

Davidson Deposit

The Davidson Deposit is a large, high-grade underground molybdenum deposit situated in the heart of Hudson Bay Mountain six miles from Smithers, British Columbia. A consultant's study on the deposit examined the feasibility of mining 2,200 tons of high-grade ore per day and shipping it for processing to the Corporation's Endako facility 125 miles to the southeast.

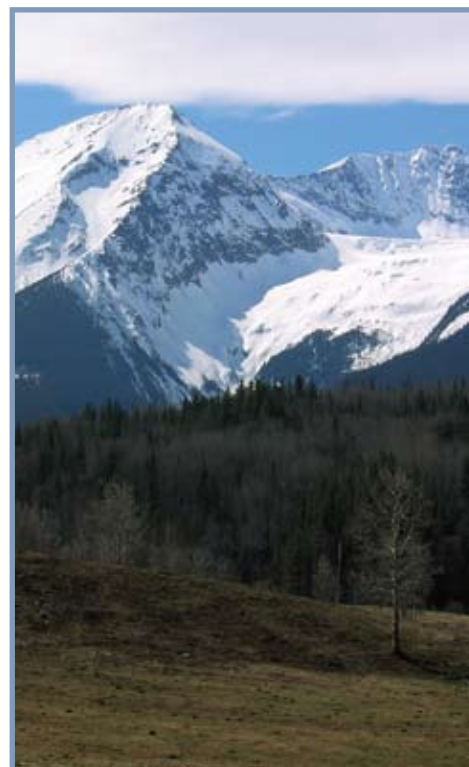


Geologist examining Davidson core samples

The deposit is estimated to have 117 million pounds of contained molybdenum.

The Corporation filed an environmental application with the Province of British Columbia in September 2008. The Corporation will be in a position to proceed with the project upon receipt of an Environmental Assessment Certificate and permits. However, due to deteriorating molybdenum market conditions, the Corporation decided in November 2008 to postpone development of the deposit until conditions improve.

The higher-grade zone is estimated to have a measured and indicated mineral resource of 23 million tonnes grading 0.234% Mo at a cut-off grade of 0.18% Mo. On this basis, the deposit is estimated to have 117 million pounds of contained molybdenum. The mineral resource was estimated by Gary Giroux, P.Eng., who is a qualified person in accordance with National Instrument 43-101.



View of Hudson Bay Mountain

