

Mac
885192

Regional Geology

TERTIARY

Endako Lake Group

CRETACEOUS

Ootsa Lake Group

Sedimentary Rocks

U. JURASSIC - L. CRETACEOUS

Francois Lake Intrusions

JURASSIC

Topley Intrusions

Hazelton Group

TRIASSIC - JURASSIC

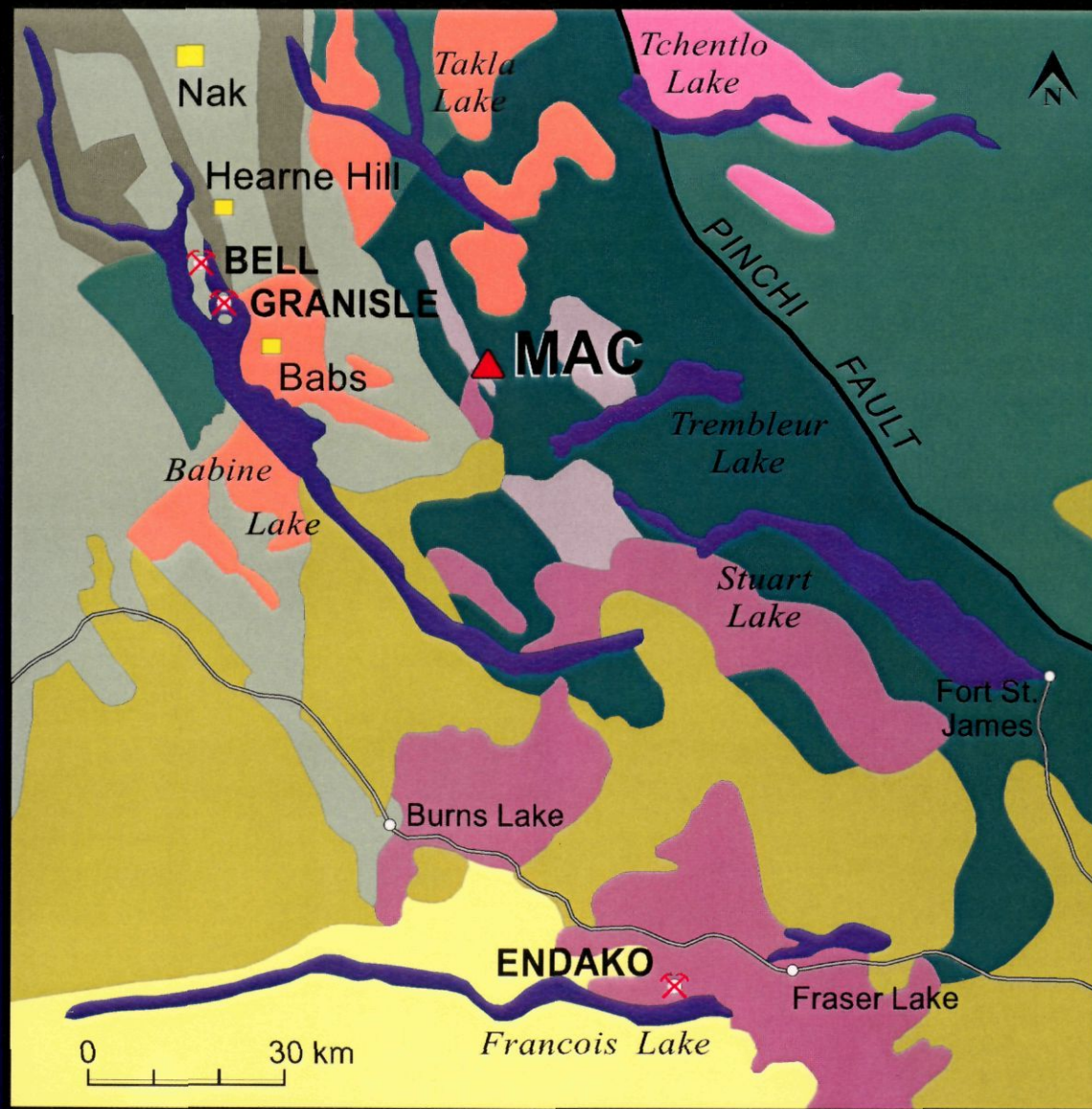
Intrusions

Takla Group

PALEOZOIC



Trembleur Intrusions

Cache Creek Group



MAC PROJECT

Geologic Block Model and Topographical Surface

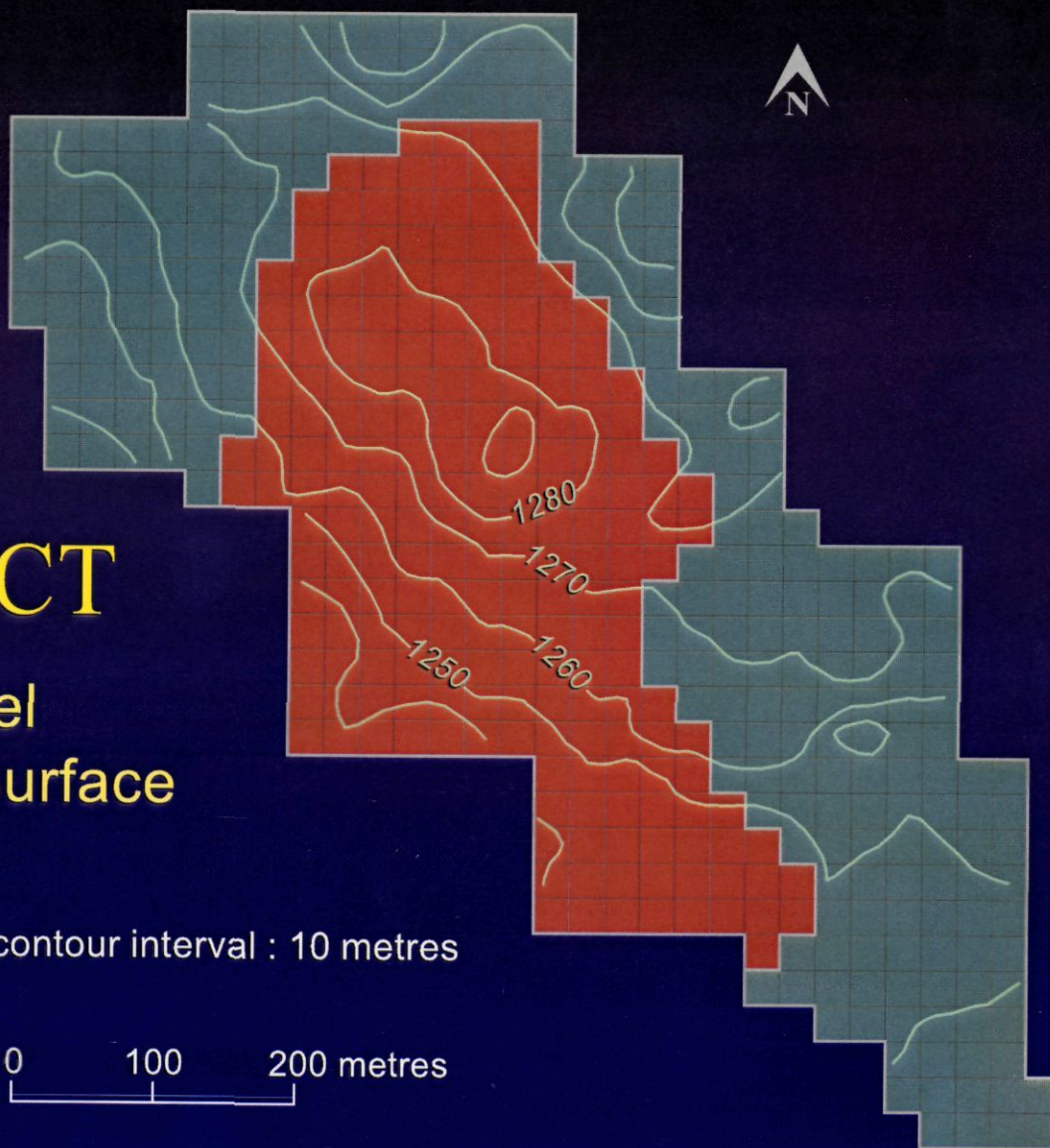
-  Volcanics
-  Intrusives

Topographic contour interval : 10 metres

0 100 200 metres

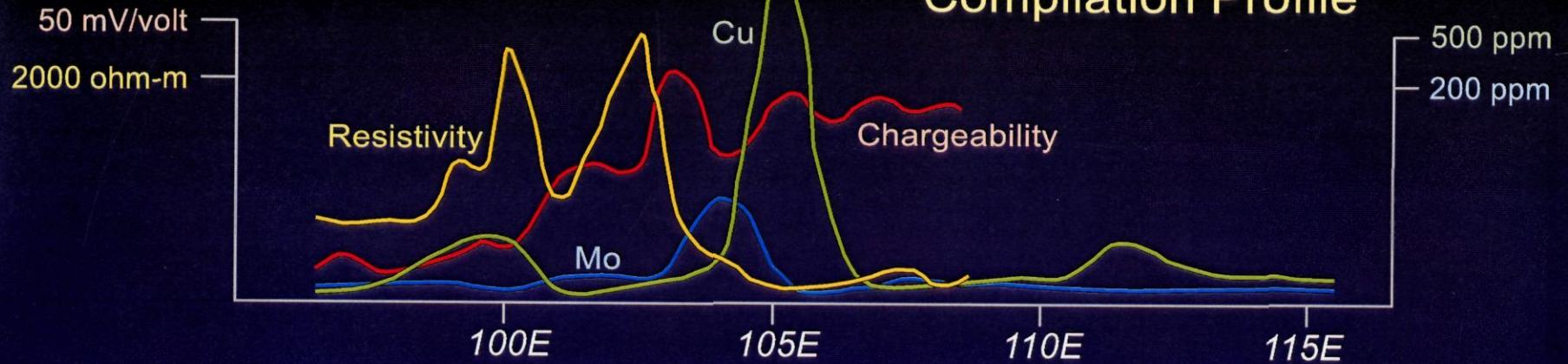


SPOKANE
Resources Ltd.



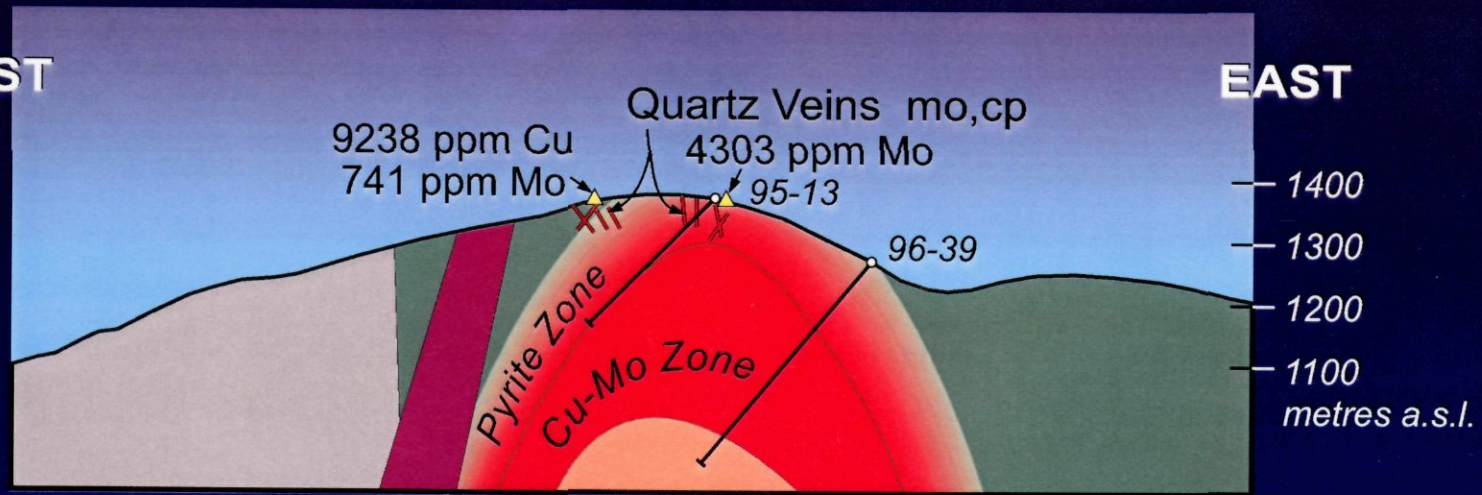
MAC PROPERTY

Section 78+00N Compilation Profile



WEST

EAST

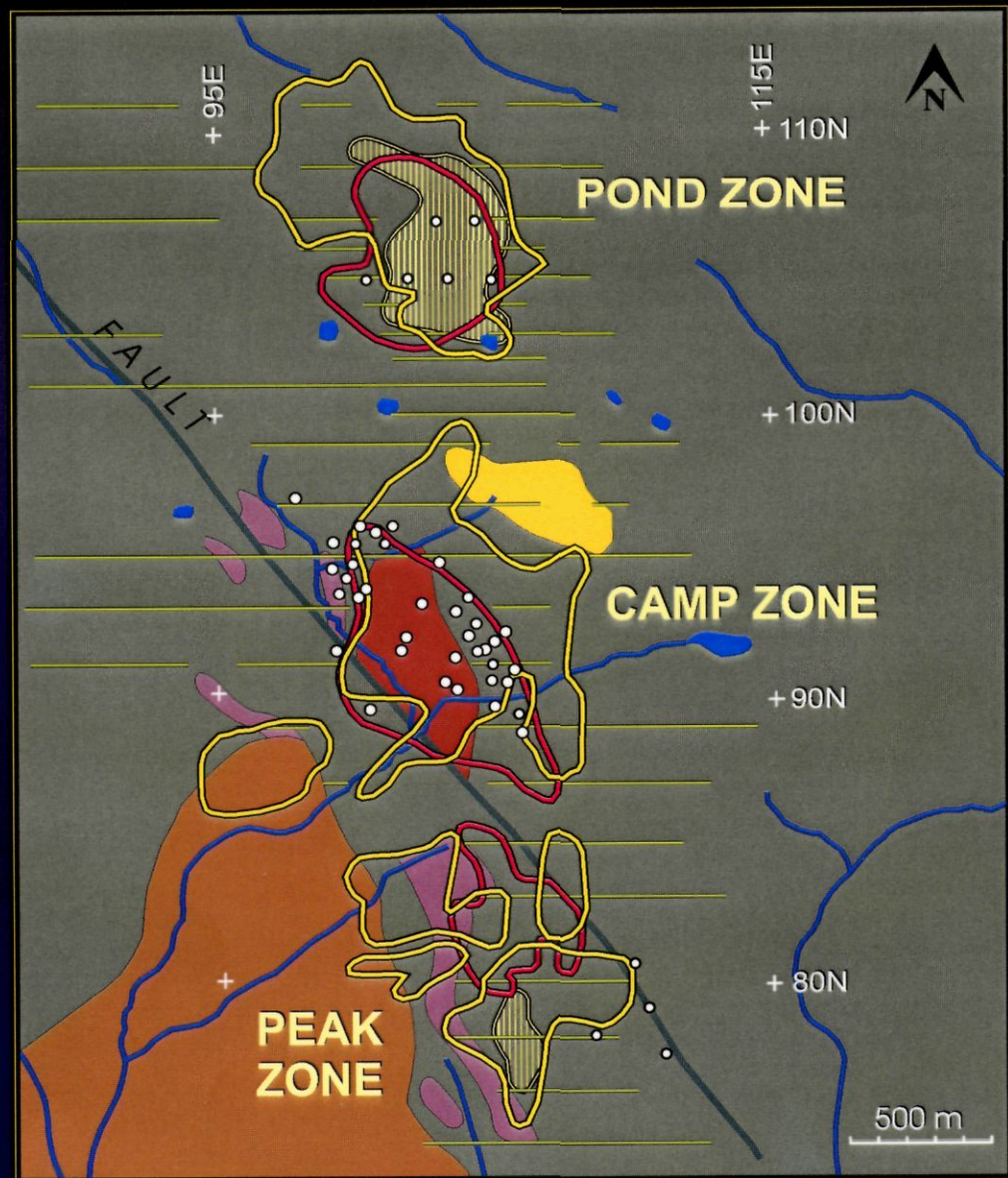


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- granodiorite
- quartz monzonite
- serpentinite
- volcanics

MAC PROJECT Compilation Map

- Schistose intermediate volcanic
- Biotite plagioclase porphyry
- Porphyritic quartz monzonite
- Serpentinite
- Silica Replacement
- Area of quartz veins with Cu/Mo mineralization
- Magnetic Low
- High Mo (> 15 ppm) in soils
- IP - Chargeability high
- Drill Hole collar

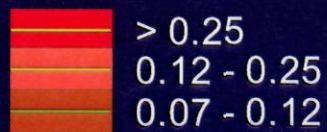


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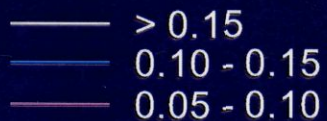
MAC PROJECT CAMP ZONE

Molybdenum - Copper Composites

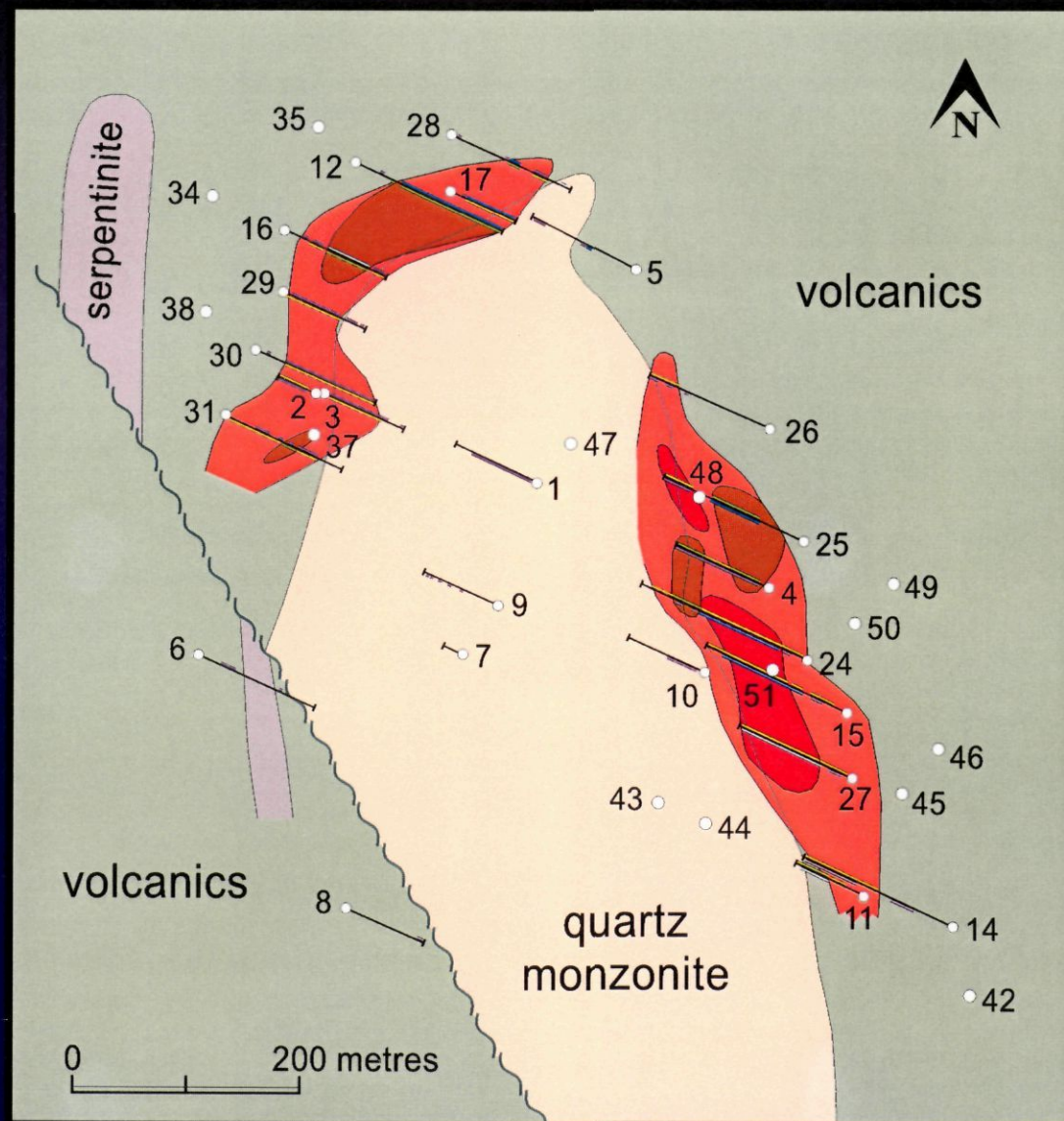
Copper (%)



Molybdenum (%)



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SECURITY ANALYSIS

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SECURITIES ANALYSIS: Assumptions and Economic Overview *

Given the current reserves and grades, it is reasonable to assume that mine development and operation would generate a positive net cash flow and a positive return for shareholders.

Economic overview of potential of Mac property **

- Ⓢ Assumption: US \$5.00 Mo \$1.10 Cu
(currency conversion at \$1.35)
- Ⓢ Overall average grade of intrusive & high grade: CDN \$10.59 per tonne
with 85% recovery for Mo and 95% recovery for Cu.
 - Ⓢ Average of high grade: CDN \$11.27 per tonne
- Ⓢ Annual projected production: 7 million tonnes (20,000 tonnes/day)
= \$40 million/year @ net per tonne \$5.77
- Ⓢ Payout: 2 1/2 years on capital cost of \$100 million
(assuming balance by equity)
- Ⓢ Assuming 100 million tonnes = Value CDN \$1,058,370,200

Less: mining/milling costs @ \$5.50/t	(550,000,000)
Gross Profit	\$ 508,370,200
Less: approx. debt financing costs	(175,000,000)
Assuming no equity dilution	\$ 333,370,200
Less: taxes @ 48%	(160,017,696)
Net Profit	\$ 173,352,504

Projected valuation per share \$8.49
@ 20,420,220 shares (fully diluted)

Present Value per share \$4.25

FOR MORE INFORMATION PLEASE CONTACT:

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**These calculations are to give a general overview of the potential present value of the Mac Property, based on data received to date, and are given as an indication of hypothetical value.*

*** Further drilling could significantly increase tonnage and/or grades*