

# **JAMES LEWIS**

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## **LETTER REPORT**

### **GEOLOGICAL EVALUATION OF ALROY CLAIMS**

**Resource Audit of Alroy Silica Deposit, (Crescent Spur), British Columbia, Canada**

#### **ALROY SILICA DEPOSIT (Crescent Spur)**

The Deposit is located approximately 100 miles east of Prince George, B.C. It consists of 166 Claim Units each 1640 ft. x 1640 ft. in size. It is accessed via paved Provincial Highway 16 (road from Prince George, B.C.) turning north to Loos Road approximately .07 miles then onto property from the Main Gate, approximately 1.9 miles to main exposure of Silica consisting of a Ridge about 1500 feet in length, approximately 200 feet in width and about 80 ft. in height.

Samples taken by Dan Hora, B.C. Provincial Geologist in 1996, assayed from 97.39% to 98.75% Silica. The Silica Deposit dips from 47 to 88 degrees to the south-west. Some minor Iron Oxide staining (on surface) and secondary Quartz veining was noted.

Drilling and Assaying performed in 2008 produced the following Assays:

Alroy 1	20 ft. to 50 ft	94.53% Silica
Alroy 1	51 ft to 85 ft.	95.00% Silica
Alroy 2	11 ft to 59 ft.	97.99% Silica
Alroy 2	60 ft to 100 ft.	97.60% Silica
Alroy 2	111 ft to 155 ft.	96.28% Silica
Alroy 2	156 t ft o 212 ft.	96.86% Silica

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This Silica Deposit is covered in the area by a thin veneer of overburden from a few inches to a few feet. The Deposit is continuous over an area of approximately 7.5 miles in length by approximately 1½ miles in width.

### SUMMARY

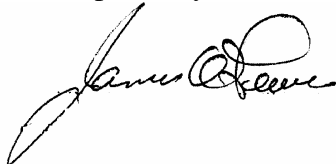
This Deposit contains millions of tons of Silica. Example: One unit 1640 ft. x 1640 ft. would contain 11.2 million tons to a depth of 50 feet of Silica in place. A tonnage factor of 12 ft<sup>3</sup>/ton is assumed in this estimate.

Recent Core Drilling in 2008 has proven that this Deposit is significantly deeper than 50 feet. Proven Reserves confirmed by Drilling on the Alroy Deposit proved more than 20 million tons with the drilling performed to date.

A Drill programme performed by gridding the entire Deposit, along with Trenching, would confirm the estimated 18,592,000,000 tons estimated by visual exploration performed during the past 7 ½ years. One large outcrop approximately 1500 feet in length, 200 feet in width and approximately 80 feet in height exists above the surrounding ground. A very small portion of this outcrop was drilled and blasted, 55 feet square and 30 feet in depth, and the estimated tonnage blasted to date is approximately 35,000 tons. This outcrop alone would contain over 1 million tons of Quartz Silica. Large portions of this property have been logged in the past exposing the Quartz Silica.

The Alroy Silica Deposit (which consists of the Alroys, SDF and Mary Claims – new tenure Nos.514255, 514257, 514258 and 514259) is considered World Class in size and purity. It is located approximately 3 miles from the Canadian National (CN) Rail Main Line (north/south to the Port of Prince Rupert, B.C. . The Claims are currently held by CARD JM Resources Inc. and are the subject of an Agreement between CARD JM Resources Inc. and American Alliance Financial & Funding Group. Inc. (AAFFG).

Respectfully submitted,



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**October 21, 2008.**