

2Prospectors Summary Report on the NewSat Property (“Sat” and “F” lode mining claims)

NewSat Property: The NewSat is a gold exploration property consisting of 33 unpatented lode mining claims situated in an irregular but contiguous block. There are 20 “Sat” claims and 13 “F” claims comprising this block. These claims are positioned in the range-front foothills and pediment of the northern part of the Seven Troughs Range in the Farrell Mining District.

The Property is less than one mile SE of Allied Nevada’s Wildcat Resource Area and immediately adjoins Allied Nevada mining claims. The NewSat Property is within BLM administered Public Domain and has no withdrawals or wilderness encumbrances. The region is a well-recognized mining area and there are virtually no conflicting uses of the land.

The Property is located within Pershing County in Nevada. Closest supply point is Lovelock, Nevada, which is the County Seat. Lovelock is situated on Interstate Highway 80 and gas, food and lodging are abundantly available. The main rail line through Northern Nevada passes through Lovelock and a railroad yard is present there. Distance from Lovelock to the NewSat Property, by road, is 32 miles. Access to Property is by paved road to good gravel road, then to dirt road near the Property. Access is year round but during wet spells, the dirt road portion of access route can get rather sloppy.

General history: While the first “ore” was discovered in the area in 1863, it wasn’t until after 1905 that a “mining rush” to the area took place and the Farrell Mining District and the townsite of Farrell were established. Most of the old hand dug shafts, trenches and prospect pits date to that era.

Modern exploration was conducted in the 1980's by a number of Companies looking for bulk minable surface deposits and resulted in limited shallow drilling.

Held by Lac minerals and their successors (Barrick, Campbell, Coromandel) throughout the 90's with no exploration performed.

2000 on - held by current owners. Current owners optioned property to Geologix Exploration who returned property after 2 years with no resultant drilling.

Target concepts & notes on modern exploration in the area: Our current understanding leads us to believe that there is a large and untested gold bearing diatreme vent or throat feature situated at modest depth within the NewSat Property claims. The claim block contains a “brilliant” gold (and pathfinder) soil and rock geo-chem anomaly associated with favorable structural components and upper level epithermal styles of alteration (see accompanying “Sat geochem anomaly” PDF document).

Company reports from past operators state that the area (now encompassed by the NewSat Property) has the characteristics of a strong hydrothermal system and "the immediate geology... is indicative of a robust and focused epithermal system".

Two separate gold bearing breccia bodies lie on the surface within the Au anomaly. These have been the focus of much of the past work. Shallow drilling pierced these breccia bodies and bottomed in unconsolidated sediments (clay and mud), according to reports.

This past work on what is now the NewSat Property was largely concluded before Lac Minerals, Inc. initiated exploration and definition of the Wildcat Deposit in the early 90's. Work at Wildcat was then furthered by Lac’s consulting geologists working for Coromandel Resources, a later owner of the Wildcat

Property. These geologists arrived at a working geologic model for Wildcat which was instrumental in their successful exploration and partial definition of the Wildcat Mineral inventory.

The model for the nearby > 1 mil. oz. Au equivalent Wildcat Deposit (personal communications by previous Lac geologists) suggests low-grade blankets/aprons of hydrothermal explosion (ejecta) breccias accompanying a higher grade core representing a diatreme vent or throat feature (source of ejecta breccias). There are, principally, three of these making up the Wildcat Deposit (to date) with indications of others within Allied Nevada's Wildcat property package as well as on claims adjacent to Allied Nevada's Property. These indications, as expressed through personal communications, are similar to conditions that are present on the NewSat Property. Whether Allied Nevada, the current owner of the Wildcat Property, subscribes to this model is unknown (miners and prospectors are a secretive lot).

While Lac Minerals and Coromandel were actively working in the area, the NewSat Property ground was part of their land holdings (Lac's "Stalone" claims) but exploration was focused to the west and they conducted no exploration on these claims.

During the post Bre-X era, mine exploration reached a cyclic low and many companies throughout Nevada and elsewhere pared down their mining claim holdings and the "Stalone" claims were abandoned. Soon after, we 2Prospectors acquired the Property through staking.

No drilling, as far as can be deduced from any of the reports, has ever penetrated to basement i.e. no one apparently has drilled on the NewSat anomalies through the tuff and breccia aprons, lacustrine sediments and/or diatreme fill and tested the historic model generated for the nearby Wildcat Mineralization.

Present owners of the NewSat Property have in their possession data relating to the work done by Geologix, as well as some reports from past operators previous to Geologix.

Data includes:

- A) some results and location data for 431 soil samples and 185 rock chip samples.
- B) Results (color contour map) of a 100 meter spaced ground magnetic survey covering approx. 1600 acres in the immediate vicinity of and including the Sat Property.
- C) Property scale colorized geology map.
- D) A number of reports from past operators, compiled by Geologix, as well as Geologix' closing report.
- E) An in-house commissioned (Intrasearch of Denver Co.) geo map with air photo fault Interpretation. This map also includes Burnt Canyon area.