ALMADEN MINERALS LTD
Form 20-F/A
January 25, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 20-F/A

AMENDMENT NO.2

( ) REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2006

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 _____

OR

( ) SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report

For the transition period from _____ to _____ _____

Commission file number 0-28528

ALMADEN MINERALS LTD.

(Exact name of Registrant as specified in its charter)

British Columbia, Canada

(Jurisdiction of incorporation or organization)

750 West Pender Street, #1103, Vancouver, British Columbia V6C 2T8

(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Name of each exchange on which registered
None	**N/A**

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Common Stock without par value

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

43,624,255

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

( ) Yes (X) No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

( ) Yes (X) No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

(X) Yes ( ) No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer ( )

Accelerated filer (X)

Non-accelerated filer ( )

Indicate by check mark which financial statement item the registrant has elected to follow.

(X) Item 17 ( ) Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

( ) Yes (X) No

Explanatory Note - The Company has revised its mineral property disclosure for the Skoonka Creek prospect in its 20-F annual report for its fiscal year ended December 31, 2006. The revised discussion follows.

Item 4. Information on the Company

History & Development of the Company

The head office of the Company is located at 750 West Pender Street, Suite 1103, Vancouver, British Columbia, Canada, V6C 2T8. The registered and records office of the Company is 1185 West Georgia Street, Suite 1550, Vancouver, British Columbia, Canada, V6E 4E6.

The contact persons are Duane Poliquin, President and Morgan Poliquin, Director. The telephone number is (604) 689-7644. The fax number is (604) 689-7645. The email address is info@almadenminerals.com. The web-site address is www.almadenminerals.com.

The Company was created by amalgamation under the laws of the Province of British Columbia of its predecessor companies, Almaden Resources Corporation and Fairfield Minerals Ltd., effective December 31, 2001. The Company operates under the laws of the *Business Corporations Act (British Columbia).*

The Company s common shares began trading on The Toronto Stock Exchange (TSX) under the symbol AMM on February 11, 2002 and on the American Stock Exchange (AMEX) under the symbol AAU on December 19, 2005. Almaden Resources Corporation s initial public offering on the Vancouver Stock Exchange was pursuant to a prospectus dated October 10, 1986. The shares of Fairfield Minerals Ltd. began trading on the Vancouver Stock Exchange on July 18, 1986 and on The Toronto Stock Exchange on May 21, 1990.

There have been no public takeover offers by third parties in respect of the Company s shares and the Company has made no public takeover offers in respect of other company s shares.

Organizational Structure

The Company currently has five wholly-owned subsidiaries that were formed to hold properties in their respective jurisdictions-refer to Exhibit 8 to this 20-F Annual Report.

At December 31, 2006, the Company owned a 50% share interest in ATW Resources Ltd. ("ATW"), a company incorporated in the Northwest Territories, Canada on January 6, 1993.

Business of the Company

The Company is engaged in the business of the acquisition, exploration and when warranted, development of mineral properties. The Company has property interests in Canada, United States and Mexico. None of the Company's property interests are beyond exploration stage. Presently there is no assurance that any of the Company's mining properties or prospects contain a commercially viable ore body (reserve) until further exploration work is done and final feasibility study based upon such work is concluded. The Company is in the exploration stage and has not generated any revenues from operations.

Company s Principal Properties

The Company has five principal property interests: (1) the Elk gold, silver property which includes the Siwash Gold deposit in Canada (100% interest), (2) the Skoonka Creek gold prospect in Canada (49% interest), (3) the Caballo Blanco gold, silver, copper prospect in Mexico (100% interest subject to a sliding scale NSR), (4) the Tuligtic copper, gold prospect in Mexico (100% interest subject to a 60% option agreement earn in right by Pinnacle Mines Ltd.), and (5) the Viky silver, lead, zinc prospect in Mexico (100% interest subject to a 60% option agreement earn in right by Apex Silver Mines Limited).

The El Pulpo copper, gold prospect in Mexico was sold to Ross River Minerals Inc. during Fiscal 2005.

Company s Secondary Properties

The Company s secondary property interests include the Ram prospect in Canada (100% interest subject to a 70% earn in right by Ross River Minerals Inc.), the ATW diamond prospect in Canada (50% share interest = net

37.5% property interest), the Rock River Coal project in Canada (50% interest), the MOR and Tim prospects in Canada (100% interests), the Nicoamen River prospect in Canada (100% interest subject to a 60% option agreement earn in right by Tanqueray Resources Ltd.), the Merit and Brookmere prospects in Canada (100% interest subject to a 60% option agreement earn in right in either or both of the prospects by Williams Creek Explorations Limited), the Logan property in Canada (40% net carried interest to production), the Fuego prospect in Mexico (100% interest subject to a 60% option agreement earn in right by Horseshoe Gold Mining Inc.), the San Carlos prospect in Mexico (consists of the San Carlos concession (100% interest) and the San Jose claim (100% interest), the Yago prospect in Mexico (100% interest subject to a 60% option agreement earn in right by Consolidated Spire Ventures Ltd.), the Bufa prospect in Mexico (100% interest subject to a 60% option agreement earn in right by Lincoln Gold Corp.), the Campanario prospect in Mexico (100% interest subject to a 60% earn in right by Consolidated Spire Ventures Ltd.) and the Tropico prospect in Mexico (40% interest).

The PV prospect in Canada was sold to Consolidated Spire Ventures Ltd. during Fiscal 2006.

The Company has several other property holdings in Canada, United States and Mexico that are not considered either principal or secondary properties. The category of properties may change with exploration results.

The Company entered into a joint venture agreement in Fiscal 2002 with BHP Billiton World Exploration Inc. to undertake exploration in eastern Mexico. During Fiscal 2006, the agreement was terminated.

The Company also entered into a joint venture agreement in Fiscal 2005 with Japan Oil, Gas and Metals National Corporation (JOGMEC) to undertake a regional grassroots exploration program for base metal deposits over a selected area in Mexico. In addition to the exploration joint venture, JOGMEC may earn a 51% or 60% interest in the Santa Isabela property.

Business Overview

PRINCIPLE PROPERTY INTERESTS IN CANADA

"MAP 1 - CANADA"

The Elk Property Canada

"MAP 2 - ELK"

The Elk Property contains a known mineral deposit but all current work by the Company on the property is exploratory in nature.

Option to Acquire Interest

Initial staking was undertaken in November 1986 with additions in 1987, 1988, 1989 and 2006. A block comprising 72 units was optioned in October 1988. The Siwash North mining lease was issued in September 1992. Claim acquisition and subsequent work were conducted by Cordilleran Engineering Ltd. for the Company s predecessor (Fairfield) until April 1995 when Fairfield assumed operations. Fairfield merged with Almaden Resources Corporation in February 2002 and the claims were transferred to the amalgamated company Almaden Minerals Ltd.

Expenditures to Date

During Fiscal 2006, the Company incurred $1,716 in staking and $1,376,941 in exploration costs, primarily on a diamond drill program on the property ($699,142), professional/technical services ($157,558) and geology and engineering ($168,892). As at December 31, 2006, the Company had deferred costs of $4,737,735 on this property.

Location and Access

The Elk Property consists of 28 contiguous mineral claims comprising 783 cells plus a 15 hectare mining lease located 40 kilometers west of Peachland, British Columbia in the Similkameen Mining Division. The claims were converted to the new computer based cell system in July and August of 2005.

The claims cover forested, gently rolling hills with fair to poor bedrock exposure. The property is accessible by paved highway, 50 kilometers from Westbank, British Columbia, or 50 kilometers from the town of Merritt, British Columbia.

History and Recent Work

The property includes the Siwash Gold Mine, which, between 1992 and 1997, produced 51,460 ounces (1,600,400 gm) of gold at an average grade of 2.78 oz/t (95.32gm/t).

Work conducted on the property from 1986 to 1991 consisted of geological mapping, prospecting, linecutting, soil sampling, geophysics, excavator trenching (8.69 km), diamond drilling (111 holes, 12,524 m) and road construction.

During 1992, a bulk sample was extracted from an open pit on the Siwash vein in the Siwash North area. It totalled 2240 tons (2032 tonnes) grading 4.016 ounces/ton (137.7 gm/t) gold. A total of 70 reverse circulation holes were drilled to confirm the vein grade and continuity in the 1993 pit expansion area. Open pit mining was carried out by Wiltech Developments of Kelowna, B.C. under the supervision of Cordilleran Engineering. The ore was shipped to the Noranda smelter in Rouyn, Quebec in November.

In 1993, bulk sampling from the open pit continued with the extraction of 3733 tons (3386 tonnes) of mineralized material grading 3.080 oz/t (105.6 gm/t) gold. The 3.5 by 3.0 metre decline was collared at the 1628m elevation in June and reached the 1570m elevation in October. Test mining stopes were excavated at the 1611 and 1570 levels. Ore from the open pit and underground operations was shipped through the summer and fall to the Asarco smelter in Helena Montana. Eleven reverse circulation holes were drilled to the south of the open pit to provide closer spaced data for the planning of the 1994 open pit expansion.

In 1994, Fairfield received a mining permit, the open pit was expanded to a total size of 458,000 cubic metres and 10,119 tons (9,180 tonnes) of ore grading 2.669 oz/ton (91.51gm/t) gold were extracted. The ore was crushed to minus 6 inches and was shipped to the Asarco Smelter in Helena Montana. Fairfield received credits for gold, silver and silica. An underground drill program was carried out at ten to twenty metre centres for a total of 2419 metres in 84 NQ holes to help define underground mineable shoots.

During 1995 underground development was completed to the 1511m elevation and longhole and shrinkage mining tests were carried out with shrinkage proving to be the more applicable method. An underground drill program comprising 217 NQ holes at ten metres centres for a total of 7612 metres was undertaken to fully test the area accessible by the existing underground development. Ninety-eight surface NQ diamond drill holes tested the areas beyond the reach of the decline and other targets on the claim group for a total of 4645m. Including all previous drilling, an area of about 340m by 150m had been tested at a hole spacing of less than 20m.

Surface diamond drilling totalling 6946.34 meters in 88 holes was completed on the Siwash mining lease during 1996. Detailed drilling was carried out in the area of the proposed Phase 5.5 open pit at approximately 20 meter centers. Five holes were drilled in the Deep B area down dip from the existing underground development. A new vein, known as the WD zone was outlined by 25 holes. A soil geochemistry anomaly in the Gold Creek West area was examined with five drill holes.

Limited prospecting, environmental monitoring and reclamation were done on the property between 1997 and 1999.

During August 2000, Fairfield completed a twelve-hole 1400-metre drill program on the property which targeted three gold bearing quartz vein systems in the Siwash Mine area. Prospecting in a new logging clearcut one kilometre to the east of the mine area has resulted in the discovery of two northeast trending structures coincident with anomalous gold soil values.

During 2001, a 230-metre trenching program comprising seven trenches was carried out on the claims in the Siwash East and Gold Creek West areas. The trenches were dug to determine the source of gold bearing quartz fragments found on surface and in road cuts. Six trenches in the Siwash East area, located 1.7 km to the east of

the Siwash Mine site, exposed quartz veins up to 20cm thick and narrow pyritic fault zones cutting quartz monzonite adjacent to an andesite dyke. The andesite dyke was traced over 150 metres in four trenches with strong alteration and narrow bands of pyritic gouge containing quartz fragments in the immediate vicinity of the dyke. Trench SE01-4 was dug to a depth of 2.5 metres and exposed a steeply dipping quartz vein about 20cm thick. A 0.5 by 0.5 meter panel sample of the same vein taken in the wall of the trench returned 0.635 oz/ton (21.8 gm/t) gold and 0.96 oz/ton (32.9 gm/t) silver. Adjacent trenches 35 meters to the west and 50 meters east exposed the andesite dyke with a strong alteration zone but no quartz veins and weak gold values.

Trench GCT01-1 was excavated the Gold Creek West area, 400 meters southwest of the mine site, to further expose a quartz vein discovered earlier in the year by hand trenching. Deeper excavation revealed a discontinuous quartz vein approximately 30cm thick over a length of nine meters hosted in strongly argillically altered quartz monzonite that shows evidence of slumping and deformation. The vein returned a value of 0.598 oz/ton (20.5 gm/t) gold and 1.74 oz/ton (59.6 gm/t) silver from a 0.8 meter by 0.5 meter panel sample.

A comprehensive review of the property database was completed on August 31, 2001 by Leo King, P.Eng., an independent consultant. His report recommends a three stage 9500 meter drill program to further explore the Siwash, Gold Creek West and WD vein systems.

During the 2002 field season twenty six NQ diamond drill holes tested the WD, B Zone, Gold Creek West and Bullion Creek vein systems for a total of 4996m. Seven holes were drilled into the WD zone to test the perimeter of the known shoot. The WD veins were intersected in all holes close to the projected depths. Eleven holes were drilled into the Deep B shoot located immediately below the existing underground development to fill-in the drill spacing to less than 25 meters and to test the perimeter of the known mineralization. Two holes were drilled on the west side of the existing open pit to help determine the feasibility of a pit expansion to the west. The Gold Creek West vein located approximately 450m southwest of the existing open pit was tested with four holes in two 50 meter step-outs to the west of the existing grid. Two holes were drilled into the Bullion Creek structure located 700 meters to the north of the open pit to test a geochemical anomaly.

During Fiscal 2002 the Company purchased a mill for possible use at the Siwash property. The mill, with a rated capacity of 125 tons per day, was purchased for U.S.$75,000 (CDN$118,500). During Fiscal 2003, the mill was dismantled and moved to a storage facility near the property at a cost of $204,766. There has been no feasibility study to justify construction of the mill nor have permits to construct the mill been applied for. The mill was purchased because it would be suitable for processing the Siwash mineralized material and the price was below replacement cost. This low cost could have an impact on project economics. If studies indicate it would not be feasible to install this mill on the Siwash project, the mill will be sold.

Thirty NQ diamond drill holes drilled between August 6 and November 1, 2003 tested the WD Zone for a total of 6570.56m. Seven holes were drilled into the WD vein system to the west of the north-northwest trending RB fault located roughly between 2340E and 2400E.

Twenty five holes were drilled to the east of the RB fault between 2370E and 2670E to extend the known resource. The WD zone(s) were intersected in all but three holes which were terminated before the target depth due to excessive deviation or bad ground conditions. The known zone was extended to 2670E and to a depth of 340m below surface and 380m down dip. Fill-in drilling on sections 2445E, 2495E and 2545E intersected the WD veins at the expected depth however gold grades were not as high as those found on adjacent fences.

The 2004 diamond drill program in the Siwash Gold Mine area was completed in early November for a total of 10265 meters of NQ drilling in 44 holes. The program extended the known perimeter of the WD zone 150 metres to the east and 100 meters downdip in 50 meter step-outs. Seven holes were drilled into the B zone to test a southwest shoot to depth and to fill in between existing 50 meter intercepts below the existing mine workings. Four holes were drilled to test the Bullion Creek zone over a 100m strike length. All completed holes intersected the projected zones. Two holes were abandoned due to poor ground conditions. Geological interpretation and re-assaying was completed and a summary of composited drill results greater than 10 gm/t-meter Au is listed below.

Hole Number	Depth From (m)	Depth To (m)	Sample Interval(m)	True Width (m)	Zone	Gold gm/t	Silver gm/t
SND04391	55.23	55.74	0.51	0.50	B	74.83	119.25
SND04390	55.05	55.65	0.60	0.60	B	43.40	90.68
SND04390	55.15	68.39	13.24	13.15	B	3.11	4.71
SND04390	43.00	68.39	25.39	24.01	B	1.76	2.58
SND04400	297.29	297.80	0.51	0.50	B	48.12	27.14
SND04403	337.80	338.34	0.54	0.50	B	20.26	9.64
SND04408	192.00	192.58	0.58	0.50	B	22.14	12.64
SND04374	50.10	53.61	3.51	3.42	Bb	8.51	32.79
SND04375	14.87	36.40	21.53	20.43	Bb	0.69	0.14
SND04390	67.39	68.41	1.02	1.00	C	13.73	6.89
SND04369	160.55	161.20	0.65	0.50	WD	24.75	44.22
SND04406	202.23	203.42	1.19	0.50	WD	22.81	32.61
SND04384	155.70	156.88	1.18	1.00	WDa	61.81	99.82
SND04386	198.50	199.21	0.71	0.50	WDa	21.62	26.05
SND04367	214.63	222.74	8.11	5.79	WD2	5.97	4.81
SND04367	214.59	215.34	0.75	0.60	WD2	20.51	14.55
SND04368	157.76	158.32	0.56	0.50	WD2	31.18	32.93
SND04372	233.00	235.60	2.60	2.22	WD2	4.80	7.56
SND04407	179.37	179.90	0.53	0.50	WD2	20.70	53.26
SND04366	176.05	193.20	17.15	11.27	WD2-3	2.39	1.85
SND04367	222.00	222.74	0.74	0.50	WD3	31.71	31.30
SND04367	217.33	222.83	5.50	4.60	WD3	5.94	4.15

Water sampling from eight sites around the mine area has been carried out since 1991 to determine changes in element concentrations due to mining and exploration activities. Metal levels in the major creeks have remained well within guideline limits though some minor increases in Cu and Zn have been noted in the sumps and minor creeks in the immediate minesite area. Benthic invertebrate studies were carried out during 2003, 2004 and 2006 which determined that invertebrate populations have not been significantly effected.

Geology and Mineral Deposits

Gold-silver mineralization on the Elk Property is hosted by mesothermal pyritiferous quartz veins and pyritiferous altered granite and volcanics. The mineralized features generally trend northeasterly and are thought to be Late Cretaceous or Tertiary in age. To date, mineralization has been located in eight areas of the Elk property: Siwash North, South Showing, Discovery Showing, Lake Zone, End Zone, Great Wall Zone, Elusive Creek, Gold Creek West, WD Zone and the Bullion Creek area.

Infrastructure

All major services and labour can be found in Merritt or Westbank, towns accessible by four lane highway to the east and west of the property. There is good road access throughout most of the property by logging roads and a major highway (97C) crosses the northern claims. Two phase power is available at the highway 2km north of the mine site. Cell phone and radio phone communications are available from the mine site.

Recent Drilling Results

The 2005 diamond drill program in the Siwash Gold Mine area of the Elk property was completed in late October for a total of 8,394 meters of NQ drilling in 36 holes

The high grade core of the WD vein system has now been tested at intervals of 25m along strike and 50m down dip. The vein was intersected in all holes and has a drill tested strike length of 710m and down-dip length of 430m. Four holes tested the continuity of the WD to WD3 zones to the south and west of the 2004 drill grid. All four holes intersected the targeted zones.

Five holes were drilled to test the western projection of a gold shoot in the B vein that was outlined during the

2004 drill program below the existing mine workings. The targeted vein was intersected in four of these holes and one hole was not completed due to poor ground conditions. The PC vein, a flat lying vein located above the B vein, returned significant assay results.

Five holes were drilled into the Siwash Lake Zone located 700m south of the B vein to test the continuity of the veins intersected in 1996. The Lake zone (LZ) veins were intersected in all holes and results are listed below.

Hole Number	From Depth (m)	To Depth (m)	Sample Interval (m)	True Width (m)	Zone	Gold gm/t	Silver gm/t
SND05410	217.31	217.89	0.58	0.50	B	73.565	62.75
SND05411	259.12	260.73	1.61	0.50	B	16.774	26.70
SND05412	269.20	269.78	0.58	0.50	B	13.662	21.78
SND05424	306.36	306.87	0.51	0.50	B	34.348	39.14
SND05426	52.24	52.75	0.51	0.50	B	31.091	67.92
SND05422	25.95	26.46	0.51	0.50	B	10.395	5.85
SLD05438	87.60	88.10	0.50	0.50	LZ1	10.530	19.97
SLD05439	37.30	38.29	0.99	0.75	LZ2	17.127	168.90
SND05423	225.03	225.53	0.50	0.50	PC	41.425	101.81
SND05411	229.64	230.22	0.58	0.50	PC2	36.214	0.00
SND05413	171.36	172.36	1.00	0.50	WD	13.799	37.08
SND05425	120.80	121.66	0.86	0.65	WD	23.455	43.50
SND05426	305.03	305.76	0.73	0.50	WD	14.264	94.58
SND05427	249.23	249.97	0.74	0.50	WD	46.075	86.82
SND05429	195.23	196.65	1.42	0.50	WD	14.710	27.15
SND05432	125.85	126.50	0.65	0.50	WD	19.083	19.64
SND05434	233.48	234.05	0.57	0.50	WD	14.407	30.76
SND05415	280.99	281.70	0.71	0.50	WD2	21.666	26.58
SND05417	249.45	249.98	0.53	0.50	WD2	16.280	90.71
SND05420	169.47	170.25	0.78	0.50	WDa	15.398	35.85
SND05421	228.06	228.77	0.71	0.50	WDb	90.862	127.48
SND05422	258.16	259.78	1.62	0.50	WDb	10.046	11.76
SND05430	135.57	136.09	0.52	0.50	WDb	16.614	25.09

The 2006 program consisted of 8,873 meters of diamond drilling in 58 holes. This program focused on testing the near surface continuity and grade of the WD vein, increasing the density of drill hole intersections to 25 by 50 meters to approximately 100 meters below surface. The vein was intersected in all holes and now has been drill tested along strike for 730 meters and down dip for 450 meters.

Also as part of the 2006 program, seventeen holes were drilled on the B Zone. Four of these holes tested the zone at depth and the remainder the area below and to the east of the open pit.

Four holes tested the Siwash East zone located 2 kilometres of the minesite. Quartz veins adjacent to a steeply dipping andesite dyke were intersected but no significant gold results were returned from sampling.

Assaying has been completed and a summary of composite drill results greater than 10 gram-meters gold is listed below. True widths are based on core to vein angles.

Hole	From (m)	To (m)	Interval (m)	True Width (m)	Gold (oz/t)	Silver (oz/t)	Gold (g/t)	Silver (g/t)
SND06451	20.49	20.79	0.30	0.30	0.418	0.087	14.33	2.98
SND06453	168.12	168.42	0.30	0.26	0.869	0.612	29.79	20.98
SND06454	184.18	184.48	0.30	0.30	2.932	5.746	100.53	197.01
SND06456	178.15	178.45	0.30	0.28	0.871	0.671	29.86	23.01
SND06459	181.25	181.55	0.30	0.28	0.316	0.700	10.83	24.00
SND06461	58.52	58.82	0.30	0.28	0.547	0.146	18.75	5.01
SND06462	299.31	299.81	0.50	0.48	2.125	0.642	72.86	22.01
SND06463	328.99	329.49	0.50	0.47	0.724	1.167	24.82	40.01
SND06463	329.49	329.99	0.50	0.43	0.618	0.467	21.19	16.01
SND06464	139.03	139.28	0.25	0.22	0.403	0.204	13.82	6.99
SND06467	88.92	89.26	0.34	0.31	1.158	2.100	39.70	72.00
SND06467	91.45	91.91	0.46	0.25	0.342	0.671	11.73	23.01
SND06468	120.67	121.27	0.60	0.23	0.525	1.896	18.00	65.01
SND06469	25.72	26.18	0.46	0.45	0.325	1.837	11.14	62.98
SND06470	81.55	81.85	0.30	0.26	0.448	0.437	15.36	14.98
SND06471	86.58	86.91	0.33	0.32	0.421	0.437	14.43	14.98
SND06472	43.03	43.63	0.60	0.52	2.232	7.233	76.53	247.99
SND06472	102.90	103.20	0.30	0.29	0.865	0.612	29.66	20.98
SND06473	112.75	113.08	0.33	0.23	0.442	0.962	15.15	32.98
SND06473	143.37	143.67	0.30	0.24	0.394	0.175	13.51	6.00
SND06475	129.10	129.51	0.41	0.35	0.361	1.721	12.38	59.01
SND06477	26.31	26.70	0.39	0.30	1.315	1.896	45.09	65.01
SND06479	75.65	76.01	0.36	?	0.622	0.904	21.33	30.99
SND06481	63.53	63.83	0.30	0.25	2.418	2.100	82.90	72.00
SND06486	45.03	45.33	0.30	0.27	0.904	1.662	30.99	56.98
SND06487	83.58	84.23	0.65	0.44	0.352	2.333	12.07	79.99
SND06493	74.78	75.40	0.62	0.34	0.311	0.904	10.66	30.99
SND06499	114.06	114.44	0.38	0.25	1.438	2.800	49.30	96.00
SND06501	173.72	174.07	0.35	0.32	0.378	0.787	12.96	26.98
SND06502	42.66	42.96	0.30	0.26	0.370	0.262	12.69	8.98
SND06502	71.91	72.21	0.30	?	2.015	3.412	69.09	116.98

Note:

m signifies meters; g/t signifies grams per tonne; oz/t signifies ounces per ton.

The qualified person and supervisor for the 2006 exploration drill program is Wojtek Jakubowski, P. Geo., an employee of Almaden. All samples were analyzed at Acme Analytical Labs (Acme) in Vancouver using wet geochemical, fire assay and metallics techniques. Duplicates, blanks and standards were inserted into the sample stream as part of Almaden s ongoing quality control program at the Elk Deposit. Check assays were carried out by ALS Chemex Labs in Vancouver.

Almaden s management is reviewing the results of the 2006 drilling and conducting an extensive review of the deposit s geological interpretation. Scoping study level work is being undertaken to determine possible mine planning parameters and economics to be used in pre-feasibility studies.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company s program for Fiscal 2007 includes completing the deposit model, updating the resource calculation and undertaking a block model and scoping study at a budgeted cost of $50,000, following which further budgeting may be required.

The Skoonka Creek Prospect Canada

"MAP 3 - SKOONKA CREEK"

The Skoonka Creek (formerly Sam) Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The initial staking of 43 claim-units (1,075 hectares) was undertaken in late 2003. During 2004, further staking expanded the prospect to 140 claim-units (3,500 hectares). During 2005, a closely adjacent SAMS (Sam South) block comprising 300 BCGS grid cells (~6,190 hectares) were acquired via the new BC Minerals Titles Online system and all of the former legacy (SAM 1-16) claims were converted to new BCGS electronic grid cell tenures resulting in a total land area of 10,190 hectares. All of the claims are 100% owned by the Company.

In Fiscal 2005, the Company executed an option agreement with Strongbow Exploration Inc. (Strongbow), whereby Strongbow could earn an initial 51% interest in the prospect by issuing to the Company 600,000 shares and completing exploration expenditures of $2,000,000 prior to December 31, 2008. Strongbow could have increased its interest to 60% by spending an additional $2,000,000 and issuing a further 400,000 to the Company over the ensuing two years. During Fiscal 2006, Strongbow completed earn-in requirements. The Secondary Option to earn an additional 9% was terminated. A formal joint venture agreement will be negotiated.

Expenditures to Date

During Fiscal 2006, the Company incurred $226,793 in exploration costs, primarily on drilling ($201,367). The value of securities received pursuant to the option agreement with Strongbow was $237,000. As at December 31, 2006, the Company had deferred costs of $22,798 on this prospect.

Location and Access

The prospect is readily accessible by road, 25 kilometres northeast from Lytton, British Columbia, on the Trans-Canada Highway.

History and Recent Work

Pre-acquisition work during 2003 consisted of prospecting and recon geochemical sampling based on follow-up of a government (BC-RGS) regional gold stream sediment anomaly. This program generated 22 rock, 41 silt, and 14 soil

samples. The 2004 assessment work program included minor access road improvements, further prospecting and recon sampling (25 rocks, 8 silts), approximately 21 line-km of roadcut soil sampling (417 soils), and limited hand trenching at three sites (16 rock chip samples). All of the samples collected to date have been tested for 36 elements, by Acme Analytical Laboratories in Vancouver, BC.

The rock sampling identified variable grade gold and lesser silver mineralization in a number of widely scattered quartz float occurrences, and in two major insitu vein showings named Discovery and JJ.

The soil and stream sediment sampling outlined two broad areas of gold-arsenic-antimony ± mercury enrichment which include and encompass the Discovery and JJ mineral zones.

During 2005 Strongbow expended $668,000 on exploration at Skoonka Creek which consisted of regional and detailed soil geochemical surveys, geological mapping, prospecting and recon rock/silt sampling, ground geophysical surveys, further hand trenching and initial core drilling on the JJ mineral structure and additional nearby geochemical/geophysical targets (Eleven NQ core holes totalling 1258.4 metres of drilling). The 2005 program generated 29 silt, 224 recon rock grab, 29 trench rock channel, 3588 grid soil, and 824 drill core samples. All of the samples were tested for 28 elements by geochemical (ICP or AA) analysis at Global Discovery Laboratories in Vancouver, B.C. Samples that returned gold analyses of greater than 0.2 g/t (and greater than or equal to 0.1 g/t later in the season) were subsequently fire assayed for gold, and those with moderate or high gold grades were additionally subjected to metallic screen assays.

At the JJ Showing area, the 2005 hand trenching has exposed the quartz vein system over a 60-metre strike length. Detailed soil sampling has identified a broad gold and arsenic anomaly, coincident with mineralization. Detailed

ground geophysical surveys revealed a linear magnetic low, corresponding to the alteration system surrounding the quartz veins. The drill program completed in October 2005 successfully extended the vein system at depth and along strike.

In the Discovery Showing area, the 2005 detailed grid soil sampling results define a 450-metre long northeast-southwest trending gold anomaly with numerous coincident anomalous rock samples.

The 2005 regional soil grid encompassing 16 square kilometres outlined several additional gold anomalies underlain by prospective andesite host rock. The largest of these, called the Backburn Anomaly, is spatially related to the Discovery area and measures 1500 metres long by 800 metres wide.

During 2006, Strongbow conducted regional and detailed soil geochemical surveys, geological mapping, prospecting, ground geophysical surveys and diamond drilling on the prospect. The program generated 1,500 rock and 4,500 soil geochemical samples. Work was carried out on a number of showings discussed below.

The JJ prospect has a strike length of 700 metres and drill tested epithermal gold mineralization to a depth of at least 250 metres. A ground geophysical survey was carried out.

The Discovery-Backburn Trend is a 3,000 metre long corridor containing a number of mineral showings (Discovery, Backburn, Deadwood, Ember and Zebra). It is located 3,000 metres northeast of the JJ prospect and contains a gold in soil anomaly, characterized by clay and silica altered andesitic fragmental rocks.

The Backburn showing is an area 1,100 metres by 300 metres containing anomalous gold values in soil. A ground geophysical survey was carried out on the Backburn showing. Rock chip and soil samples were collected in this area.

The Ember showing is a 97 metre long quartz vein and breccia system, located at the southern end of the Discovery-Backburn trend. A ground geophysical survey was carried out on the Ember showing. Rock chip and soil samples were collected in this area.

The Deadwood showing is a 200 metre long zone in which closely spaced quartz veins are found within andesitic volcanic rocks. Strongbow collected 105 rock grab and chip samples from this zone. A detailed ground magnetic survey was also completed. The Deadwood showing is located at the western end of the Discovery-Backburn Trend.

The Zebra showing is an 1,100 metre by 700 metre area in which elevated gold values have been detected in soil and bedrock samples.

Geology and Mineralization

The prospect area is underlain by a northwest-southeast trending shallowly dipping sequence of intermediate and mafic volcanic rocks of the Cretaceous Spences Bridge Group. Sill-like bodies of feldspar porphyry are also present, and felsic dyke (?) rubble has been noted in a few localities. The ages and relationships of these rocks to the main volcanic assemblage are presently unknown.

Major structural features in the local area are north-south oriented high angle normal faults. Two, east to ENE-trending, vague lineaments in the central property area are discernible from aerial photographs, topographic maps and limited field observations. These easterly striking features are roughly parallel with the main soil geochemical anomaly trends and mineral showings identified to date.

Quartz hosted gold and lesser silver mineralization have been identified in widely scattered float occurrences, and in **t**wo major vein showings. All of these occurrences exhibit compositions and classic textures typical of low sulphidation epithermal veins and breccias. The styles of mineralization include massive multiphase vein, multistage breccia, stockwork veinlet, and pyritic silica-carbonate replacement of hostrock. Disseminated pyrite and specular hematite also occur in both quartz matrix and hostrock clasts at the Discovery Showing. Fluid inclusion studies of two vein rubble samples from the discovery area have reported formation temperatures in the range of <200^{o}C to 210^{o}C, indicating minimal erosion of the epithermal system at this site.

The (2003) Discovery Showing represents a large but low grade vein breccia zone having an estimated 4.2m true width over which the 2004 channel sampling returned gold analyses ranging from 0.34 g/t to 0.48 g/t, with negligible silver. This zone trends ENE and is subvertical.

The 2005 detailed soil sample grid in the Discovery Showing area defined a 450-metre long NE-SW trending gold anomaly with numerous coincident anomalous rock samples. This anomaly is spatially associated with a silicified and chloritized alteration zone within andesite flows, as well as a feldspar and hornblende-phyric porphyry dyke. The 2005 regional soil grid identified additional gold anomalies underlain by prospective andesite flows, substantially farther out from but also spatially related to the Discovery area. The largest of these gold-in-soil anomalies, named the Backburn Anomaly, covers an area of 1500m by 800m and is coincident with abundant float and subcrop occurrences of brecciated volcanic rocks that are variably oxidized with a quartz-carbonate-chlorite matrix.

The high grade JJ Showing discovered in 2004 is situated about three kilometers to the southwest of the Discovery Vein, on a subparallel ENE structural trend. It consists of a moderately to steeply dipping zone containing two closely spaced veins (Jan & Jodi Veins) and intensely clay altered andesite wallrock having an estimated combined 2m true width. The quartz veins are massive to colloform banded. Nine large-sized channel samples were collected on a staggered pattern across the zone. Weighted average gold assays across the veins and vein zones are as follows:

1. Three samples (R9-R11) across the Jan Vein:

    19.28 g/t Au over 1.0m length (0.67m true width)

2. Three samples (R12-R14) across the Jodi Vein:

    42.64 g/t Au over 0.93m length (0.62m true width)

3. Sample string R9H-R9-R9F and 0.5m-offset string R14, R14F:

    22.77 g/t Au over 3.0m length (2.0m true width)

4. Sample string R9H-R9-R9F and 0.5m-offset sample R13:

    28.33 g/t Au over 2.5m length (1.67m true width)

These channel samples were taken by or under the close supervision of a registered professional geologist and maintained under his control until delivered to an ISO9001:2000 certified assay analytical laboratory for sample preparation and analysis. Sample locations were marked in the field with flagging and weatherproof tags. A UTM grid location for every site was recorded by GPS unit using NAD 27 datum. Rock sample individual weights ranged from 2.5 to 10 kilograms. The laboratory runs standards and provides resamples at varying intervals for each shipment received. A resample consists of analyzing a second cut (subsample) from the sample pulp(or occasionally the reject portion), and is reported as a rerun (RE) or reject rerun (RRE) on the analysis certificate. At the high grade JJ showing

initial gold and silver analyses were by Inductively coupled Plasma- Mass Spectrometry (ICP-MS) and were later checked by metallics fire assays, with good duplication of results in eight of nine samples, which is very good considering the nugget nature of high grade gold mineralization. These results were also checked by resampling by Strongbow Resources Ltd. Prior to their optioning the property from us. The level of quality control increases with the significance of the program, with drill core having more duplicates, blanks, standards and reruns than initial prospecting work.

Further hand trenching and channel sampling (by Strongbow) during 2005 intermittently exposed the JJ vein system over a 60-metre strike length and returned gold grades as follows: of 29 channel samples collected, 28 reported greater than 0.1 g/t including 20 samples greater than 1.0 g/t and 10 samples in excess of 12.0 g/t. The 2005 drill program successfully traced the JJ mineralization over a strike length of 350 metres, to vertical depths of 17.5 to 62 metres below surface, and indicated highly variable gold grades as listed in the Table under Drilling Results. In general, the JJ gold mineralization occurs as two types: (1) high-grade associated with dark grey to black (sulphide/sulphosalt?) layers in banded quartz veins, and (2) low-grade disseminated in argillic-chloritic-pyritic altered volcanic wall rocks.

Infrastructure

There is no infrastructure in place on the prospect.

Drilling Results

During October 2005, Strongbow completed an 11-hole diamond drill program generating 1258.4 meters of NQ2 core (core size 50.5mm diameter) from the JJ Showing area. The main target for drilling was the coincident geochemical-geophysical anomaly that is interpreted to represent the host structure for high grade gold-quartz veins exposed intermittently by hand trenching along a 60-meter strike length. Seven holes (841m) tested this interpreted target over a strike length of approximately 350 meters. Each of these seven holes intersected alteration and quartz veining typical of low sulphidation epithermal systems. Anomalous assay results from the seven holes which targeted the JJ Showing are summarized in the Table below:

DDH	From	To	Interval[1]	Assay[2]	Assay
	(m)	(m)	(m)	(g/t Au)	(g/t Ag)
SC-003	38.60	57.59	18.99	1.38	1.61
Including	48.70	49.70	1.00	16.6	8.60
SC-004	39.58	46.80	7.22	1.10	2.70
Including	39.58	41.65	2.07	2.87	2.56
SC-005	34.44	36.82	2.38	4.22	4.29
	43.15	44.75	1.60	12.4	6.00
	78.20	79.36	1.16	4.52	5.00
SC-006	61.40	65.50	4.1	7.48	4.15
Including	64.25	65.5	1.25	16.2	5.76
	77.90	78.90	1.00	1.23	1.20
SC-007	17.85	19.05	1.20	1.27	1.92
	20.74	24.05	3.31	26.8	28.85
Including	20.74	22.31	1.57	54.5	56.75
	25.15	28.30	3.15	0.92	1.17
SC-008	16.90	17.70	0.80	2.87	3.75
	28.90	41.70	12.80	20.2	14.22
Including	28.90	29.67	0.77	28.6	10.78
And	32.89	35.80	2.91	51.1	46.49
Including	33.65	34.95	1.30	110.4	100.46
And	40.95	41.70	0.75	117.1	49.20
SC-009	25.70	28.90	3.20	2.04	2.41

[1]Current geological interpretations of the mineralized system are preliminary and therefore true widths of mineralization are uncertain. However the true widths of the reported intervals are estimated to be 90-100% and 50-70% of the reported intervals for holes drilled at -45 degrees and -80 degrees, respectively.

[2]All reported assays are uncut.

Hole SC-003 was set up as a 50m step-out to test the western extent of the JJ showing. The hole was oriented at an azimuth of 340° with a -45°dip.

Hole SC-004 was drilled from the same site, and at the same azimuth as SC-003, but at a -80° dip.

Hole SC-005 was drilled at az.326°/dip -45°, as a 50m step-out to the east from the JJ Showing.

Hole SC-006 was drilled under SC-005, at az. 326/dip -80°.

Hole SC-007 was set up 32.5m south of the JJ veins main surface exposure, and drilled at az.335°/dip -45°.

Hole SC-008 was drilled behind SC-007, at az. 340°/dip -80°.

Hole SC-009 is a 300m step-out to the west from the JJ Showing, and was drilled at az. 340°/dip -45°.

The remaining four holes of the program tested additional targets in the vicinity of the JJ Showing:

Hole SC-001 tested the Red Earth Zone, a geochemical target comprising a four-sample soil anomaly located north of the JJ Showing. It was oriented at az. 340°/dip -45°, and encountered fault gouge and breccia with minor gold mineralization from 12.62 to 14.00 m (0.22 to 0.56 g/t Au) and from 15.70 to 18.80 m (0.14 to 0.90 g/t Au).

Hole SC-002 was collared at the same site as SC-001, and was drilled at az. 340°/dip -80°. A zone of minor gold mineralization was intersected between 20.30 and 34.40 m, ranging from 0.40 to 1.12 g/t Au with thin unmineralized bands returning <0.10 g/t Au.

Hole SC-010 was drilled north of SC-005 and -006, to test two gold-in-soil anomalies and a weak to moderate VLF geophysical anomaly. This hole was oriented at az. 340°/dip -45°. Weak gold mineralization was encountered from 88.70 to 90.30 m.

Hole SC-011 tested two other gold-in-soil anomalies and the same VLF geophysical anomaly plus a linear magnetic low feature. The hole was drilled at az. 340°/dip -46°. Weak gold mineralization (0.32 g/t Au) was encountered from 77.20 to 78.20 m.

During 2006, Strongbow completed a 4,546 metre diamond drill program, targeting the JJ prospect and the Discovery showing. 4,056 metres in 18 holes were completed on the JJ prospect, testing its depth to 250 metres and strike length to 700 metres. 490 metres in three holes were drilled on the Discovery showing, located 3,500 metres north of the JJ prospect. Each hole intersected alteration and quartz breccia zones displaying epithermal vein textures typical of low sulphidation epithermal systems.

Recent Drilling Results

Strongbow reported the results from the autumn drill program in a news release dated January 15, 2007. The six-hole, 2,000-metre program tested the JJ vein system to depth. A 20-centimetre-to-25-centimetre well-developed quartz vein was encountered in the final two drill holes of this program. Drill holes SC-031 and SC-032, collared at the same setup and azimuth, returned assays of 16.3 g/t gold (Au) over 0.23 m and 17.0 g/t Au over 0.5 m, respectively at depths of 120 m and 130 m downdip from surface. The vein was encountered 175 m along strike to the west of highlight drill hole SC-008 that had previously returned 20.2 g/t Au over 12.8 m. This drilling program confirmed that the vein remains open downdip and along strike and indicates that well-developed epithermal veins are located at depth within the JJ area.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned 2007 exploration program with all work being conducted by Strongbow which is the operator of the project. Strongbow has advised that it plans to carry out further ground geophysics and drilling at the

JJ prospect and Zebra showing in 2007 and a work plan and budget is currently being developed.

PRINCIPAL PROPERTY INTERESTS IN MEXICO

"MAP 4 - MEXICO"

The Caballo Blanco Prospect - Mexico

"MAP 5 - CABALLO BLANCO"

The Caballo Blanco Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

In 1996, the Company signed an option to purchase agreement with two private Mexican individuals for the approximately 40,000 acre property. Under the terms of the agreement, to earn a 60% in the property, the Company had to issue a total of 200,000 shares and pay U.S.$500,000 plus value added tax over four and a half years. To earn the remaining 40% interest, the Company had to pay an additional U.S.$500,000 plus value added tax within a year of earning its 60% interest, plus a 2.5% NSR from any production. The Company could have reduced this NSR to 1.5% for a fixed payment of U.S.$2,000,000 plus value added tax payable equally over 10 years.

The agreement was amended in January 2003. To earn a 100% interest, the Company must issue a total of 200,000 shares of its stock and pay U.S.$668,500 plus value added tax by March 6, 2007 (amended) which issue and payment have been made. The underlying owner would also receive a NSR of 2.5% to 1% (sliding scale NSR) based on the rate of production. The Company can purchase 50% of this NSR for a fixed payment of U.S.$750,000 plus value added tax.

In Fiscal 2003, the Company entered into an agreement with Comaplex Minerals Corp. (Comaplex). To earn a 60% interest, Comaplex must keep the property in good standing and incur exploration expenditures totalling U.S.$2,000,000 by January 16, 2007. During Fiscal 2006, Comaplex completed the earn-in requirements. In February 2007, the Company acquired Comaplex s 60% option interest for U.S.$1,250,000 and made the final payment of U.S.$210,000 plus value added tax to the underlying owner. The Company now holds a 100% interest in the property subject to the sliding scale NSR.

Expenditures to Date

During Fiscal 2006, the Company incurred $80,040 in acquisition and $21,285 in exploration costs, primarily on the payment of Mexican mining taxes ($10,501) and professional/technical services ($9,013). The Company recovered $91,762 of acquisition and exploration costs from Comaplex. As at December 31, 2006, the Company had deferred costs of $552,518 on this prospect.

Location and Access

The Caballo Blanco project, consisting of mineral concessions, currently comprising about 8,200 hectares, is located in the state of Veracruz about 75 kilometres northwest along the Pan American highway in eastern Mexico from the city of Veracruz.

Infrastructure

The prospective areas of the prospect are all located within 10 kilometres of a paved highway and Mexico s only nuclear power plant. Veracruz, located 75 kilometres south of the prospect, is a large and well serviced city.

History and Recent Work

The area was staked in 1993 as a new discovery. The Company carried out limited exploration on the property in 1995 with mixed results, and subsequently provided the owner with funding to continue prospecting under a grubstake agreement. Further mineralization was found and an option agreement was negotiated. Since 1996, the Company s efforts have focussed on three distinct areas of alteration and mineralisation known as the Central Grid Zone, Highway Zone and Northern Zone respectively. Most of the work to date has been carried out on the Central Grid and Highway zones. Geological mapping, sampling, geochemical surveys, magnetic and induced polarization (IP)

geophysical surveys were carried out, mostly in 1997. A 2,390 metre reverse circulation drill program was carried out by the Company in 1998 on the Central Grid Zone. This drilling intersected both porphyry-style copper-gold mineralization and high-grade gold-silver mineralization in veins apparently spatially peripheral to the porphyry system. In the Highway Zone, soil geochemistry, geologic mapping, and induced polarisation geophysical surveys identified a large altered area containing evidence of a high sulphidation epithermal system. The Northern Zone is a large area of argillic alteration, within which preliminary prospecting and geochemical surveys have identified areas of elevated gold-copper-arsenic in silcified rock. Highly anomalous values have been found in stream silt samples and boulders in streams, and this area is thought to represent a large unexplored high-sulphidation gold system. In 1999, 2000, and early 2001, the Company carried out limited geological, geochemical, and IP surveys. Late in 2000, the Company purchased exploration data and surrounding claims from Lucero Resources Corp. The Company also purchased a small net smelter return royalty on these claims for $1,000 Canadian dollars from Lucero s successor in early 2003.

In Fiscal 2001, the Company s subsidiary, Minera Gavilan, S.A. de C.V., signed an agreement with Noranda Exploracion Mexico S.A de C.V. (Noranda), a subsidiary of Noranda Inc., which was terminated in Fiscal 2002. Noranda carried out geological mapping, some regional geochemical surveying and diamond drilling. Starting in March 2002, Noranda completed 1789 metres of drilling in seven holes, four in the Central Grid area, and three into the Highway Zone area, aimed at porphyry copper targets. At the Company s expense, two short holes were drilled to test a gold target in the Central Grid part of the property.

Later in Fiscal 2003, Comaplex optioned the property from the Company. Work during 2003 at the Highway

and Northern zones consisted of sampling, geologic mapping and induced polarization (IP) geophysics and was complimented by analysis of alteration mineralogy with a PIMA portable infrared spectrometer.

Comaplex started building roads for drilling in mid 2004 but experienced difficulty with construction on the Northern Zone. In November 2004, Comaplex started a 3000 metre drill program to test the Central Grid, Highway and Northern zones of the prospect, the centres of which are located roughly 7 kilometers apart. Drilling was carried out by Comaplex in both 2005 and 2006.

Geology and Mineralization

The property occurs in a caldera setting in flat lying volcanic rocks of Miocene age, along the northeastern edge of the Trans-Mexican Volcanic Belt. It is a new discovery, first identified by sampling in acid sulphate altered quartz stockwork veining, in a road cut for the main coastal highway which yielded anomalous gold values. The property covers three large hydrothermal alteration zones called the Central Grid, the Highway Zone, and the Northern Zone. The Central Grid area is the most deeply eroded and demonstrates porphyry Cu-Au, and low sulfidation Au-Ag style mineralization. The centres of the Highway and Northern zones are located roughly 7 kilometers apart. Geologic and alteration mapping in these areas has identified extensive zones of acid-sulphate alteration including quartz alunite and residual or vuggy silica alteration zones. These zones of alteration, developed in flat lying volcanic rocks, are interpreted to represent high sulphidation gold-silver epithermal systems. Mineralogical evidence is interpreted to indicate that minimal erosion has taken place and the hydrothermal systems are mainly preserved.

Exploration Results

A geochemical soil survey on a grid that covers roughly 3 kilometers by 3 kilometers in the Central Grid area of the property outlined a number of coincident gold-copper anomalies associated with what appears to be two styles of mineralization within a very large alteration zone. In one area, two creeks contain float rock of porphyry style quartz stockwork veining associated with copper-gold mineralization and K-silicate alteration. A geochemical soil survey outlined a copper anomaly roughly 700 meters by 500 meters, with coincident anomalous gold values. The other style of mineralization, gold-silver-copper-lead quartz stockwork and quartz barite veins, is found in several areas.

Geological mapping found that the anomalous gold values are closely associated with areas of widespread k-silicate alteration and copper staining. The geochemical grid was extended northwards to cover possible extensions to the known highly anomalous values.

An induced polarization and ground magnetic geophysical program over the Central Grid area identified a very broad zone of elevated chargeability enveloping several intense chargeability highs. These chargeability highs are linear in orientation, and are over one km long. Profiles indicate these anomalies extend from surface to significant depths. These linear highs relate spatially to the presence of outcrop and float of quartz-barite-sulfide veining and associated gold soil geochemistry.

A 2,390 meter reverse circulation drill program started in April and was completed in May 1998.

Holes CB-1 and CB-2 were drilled in the porphyry-copper-gold style target.

Hole CB-1 (located at 5100E and 3400N, drilling east at -60^{o}, 167.6m deep) intersected a mineralized feldspar porphyry cut by quartz stockwork veining. Chalcopyrite, pyrite and magnetite occur as coatings on fractures and in disseminated form. Bornite is sparsely disseminated. Anomalous results are: from 3m to 167.6m (164.6m) of 0.15% Cu and 0.223 grams/tonne Au, including from 3m to 110m (107m) of 0.18% Cu and 0.254 grams/tonne Au.

Hole CB-2 (located at 5295E and 3400N, drilling west at -50^{o}, 193.5m deep) was similar to hole CB-1 but sections of the porphyry are more highly clay altered with quartz stockwork veining containing pyrite chalcopyrite, minor galena and sphalerite. Anomalous results are: from 26m to 193.5m (167.5m) of 0.09% Cu and 0.159 grams/tonne Au, including 96m to 108.2m (12.2m) of 0.13% Cu and 0.322 grams/tonne Au; from 153.9m to 193.5m (39.6m) of 0.15% Cu and 0.394 grams/tonne Au; and the last sample 192m to 193.5m (1.5m) of 0.23% Cu and 0.720 grams/tonne Au.

IP geophysical and soil geochemical anomalies were targeted with the drilling over a roughly 1 by 2.2 kilometer area. The water table was consistently intersected at shallow depths. The water flow encountered in many holes limited the practical depth of drilling with the drilling system employed.

An involved quality control program was employed for the project and included the insertion of blanks, standards and duplicates into the sample stream. Samples were submitted blind to Bondar Clegg/ITS labs of North Vancouver for analysis. Industry standard methods of analysis were employed.

Hole CB-3 was collared into a ground magnetic high at 5545 meters east on line 3295N. The hole, drilling west at

-50°, passed through 10.7 metres of overburden before intersecting andesite which continued to 153.9 metres, the end of the hole. The andesite is highly altered to hydrothermal magnetite, epidote, chlorite and pyrite. Magnetite and epidote occur as veins and clots throughout the andesite. This style of alteration is similar to magnetite-epidote skarning developed in volcanics adjacent to porphyry Cu-Au deposits elsewhere. Several gold values over 1.52 meter sample widths were elevated with a high of 0.774 grams/tonne Au. This hole was drilled across the assumed dip of the skarned zone and did not penetrate through to an expected andesite/intrusive contact.

Hole CB-4 (collared at 5600 East on line 3524N; drilling east at -50°) passed through 16.8 metres of overburden before penetrating the same andesite to the end of the hole. The andesite is skarned as in hole CB-3, however at depth in the hole silicification, clay alteration and pyrite associated with quartz-sulfide veining were intersected. Several zones contained anomalous assay results.

Results in Hole CB-4 included 39.62 meters from 96.01m to 135.63 meters that averaged 0.25g/t gold and about 1.0 g/t Ag with 0.15% Cu and 0.10% Pb and 0.18% Zn. This interval included a higher grade section from 96.01 meters to 108.20 meters totaling 12.19 meters averaging 3.8 g/t Au, 23 (g/t) Ag, 0.37% Cu, 0.19% Pb and 0.34% Zn. This section relates to strong veining and included a high of 19.9 g/t Au and 26 g/t Ag over 1.52 meters from 102.1 to 103.63 meters. A further zone of mineralization and veining was intersected from 123.4 to 126.5 meters over 3.10 meters of 1.7 g/t Au, 14 g/t Ag, and 0.11% Cu, 0.21% Pb and 0.35% Zn.

Holes CB-5 and CB-6 were drilled further south on line 2000 N at 5760 E and 5600 E respectively. CB-5 was drilled to the west at -50° and CB-6 was drilled east at -50°. Both holes collared in similarly altered andesite but at shallow depths penetrated a highly silicified, clay altered and pyritized feldspar porphyry. The porphyry is cross-cut by narrow, dark quartz-pyrite-chalcopyrite veinlets.

Intersections in CB-5 included a 13.72 meters zone of veining, from 21.33 meters to 35.05 meters of 1.8 g/t Au, 31 g/t Ag and 0.10% Cu. A second zone was intersected 48.77 meters from 54.86 to 103.63 meters averaging 0.241 g/t Au and 0.06% Cu. Included in this section is a 19.81 meter zone from 83.82 to 103.63 meters averaging 0.446 g/t Au and

0.11% Cu.

CB-6 intersected similar porphyry style mineralization over 67.05 meters from 35.05 meters to 102.1 meters averaging 0.188 g/t Au and 0.05% Cu. This includes a 13.72 meter section from 35.05 to 48.77 meters averaging 0.361 g/t Au and 0.09% Cu.

The results from holes CB-5 and CB-6 indicate that porphyry Au-Cu mineralization exists over 1.4 kilometres to the south of the previously released holes, CB-1 and CB-2. The mineralization is associated with the highly altered feldspar porphyry, an entirely different intrusive rock from that intersected in CB-1 and CB-2.

The remaining holes returned lower but still anomalous gold and copper values.

Fluid inclusion work on drill cuttings from the reverse circulation drilling program in the main grid, identified three stages of quartz with several types of inclusions. The early and late stages of quartz and the inclusion characteristics are diagnostic of a classic copper-gold-porphyry system. The intermediate banded quartz is common only in the shallow porphyry systems of the Maricunga Au belt.

Geological mapping, line cutting and geochemical soil sampling on the Highway Zone extended the gold in soils anomaly to cover an area 2 kilometres long, and up to 400 metres wide. Geological mapping and prospecting of this area has found extensive vuggy silica in float and some outcrops in an area of widespread deep weathering and overburden.

On the Northern Zone, the Company conducted further geochemical stream silt sampling to find the source of anomalous gold values in drainages that contained float with multigram gold values in vuggy silica and breccia. The stream silt sampling and follow up geological mapping and prospecting isolated an area of extensive large angular boulders of vuggy silica and subcrop with anomalous gold values.

In order to test the Central Grid and Highway Zone porphyry targets, Noranda drilled 1,789 meters in seven holes. Four were drilled in the Central Grid looking for the extension of the outcropping copper bearing porphyry and three holes were drilled into the previously undrilled Highway Zone. The report summary states Despite pervasive K-spar flooding potassic alteration associated with the porphyry in the Central Grid and the huge argillic alteration zone that occurs at the Highway Zone, significant copper mineralization was not found. Noranda stated the presence of an important gold deposit in the Central Grid area had not been ruled out but possibilities for an open pittable copper porphyry were reduced. On the Highway Zone, very low values of copper were found but drilling did intersect short intervals of elevated gold. Hole CB-02-07, Noranda s last hole, which was drilled in an area of extensive argillic alteration associated with elevated gold in soil geochemistry had several interesting gold intersections. These included stockwork veining from 51.35 to 84 meters depth within which a 6 meter section averaged 1.42 g/t gold. A sample from 192 to 195 meters depth within a zone of argillic alteration averaged 2.5 g/t gold and the final sample of the hole from 212.0 to 212.5 meters depth returned a gold value of 4.98 g/t gold. The hole was lost at this point due to poor drilling conditions.

Two further holes were attempted at the Company s expense at the end of Noranda s program, under the supervision of an independent consultant. These were located near reverse circulation Hole CB98-04, from Almaden s 1998 program, which intersected 12.2 meters of 3.8 grams of gold per tonne. Hole CB-02-08 was drilled east at -50°, parallel to and about thirty metres south of hole 98-4. It intersected fault gouge in the area where the vein was expected. Hole CB-02-09 was located ninety meters north of CB 98-04 and also aimed east at -50°. This hole intersected a mineralized vein zone from 57.3 to 60.0 meters, and from 69.0 meters to 73.0 meters the recovered material contained fragments of quartz vein material that is mineralized with chalcopyrite, galena, and pyrite. The hole was abandoned in bad ground at 73.0 meters, which is a few metres before the expected location of the zone found in hole CB 98-04.

Comaplex s 2003 program on the Highway zone outlined several prominent areas of alteration and mineralisation. A significant resistivity and chargeability anomaly has resulted from this work over a roughly 5 by 3 kilometer area of acid sulphate alteration characterised by hypogene alunite and vuggy silica.

At the Northern zone, sampling, geologic mapping and PIMA portable infrared spectrometer analyses have defined a roughly 6 by 5 kilometer area of acid sulphate alteration and vuggy silica, including many breccia bodies. Past sampling in these areas by Almaden has returned anomalous gold values, the highest being 11 g/t. The alteration in the Northern zone is very similar to that in the Highway zone, however up until this program very little work had been

carried out in this area. Initial sampling by Comaplex returned anomalous gold values from outcrop, the highest being 1 g/t. Outcrop in this area includes breccia bodies containing clasts of vuggy silica. An IP section over the zone outlined a large high resistivity feature.

A drill program that was to have commenced earlier in 2004 was delayed due to additional permitting requirements, shortage of drilling equipment, difficulties in road building and the summer rainy season. Drilling on a portion of the southern Highway zone commenced in November 2004 and shut down for the Christmas season. This work consisted of four holes, three in the Highway Zone (CB-04-02, 03 and 04) and one in the Central Grid area (CB-04-01). To date the drilling on the Highway zone has not tested the principle targets of interest as the holes were drilled to the south of the main vuggy silica bodies, generally found to be the most prospective for gold in high sulphidation systems, in an area of clay dominated alteration. These three holes intersected anomalous gold values in clay altered and silicified volcanics including an interval of 0.22 g/t gold over 16 meters in hole CB-04-03.

Hole CB-04-01 was drilled in the Central Grid area of the property near where two reverse circulation drill holes drilled by Almaden in 1998 intersected porphyry copper-gold mineralization. Hole CB-04-01 was located roughly equidistant from these two holes and intersected a K-silicate and quartz-sulphide veined monzonite body from surface to the end of the hole at 298 meters. The entire length of this hole averaged 0.38 g/t gold and 0.16% copper including two higher grade intervals; 56 meters of 0.84 g/t gold and 0.34% copper from 70 to 128 meters depth and 24 meters from 172 to 194 meters averaging 0.89 g/t gold and 0.28% copper (includes a 10 meter interval averaging 1.7 g/t gold and 0.49% copper). The alteration associated with these intervals (K-silicate alteration including quartz-K-feldspar and chalcopyrite veining and hydrothermal biotite overprinted by quartz-pyrite-chlorite-sericite alteration and veining) is typical of a porphyry copper setting.

Diamond drilling by Comaplex continued in late May 2005. A total of 3 holes totaling 523 meters were drilled from the same setup on the top of Cerro la Cruz in the Northern Zone. A total of 1,500 meters was planned for the program, but further drilling was not possible at the time due to the intensity of the rainy season. In addition Comaplex has reported the drilling was extraordinarily slow and logistically difficult due to the extremely hard and broken nature of the rock. The Northern zone is an area where sampling, geologic mapping and PIMA analyses have defined a large, roughly 6 by 5 kilometer zone of alteration, which includes several areas of massive silicification and vuggy silica, one of which is the Cerro la Cruz area. These areas of massive silicification and vuggy silica are recognized worldwide to be the prospective parts of high-sulphidation gold systems. The Cerro la Cruz area of massive silicification and vuggy silica was the target of drilling in the Northern zone because past sampling on surface has identified significant gold grades in this area.

Due to drilling difficulties outlined above, two of the three holes had to be terminated before they reached their intended depths. All three holes encountered more massive silicification that seems to grade with depth into more brecciated and vuggy silica bodies. Hole CB05-1 was vertical and reached a depth of 136.5 meters. This hole encountered largely massive silica to 76 meters at which point more vuggy material was intersected. Hole CB05-2 was drilled to the east (110 Azimuth) and at a dip of -65. This hole also encountered massive and vuggy silica bodies but was lost at the shallow depth of 72 meters. This hole encountered increasing gold values to the end of the hole in both massive and vuggy silica. Hole CB05-03 was drilled at an azimuth of 342 and a dip of -50 and was the only hole completed to its intended depth which was 314 meters. A section of massive and vuggy silica was intersected from the collar to 200 meters where clay altered volcanic rock was encountered to the end of the hole. This entire section (from the top of the hole to 214 meters) averaged 0.7 g/t gold. Within this section a zone of strongly brecciated and vuggy silica was encountered, a 108 meter section of which (from 66 meters to 174 meters depth) averaged 1.14 g/t. This includes a 40 meter section from 74 to 114 meters depth which averaged 2.35 g/t gold.

More massive silica zones with lower gold values appear to cap vuggy and brecciated zones which carry the most significant gold values as evidenced by hole CB05-3. The intersection in this hole indicates the potential for both grade and size in an entirely untested high-sulphidation gold system. It should be emphasized that the Cerro la Cruz area represents one of several massive and vuggy silica zones within the Northern Zone. In addition the Highway zone, located seven kilometers south of the Northern zone, is also an area of high-sulphidation alteration containing zones of massive and vuggy silicification. In both the Highway and Northern zones areas of massive silicification are dominant which, in light of the results of the current drill program, may cap further zones of brecciated and vuggy silica like that encountered at Cerro la Cruz.

During 2006, Comaplex completed 743.8 meters of drilling in three holes (CB06-01, CB06-02 and CB06-03). All three holes were collared in the vicinity of the 2005 drilling, on the top of Cerro la Cruz of the Northern Zone. Two of the holes (CB06-01 and CB06-02) were drilled to test higher grade surface gold mineralization on the south-west and south-east ridges of the summit. Drillhole CB06-03 was collared approximately 100 meters north on the summit ridge of the Cerro La Cruz target and angled towards the highly anomalous gold mineralization in last year s hole CB05-03 (2.6 g/t gold over 32 meters). Hole CB06-01 intersected 92.65 meters averaging 1.0 grams per tonne from 116 meters depth to the end of the hole (206.65 meters) at which depth the hole was lost due to poor drilling conditions. This intersection included 28.65 meters from 178 meters depth to the end of the hole which averaged 1.8 grams per tonne gold, 18 meters from 178 to 196 meters that averaged 2.3 grams per tonne gold and 8 meters from 186.0 to 192.0 meters averaging 3.7 grams per tonne gold. Hole CB06-01 averaged 0.7 grams per tonne gold over its entire 206.65 meter length. Hole CB06-02 was completed to a depth of 301.14 meters and intersected highly anomalous, but sub 1 gram per tonne gold values which

included a 222 meter interval from surface to 222 meters that averaged 0.25 grams per tonne gold. Intervals reported are drill intercepts, rather than calculated true widths.

Hole Number	From (m)	To (m)	Interval (m)	Gold (g/t)
CB06-01	0	206.65	206.65	0.7
Including	116.00	206.65	92.65	1.0
Including	178.00	206.65	28.65	1.8
Including	178.00	196.00	18.00	2.3
Including	186.00	192.00	8.00	3.7
CB06-02	0	222.00	222.00	0.2
CB06-03	0	230.00	230.00	0.8
Including	0	144.00	144.00	1.0
Including	0	76.00	76.00	1.7
Including	12.00	66.00	54.00	2.0
Including	36.00	62.00	26.00	2.5

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company s program for Fiscal 2007 includes an induced polarization geophysical survey and a geochemical soil sampling program currently underway on the Northern Zone at a budgeted cost of U.S.$200,000.

The Tuligtic Prospect Mexico

"MAP 6 - TULIGTIC"

The Tuligtic (formerly Santa Maria) prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The prospect is owned through the Company s subsidiary, Compania Minera Zapata, S.A. de C.V. The Cerro Grande claim was acquired directly by staking. At the time of acquisition, the project was located within the area of influence of the BHP Billiton World Exploration Inc. (BHP) Joint Venture and under terms of the Joint Venture it was offered to BHP. In 2005 BHP quit claimed the prospect to the Company, relinquishing any present or future interest in the Cerro Grande claim.

During Fiscal 2006, the Company entered into an agreement with Pinnacle Mines Ltd. (Pinnacle). To earn a 60% interest, Pinnacle must incur exploration expenditures totalling U.S.$6,000,000 and issue 1,000,000 shares to the Company within six years.

Expenditures to Date

During Fiscal 2006, the Company incurred $133,102 in exploration costs on this prospect, primarily on geochemistry ($40,073) and professional/technical services ($34,549). The value of securities received pursuant to the option agreement with Pinnacle was $94,000. As at December 31, 2006, the Company had deferred costs of $121,022, net of write-downs, on this prospect.

Location and Access

The Tuligtic project is located twenty-one kilometres north of Puebla, Puebla State, Mexico and may be accessed by paved highway from Puebla. Several other paved and unpaved roads provide access to various parts of the prospect from this highway. The centre of the prospect is approximately latitude 19 degrees 42 minutes North and longitude 97 degrees 52 minutes west.

Infrastructure

All major services are found in Puebla, a major city located roughly one hundred kilometres to the south west of the prospect. Labour is available in local towns and villages. There is good road access throughout most of the area and major power lines also cross the prospect. A local power line network supplies electricity to villages within the area.

History and Recent Work

Several limited, superficial historic workings exist on the prospect, however their age is unknown. To the Company s knowledge, no recent work has been carried out on the prospect other than that done by the Company.

In January 2003, a program of geologic mapping, rock, stream silt sampling and induced polarization geophysics was carried out. This program focused on the exposed porphyry intrusive and related skarn bodies but also covered areas of epithermal alteration. Anomalous results were received from rock samples taken from both the porphyry style and epithermal alteration and mineralisation. These results warrant further work. One line of induced polarization geophysics was carried out on the prospect. This work identified a greater than two kilometer wide zone of elevated chargeability response which is coincident with the exposed altered and mineralised intrusive system.

In January and February 2005, a program of further induced polarization geophysics and soil sampling was conducted, further defining the porphyry copper target as an area of high chargeability and elevated copper and molybdenum in soil.

To date 198 chip and grab rock samples have been taken from surface exposures over the entire prospect, including both the porphyry copper-gold and epithermal gold-silver target areas.

Geology and Mineralization

The project covers an area of intensely altered rocks roughly 5 by 5 kilometres in size. Within this area a field program carried out by the Company identified both a porphyry copper and an epithermal gold target. The copper porphyry target occurs within K-silicate altered intrusive rocks that intrude deformed limestone which is overlain by intensely altered volcanic rocks. Calc-silicate altered limestone occurs in proximity to the intrusive contacts and is associated with skarn-type copper mineralization. Multiple phases make up the intrusive body which has been altered and veined. Stockwork quartz pyrite veining dominates the alteration and is associated with minor copper mineralization. This alteration is observed to overprint earlier potassic alteration.

An induced polarisation geophysical survey was carried out on one line over the exposed stockwork veined intrusive. A further IP geophysical survey was carried out on eight lines, three kilometres in length, spaced 200 meters apart, and centred over the gullies which have cut through the unmineralised ash deposits and exposed the stockwork veined and copper-gold mineralised intrusive rocks. This survey indicated that the exposed mineralization represents a portion of a much larger intrusive hosted system characterised by an elevated chargeability response anomaly which is open in three directions and increasing in tenor with depth. Soil sampling has returned highly anomalous copper, molybdenum, silver and gold in soil samples over areas where the altered and mineralised intrusive rocks are exposed, and elevated chargeability responses have been recorded at surface. The volcanic rocks, which are exposed roughly one kilometer to the south of the outcropping intrusive are also extensively altered. The alteration is considered indicative of the upper parts of an epithermal system and includes replacement silicification and sinter, the precipitate or sediment that was deposited from a hot spring.

Quartz-calcite veins with textural evidence of boiling have been identified outcropping in limestone roughly 100 meters beneath the exposed sinter. Initial sampling of these veins and from float boulders of breccia containing quartz vein fragments have returned anomalous values in gold and silver. The sinter and overlying altered volcanic rocks are anomalous in Hg, As and Sb.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007 with all work being conducted by Pinnacle which is earning its interest in the prospect.

The Viky Prospect Mexico

"MAP 7 - VIKY"

The Viky Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

The Viky Prospect - Mexico

The Viky Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The prospect was discovered in Fiscal 2005 during Almaden s regional exploration program in Central Mexico and is 100% owned by the Company. The property was acquired through staking, although an undivided 100% interest in three small claims located in the vicinity has subsequently been purchased.

In February 2007, the Company entered into an agreement with Apex Silver Mines Limited (Apex). To earn a 60% interest, Apex must incur exploration expenditures totalling U.S.$5,600,000 and make cash payments of U.S.$1,350,000 to the Company over five years.

Expenditures to Date

During Fiscal 2006, the Company incurred $104,045 in acquisition and $137,668 in exploration costs on this prospect, primarily on geophysics ($23,727), geochemistry ($36,827), professional/technical services ($24,771) and claim maintenance costs ($27,785). As at December 31, 2006, the Company had deferred costs of $230,918 on this prospect.

Location and Access

The Viky prospect is located in Coahuila State, Central Mexico.

Infrastructure

There is no infrastructure in place on the prospect.

History and Recent Work

During Fiscal 2006, Almaden completed a large program of soil sampling, induced polarization geophysics, prospecting and rock chip sampling on the prospect. Results from the program identified a broad zone of elevated silver, lead and zinc in soil spatially associated with high induced polarization chargeability values at depth.

Geology and Mineralization

The Viky prospect covers an area of replacement silicification which has developed in folded and deformed thinly bedded limestone. The prospect is considered prospective for silver-rich zones within quartz replacement zones and quartz veining as well as silver-lead-zinc sulphide-rich replacement bodies.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007 with all work being conducted by Apex which is earning its interest in the prospect.

The El Pulpo Prospect - Mexico

The El Pulpo Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The Company s subsidiary acquired a 100% interest in the Gavilan claims by staking in Fiscal 2001. Two additional claims, which are surrounded by the Gavilan claims, were optioned from private Mexican individuals

in Fiscal 2003.

In Fiscal 2003, the Company entered into an agreement with Ross River Minerals Ltd. (Ross River). To earn an initial 50.1% interest, Ross River had to maintain the property in good standing, incur exploration expenditures totalling U.S.$2,000,000 and issue 425,000 shares to the Company by April 30, 2008. Ross River could increase its interest to 60% by incurring a further U.S.$1,000,000 of exploration expenditures by April 30, 2010**.**

In Fiscal 2004, the Company entered into an agreement with Ross River in which the Company agreed to sell a 100% of its right, title and interest in this prospect. The transaction completed in Fiscal 2005. In consideration for the Company s interest, Ross River issued to the Company 2,200,000 shares of Ross River. Ross River is required to issue an additional 1,000,000 shares when exploration and development expenditures on the property meet or exceed U.S.$10,000,000 and an additional 1,000,000 shares on the delivery of a positive feasibility study recommending production on any part of the property. Almaden will retain a 2% NSR regarding any minerals from it s formerly 100% owned concessions. After a feasibility study is completed on a mineral deposit, one half of this 2% NSR (a 1% NSR) can be purchased by Ross River from Almaden for fair market value as determined by an internationally recognised engineering firm acceptable to both parties.

The Ram Prospect Canada

The Ram Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The Ram claims were acquired from the Company s predecessor (Fairfield) and are 100% owned by the Company.

In May 2000, Fairfield entered into an agreement (later amended) with Ross River Gold Ltd. (now Ross River Minerals Inc. (Ross River)) whereby Ross River can earn a 70% interest in the prospect by incurring $500,000 in exploration expenditures by April 1, 2008 and issuing to the Company a total of 390,000 shares.

Expenditures to Date

During Fiscal 2006, the Company incurred no costs on this prospect. As at December 31, 2006, the Company is carrying this prospect at $1.

Location and Access

The Ram prospect is in the Watson Lake Mining District, 260 kilometers northeast of Whitehorse, and 45 kilometers south of Ross River, Yukon Territory. The claims are accessible by seasonal four-wheel drive road originating from the South Canol Road (Highway 8).

History and Recent Work

The current 69 Ram claims formed part of a much larger block of 758 claims staked in 1984 and 1985 by Regional Resources Ltd. (Fairfield s predecessor), to cover gold-silver and base metal geochemical anomalies and mineral occurrences. Work completed by Regional in 1985 included line cutting, grid geochemical surveys, geological mapping, prospecting and minor hand trenching.

Title to the entire claim group was transferred to Fairfield in 1986. During 1987, Fairfield conducted further grid soil sampling, reconnaissance rock sampling and ground geophysical surveys. In 1988, Fairfield and joint venture partner Equity Silver Mines Ltd. carried out diamond drilling and additional soil geochemistry. Thirty-one BQ core holes totaling 3723 metres were drilled to test five separate targets on the property. Fifteen of these holes tested the Vole, Trout and Mouse Showings located on the presently existing (69) claims.

From 1991 to 1999, the property was under option to Pacific Comox Resources Ltd. which conducted airborne and ground geophysical surveys, and a reverse circulation drill program that included six short holes on the present (69) claims. The claim holdings were reduced to this number by December 1993.

In May 2000 the Ram claims were optioned by Ross River which in turn optioned them, together with its larger

adjoining Tay-LP land package, to Newmont Exploration of Canada Limited (Newmont). Fieldwork in the Ram area by Newmont during 2000 included airborne magnetic and electromagnetic (EM) geophysical surveys, geological mapping and prospecting, soil and rock geochemical sampling, and auger overburden drill sampling. Newmont terminated its option on the entire Ram/Tay-LP project in December, 2001.

During 2002, Ross River carried out further prospecting and rock sampling on the Ram claims, as well as diamond drilling of four holes totaling 342.6 metres to test EM and geochemcial anomalies.

Geology and Mineralization

The present claim area is underlain by a sequence of moderately deformed and metamorphosed Lower Paleozoic sediments intruded by probable Cretaceous age granitic rocks. Lithologies comprising the stratigraphic assemblage include phyllite, schist, dolostone, quartzite and slate. Calc-silicate hornfels and chlorite-magnetite skarn occur at or near intrusive contacts.

Auriferous mineralization on the property is dominantly hosed by phyllite and occurs as irregular quartz-sulphide masses, veins and stockworks, breccias, skarn/hornfels, and local replacements of thin calcareous interbeds. Sparse intrusive exposures are variably silicified, clay altered and also locally contain quartz-sulphide veins and sulphide disseminations. A prominent regional domal uplift of the stratified rocks is interpreted to reflect the presence of buried intrusions responsible for the mineralizing events. The style and setting of the various occurrences are consistent with the model of intrusion related gold systems along the Tintina Gold Belt of central Yukon and Alaska, within which the Ram prospect is situated.

The gold is associated with quartz-tourmaline, pyrrhotite, pyrite, bismuthenite, tellurides, chalcopyrite, arsenopyrite and galena. Best mineralization discovered to date occurs at the Vole Showing, where drilling in 1988 intersected a quartz-sulphide stockwork zone assaying 2.2 g/t gold over 5.3 metres. Approximately 1300 metres south of this area, a 5-metre wide quartz-sulphide vein outcrops at the Trout Showing. This showing was also drill tested in 1988; silver assays of up to 101.8 g/t over 1.74 metres were returned, but gold values were low.

Infrastructure

There is no infrastructure in place on the prospect.

Drilling Results

During Fiscal 2002, Ross River completed four diamond drill holes totaling 342.6 metres on the Ram claims, to test EM and geochemical anomalies. No significant gold assays were obtained from core samples.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no information as to any exploration program for Fiscal 2007 proposed by Ross River or Newmont. The claims have expiry dates from December 31, 2013 to December 31, 2019.

The ATW Prospect Canada

This diamond exploration prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

In Fiscal 1992, these claims were acquired directly by staking and additional claims were acquired from Michael Magrum by ATW Resources Ltd. (ATW). The Company owned a 40% share interest in ATW along with Williams Creek Explorations Limited-40% share interest and Troymin Resources Ltd.-20% share interest (now Santoy Resources Ltd.). ATW acts as trustee and these companies are the beneficiaries of a declaration of trust for their respective interest in the prospect. In 1993 the property was optioned to Kennecott Canada Exploration Inc. (KCEI). KCEI s interest reverted back to ATW in 2001. ATW then completed a joint venture agreement with Aberex Minerals Ltd.-15% property interest and SouthernEra Resources Limited-10% property interest. A 2% gross overriding royalty on diamonds produced from TR 107 (a portion of the ATW property) is payable to KCEI. An option granted to KCEI under an agreement made as of November 30, 2001, by the Company, together with all other shareholders of ATW, to acquire a 40% share interest in ATW lapsed unexercised.

In January 2005, the Company and Williams Creek acquired Santoy s 20% share interest in ATW and now each own a 50% share interest in ATW.

Expenditure to Date

During Fiscal 2006, the Company incurred $80,519 in exploration costs, primarily on a drill program ($65,722). $188,879 of exploration costs were written off to operations during the year ended December 31, 2006. As at December 31, 2006, the Company had deferred costs of $100,000, net of write-downs, on this prospect.

Location and Access

The ATW property is located roughly equidistant between the Diavik and Snap Lake diamond deposits, on MacKay Lake, Lac de Gras area, Northwest Territories. A winter road to the Diavik and Diamet diamond mines passes through the property.

History and Recent Work

Government geological surveys, widely spaced airborne magnetic surveys and regional mineral exploration programs were carried out in the property area before 1992.

In the summer of 1992, ATW conducted a limited summer till sampling program for diamond indicator minerals, and contracted an airborne magnetic - electromagnetic (EM) survey of the western half of the property. After optioning the property, KCEI conducted several phases of prospecting, till sampling using sonic and reverse circulation drills, ground geophysical surveys, a small helicopter borne magnetic survey, and limited diamond drilling in two programs that totalled 671metres. This work identified a kilometres long train of diamond indicator minerals in glacial till that was followed east under MacKay Lake. Their work also found one kimberlite body, TR107, which contains no diamond indicator minerals, and therefore can not be the source of the indicator mineral train being followed.

Subsequent to the return of the property by KCEI, the joint venture group conducted an airborne magnetic EM survey in 2001 over the five by five kilometre projected source area of the diamond mineral indicator train. This was followed up by ground geophysics which confirmed the presence of four anomalies found by the airborne survey.

These four targets were diamond drilled in the spring of 2002, but no kimberlite was found.

In early 2003, a sonic drill program of 77 holes was completed to further trace the indicator mineral train previously found and to narrow down the possible source area.

During December 2003, surface Magnetometer and HLEM surveys were carried out on the northeast end of MacKay Lake to determine the source of an indicator mineral trend defined by the sonic drill program. Surface gravity, bathymetry and further HLEM survey were carried out over the same area to help outline the indicator mineral source during February of 2004. The gravity and bathymetry surveys grid were extended in April 2004. All the geophysical work carried out in 2003 and 2004 was done by Aurora Geosciences of Yellowknife, NT. The data from the geophysical surveys was reviewed and interpreted by Martin St. Pierre in December of 2004 and nine low to moderate priority drill targets were defined.

A bathymetry (water depth) survey was carried out in mid-2005 over the projected source area of the indicator mineral train as defined by the 2003 sonic drill program.

Geology and Mineralization

The property area is within the Slave Structural Province. This terrain was formed in the late Archean with late diastrophism. The oldest known rocks appear to be remobilized granitoids, emplaced in a thick volcano-sedimentary sequence. All of these units were subsequently metamorphosed, deformed and also intruded by other mainly granitoid bodies.

The ATW claims overlay Yellowknife Supergroup rocks of the Slave Craton. These Archean rocks consist of, metasediments (greywacke, pelite, minor quartzite, conglomerate, iron formation, and metavolcanics). Some of these formations give magnetic and electromagnetic responses. Large granitoid bodies intrude these rocks. The

Proterozoic MacKenzie dyke swarm dominates the airborne magnetics as long continuous magnetic high responses that traverse the property.

Exploration and Drilling Results

Exploration work by KCEI between 1993 and 1998 identified a long diamond indicator mineral train or anomaly in glacial till that extended southeasterly up glacial ice direction. Several geophysical targets were also identified from an airborne magnetometer-EM survey. In 1994, four geophysical targets were drilled, and one of these, TR-107 intersected a kimberlite body, that was not diamondiferous and did not contain diamond indicator minerals. In January 1998, KCEI informed the Company that the main exploration target on the property was the source of the prominent indicator mineral till anomaly. This anomaly contains indicator minerals (garnets and chromites) with chemistry from within the diamond inclusion field suggesting the source will be diamondiferous. This indicator mineral anomaly was been traced to the western edge of MacKay Lake. Reverse circulation (RC) drilling was carried out on the lake ice in early 1998 followed the till anomaly easterly back up the original direction of glacial ice movement towards the anticipated source location. Thirty-three holes for a total of 390 metres drilled at about 100 metre on three lines were completed to sample the till on the lake bottom. The easterly line has four holes 100 metres apart that had elevated counts pyrope garnets (>5) in the basal till, one of these had a very high count of olivines (>50) with elevated values in three holes. The work thus extended the indicator mineral train but no source area was delimited. In 1999, a sonic drill used to sample the till in a fence of holes across the ice movement direction and 13 holes for a total of 479 metres in a single line were drilled about five kilometres up ice direction from the last previous line of RC drill holes. These were essentially devoid of indicator minerals, and so it was concluded that the source area had been narrowed down to a five kilometre by five kilometre area, and that a potential source for the diamond indicator minerals should be looked for between these two lines of holes. Analyses were done at KCEI s Thunder Bay laboratory, an ISO Guide 25 facility.

ATW s 1992 airborne survey did not cover this area, so a contract was given in March 2001 to Fugro Airborne Surveys to carry out a survey of the area between these two lines of holes, and also over a small area in a bay of MacKay Lake further down ice on the mineral train where a small magnetic low was outlined on an old (1960s) government magnetic survey of the area. This work outlined two targets with pipe like characteristics and a long dike like structure that is not magnetic indicating it is not caused by a diabase dike. Surface geophysics confirmed the size and strength of the two pipe targets.

In early 2002, results of microprobe analyses performed on indicator minerals from sampling of the glacial dispersion train on the property were received by the Company from Kennecott Canada Inc. Mineral Services Canada Inc. (Mineral Services), a subsidiary of Mineral Services International, reviewed these microprobe results. The following is an excerpt from the summary of the report provided from Mineral Services:

A prominent kimberlitic indicator dispersion has been traced up-ice in till samples over a distance of 20 km, and was found by drill sampling to continue in MacKay Lake sediments for a further 3 km, leading to geophysical target ATW-02. The available kimberlitic indicator mineral analyses from this, the MacKay Lake dispersion, comprises 74 olivines, 18 orthopyroxenes, 127 clinopyroxenes and 198 garnets, but no kimberlitic ilmenite or chromite. The compositional characteristics of this indicator assemblage show it to be derived from kimberlite source(s) that have entrained predominantly diamond-stable mantle peridotite along a cold cratonic geotherm similar to that defined by

garnet peridotite xenoliths in the Diavik kimberlites. Various samples show this indicator assemblage contains from 16 to 20% G10 garnets, with moderate-Cr2O3 G10 garnets well represented. Based on available data, and assuming that these data are representative of the samples from which they are derived, the source kimberlite(s) are predicted to be at least moderately diamond-bearing. A more definitive assessment of their diamond potential cannot currently be made due to the fact that: eclogitic garnet compositions are not reported; the extent to which the available data are representative of the full indicator mineral population present in the tills and sediments or in specific source bodies is not known; and several critical kimberlite-specific mineralization factors have yet to be determined.

Kimberlitic garnet, orthopyroxene and clinopyroxene recovered from a composite core sample of the TR107 kimberlite reveal compositions quite unlike that seen in exploration samples on the rest of the MacKay Lake property. The TR107 kimberlite apparently sampled essentially only graphite-stable mantle peridotite on an elevated geothermal gradient. The kimberlite core sample is assigned zero diamond potential and it manifestly

does not correlate with the intrinsically higher diamond potential of the vast majority of kimberlitic indicator minerals recovered from the property.

In April 2002 a program of drilling geophysical anomalies on the project was completed. No kimberlite was found. Three resistivity low anomalies were tested. Two were explained by graphitic conductors. No explanation was found for the third anomaly.

In early 2003, a till sampling program with seventy-seven holes were drilled to recover samples of basal till samples on several lines of hole between the last two lines of till sampling holes described above. This work narrowed down the anticipated source area to a one kilometre by one kilometre square. Both 2002 and 2003 drill programs were supervised by Almaden personnel.

During December 2003, surface Magnetometer and HLEM surveys were carried out on the northeast end of MacKay Lake to determine the source of an indicator mineral trend defined by the sonic drill program. Surface gravity, bathymetry and HLEM survey were carried out over the same area to help outline the indicator mineral source. The gravity and bathymetry surveys grid were extended in April 2004 for a total of 6.5 line km. All the geophysical work carried out in 2003 and 2004 was done by Aurora Geosciences of Yellowknife NT. The data from the geophysical surveys was reviewed and interpreted by Martin St. Pierre in December of 2004 and nine low to moderate priority targets were defined for drilling.

A bathymetry (water depth) survey was carried out in 2005 over the area defined as the source of the indicator minerals. The bathymetry survey was done by boat in August and September of 2005 at 50m line spacing for a total of 282 line kilometres. The data was then provided to Intrepid Geophysics for the reinterpretation of the gravity surveys with the goal of defining drill targets.

In early 2006, a planned 77 hole sonic drill program was cut short due to adverse weather and the early closure of the winter ice road required for prospect access. Eight holes were completed during the program and no significant results reported.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007. The Company plans for a detailed sonic drill program to define the source of the indicator mineral train for future diamond drill testing to be carried out in Fiscal 2008.

The Rock River Coal Prospect Canada

The Rock River Coal Prospect is without proven reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

During Fiscal 2002, the Company acquired a 50% interest in four coal exploration licenses covering 187,698 acres in the Yukon Territory through application to Indian and Northern Affairs Canada. Santoy Resources Ltd. (Santoy), formerly Troymin Resources Ltd. (Troymin), holds the remaining 50% interest. The licenses were originally applied for by the Company s President during Fiscal 2001 and when granted, a 50% interest was declared held for the benefit of the Company and a 50% interest for the benefit of Troymin. The licenses are subject to a gross over riding royalty (GORR) of 3% payable to H. Leo King upon the licenses being issued. The joint venture can also purchase up to 2% of the GORR for $1,000,000 for each per cent.

Expenditures to Date

During Fiscal 2006, the Company advanced $19,190 towards a drill program and paid its portion (50%) of the third year lease deposit of $18,770, all of which was written off to operations. As at December 31, 2006, the Company had deferred costs of $39,339 on this prospect.

Location and Access

The licenses are located in the Watson Lake Mining District in the Yukon Territory, 100 kilometres north east of Watson Lake. Access is by helicopter. A winter road extends to 10 kilometres of the property.

History and Recent Work

Coal was discovered by Sulpetro Minerals Ltd. in the Rock River Basin in July 1980 and five holes were drilled in 1981 for a preliminary evaluation of the coal potential. A gravity survey of the entire basin on widely spaced lines was carried out in 1982. This survey identified nine responses possibly sourced by coal units. These can be divided into six anomalous areas, one of which includes the known coal beds. Near surface coal was intersected in drill holes one and two. A Yukon Government publication, Yukon Exploration and Geology 1983 reports that Sulpetro staff estimated 56,000,000 tonnes of lignite coal lies within 80 metres of the surface in the vicinity of holes 1 and 2. Analyses indicated a thermal content of 6645 BTU at equilibrium moisture and a waste to coal ratio of 2:1. The coal ranks from lignite A to subbituminous C. The Almaden/Troymin joint venture conducted a review of government and Sulpetro data. During the summer of 2003, a geological review and reconnaissance program was carried out on the prospect by Aurora Geosciences Ltd.

Geology and Mineralization

Tertiary strata in the Rock River Basin accumulated in an inter montane valley whose geometry and history was probably controlled by subsidence related to the Rock River fault. Coal deposits in the Rock River Basin are interpreted as products of desposition in forest moor environments associated with stable channel fluvial systems. If the elongate gravity anomalies identified by Sulpetro are coal the ultimate coal potential of the property is very high. To prove up coal resources would require an extensive program of closely spaced holes.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007. The Company is required to file a statement of work or remit fees based on $0.05 per acre in year one, $0.10 per acre in year two and $0.20 per acre in year three. The licenses expire on July 30, 2007. The Company intends to renew the licenses.

The MOR Prospect Canada

The MOR Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The claims comprising the MOR Prospect were acquired by staking by the Company s predecessor (Fairfield) during August 1997 (MOR 1-4), August 1998 (MOR 5-8) and September 1998 (MOR 9-12). The MOR 13 to 52 claims were added in April 1999 when the prospect was optioned to Brett Resources Inc. (Brett). Brett carried out an exploration program and then returned the prospect to Fairfield in December 1999. The claims were transferred to the Company upon amalgamation. The surface rights are held by the Teslin Tlingit Council/Yukon First Nations, from whom

permission is required for entry to conduct work.

In Fiscal 2003, the Company entered into an agreement with Kobex Resources Ltd. (Kobex) on the claims comprising the MOR, Caribou Creek and Cabin Lake prospects. During Fiscal 2005, Kobex relinquished its option on all prospects.

Expenditures to Date

During Fiscal 2006, the Company incurred $4,131 of costs on this prospect which were written off to operations. As at December 31, 2006, the Company had deferred costs of $31,524 on this prospect.

Location and Access

The MOR prospect is located 9km north of the Alaska Highway in the Morley River area of southern Yukon Territory and consists of 52 contiguous mineral claims in the Watson Lake Mining District. Access is by helicopter from a staging area on the Alaska Highway.

History and Recent Work

The initial MOR claims (1-4) were staked in August of 1997 to cover a small zone of anomalous base and precious metal values in soil and in gossanous schist subcrop (Discovery Showing), located during follow-up of regional stream sediment anomalies identified by Fairfield s predecessor company in 1980. Subsequent work in 1997 focussed on hand pitting and trenching in this area, but also included prospecting and reconnaissance (silt,

soil, rock) sampling elsewhere on and around the four claims.

During 1998 Fairfield added 8 claims (MOR 5-12) and carried out grid soil geochemistry (21 line-km / 432 samples), ground magnetic and VLF-EM geophysical surveys (11 line-km), limited blast trenching in the Discovery Showing area, and minor prospecting with reconnaissance rock sampling.

In April 1999, Brett Resources Inc. optioned the property from Fairfield and staked 40 additional claims (MOR 13-52). Brett subsequently conducted a soil geochemical survey (22 line-km / 442 samples) covering some of the new claims, property-wide preliminary geological mapping at 1:10,000 scale, more detailed (1:1,500) geological mapping in areas of known mineralization, prospecting and rock sampling, plus claim tagging. Brett relinquished its option on December 31, 1999.

Field work in 2000 consisted of additional grid soil geochemistry (43 line-km) and ground magnetic, VLF-EM geophysical surveys (29.5 line-km); detailed grid based soil profile and bedrock sampling by portable power auger, further prospecting with reconnaissance rock sampling, plus handheld GPS-surveying of the claim post, grid line and sample locations. A total of 1223 samples were collected and shipped to Acme Analytical Laboratories Ltd. (Vancouver, B.C.) and ALS Chemex (North Vancouver, B.C.) for multi-element analysis.

A two-week prospecting program was undertaken in July 2001. A total of 197 portable power auger soil samples and 6 rock samples were collected. All samples were shipped to Acme Analytical Labs for multi-element analysis.

During Fiscal 2004, Kobex completed an induced polarization (IP) geophysical survey over the prospect which defined an 800 meter long linear chargeability anomaly that remains open along strike. This anomaly is coincident with mineralization identified in trenches and anomalous soil geochemistry, and was tested by two diamond drill holes completed by Kobex in August 2004.

Geology and Mineralization

The MOR claims are underlain by deformed and metamorphosed volcanic and sedimentary rock assemblages of Devonian-Mississippian age. These assemblages include the Big Salmon Complex which in part has been correlated to Yukon-Tanana stratigraphy that is host to several important volcanogenic massive sulphide deposits in the Finlayson Lake district, 160 kilometres to the northeast.

The main mineralized zone at MOR is closely associated with several subparallel felsic schist/tuff horizons within a dominantly mafic volcanic sequence. Mineralization at the Discovery Showing, exposed by limited hand trenching during 1997-98, consists mainly of coarse grained pyrite and chalcopyrite in quartz-sericite and chlorite schists. Work programs in 1998 and 1999 have traced the mineralized unit(s) intermittently in outcrop over a strike length of 900

metres, and have outlined an encompassing 2000-metre long by 100 to 250- metre wide multi-element soil geochemical anomaly with a partly coincident moderately strong VLF-EM geophysical conductor.

The 2000/2001 auger sampling provided for better overall definition of the main mineralized trend, and revealed blind mineralization at two widely separated locations within this trend. Weathered and decomposed bedrock samples from the new showings, which may represent different felsic horizons than any previously sampled, yielded anomalous base and precious metal values as shown in the following table:

GRID LOCATION	**DEPTH & SAMPLE INTERVAL (M)**	**Cu (%)**	**Pb (%)**	**Zn (%)**	**Ag (g/t)**	**Au (g/t)**
2450E/2500N	0.7 - 1.4	0.12	0.57	0.03	43.1	1.25
	1.4 - 2.0	0.08	0.31	0.04	43.1	0.42
2450E/2510N	0.2 - 0.7	0.10	0.25	0.04	41.8	1.76
	0.7 - 1.4	0.07	0.18	0.04	26.1	0.49
	1.4 - 2.2	0.10	0.27	0.05	43.4	0.78
3000E/2610N	0.4 - 1.3 *	0.02*	0.25 *	0.01*	60.7 *	0.99*

(*Averaged result from 3 samples within this interval. Best individual sample results include 109.2 g/t Ag and 2.14 g/t Au.)

Elsewhere on the property, results from the 2000 program have outlined coincident copper-silver soil anomalies together with several weak VLF-EM conductors within a broad zone situated approximately one kilometre south from the main (Discovery) trend.

Infrastructure

There is no infrastructure in place on the prospect.

Drilling Results

During Fiscal 2004, Kobex completed two diamond drill holes totalling 185.3m to test IP geophysical anomalies on the MOR claims. The holes were drilled roughly 100 meters apart; both intersected alteration and mineralization commensurate with a VMS system, however there is insufficient geological information to determine the orientations

and true widths of the massive sulphide units.

The assay results from the mineralized intercepts are reported below:

Results from Hole MO04001							
From (m)	**To (m)**	**Interval (m)**	**Copper %**	**Zinc %**	**Silver g/t**	**Gold g/t**	**Lead %**
18	22.9	4.9	0.69	1.31	39.70	0.82	0.15
Including:							
19.3	21.7	2.4	0.83	1.43	40.71	0.83	0.14
19.3	19.9	0.6	1.06	1.27	25.28	0.63	0.06
41.9	42.6	0.9	0.69	0.18	11.8	0.50	0.05
Results from Hole MO04002							
From (m)	**To (m)**	**Interval (m)**	**Copper %**	**Zinc %**	**Silver g/t**	**Gold g/t**	**Lead %**
23.30	27.05	3.75	0.17	0.76	12.95	0.17	0.11
Including:							
24.50	24.85	0.35	0.44	2.17	26.20	0.41	0.27
66.12	68.00	1.88	0.97	0.21	19.78	0.35	0.05
Including:							
67.30	68.00	0.70	1.23	0.37	37.65	0.50	0.12

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007. The claims are in good standing until April 29, 2012 through to April 29, 2015.

The Tim Prospect - Yukon Territory

The Tim Prospect is without known reserves and all work done by the Company s predecessor (Fairfield) on the prospect has been exploratory in nature. No work has been conducted on the prospect since 1988.

Option to Acquire Interest

The Company owns a 100% interest in the prospect, acquired during 2002 from Fairfield through amalgamation.

Expenditures to Date

During Fiscal 2006, the Company incurred $2,939 of costs to maintain this prospect which were written off to operations. As at December 31, 2006, the Company is carrying this prospect at $1.

Location and Access

The Tim prospect consists of 10 contiguous claims located 72 kilometres (45 Mi.) West of Watson Lake, Yukon Territory at latitude 60 degrees 03' North and longitude 130 degrees 05' West. A seasonal four-wheel drive road originating at kilometre 1128 (Mile 701) of the Alaska Highway provided access to the claims during previous exploration programs.

History and Recent Work

The original group of 130 TIM claims was staked by Regional Resources Ltd. (Fairfield's predecessor) in 1983, to cover silver-lead-zinc geochemical anomalies and mineralized float occurrences in an area highly prospective for replacement type massive sulphide deposits. Fairfield staked 30 additional claims during 1986, following transfer of title from Regional. Work conducted from 1983 to 1986 consisted of reconnaissance stream sediment sampling, soil geochemistry, prospecting and geological mapping.

In 1988 work included road construction, line cutting, soil sampling, induced polarization (IP) geophysical surveys, and excavator trenching. Eighteen trenches totalling 2712 linear metres were excavated in two mineralized areas named North and South Zones. The 1988 soil geochemical survey involved higher density sampling within the

anomalous areas outlined by prior (1984/86) sampling.

A diamond drill program was recommended following evaluation of the 1988 exploration results, but was never carried out. The property has been reduced to 10 claims covering the main (North Zone) trend of mineralization.

Geology and Mineralization

The TIM claims are underlain by a folded succession of Lower Cambrian and earlier sedimentary rocks comprising intercalated limestone, phyllite, quartzite, siltstone and mudstone. A nearby buried intrusion is inferred from geophysical signatures on published maps and from local thermal alteration effects observed in limestone. The limestone unit is cut by fault breccias, quartz-calcite veins and oxide mineral bodies.

Soil geochemical surveys have outlined two large coincident silver (Ag) - lead (Pb) - zinc (Zn) anomalies measuring approximately 1500 metres long by 300 metres wide. Within these anomalous areas trenching has exposed two zones of Ag-Pb-Zn bearing oxide mineralization. The main or North Zone has been traced over a strike length of 1000 metres.

The mineralization consists of massive iron and manganese oxides, with minor remnant sulphides including galena, sphalerite and pyrite occurring as isolated cobbles or as discrete grains within the oxides and wall rock material. North Zone oxide bodies uncovered by trenching range in width from four to 30 metres and occur mainly in limestone, at or near an inferred major fault contact with overlying phyllite rocks.

Infrastructure

There is no infrastructure on the claims.

Drilling Results

No drilling has been conducted to date.

Planned Work Program - Fiscal 2007, Ending December 31, 2007

The Company has no work program planned for Fiscal 2007.

The Nicoamen River Prospect Canada

The Nicoamen River Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The Nicoamen River claim group comprises about 1,945 hectares (19.5 sq. km) and was acquired by staking during 2004 and 2005 and is 100% owned by the Company.

In Fiscal 2006, the Company entered into an agreement with Tanqueray Resources Ltd. (Tanqueray). To earn a 60% interest, Tanqueray must incur exploration expenditures of $4,000,000 and issue 1,000,000 shares to the Company by December 31, 2012.

Expenditures to Date

During Fiscal 2006, the Company incurred $265 in acquisition and $14,120 in exploration costs on this prospect, primarily on professional and technical services ($9,140). The value of securities received pursuant to the option agreement with Tanqueray was $25,000. As at December 31, 2006, the Company had deferred costs of $38,050 on this prospect.

Location and Access

The prospect is readily accessible by road, approximately 40 kilometres northeast of the village of Boston Bar on the Trans-Canada Highway in southern British Columbia.

History and Recent Work

Pre-acquisition work during July 2003 and August/October 2004 consisted of prospecting and recon geochemical sampling, based on follow-up of earlier government (BC-RGS) and Company-generated regional gold and arsenic stream sediment anomalies. These programs generated 16 rock, 47 silt, and 15 soil samples. In September 2005 a preliminary property evaluation program was conducted, comprising further prospecting and recon rock/silt geochemical sampling, minor hand trenching, grid and roadcut soil geochemical sampling.

The 2005 program generated an additional 20 rock, 7 silt, and 827 soil samples. All of the samples collected to date (2003-2005) have been tested for 36 elements, by Acme Analytical Laboratories Ltd. in Vancouver, B.C.

The rock sample results have identified several gold bearing quartz float occurrences, and insitu gold-quartz vein mineralization along a major NNW - trending fault structure. The initial grid soil sampling has outlined a main multi-element geochemical anomaly measuring 800 metres by 2000 metres in the Discovery area.

Tanquerary reported to the Company that detailed soil geochemistry conducted in 2006 over sections of the previous soil grid identified five large gold in soil anomaly clusters that will require ground truthing, by prospecting, mapping and excavator trenching. Ground geophysics was also completed.

Geology and Mineralization

The dominant rock assemblage underlying the Nicoamen River prospect is the Cretaceous Spius Creek Formation, a basaltic andesite unit. This is the upper part of the Spences Bridge Group which is a broad northwest trending sequence of gently folded volcanics with lesser sediments, dipping shallowly to the northeast. The Spences Bridge Group unconformably overlies older plutonic rocks, mainly granodiorite to diorite of the Permian to Triassic Mount Lytton Complex occupying the southwestern claim area. The Spences Bridge Group is unconformably overlain locally by Eocene Kamloops Group intermediate and felsic volcanics.

The major structural features in the district are steeply dipping normal faults. The Nicoamen River Fault parallels the canyon of Nicoamen River which crosses the claim area from south to north. The Nicoamen West Fault is subparallel to the Nicoamen River Fault and lies along the west boundary of the claims.

Insitu mineralization found to date consists of gold-bearing quartz veins in altered granodiorite at the Discovery Zone, and silica-rich pods or clasts in brecciated quartzofeldspathic rocks at the West Zone (located 2.35 km WNW of the Discovery Zone). The Discovery Zone occurrences have been exposed by a series of small hand trenches in the face of a 130-metre long roadcut in subcrop of variably silicified and/or argillically altered granodiorite. Local ankeritic (?) and iron/manganese oxide alteration is also present. The occurrences are narrow (<1 - 10 cm) banded chalcedony veins associated with local subparallel shears having a close spatial relation to the Nicoamen River Fault. Both steeply dipping and fairly flat-lying veins occur, with apparent poor continuity. The vein textures and trace element geochemistry are typical of low sulphidation style epithermal mineralization.

Roadcut soil samples collected in the vicinity of both the Discovery and West Zone showings are strongly anomalous in gold, arsenic, antimony and molybdenum. The larger (area) grid soil geochemical anomalies show generally good coincidence amongst these same elements, plus flanking or peripherally situated elevated levels of mercury.

Infrastructure

There is no infrastructure in place on the prospect.

Drilling Results

No drilling has been carried out on the prospect.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007 with all work being conducted by Tanqueray which is earning its interest in the prospect.

The Merit and Brookmere Prospects Canada

The Merit and Brookmere Prospects are without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The Merit claim group comprises about 1,906.6 hectares (~19 sq. km) and was acquired by staking during 2004 and 2005 and is 100% owned by the Company.

The Brookmere claim group comprises 17,114 hectares and was acquired by staking during 2005 and is 100% owned by the Company.

Expenditures to Date

During Fiscal 2006, the Company incurred $17,648 in exploration costs on the Merit prospect of which $16,574 was recovered from Williams Creek. The value of securities received pursuant to the option agreement was $29,200. As at December 31, 2006, the Company had deferred costs of $62,440 on this prospect.

During Fiscal 2006, the Company incurred $6,157 in acquisition and $41,125 in exploration costs on the Brookmere prospect. The Company recovered $55,127 from Williams Creek, including administration fees. The value of securities received pursuant to the option agreement was $7,300. $14,028 was included in income from mineral property options. As at December 31, 2006, the Company is carrying this prospect at $1.

Location and Access

The prospect is readily accessible by road, 30 kilometres west of Merritt, British Columbia.

History and Recent Work

Pre-acquisition work to September 2004 consisted of prospecting and recon geochemical sampling, based on follow-up of earlier government (BC-RGS) and Company-generated regional gold stream sediment anomalies. This program generated 71 rock, 56 silt, and 16 soil samples. Following initial claim staking, in September-

October 2004, further similar work was carried out which generated an additional 28 rock and 109 soil samples. All of the samples were tested for 36 elements, by Acme Analytical Laboratories in Vancouver, BC.

During 2005 the initial (legacy) claims were converted to electronic (BCGS) grid cell claims, and two additional new cell claims were acquired resulting in a land area expansion from about 1700 hectares to the current 1906.6 hectares on the Merit prospect. The 2005 exploration program comprised further prospecting and recon rock/soil geochemical sampling, a property wide grid soil geochemical survey, limited geological mapping and hand trenching in two mineralized areas Sullivan Ridge and West Zone. This work generated 1,081 soil and 58 rock samples, all of which were tested for 36 elements by Acme Analytical Laboratories in Vancouver, B.C. A few selected trench rock samples were also fire assayed for gold and silver, at the same facility.

The rock sample results have identified numerous gold-silver bearing quartz (± calcite) float occurrences, and insitu quartz-carbonate alteration/mineralization along two major northerly (to NNE) - trending structures. Initial Sullivan Ridge grid soil sampling conducted in 2004 over an area of 800 metres by 200 metres on one segment of the main structure has outlined a multi-element anomaly. The main, property wide, grid soil sampling results from 2005 show other discrete areas of elevated gold±arsenic±antimony±mercury. The largest of these (2005) soil anomalies measures 3500 metres long by 300 to 900 metres wide, and is situated between and subparallel to the Sullivan Ridge and West Zone mineral trends.

During 2006, Williams Creek conducted prospecting and stream sediment sampling on the Brookmere prospect and a geological mapping and soil sampling program on the Merit prospect.

Geology and Mineralization

The Merit prospect is underlain dominantly by the northwest trending belt of intermediate to mafic volcanics and minor sediments of the Cretaceous Spences Bridge Group. This assemblage dips gently to the northeast and is locally overlain by Tertiary (Eocene) mafic to felsic volcanics. Major structural features in the local area are north to northeast trending, steeply dipping normal faults. One such feature, situated adjacent to the eastern claim boundary, is a prominent structural break that extends northward for over 40 kilometres through to and beyond the Highland Valley porphyry copper producing district.

Within the claim area, all of the (float and bedrock) mineral occurrences found to date show characteristics of low sulphidation type epithermal veins and breccias.

The main or El Gordo structure has been traced intermittently along a strike length of 2,700 metres and is highlighted by two segments of exposed alteration and mineralization called Discovery Hill and Sullivan Ridge zones. Both of these zones are characterized by intense iron carbonate-hematitic silica and clay alteration containing elevated to strongly anomalous values of one or more of the epithermal suite trace elements arsenic, antimony, mercury, barium, plus copper and manganese. The more prominent Sullivan Ridge consists of a 10- to 50-metre wide zone that is

readily traceable in outcrop and talus over a length of 750 metres. Locally abundant quartz vein and carbonate-quartz breccia occur within the alteration envelope. Grab and trench channel samples of this material from several sites along the zone have yielded anomalous gold and silver analyses. The better gold grades encountered to date are in the northern portion of the Sullivan Ridge Zone, and they occur in veins/breccia that strike northerly versus the NNE trend of the overall structure.

A second, parallel northerly trending structure has been identified 1.5 kilometres to the west of El Gordo. This structure is characterized by the West Zone quartz vein and rubble train which has been traced over a 350-metre strike length. Initial hand trenching across this zone at three closely spaced intervals has revealed a massive hematitic quartz vein having true widths of 1.5 to 2.5 metres. Eighteen continuous chip and grab samples of the vein and altered wallrock material have returned anomalous gold, silver, copper, arsenic, antimony, barium and mercury analyses.

The nature of the alteration and mineralization found to date at Discovery Hill, Sullivan s Ridge and West zones, including the presence of high mercury and barium values, suggests that these zones may represent the upper part of an epithermal system.

Brookmere has similar geology to the Merit prospect. During Fiscal 2006, a detailed prospecting and stream silt sampling program was carried out on the prospect. A bedrock source for anomalous values detected has not been located. The Company is awaiting a report from Williams Creek on the property.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration for Fiscal 2007 with all work being conducted by Williams Creek which is earning its interest in the prospects.

The Logan Property Canada

The Logan Property contains an inferred mineral resource of 13.08 million tonnes (14.42 million tons) grading 5.10% zinc and 23.7 gm/tonne (0.69oz/ton) silver, as recently re-estimated by HATCH Associates Ltd. of Vancouver, B.C., an independent party to comply with the Canadian Securities Administrators (CSA) National Instrument 43-101 standards (Form 43-101F1) engaged by Yukon Zinc Corporation.

Interest

The Company owns a 40% carried interest in the property, acquired from its predecessor (Fairfield) through amalgamation. The owner of the 60% joint venture interest is required to fund 100% of exploration expenditures until a production decision is made, at which time the Company may elect to pay its proportionate share of future expenditures after the production decision or convert its property interest into a 15% Net Profits Interest. In 2003, the 60% owner agreed to sell its joint venture interest to Expatriate Resources Ltd. (Expatriate). To simplify documentation, a new agreement was entered into at this time directly between the Company and Expatriate with all details of the previous agreement remaining the same. In late 2004 Expatriate was restructured into two successor corporate entities, resulting in a transfer of the 60% joint venture interest to one of the successors named Yukon Zinc Corporation.

Expenditures to Date

During Fiscal 2006, the Company incurred no costs on this prospect. As at December 31, 2006, the Company is carrying this property at $1.

Location and Access

The Logan Property comprises 156 claims located 108 kilometres northwest of Watson Lake, Yukon at latitude 60 degrees 30 minutes North and longitude 130 degrees 27 minutes West. The claims are situated 38 kilometres north of the Alaska Highway and 258 kilometres east of Whitehorse. Principal access is by fixed-wing aircraft or helicopter. A 52 kilometre trail originating from Milepost 687 (Km 1105) on the Alaska Highway provides minimum winter

access to the property for track-equipped machinery.

History and Recent Work

The initial 36 Logan claims were staked in July and October 1979 to cover showings of zinc-silver-copper-tin mineralization discovered during a reconnaissance prospecting and stream sediment sampling program undertaken by Regional Resources Ltd. (Fairfield s predecessor). Additional claims (Logan 37-106) were staked at various dates in 1984 and 1986. Property exploration programs including geological mapping, geochemical and geophysical surveys, detailed prospecting and hand trenching were carried out between 1979 and 1985.

In May 1986 the property was transferred to Fairfield and subsequent exploration programs during 1986 to 1988 included diamond drilling (103 holes totalling 16,439 metres of NQ core), excavator trenching (15 trenches totalling 2,412 linear metres), additional soil geochemistry, Induced Polarization geophysical surveys, as well as aerial photography, various ground control surveys, construction of a 700-metre long gravel airstrip, and reclamation work. Most of the drilling was conducted at 100-metre by 50-metre grid spacing.

All of the above work programs were performed or supervised by Cordilleran Engineering Ltd. of Vancouver, Canada. All project sample assays and analyses were performed by Bondar Clegg & Company Ltd. in North Vancouver. In late 1988 an initial mineral resource estimate for the Main Zone deposit was calculated by J.J. Hylands, P.Eng., and M.A. Stammers, FGAC, of Cordilleran Engineering Ltd. However, this estimate was not strictly defined according to Canadian Institute of Mining (CIM) standard resource/reserve classifications.

In early 1989 preliminary metallurgical testing was undertaken on composite samples of drill core assembled from 16 selected intersections of the Main Zone deposit. This work was conducted by Lakefield Research under the direction of Strathcona Mineral Services Ltd. of Toronto, Canada. The results demonstrated that high zinc (93-97%) and silver (85-87%) recoveries are readily achievable from a concentrate grading 50-54% zinc.

The project was dormant from 1989 through 2002.

In early 2003 Expatriate purchased a 60% joint venture interest in the property from Energold Minerals Inc. (formerly Total Energold) and became the operator of the project. A baseline environmental survey was conducted in and around the property in advance of further exploration and/or engineering studies. Staking of the LOGAN 107 to 152 and STRIP 1 to 4 mineral claims was completed to cover areas of potential infrastructure. Core storage facilities at the old exploration camp were refurbished and core inventoried for future examination.

In November 2003, Expatriate commissioned Hatch Associates Ltd. (Hatch) to complete a resource estimate and data compilation as part of an Independent Technical Report to NI 43-101 standards. Hatch completed this assignment with the assistance of Mr. Gary Giroux, P.Eng., while Hatch s Qualified Person for this assessment was Mr. Callum Grant, P.Eng. who visited and inspected the property in October 2003. The resource estimation portion of the report was released on March 24, 2004.

CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF INFERRED RESOURCES

This section uses the term inferred resources . We advise U.S. investors that while this term is recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize it. Inferred resources have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies.

U.S. INVESTORS ARE CAUTIONED NOT TO ASSUME THAT PART OF ALL OF AN INFERRED RESOURCE EXISTS, OR IS ECONOMICALLY OR LEGALLY MINEABLE.

The published Inferred Resource of 13.08 MT grading 5.10% Zn and 23.7 g/t Ag uses a 3.5% zinc-equivalent cutoff that is based upon metal prices of U.S. 43 cents per pound zinc and U.S.$5.50 per ounce silver, with recoveries of 94% and 64% respectively. The Hatch re-estimation of resources at Logan uses the block model method, with Kriging applied to the assay data from 58 drill holes completed in the Main Zone during 1986-88. The model relies wholly on this historical drill-hole information and does not include any new exploration data. The model is constrained by geologic boundaries to mineralization as interpreted on 23 cross-sections of the Main Zone over a 1.53 km (0.95 mile) strike length. No mineralized intercepts are included from the East or West Zones.

In Fiscal 2006 Yukon Zinc conducted an airborne gravity survey of the property. Results have not yet been received by the Company.

Geology and Mineral Deposits

The property is dominantly underlain by granodiorite and pegmatites of the Cretaceous Marker Lake Batholith, which has intruded Lower Cambrian and possibly older metasedimentary rocks. Tertiary andesite dykes, quartz-feldspar monzonite-latite porphyry dykes, quartz veins and breccia bodies are associated with an eight kilometre long east-northeast (ENE) trending mineralized structure. Within this structure, at least three mineral bodies have been identified and named as the Main, West and East Zones.

The Main Zone deposit has been defined by 58 drill intersections, to an average vertical depth of 185 metres (~600 feet). It is contained within a steeply dipping fault bounded tabular body 1100 metres long by 50 to 140 metres wide. Sphalerite with lesser pyrite, arsenopyrite, chalcopyrite, pyrrhotite, silver-bearing lead sulphosalts and cassiterite occur as fracture fillings, disseminations and coarse masses in quartz veins or breccia and silicified

hostrock.

Infrastructure

With the exception of the airstrip and connecting network of drillsite access trails, there is no infrastructure in place on the property.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007. Yukon Zinc Corporation maintains the property in good standing.

The Fuego Prospect - Mexico

The Fuego Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

During Fiscal 2003, the Company s subsidiary, Compania Minera Zapata, S.A. de C.V., acquired 100% interest in the prospect by staking. The project fell under the area of influence of the BHP Billiton joint venture discussed below, and under terms of this joint venture it was offered to BHP, who declined to participate and have released any interest in the prospect.

In February 2004, the Company entered into an agreement (the Horseshoe Option with Horseshoe Gold Mining Inc. (Horseshoe). To earn an initial 50% interest, Horseshoe must maintain the property in good standing, incur exploration expenditures totalling U.S.$2,000,000 and issue 1,000,000 shares to the Company by December 31, 2006. Horseshoe can increase its interest to 60% by incurring a further U.S.$1,000,000 of exploration expenditures by December 31, 2007. Upon earning a 60% interest in the prospect , Horseshoe would have 120 days to acquire Almaden s remaining 40% interest in the prospect in return for a 40% interest in the issued capital of Horseshoe, to be issued by Horseshoe to Almaden at that time. Horseshoe s right to increase its interest to 60% is subject to approval by its shareholders of the acquisition of Almaden s remaining 40% interest. By reason of delays in obtaining requisite permits to conduct exploratory drilling and consequent delays in securing appropriate drilling equipment, Horseshoe was unable to make requisite expenditures within the times provided in the Horseshoe Option. By amendment dated as of the 31st of January 2005, times to perform work requirements and to meet share issuances were extended essentially by one year.

Expenditures to Date

During Fiscal 2006, the Company incurred $239,528 in exploration costs, primarily on the payment of Mexican mining taxes ($39,391), geochem ($34,816), professional and technical services ($86,126) and travel ($37,495). The Company recovered $233,036 of exploration costs from Horseshoe. The value of securities received pursuant to the option agreement with Horseshoe was $21,000. $14,509 was included in income on mineral property options. As at December 31, 2006, the Company is carrying this prospect at $1.

Location and Access

The prospect is located in south central Oaxaca State, Mexico and is accessible from the city of Oaxaca by paved highway southeast for 114 kilometers to San Pedro Totolapan, then by unpaved road south for 24 kilometers to San Maria Zoquitlan and a further 32 kilometers of rough winding road extending in a southeasterly direction.

Infrastructure

There is no infrastructure within the immediate area of the prospect.

History and Recent Work

Limited historic mining was last carried out on the prospect in 1905 from open cuts and small scale, shallow underground openings on at lease 3 separate quartz veins.

Horseshoe completed a surface geologic mapping and rock and soil sampling program on the prospect. A small Induced Polarization (IP) geophysical survey was carried out to test the effectiveness of this methodology in identifying vein structures that are not exposed.

Geology and Mineralization

The prospect is a high-level, classic quartz-adularia epithermal vein system. The textures identified, including fine grained silica and electrum banding and bladed calcite, are typical of that associated with epithermal vein systems worldwide. Some limited historic workings exist on one of several banded veins identified within a more than 20 meter wide zone of veining and silicification in volcanic rocks. Banded quartz-adularia veins within the vein system generally dip shallowly and are up to 5 meters wide. In the initial work the parallel vein system has been traced nearly a kilometre along strike. To date 16 grab and chip rock samples have been taken on the property of both banded quartz adularia vein material and silicified volcanic wall rock. Visible gold was recognised in several hand specimens collected on the property which were not sent for analysis. The property has excellent infrastructure and represents an epithermal vein system that has had no known previous modern exploration.

Exploration Results

The El Fuego vein system was first examined and sampled by Almaden during a helicopter-supported reconnaissance exploration project in March 2003. There is no evidence of any recent work on the prospect.

In December 2003, a reconnaissance style, field appraisal that included geological mapping and limited rock sampling was carried out by an independent geologist.

In early 2004, reconnaissance geological mapping, sampling and an Induced Polarization survey gave better definition to the vein. This work identified the known veins as resistivity and chargeability highs. Additional resistivity and chargeability highs were identified in this work which suggests that further veins may exist. In 2004 Horseshoe completed a surface geologic mapping and rock and soil sampling program. This program outlined the main vein zone which has been traced in outcrop roughly 1,000 meters along strike. Along this exposed strike length vein widths vary from 3 to 10 meters. Several parallel veins were identified in outcrop as well.

In 2005 and 2006, Horseshoe completed a diamond drill program on the prospect. In all 15 holes were completed for a total of 2,500 meters of drilling. The drilling program intersected banded quartz-adularia veining within broad zones of silicification. The veins are hosted within a package of felsic crystal and lithic bearing tuffaceous volcanic rocks. Zones of silicification and quartz veining were intersected in all 15 holes drilled which were collared along roughly 700 meters of strike length. The most significant assays from the program are tabularized below. Gold and silver values are reported in grams per tonne (g/t) and the intervals are reported in meters (m).

Hole #	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)
Hole 1	6.50	10.00	3.50	0.32	60.0
Including	6.00	6.50	0.50	0.70	180.0
Hole 2	128.07	132.20	6.13	1.00	22.0
Hole 3	74.26	74.65	0.39	4.26	100.0
Hole 4	138.00	141.06	3.06	0.55	9.4
Hole 5	75.04	77.70	2.66	1.10	68.5

Hole 6	77.70	79.46	1.76	0.20	29.3
Hole 7	63.09	63.76	0.67	0.31	27.7
Hole 10	86.30	88.00	1.70	0.24	6.8
Hole 11	89.60	95.00	5.40	0.44	33.8
including	91.00	92.00	1.00	1.38	98.2
Hole 14	97.50	97.80	0.30	0.10	142.0
Hole 14	99.00	100.00	1.00	0.91	84.3
Hole 14	104.98	105.68	2.30	0.54	34.5
Hole 15	115.93	118.05	2.12	0.61	59.4
including	116.60	117.22	0.62	1.06	63.7

Almaden and Horseshoe are encouraged by these results which indicate that the vein system is mineralized over a broad strike and dip extent. Geological, geochemical and petrologic studies carried out on the veins intersected in core indicate that the depths at which the vein has been tested are still quite shallow within the hydrothermal system and relative to where high grades are expected. This is in part due to the vein dipping at a shallower angle than expected. Management of both firms are currently reviewing all the data available in order to better understand these results in anticipation of a follow-up drill program designed to test the vein system at greater depths and to target areas highlighted by this first phase drilling.

In addition to diamond drilling along the known extent of the vein system, a geologic mapping, rock-chip and soil sampling program was carried out in January and February 2006 to better define and extend the understanding of the veining and to identify further veins. The soil sampling program defined a gold, silver and antimony in soil anomaly which extends the known trend of gold mineralization by roughly 500 meters.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007 with all work being conducted by Horseshoe which is earning its interest in the prospect.

The San Carlos Prospect Mexico

The San Carlos Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature. The San Carlos Prospect consists of the San Carlos and San Jose claims located in the State of Tamaulipas in Mexico

Option to Acquire Interest

The prospect is owned through the Company s subsidiary, Compania Minera Zapata, S.A. de C.V. The San Carlos claim was acquired directly by staking. The San Jose claim, initially held under option, was purchased outright in February 2001 for U.S.$100,000 plus a 2% NSR. These claims surround several small claims totaling 97 hectares which were optioned for a purchase price of U.S.$1,000,000 over six years subject to a sliding scale royalty. This option was subsequently terminated.

In March 2004, the Company entered into an agreement (the Hawkeye Option) with Hawkeye Gold and Diamond Ltd. (Hawkeye). In April 2005, the Company signed a revised option agreement with Hawkeye on terms whereby Hawkeye could have earned a 51% interest in the project by paying C$45,475 representing past obligations, issuing a total of 1,250,000 shares to Almaden by April 2008 and incurring exploration expenditures of U.S.$2,000,000 by March 15, 2008 (amended). During Fiscal 2006, Hawkeye terminated its option.

Expenditures to Date

During Fiscal 2006, the Company incurred $79,788 in exploration costs, primarily on the payment of Mexican mining taxes ($70,330). The Company recovered $33,801 of exploration costs from Hawkeye. As at December 31, 2006, the Company had deferred costs of $41,520, net of write-downs, on this prospect.

Location, Access and Climate

The prospect is located in the state of Tamaulipas, which is in the north-eastern part of Mexico. The town of San Carlos is located roughly in the center of the San Carlos claim block. There is two phase power, telephone service, general supplies and a small hotel in this town.

San Carlos is connected by paved road, and is about 100 kilometres north of the capital of Tamaulipas, Ciudad Victoria. The town of Linares, Nuevo Leon is located approximately 80 kilometers northwest of San Carlos. Intermediate to San Carlos and Linares, and connected by an all season dirt road is the mining district of San Jose.

The climate is arid and hot. During the summer months temperatures can average greater than 35 degrees centigrade. The duration and timing of the summer rainy season varies considerably; however, rains generally are expected during the months of June, July and August.

The town of San Carlos is approximately a three and one half hour drive from Monterrey which is a major

industrial city with a population of about three million people. Ciudad Victoria and Linares are both about a one and one half hour drive from San Carlos and have populations of over 100,000 people. All necessary supplies can be purchased at these towns and labour is abundant.

History and Recent Work

Accurate historic data is difficult to find, however, it appears that up until 1911 copper-gold mining did occur. At that time, the operator was an English company that built a narrow gauge rail line to the property and a small smelter on the property. There is no record of total production at that time. Several attempts were made to establish production on a small scale from these skarn zones as recently as 1950, records are incomplete but indicate 4,067 tons of direct shipping ore that averaged 4.02% copper (Cu) and 11.24 grams/ton gold (Au) was mined during this period. Fairfield was attracted to this area following a review by management of the geological literature on eastern Mexico. The literature indicated that the many of the igneous rocks are alkalic in composition. This is of interest because many large copper-gold deposits are associated with these types of rocks. The literature also described a skarn zone up to five hundred metres wide. The San Jose area was the site of an historic mining camp (Begonia and Santa Helena mines) that was active during the late 1800's and early 1900's. Production from this area was from a number of high-grade copper-gold skarn orebodies. The old workings are reported to be limited to less than 100 metres below surface. There has been only limited exploration, development, and production from that time until the present activity.

Fairfield acquired a large block of ground over the area and then negotiated terms to acquire the San Jose and Begonia claims. The San Jose Claim was subsequently purchased subject to a 2% royalty.

Property scale prospecting and stream sediment sampling were undertaken in May 1998 and February 1999 by Fairfield s personnel. An airborne magnetometer-electro-magnetic survey was carried out over most of the claim block in April 1999 by Terraquest Ltd. of Mississauga, Ontario. In June 2000 a baseline was cut for geochemical surveying. Assaying and analysis was carried out by Acme Analytical Labs of Vancouver, Canada.

In Fiscal 2001, Aurcana carried out geological mapping, geochemical surveys, underground mapping and sampling in the Begonia and Santa Helena mine areas, and two phases of geophysical surveys. Targets outlined by this work were drilled in two phases in late 2002 and early in 2003. Further limited geochemical surveys to check a gold anomaly on the eastern edge of the previous grid was also carried out. No further work was carried out by Aurcana.

Hawkeye work

In 2004 Hawkeye carried out a geologic mapping, geochemical and geophysical survey and rock and soil sampling program over the area of anomalous soils identified by Aurcana. This work delineated several areas that are deemed anomalous with respect to gold, silver, lead and zinc responses in soil samples and elevated chargeability responses recorded in the induced polarization geophysical survey carried out. Hawkeye has informed that it commenced a drill program in December 2005 that was not completed before breaking for Christmas.

Hawkeye commenced a drill program in December 2005, which was completed in March 2006. In total, 950 metres were diamond drilled in six holes on the prospect. Drill sample assays were completed by Acme Laboratories of Vancouver and no significant results were reported.

On the basis of the drill results, Hawkeye terminated its option agreement with the Company. Hawkeye s geological testwork and drilling examined approximately 25% of the prospect.

Geology and Mineralization

A trend of alkalic intrusive centers has been recognized in eastern Mexico. These rocks generally form distinct, isolated high relief areas and intrude deformed and thrust faulted, dominantly carbonate strata of the eastern extent of the Sierra Madre Oriental mountain range.

Extrusive and intrusive rocks in the San Carlos area are interpreted to represent the erosional remnant of a denuded shield volcano. The volcanic rocks have been recognized along the margins of a major intrusive complex, and the intrusives are thought to represent shallowly emplaced magmas. The San Jose area is cored by

a strongly fractured quartz-microdiorite. To the south of the San Jose area both calc-alkaline and alkaline intrusives occur and have been cut by lamprophyre and phonolite dykes.

Several styles of mineralization are known in the San Carlos district. Manto and vein silver-lead-zinc orebodies hosted in limestone were exploited in the 18th century east of the San Jose district at San Nicolas. These orebodies were very important at that time and at one point the town of San Nicolas reportedly had a population of over 10,000. Several grab samples were taken from dump material and exposures in workings. Most of these showings are held by others but are proximal to the San Carlos claim group.

Mineralization in the San Jose district is closely related to intrusive rocks. Copper sulphides and gold are associated with calc-silicate minerals and magnetite (skarn) that have replaced the limestone country rock. Copper sulphides and gold are also associated with extensive K-silicate alteration and veining within the intrusive body, which was considered to present the potential for a porphyry style gold-copper deposit in the intrusive complex. The geologic setting of the San Carlos project bears many similarities to that of the Grasberg and Bingham Canyon porphyry copper-gold-molybdenum deposits where similar intrusive rocks intrude folded limestone strata forming porphyry, skarn mineralization and more distal lead zinc silver mineralization.

Exploration Results

Stream sediment sampling and prospecting along with examination of old workings in the Begonia and Santa Helena areas, when related to the known geology and airborne magnetic survey results, indicated several areas for follow-up with potential for porphyry and skarn related copper gold deposits. The San Jose area has evolved into the main area of interest and this is the focus for further work.

Aurcana Work

A preliminary prospecting and mapping program confirmed the presence of widespread porphyry style alteration, and copper-gold mineralization in the multi-phase intrusive complex. Aurcana s next program of work was carried out over the San Jose zone and consisted of 1,002 soil samples, ground magnetics and one line of induced polarisation (IP) geophysics, all carried out on a cut grid. The soil survey identified an approximately 1.5 km by 2.0 km area of coincident, elevated copper and molybdenum soil geochemistry, spatially associated with an area of altered and veined intrusive rocks. The copper and molybdenum anomaly remained open to the north and is flanked by elevated Zn, Pb and Mn in soil. This zonation is typical of that seen in many Cu-Au-Mo porphyry systems world wide. The copper-molybdenum in soil anomaly had a high magnetic response in the ground magnetic geophysical data. In addition to the copper-molybdenum soil anomaly, several Au-Cu soil geochemical anomalies were identified. Of these anomalies, most are associated with known skarn bodies with past copper-gold production but several also constitute new discoveries as they are not spatially associated with known mineralization or past mining.

Detailed mapping and sampling by Aurcana of the La Begonia workings identified a skarn-breccia complex measuring approximately 50 metres by 250 metres. The highly porous and permeable nature of the breccia has permitted oxidation and supergene processes to take place. Within the heavily oxidized, sulphide poor skarn-breccia

area, average assay values for continuous channel samples (2 m lengths) were taken. Underground mapping and sampling was also conducted on the Santa Elena Mine, approximately two km north of La Begonia, however access was limited to two stopes due to a high water level in the main access tunnel. While the geological setting at the Santa Elena Mine is similar to La Begonia, the Santa Elena Mine has a lower gold content. It appears that most of the past mining and development was from the oxide horizon. Mapping of the underground workings combined with surface observations identified what appears to be an important structural orientation in the southern portion of the San Jose area. It appears that the gold-copper bearing breccia bodies have formed along north-east trending zones which coincide with several trends identified from results of a soil geochemical survey conducted in late 2001. The significance of this controlling structure and the coincident geochemical trends is the potential to discover additional high-grade breccia-skarn bodies on the property still held.

The cut grid was extended approximately 1.0 km to the north and provided control to complete a soil geochemical survey. This work, combined with further induced polarization (IP) geophysical surveying and a ground magnetic survey identified a large copper-gold soil anomaly coincident with a chargeability high in the IP results.

In December 2002, Aurcana drilled two diamond drill holes totaling 440 metres to test the Begonia skarn zone. Due to rugged topography, the drill setup was 150 metres from the area of high grade underground sampling. Both holes were from the same setup and did not intersect any sulphide mineralization in the skarn zone in the western end of Begonia.

A second phase of diamond drilling started in February 2003 to test the approximately 1.5 km by 2.5 km area containing the IP anomaly and elevated copper and gold values in soils. Four holes totaling 765 metres were drilled. All holes targeted a depth of approximately 200 metres and all encountered geology indicative of a porphyry system however grades of copper, molybdenum and gold were low.

During its last phase of surface work, Aurcana further defined a gold in soils anomaly at the northeastern edge of the surveyed area. This anomalous area lies over the contact between intrusive rocks and limestone.

Hawkeye work

Hawkeye s work program designed to evaluate the potential for Carbonate Replacement Deposits (CRD) style and copper-gold skarn mineralization around the 9 km periphery of the Tertiary intrusion into the thick section of Cretaceous carbonates.

A total of 21 km of Induced Polarization survey was completed using a pole-dipole technique in a six to eight level array at 50 m slope chained intervals.

The results obtained to date have identified six areas of interest underlain by significant Induced Polarization (IP) anomalies (chargeability highs and coincident resistivity highs and lows) and a combination of coincident anomalous soil and rock geochemical responses. The six targets are outlined in the north and eastern parts of the project area within the carbonate sequence at various distances peripheral to the main San Jose monzonite intrusion. Two of the targets are classified as Au-Cu (Gold-Copper) targets likely associated with proximal and contact skarn and/or fracture mineralization whereas the remaining four are believed to represent more distal carbonate replacement deposit (CRD) style mineralization.

The most widely anomalous element of significance for CRD style mineralization is zinc, forming an intermittent linear north trending band 3 km long and 1.3 km wide. Clusters of moderately anomalous response outline northwest trends up to 1 km long and 100 m wide. One of these anomalies is believed to coincide with the southeastern extension of the smithsonite silicification zone. Manganese and arsenic response are also largely coincident with zinc while silver and lead values are weakly elevated but do form small clusters that are coincident within the outer periphery of the grid.

Hawkeye has informed Almaden that its 2005/2006 drill program was designed to test for both CRD and skarn type mineralization. The drill program reported no significant results.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned Fiscal 2007 exploration program. The Company is seeking a joint venture partner for this prospect.

The Yago Prospect - Mexico

The Yago prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

In Fiscal 1997 the Company s subsidiary, Minera Gavilan, S.A. de C.V., completed the assembly, from several Mexican individuals, of claims covering a large epithermal gold target near Yago, Nayarit, Mexico. The claims under option consisted of the Guadalupe, Sagitario and Yago claims. To earn a 100% interest in the Guadalupe claim, the Company had to pay U.S.$30,000 plus value added tax over six years (amended). To earn a 100% interest in the Sagitario claim, the Company had to pay U.S.$250,000 plus value added tax by January 1, 2005 (amended). In Fiscal 2000 the Company terminated its option on the Yago 1 to Yago 7 claims to reduce

property payments. The Tepic claim was acquired directly by staking, reduced in size and then partially restaked in 2002 at the request of an optionee. Only a reduced portion of this ground is still held.

In Fiscal 1999 the Company entered into an agreement to acquire a 100% interest in 8 mining concessions which comprise the adjoining La Sarda mine and surrounding property for payments totalling U.S.$2,000,000 plus value added tax over four years, as well as improvements, a 300 tpd mill and equipment located within the mining concessions. If the mill was not included when the option was exercised in full, the purchase price would have been reduced by U.S.$200,000. In Fiscal 2000, the Company purchased this prospect outright for U.S.$110,000 plus value-added tax, not including the mill.

During Fiscal 2004, the Company completed the acquisition of a 100% interest in the Guadalupe claim for U.S.$15,000 plus value added tax and a 100% interest in the Sagitario claim for U.S.$10,000 plus value added tax. The Company also completed documentation for the purchase of the Don Alonzo claim.

During Fiscal 2005, the Company signed a Letter of Intent (LOI) with ALB Holdings (ALB), a private British Columbia company. In December 2005, no definitive agreement in accordance with the LOI was concluded and the Letter of Intent which was terminated.

In February 2007, the Company entered into an agreement with Consolidated Spire Ventures Ltd. (Spire). To earn a 60% interest, Spire has to incur exploration expenditures of U.S.$3,500,000 and issue 800,000 shares to the Company over five years.

Expenditures to Date

During Fiscal 2006, the Company incurred $45,932 in acquisition and $48,805 in exploration costs on this prospect, primarily on the payment of Mexican mining taxes ($38,192), all of which were written off to operations. As at December 31, 2006, the Company is carrying this prospect at $1.

Location and Access

The Yago prospect is located in the state of Nayarit, on the Pacific Coast of Mexico. The claims encompass the town of Yago, which is located by paved road approximately seven kilometers from Highway 15, which is the major thoroughfare from the United States to Mexico. Yago is located roughly 50 kilometers north of Tepic, the capital of Nayarit.

History and Recent Work

Southern Part:

The assembled claims cover a large alteration zone centered on a northwest trending extensional structure with numerous separate gold veins, many of which had had historic small scale mining operations from numerous old workings. It is believed that this was the first time in many years that all these claims had been assembled into a single property. The separate owners each controlled a part of the main area of interest in the southern part of the property which is a large stockwork zone of chalcedonic banded quartz veins where small scale mining was carried out. Wider veins within the stockwork zone were mined by underground open stopes accessed by adits and by glory holes mined out to surface.

In 1997, soil sampling and geological mapping were carried out on a grid over the southern area of interest. Numerous rock samples were also taken at this time. Encouraging results were followed up by expanding the grid and detailed in fill soil sampling in areas of interest.

In Fiscal 1998, the Company optioned the property to Santoy Resources Ltd. (Santoy) who conducted a 975.2 metre drill program late in the year. Results did not meet their expectations and Santoy dropped their option in July 1999.

During November and December 1999 a program of mapping, sampling and road building was carried out on the project. Work was focussed on the Guadalupe-Tejona-Korina vein system in the southern portion of the project. Samples of ore from recent development and production blasts were also taken from the La Sarda area active operations, roughly seven kilometres north. The La Sarda Prospect had been in continuous production for about 5 years and mining during the option period was to be for the benefit of the current owner but restricted to

150 tonnes per day maximum and to material above the lowest level of workings on the La Sarda vein which is roughly 100 metres below the surface. Mining operations ceased in early 2000.

In March 2000, the Company and its predecessor (Fairfield) entered into an agreement where Fairfield could earn 51% of the Company s interests and rights to the prospect. Fairfield drilled two holes on the southern part of the property with discouraging results, and completed the acquisition of the northern part of the property.

In 2002, the Company optioned the property to Ascot. The optionee carried out further sampling, geological mapping, induced polarization geophysical surveys and limited diamond drilling. Ascot dropped their option in 2003.

Northern Part:

In this area, the thrust of the Company s exploration effort was to find new, larger zones of high grade material at greater depths on both the La Sarda and parallel vein zones.

In December 1999 some mapping was carried out on the La Sarda vein. Because the mine and mill were operating without established reserves, production and grade were somewhat erratic. The La Sarda vein had provided most of the production over the previous four or five years. This vein was found by mapping to be just underneath the opaline silica horizon, further indication that only the top portion of this extensive system is exposed.

The La Sarda area active workings were inspected. Four major sub parallel vein systems have been recognized in this area, and three were being actively worked at that time. High grade ore was reported in the active faces of the La Cucaracha vein workings. A sample taken from muck from an ore face returned values of 20.2 grams/tonne Au and 151 grams/tonne silver.

Geology and Mineralization

The assembled claims cover a large alteration zone centered on a northwest trending extensional structure with numerous separate gold veins.

The country rocks in the area are Tertiary andesitic tuffs and flows that are observed to be flat-lying. The alteration zone is characterized by strataform silicification spatially associated with friable argillic alteration dominated by kaolinite with subordinate alunite and cristobalite.

This alteration zone is interpreted to represent the paleowater table of a shallowly-eroded epithermal system. Gold-bearing quartz veins with prominent crustiform, colloform banding and stockwork quartz veining, are exposed beneath the strataform alteration and are the target of the exploration efforts.

Infrastructure

A main railway line crosses the prospect and there are electric powerlines to the town of Yago. The prospect is approximately seven kilometeres from Highway 15 and is traversed by numerous gravel roads.

Exploration Results

Southern Part:

In 1997, a 1 by 1 kilometer grid was cut over the area of intense quartz-adularia veining and float and a soil sampling program was carried out at 50 meter spacing on lines 100 metres apart. Several large multi-line gold-silver-antimony anomalies resulted that extended to the edge of the grid. A follow-up survey was carried out in which the grid was expanded to roughly 1.5 by 2 kilometers. Samples were taken intermediate to anomalous samples taken in the initial program to provide greater detail and to serve as a check on previous sampling. Sampling was also carried out to define the extent of anomalies discovered in the first phase of sampling. The in fill sampling confirmed the results of the previous survey while the additional soil sampling provided better definition of the existing anomalies and resulted in new anomalies which still remain open. This anomaly lies in the central and south-west part of the grid in an area devoid of old workings and remains open in two directions. Veins mapped in this area strike roughly 10 degrees east of north. Emanating from the north-east part of this anomaly is a linear gold-silver-antimony soil anomaly trending approximately 40 degrees east of north. The trend coincides with the attitudes of veins measured in outcrop in the north-east portion of the grid. Several other

multi-line gold in soil anomalies resulted from the soil sampling. Antimony and silver for the most part correlate well with gold geochemistry, defining similar trends throughout the grid.

At the time of soil sampling more than sixty rock samples were taken over the property. These samples were taken from exposures in historic workings and the associated dumps as well as the vein float prevalent over the property. Conventional Fire Assay and ICP techniques were employed on both rock and soil samples.

Several areas of intense banded quartz-adularia veining, stockwork veining and one area of hydrothermal brecciation and silicification were defined which are coincident with areas of anomalous soil geochemistry. The initial geologic data indicates that the veining represents high elevations within a shallowly eroded low-sulfidation epithermal system, of which the paleo-water table is preserved over much of the property. Exploration was designed to seek bonanza vein type mineralization.

Geologic work and road building in the southern Guadalupe-Tejona-Korina area was designed to provide access and investigate areas for future diamond drilling. During the course of this work several new veins and previously unknown historic workings were discovered. In the La Korina area (on the Sagitario claim), the lowest elevation workings, several shafts and adits were discovered in heavy undergrowth. The work completed has enabled the Company to select several sites for drilling in this area. Several banded quartz-adularia veins were discovered in the new road cuts within areas of high gold in soil geochemistry. In one area banded veining was discovered in an area of very high gold soil geochemistry along the La Guadalupe vein trend over 500 metres from known historic workings. These areas and the Korina area were not tested by past drilling and are relatively lower in elevation than the depth tested by past drilling.

This program of work resulted in the definition of several key drill hole locations in the southern Guadalupe-Tejona-Korina area. These locations would test the correct elevations for potential bonanza grades at depth along the strike and intersection of several banded quartz-adularia veins. Road building provided access for these holes. Drill holes were also been designed to test the La Sarda area vein systems to the north including the Cucaracha vein.

Numerous small scale old workings are present on the property.

Hydrothermal alteration mapping and fluid inclusion studies support the conclusion that the present erosion surface represents shallow depths beneath the paleo-water table of the hydrothermal system. The potential for high-grade gold-silver mineralization is expected to extend from surface to significant depths beneath the present surface.

In December 1998, seven (7) widely spaced holes totaling 975.2 metres were completed by Santoy to test epithermal vein targets at depth. Widespread quartz veining and stockwork systems were encountered at depth, many of which

correlated well with surface zones.

Widespread anomalous gold, silver and base metal values were obtained from the drilling with the most significant mineralized intervals as follows:

Hole No.	From - To (m)	Interval (m)	Au (g/t)	Ag (g/t)
98-01				
(Tejona Vein)	53.3 to 54.8	1.5	0.37	24.9
98-02	44.2 to 47.2	3.0	0.44	43.8
(Guadalupe Vein)	67.0 to 70.1	3.1	0.51	15.1
	121.9 to 126.4	4.5	0.54	16.7
98-03	38.1 to 54.8	16.7	0.15	22.6
(between Creek & Tejona)	incl.38.1 to 39.6	1.5	0.63	99.8
98-04	42.6 to 44.2	1.6	0.32	35.7
(La Morraya)				
98-05	198.1 to 201.1	3	1.8	0.9
98-06	32.0 to 36.5	4.5	0.13	9.4
(Creek Zone)				
98-07	No significant values			

In July 2000, Fairfield began a diamond drilling program on the southern part of the property. Progress was very poor. Drilling commenced with two holes on the Guadalupe vein that would be the most difficult to access if the rainy season were to start early. Hole one did not reach its objective and the core barrel was lost in the hole. Hole two was completed to the planned depth. The program was then terminated. Although the first hole did not reach its targeted vein, another vein was intersected. The projected vein in hole two was also intersected where expected. No significant assays were returned from these holes.

In 2002, Ascot completed a gradient array IP (induced polarization) geophysics survey on the La Sarda and Yago grids. The two large geophysical grids covered three of four principal veins in the La Sarda mine area, and the Guadalupe, La Tejona and La Korina vein systems in the Yago area to the south.

At La Sarda the three northeast-striking veins surveyed to date were mapped very effectively by gradient array IP and traced approximately 200 metres beyond their last known exposures. The data suggest that all three vein structures remain well defined over a strike length of 900 metres and are open for extension to the northeast. In the Yago area, south of La Sarda, the IP data appear more complex. On the west side of the grid geophysics traced the north-south striking Guadalupe vein over a distance of approximately 400 metres and defined a large area of very high resistivity corresponding to the La Tejona and La Korina vein structures.

A total of 1098.2 metres of diamond drilling was completed on the La Sarda vein by Ascot, one hole was lost before reaching the vein target, another hole had lost core through the section where the vein intersection was expected, and the remaining four had low grade values that nevertheless showed good vein width and continuity.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007 with all work being conducted by Spire which is earning its interest in the prospect.

The Bufa Prospect - Mexico

The Bufa (formerly Guadalupe) Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

During Fiscal 2003, the Company s subsidiary acquired 100% interest in the La Bufa claim by staking.

In Fiscal 2004, the Company entered into an agreement with Grid Capital Corporation (Grid). To earn an initial 50% interest, Grid was obliged to maintain the property in good standing, incur exploration expenditures totalling U.S.$1,000,000 and issue 400,000 shares to the Company by June 30, 2007. Grid could have increased its interest to 60% by incurring an additional U.S.$1,000,000 of exploration expenditures and issuing a further 100,000 shares to the Company by December 31, 2008. Grid abandoned its option in Fiscal 2005.

In Fiscal 2005, the Company entered into an agreement with Lincoln Gold Corp. (Lincoln). To earn a 60% interest Lincoln must incur exploration expenditures of U.S.$3,000,000 and issue 450,000 shares to the Company over five and a half years. If production is achieved, Lincoln must then issue an additional 100,000 shares to the Company. All shares issued will be Restricted Securities under the U.S. Securities Act 1933 and all certificates representing the shares will be endorsed with legends confirming their status as restricted securities. In Fiscal 2007, the Company renegotiated the agreement with Lincoln. To earn a 60% interest Lincoln must now incur exploration expenditures of U.S.$3,500,000 and issue 1,550,000 shares to the Company over four years.

Expenditures to Date

During Fiscal 2006, the Company incurred $3,070 in exploration costs on this prospect of which $2,623 was recovered from Lincoln. The value of securities received pursuant to the option agreement with Lincoln was $19,120. $9,732 was included in income on mineral property options. As at December 31, 2006, the Company was carrying this prospect at $1.

Location and Access

The Guadalupe project surrounds the town and mining camp of Guadalupe y Calvo in Chihuahua State, Mexico.

History and Recent Work

Gold was discovered at Guadalupe y Calvo on the ground surrounded by the La Bufa claim in October 1835. Production was sufficiently large that the Mexican government built a mint at Guadalupe y Calvo in 1844. L.J. Buchanan (1981) estimated historic production at 2,000,000 ounces gold and 28,000,000 ounces silver. Estimated production grade was 37 g/t gold and 870 g/t silver. This ground is currently being explored by another company.

The La Bufa ground has some known vein outcrops with old historic workings.

In April 2004, Grid reported that an initial program of geological mapping and sampling traced a major vein structure, the La Bufa, over a 1.4 kilometre distance. The La Bufa vein is hosted in a window of lower volcanic group andesitic rocks, the same rocks that host the past-producing mines at Guadalupe y Calvo located one kilometre to the northwest.

A major vein structure, has been traced from the Guadalupe camp over a 1.4 kilometer distance onto the Bufa property. Grid has reported that the vein system consists of a series of NW-SE striking, banded and brecciated, low sulphidation epithermal quartz veins that vary in strike length from 200 to 700 meters with an aggregate length of all veins mapped of 3.9 kilometers. Over 1.6 kilometers of this vein strike length, widths vary from 30 centimetres to 7.8 meters in true thickness. To date 47 chip samples have been collected from 33 locations along this section of the vein system.

In 2006, Lincoln completed a soil survey on the prospect, in addition to aerial photography, which will be used to construct topographic base maps for geological use. The soil survey covered an area 1600m long and 500m wide. Eight separate gold in soil anomalies were detected through the soil sampling and follow up work is being planned.

Geology and Mineralization

The La Bufa vein is a banded, brecciated, low-sulphidation, epithermal quartz vein that is crosscut by a series of en echelon veins varying in length from 30 centimetres to 7.8 metres true thickness. The veins are variably mineralized with pyrite, hematite and limonite.

Exploration Results

A drill program was carried out by Grid in December 2004. The program consisted of 666.15 metres in 5 holes, the longest of which was 241.9 metres (hole GUD04-01A). The holes were drilled in three locations along a roughly 137 metre strike length of the vein system. The first hole drilled (GUD04-01) encountered shallow historic workings and was stopped at 58.75 metres depth, however the last sample before the opening was encountered returned 1.55 g/t Au and 91.1 g/t Ag over 0.4 metres. Hole GUD04-01A was drilled at the same location and underneath this first hole. Holes GUD01-02 (120.5 meters deep), GUD01-03 (115 metres deep) and GUD01-04 (130 metres deep) were drilled 43, 92 and 137 meters respectively northwest along strike from the collar of holes GUD01-01 and 01A. The most important intersections from these holes are tabulated below:

Hole Number	From	To	Width	Gold (g/t)	Silver (g/t)
GUD04-01	58.35	58.75	0.40	1.55	91.1
GUD04-01A	63.0	63.46	0.46	3.23	195
GUD04-01A	76.49	78.15	1.66	1.56	69.8
Including	76.49	77.23	0.74	2.29	63.4
GUD04-02	70.96	73.20	2.24	0.41	21
Including	72.51	73.2	0.69	0.714	41.6
GUD04-02	84.80	86.70	1.90	0.25	20.7
Including	86.16	86.70	0.52	0.40	40.5
GUD04-03	64.38	66.00	**1.62**	**9.00**	**447**
Including	64.38	65.20	**0.82**	**17.15**	**787**
GUD04-03	68.91	70.52	**1.61**	**8.70**	**503**
GUD04-03	84.00	86.20	2.2	1.35	55.6
GUD04-03	95.40	96.90	**1.50**	**5.96**	**52.4**
Including	96.18	96.90	**0.72**	**9.48**	**87.1**
GUD04-04	73.18	73.70	0.52	2.87	363
GUD04-04	107.71	108.57	0.86	2.50	109
GUD04-04	121.63	122.45	0.82	1.765	80.8

The intersections represent brecciated quartz vein systems, of which there are clearly several parallel veins as indicated by hole GUD04-03 which intersected four zones of veining and brecciation all of which returned significant

gold and silver values. Grid informed Almaden that there was not enough geologic information to accurately determine the true widths for the intersections.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007 with all work being conducted by Lincoln which is earning its interest in the prospect.

The Campanario Prospect Mexico

The Campanario Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The prospect was acquired directly by staking and is owned through the Company s subsidiary, Compania Minera Zapata, S.A. de C.V. In November 2005, the Company entered into an agreement with Consolidated

Spire Ventures Ltd. (Spire). To earn a 60% interest, Spire incur exploration expenditures of $3,500,000 and issue 500,000 shares to the Company by April 30, 2011. In April 2006, the Company and Spire agreed to extend the time for performance of the Initial Expenditures from April 30, 2006 to October 31, 2006. In January 2007, the Company and Spire agreed to further extend the time for performance of the Initial Expenditures from October 31, 2006 to April 30, 2007.

Expenditures to Date

During Fiscal 2006, the Company incurred $20,363 in exploration costs on this prospect, primarily the payment of Mexican mining taxes ($9,449). The value of securities received pursuant to the option agreement with Spire was $32,000 and $16,773 was recovered from Spire. As at December 31, 2006, the Company had deferred costs of $28,757 on this prospect.

Location and Access

The Campanario property is located near the village of San Miguel del Valle which is located by paved road roughly 25 kilometers southeast of the City of Oaxaca in the State of Oaxaca, Mexico.

Infrastructure

There is no infrastructure in the immediate area of the property.

History and Recent Work

The Campanario prospect was identified during a helicopter reconnaissance program in Fiscal 2003 and acquired by the Company by staking. There is no known mining or exploration history in the area of the prospect.

Geology and Mineralization

The property covers several ridges where outcrop and subcrop of a breccia body has been identified. The breccia consists of fragments of various rock types but dominated by fine-grained quartz-feldspar porphyry clasts that are variably sized and shaped. The fragments are silicified, adularised, clay altered and quartz-veined. The matrix of the breccia consists of quartz and pyrite and the breccia itself is extensively crosscut by a stockwork of pyrite-bearing quartz veining. The breccia body has been traced in outcrop to be at least 150 by 150 meters in size however, float of breccia material suggests that the body or bodies of breccia may encompass a much larger area.

Exploration Results

To date only a very preliminary exploration program has been carried on the prospect. Spire completed a further program of rock and soil sampling and geologic mapping and an induced polarization (IP) geophysical survey in order to better define the breccia zone and the soil anomaly. By reason of delays encountered arising from civil unrest has made access to the prospect to conduct exploratory drilling operation impracticable. The Company agreed to extend the time for performance of the Initial Expenditures to April 30, 2007.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned exploration program for Fiscal 2007 with all work being conducted by Spire which is earning its interest in the prospect.

The Tropico Prospect - Mexico

The Tropico Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The Company s predecessor (Fairfield), through its Mexican subsidiary, acquired the Tropico claims from Minera BHP, S.A de C.V. (BHP), a subsidiary of BHP Billiton, for a nominal consideration. The property is subject to a 2.25% net smelter return payable to BHP.

In Fiscal 1999, Fairfield optioned the property to Santoy Resources Ltd. (Santoy) who could earn a 60% interest by incurring U.S.$1,000,000 of exploration expenditures and issuing 200,000 shares to the Company. When Santoy s expenditures had reached U.S.$950,000, the Company agreed to accept 110,000 shares of

Santoy in lieu of the remaining U.S.$50,000 needed to fulfil the work obligation to earn 60% of the project. Subsequently, the joint venture purchased the Maricela and Tarantula II claims.

Expenditures to Date

During Fiscal 2006, the Company incurred $1,306 of costs on this prospect, which was written off to operations. Proceeds from the sale of securities were $60,525. As at December 31, 2006, the Company is carrying this prospect at $1.

Location and Access

The Tropico Prospect is located twenty one kilometres north of Mazatlan, Sinaloa, Mexico and may be accessed via Highway 15 from Mazatlan. Several other paved and unpaved roads provide access to various parts of the prospect from Highway 15. The centre of the prospect is approximately latitude 23 degrees 27 minutes North and longitude 106 degrees 27 minutes west.

History and Recent Work

There has been limited historic exploration for copper and gold as evidenced by numerous pits and diggings in the area. Consejos Recursos Minerales (CRM), the Mexican government mining company, mapped the Marmol quadrangle and carried out soil geochemical and geophysical surveys in the San Pablo area located on the southern margin of the Tropico mining concession after claiming it in 1993.

Since 1996, BHP carried out reconnaissance geological mapping at a scale of 1:250,000, photo interpretation and petrographic studies. This work was followed by more detailed geological mapping at 1:25,000. Mapping revealed copper mineralization associated with a layered mafic plutonic sequence. Selected samples were analyzed for platinum group elements with significant anomalous results. A stream sediment survey was carried out over the entire concession area resulting in the identification of additional areas of potential.

In 1998, Fairfield acquired the Tropico and Tropico 2 mining concessions from BHP. The Company carried out limited check sampling of mineral showings which returned anomalous values in copper, silver, gold, platinum and palladium. Santoy also completed check sampling confirming the presence of anomalous platinum, palladium, gold and copper values.

Subsequently, the Company completed four reverse circulation drill holes in an initial test of areas underlain by anomalous copper-gold-platinum-palladium mineralization hosted in a mafic igneous complex.

In July 2000 the parties agreed that the Maricela and Tarantula II claims which were acquired by Santoy be included in the agreement. The claims adjoin the Tropico claims to the south.

In 2001 Santoy carried out line cutting geochemical rock and soil sampling, geological mapping, and geophysical surveys. Favourable results from this work resulted in a 1,500 metre trenching program.

Based on trenching results, Santoy planned further trenching and drilling. Subsequent trenching, drilling, geophysics, geochemical, and geological work were financed by Sumitomo with Santoy acting as operator. After Sumitomo dropped its option on the project, the joint venture dropped the Tropico claims and maintained the Maricela and Tarantula II claims.

Geology and Mineralization

The Tropico Prospect is underlain by a Jurassic-Cretaceous layered mafic igneous complex that intrudes a late Paleozoic basement. The mafic complex is in turn cut by Late Cretaceous-Early Tertiary, diorite that may be the earliest phase of the Sinaloa batholith. Oligocene volcanic rocks and younger thin alluvium cover much of the area, limiting exposures of older rocks to small outcrop areas on hill tops.

The large mafic igneous complex hosts two main types of mineralization; primary copper sulphide minerals and pyrite with associated gold, platinum and palladium values, and secondary copper mineralization developed by oxidation and weathering of the primary sulfide minerals.

Due to limited outcrop exposure, the thickness of the mineralized zones is unknown. Limited reverse circulation

drilling data indicates that individual zones of mineralization range up to 21 meters in thickness and extend to depths of at least 70 meters. It should be noted that the intersections may not represent true thickness since more drilling is required to define dimensions of the mineralized zones.

The Maricela and Tarantule II claims are underlain by the same mafic intrusive complex that Santoy has been exploring on the adjoining Tropico claims. Results from previous geological mapping and chip sampling, along with grid soil geochemistry and geophysical surveying have outlined a one kilometre wide copper-gold-silver mineralized pyroxenite unit that can be traced for a strike length of 2.5 kilometres

Exploration and Drilling Results

Four reverse circulation drill holes totalling 1980 feet were drilled for 1998 assessment work in two separate areas of economic interest known as Santa Fe and Cerro Capule. Five foot sample intervals for the entire length of the holes were collected and submitted for preparation to the Chemex Lab in Guadalajara, Mexico, then shipped to Vancouver, British Columbia for thirty two element analyses by ICP methods. Gold, platinum and palladium metals were extracted by fire assay and analyzed by ICP methods. Weakly anomalous gold, platinum and palladium values were returned from sampling. Hole TR-1 intersected 0.5% copper over 9 metres.

In 2000, Santoy cut grids and carried out soil sampling that identified an area anomalous in copper, gold and platinum group elements. Prospecting, geological mapping and 30 line kilometres of induced polarization and magnetic surveys were also completed. Several areas had coincident anomalies from both soil geochemistry and geophysics.

In 2001, Santoy completed an approximately 1500 metre trenching program that returned anomalous values in copper, gold, palladium and platinum. Results justified a drilling program to test the trench values at depth.

In February 2002 Sumitomo and Santoy completed a first phase of exploration on the project. This first phase program totalling U.S.$600,000 was financed by Sumitomo and consisted of fifteen diamond drill holes totalling 2,844 meters targeting three of the seven identified soil geochemical anomalies. In addition to the drill program 17 trenches, totalling 2,473 meters were completed. As part of the program, the soil geochemical coverage of the property was extended to cover the most easterly portion of the mafic-ultramafic complex. Two separate coincident copper-platinum-palladium-gold soil geochemical anomalies have resulted from this work.

A review of the work completed by the Mexican government on San Pablo shows that the favourable geology and anomalous Cu/PGM values can be extended for another 1.5 km bringing the overall target to in excess of 3.0 km of strike length.

The following are the key results from the first phase.

Maricela Area - Eight diamond drill holes totaling 1,632 metres were completed on the Maricela area and tested mineralization in trenches 1, 4, 7 and 11. Seven of the eight drill holes have tested under three of the trenches within a 600 x 300 metre portion of the anomalous trend. One drill hole is located a further 400 metres to the east. All of the drill holes on Maricela encountered feldspathic, massive pyroxenite, indicating that the pyroxenitic phases of the ultramafic complex are a minimum of 300 metres thick. The pyroxenite has been extensively altered to secondary tremolite. Sulphide mineralization encountered in these holes comprises variable amounts of chalcopyrite, cubanite, bornite, pyrrhotite, and minor pentlandite. A thick, cumulate phase anorthositic gabbro is interpreted to form the hanging wall unit to the pyroxenite, and a number of surface Cu-PGM occurrences within this unit near the contact remain untested. The lower (footwall) contact is not exposed on surface, and may be partially covered by overlying younger Tertiary volcanics. The lower contact is of particular interest for its potential to develop contact style Cu/PGE mineralization.

Four holes drilled in the Maricela area intersected anomalous copper and precious metal values. Hole M-01-01 intersected 110.5 meters that graded 0.34 % copper, 0.14 g/t Platinum, 0.24 g/t Palladium and 0.09 g/t gold. This included 21.0 meters that averaged 0.79 % copper, 0.29 g/t Platinum, 0.63 g/t Palladium and 0.24 g/t gold. Hole M-01-03 intersected 128.1 meters that graded 0.39 % copper, 0.17 g/t Platinum, 0.23 g/t Palladium and 0.15 g/t gold. Hole M-01-04 intersected 127.4 meters that graded 0.36 % copper, 0.18 g/t Platinum, 0.24 g/t Palladium and 0.13 g/t gold. Hole M-02-08 intersected 38.9 meters that graded 0.50 % copper, 0.25 g/t

Platinum, 0.34 g/t Palladium and 0.15 g/t gold. This included 10.9 meters that averaged 0.95 % copper, 0.53 g/t Platinum, 0.68 g/t Palladium and 0.31 g/t gold.

A second phase of exploration was completed in October of 2002. A further four trenches were completed within the Maricela area, bringing the total number of trenches in this area to sixteen. Following this trenching program a second phase of drilling was carried out totaling 1,554 meters in 10 diamond drill holes. Five of these holes tested a 1,100 meter long section of the mafic complex, including the Maricela area. Three holes tested a portion of the projected hangingwall contact area between massive pyroxenite and megacrystic gabbro in the Maricela area. Limited induced polarization work and a further three holes were drilled early in 2003, no significant values were encountered.

Infrastructure

All major services are found in Mazatlan, a major city located twenty kilometres to the south of the prospect. Labour is available in local towns and villages. There is good road access throughout most of the area and a major highway (Number 15) crosses the western part of the prospect and major power lines also cross the western and eastern portions of the prospect. A local power line network supplies electricity to villages within the area.

Planned Work Program Fiscal 2007, Ending December 31, 2007

The Company has no planned Fiscal 2007 exploration program. The Company and Santoy are seeking a joint venture partner for this prospect.

The PV Prospect Canada

The PV Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The initial 10 claims (40 units) comprising the PV prospect were acquired by staking by the Company s predecessor (Fairfield) in October 2001 and are 100% owned by the Company. The Company added 26 single-unit PV claims by staking in February and June 2003, and also staked a separate block of 12 single-unit NIC claims during October 2003.

In March 2004, the Company entered into an agreement with Consolidated Spire Ventures Ltd. (Spire). To earn a 60% interest, Spire must incur exploration expenditures totalling $1.3 million and issue 600,000 shares to the Company by January 10, 2007. In May 2004, the Company completed the staking of an additional 22 mineral claims and was

reimbursed by Spire for the costs of this work. These new claims partly overlapped and substantially expanded the previous PV and NIC claim groups, joining them into one contiguous block currently comprising 353 units or approximately 88 square kilometres.

During Fiscal 2005 all but nine of the original (legacy) claims were converted to electronic (BCGS) grid cell claims, and six additional new cell claims were acquired resulting in a land area expansion from 88 to the present 107 square kilometers.

During Fiscal 2006, Spire completed the earn-in requirements and the Company sold its remaining interest for a total of 3,000,000 shares of Spire, 2,000,000 shares issuable immediately and 1,000,0000 shares in one year, a 2% NSR and 1,000,000 shares on start of production.

Japan Oil, Gas and Metals National Corporation Joint Venture - Mexico

On July 29, 2005, the Company entered into a Letter of Intent and Preliminary Agreement with Japan Oil, Gas and Metals National Corporation (JOGMEC). The regional joint venture program is to consist of grassroots exploration for base metal deposits over a selected area in Mexico. To keep the joint venture in good standing, JOGMEC must contribute U.S.$700,000 to this program with U.S.$300,000 of exploration expenditures to be incurred by March 31, 2006 and the remainder by March 31, 2007. JOGMEC can acquire a 60% interest in any mineral property acquired during the course of the exploration program (designated property) by incurring an

additional U.S.$500,000 of exploration expenditures for each designated property. Any property identified by the program, but not selected as a designated property, shall be 100% owned by the Company.

In addition to the exploration joint venture, JOGMEC may earn an initial 51% interest in the Company s Santa Isabela property, acquired by staking, by incurring exploration expenditures totaling U.S.$300,000 by October 31, 2005 (done) and by incurring an aggregate of exploration expenditure totaling U.S.$1,000,000 by March 31, 2007. JOGMEC can increase its interest to 60% by incurring an additional U.S.$500,000 of exploration expenditures by September 30, 2008. In October, 2005 a program of soil sampling, Induced Polarisation (IP) and magnetics geophysics was conducted. A diamond drill program was also initiated, however delays and difficulties in drilling under the timing constraints limited the drilling program to one hole which was drilled to a depth of 363 meters. The drill hole encountered two broad zones of anomalous lead, zinc, silver and arsenic values within zones of bleached, brecciated and calcite veined limestone. The hole was designed to test one of the areas of elevated silver, lead and zinc values in soil. Roughly 400 meters away from the location of this drill hole, IP geophysics identified an area of highly elevated chargeability responses thought to represent massive sulphide style mineralization at depth. Budget and time constraints did not allow for drill testing this anomaly. The alteration and mineralization observed in the hole drilled, are interpreted to be typical of that associated with areas peripheral to zones of massive sulphide mineralization.

The road accessible Santa Isabela property covers a roughly 14,000 hectare area and is located in Coahuila State, Mexico. The property covers an area of structurally controlled jasperoid replacement silicification and calcite veining traceable over 700 meters in outcrop and developed within a package of limestones. Silver-lead-zinc mineralization at the Santa Isabela property is thought to represent the upper levels of a potentially much larger mineralized carbonate replacement (CRD) system at depth, likely identified by a geophysical induced polarization (IP) survey conducted which identified elevated chargeability responses, thought to represent sulphides, at depth. Surface sampling of mineralization has returned grades consistent with CRD style mineralization from the districts within the Mexican CRD Belt. The soil geochemical and induced polarization (IP) geophysical surveys defined two broad zones of coincident elevated zinc, lead and silver in soil and high chargeability response at depth.

In 2006, a second, one hole, diamond drill program was initiated. This drill hole (Hole SI-06-01) was designed to test the higher chargeability feature encountered in the 2005 geophysical program. Economic grades were not intersected in the hole drilled, however the geochemical results and the alteration noted is interpreted to indicate that a strong mineralized system exists on the Santa Isabela property. The drilling is considered insufficient to adequately test the system.

BHP Billiton Joint Venture - Mexico

On May 9, 2002, the Company entered into a joint venture agreement (Joint Venture) with BHP Billiton World Exploration Inc. (BHP) to undertake exploration in eastern Mexico. Under terms of the Joint Venture, each company advanced U.S.$200,000 for exploration in the first year. The parties are negotiating an agreement whereunder, to earn a 51% interest in a Project Area designated under the Joint Venture, BHP must incur an aggregate of U.S.$750,000 for exploration on the Project Area on or before the 7th anniversary of the Agreement, of which U.S.$250,000 must be expended by the 5th anniversary, after which both companies are committed to fund a further U.S.$750,000 of

exploration. If either company fails to make its contribution, it would be diluted. If a party s interest is diluted to below 10%, such interest is conveyed to the non-defaulting party in return for a 2% net smelter return royalty. If both companies maintain their interest of funding, BHP can earn a further 19% interest in each Project Area by incurring the lesser of:

(i)

all expenditures to complete a Feasibility Study on the Project Area; or

(ii)

aggregate expenditures of U.S.$25,000,000 on the Project Area.

An additional 10% interest in a Project Area can be earned by BHP by incurring all expenditures to bring such Project Area into Commercial Production.

During 2005, the Company signed two amendments in order to extend its agreement with BHP. The terms of the agreement outline two separate phases dependant upon success in the first phase.

Initial helicopter-borne reconnaissance programs were completed in May 2003 and March 2004 over the areas

of interest of the joint venture program. A 100% interest was acquired by staking in several prospects identified during this program. As part of the new agreement BHP relinquished any and all rights to six projects identified and staked by the Company during the original exploration program. These properties include the Santa Isabela and Candy silver-palladium-zinc prospects in Coahuila State, the El Sabino and El Fierro gold prospects in San Luis Potosi State and the Zapotec and Tuligtic gold-silver and gold-silver-copper prospects in Puebla State. All projects are now held 100% by the Company.

Since signing the original agreement in May, 2003 to December 31, 2004, the Company and BHP spent U.S.$400,000 on a regional exploration program that covered a large area of Mexico considered prospective for copper-gold deposits. This program resulted in the identification of a smaller area where copper-gold mineralization has been identified that is considered highly prospective for porphyry copper-gold systems. This new smaller area was the area of influence for the joint venture and was the focus of an exploration program that consisted of geochemical stream sediment sampling.

In 2005 the joint-venture agreement was amended and considered a next phase of work, focused on grassroots exploration with Almaden as operator with a budget of a minimum of U.S.$50,000 to be spent. Under the amended agreement, if both Almaden and BHP agreed to acquire any properties discovered, BHP would have had the option to carry out U.S.$750,000 of work on each such property in order to earn a 51% interest in that property. After BHP had completed this expenditure each property would have had a joint-venture phase of exploration during which both Almaden and BHP would contribute U.S.$750,000 for a total of U.S.$1,500,000. If one party failed to contribute to this phase, it would have been diluted to a 2% net smelter return royalty. After this joint-venture stage was completed and if both parties had maintained their interests by funding, BHP could then have elected to earn an additional 19% interest, for a total of 70% in each project, by completing a feasibility study not to exceed U.S.$25,000,000 for each project. A final 10% interest could have been earned if BHP funds the property into production. In 2005, the minimum expenditure was met.

During Fiscal 2006, the joint-venture was terminated.

Item 19. Exhibits

A. The financial statements and notes thereto as required under Item 17 are attached hereto and found immediately following the text of this Annual Report..

Audited Financial Statements

Report of Independent Registered Chartered Accountants, dated March 8, 2007

Consolidated Balance Sheets at December 31, 2006 and 2005

Consolidated Statements of Operations and Deficit for the years ended December 31, 2006, 2005 and 2004 and cumulative amounts since incorporation

Consolidated Statements of Cash Flows for the years ended December 31, 2006, 2005 and 2004 and cumulative amounts since incorporation

Notes to Consolidated Financial Statements

--Incorporated by reference to the Company s Form 20-F Annual Report for the year ended December 31, 2006, as filed with the Commission on March 28, 2007--

B. Index to Exhibits

1.	Certificate of Amalgamation Amalgamation Agreement --Incorporated by reference to the Company s Form 20-F Annual Report for the year ended December 31, 2001, as filed with the Commission on May 17, 2002--
1.1	Articles --Incorporated by reference to the Company s Form 20-F Annual Report for the year ended December 31, 2005, as filed with the Commission on March 30, 2006--
2.	Instruments defining the rights of holders of equity of debt securities being registered --Refer to Exhibit No. 1--
3.	Voting trust agreements N/A

4	Agreement dated January 21, 2005 with Santoy Resources Ltd.
	Agreement dated January 21, 2005 with Santoy Resources Ltd.
	Amendment to Option Agreement dated January 31, 2005 with Horseshoe Gold Mining Inc.
	--Incorporated by reference to the Company s Form 20-F Annual Report for the year ended December 31, 2004,
	as filed with the Commission on March 28, 2005
	Amending and Quit Claim Agreement dated January 20, 2005 with BHP Billiton World Exploration Inc.
	Second Amending Agreement dated March 1, 2005 with BHP Billiton World Exploration Inc.
	Option Agreement dated April 13, 2005 with Hawkeye Gold & Diamond Inc.
	Option Agreement dated June 21, 2005 with Strongbow Exploration Inc.
	Letter of Intent dated July 26, 2005 with ALB Holdings Ltd.
	Letter of Intent and Preliminary Agreement dated July 29, 2005 with Japan oil, Gas and Metals National
	Corporation
	Letter of Intent dated August 8, 2005 with Lincoln Gold Corp.
	Amendment to Option Agreement dated August 30, 2005 with Horseshoe Gold Mining Inc.
	Option Agreement dated November 14, 2005 with Consolidated Spire Ventures Ltd.
	--Incorporated by reference to the Company s Form 20-F Annual Report for the year ended December 31, 2005,
	as filed with the Commission on March 30, 2006
	Option Agreement dated March 31, 2006 with Tanqueray Resources Ltd.
	--Incorporated by reference to the Form 6-K filed with the Commission on April 27, 2006--
4.1	Amending Letter of Intent and Preliminary Agreement dated March 31, 2006 with Japan oil, Gas and Metals
	National Corporation
	Amending Agreement dated April 28, 2006 with Consolidated Spire Ventures Ltd.
	--Incorporated by reference to the Form 6-K filed with the Commission on May 2, 3006--
	Option Agreement dated May 8, 2006 with Williams Creek Explorations Limited
	--Incorporated by reference to the Form 6-K filed with the Commission on June 2, 2006--

Option Agreement dated July 24, 2006 with Pinnacle Mines Ltd.

--Incorporated by reference to the Form 6-K filed with the Commission on August 2, 2006--

4.2 Amending Letter of Intent and Preliminary Agreement dated September 14, 2006 with Japan oil, Gas and Metals National Corporation
Agreement of Transfer and Quit Claim dated October 4, 2006 with Consolidated Spire Ventures Ltd.

--Incorporated by reference to the Form 6-K filed with the Commission on October 6, 2006--
Joint Venture Agreement dated December 15, 2006 with Comaplex Minerals Ltd.

--Incorporated by reference to the Form 6-K filed with the Commission on January 10, 2007--
Agreement dated October 25, 2006 and October 30, 2006 with Reynaldo Arellano Venavidez and Jose Reyes Ruiz Olmos

--Incorporated by reference to the Form 6-K filed with the Commission on January 31, 12007--
Amendment to Option Agreement dated January 23, 2007 with Consolidated Spire Ventures Ltd.

--Incorporated by reference to the Form 6-K filed with the Commission on February 12, 2007--
Sale and Purchase Agreement dated February 12, 2007 with Comaplex Minerals Ltd.

--Incorporated by reference to the Form 6-K filed with the Commission on February 21, 2007--
Option Agreement dated February 12, 2007 with Consolidated Spire Ventures Ltd.

--Incorporated by reference to the Form 6-K filed with the Commission on February 22, 2007--
Letter Agreement with Apex Silver Mines Limited

--Incorporated by reference to the Form 6-K filed with the Commission on March 2, 2007--

5. List of foreign patents N/A

6. Calculation of earnings per share N/A

7. Explanation of calculation of ratios N/A

8. List of subsidiaries

9. Statement pursuant to the instruction to Item 8.A.4, regarding the financial statement filed in registration Statements for initial public offerings of securities N/A

10. Any notice required by Rule 104 of Regulation BTR N/A

11 Audit Committee Charter

Nominating and Corporate Governance Committee-Duties and Responsibility

Compensation Committee-Responsibilities and Duties

Code of Business Ethics

Code of Business Conduct and Ethics for Directors

Communications Policy

Securities Trading Policy

Whistleblower Policy

Privacy Policy

--Incorporated by reference to the Company s Form 20-F Annual Report for the year ended December 31, 2005,

as filed with the Commission on March 30, 2006

31.1 Certification of CEO Pursuant to Securities Exchange Act, Rules 13a-14 and 15d-14 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification of CFO Pursuant to Securities Exchange Act, Rules 13a-14 and 15d-14 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of CEO Pursuant to the Sarbanes-Oxley Act, 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 Certification of CFO Pursuant to the Sarbanes-Oxley Act, 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURE

The Registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

Almaden Minerals Ltd.

Registrant

Dated: January 24, 2008

By /s/Duane Poliquin

Duane Poliquin, Chairman & CEO