exhibits $1000

Total $5000

Geologic Assessment – Estimated Total Costs $44,500
**Black Gold Granite Quarry - Budget Analysis (Preliminary)**

**Recommended Quarry Production Method**

Based on a 6 month (150 Day) per year operating season and a net production volume of 3000 Cu. Mt. (30% recovery). Site preparation, access, labor, storage / maintenance facilities, fuel, and other ancillary costs not included.

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