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**GEOLOGICAL REPORT ON THE
POWDERHORN LAKE PROPERTY**

Springdale Area, Newfoundland, Canada

Prepared For: Champion Minerals Inc.



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TABLE OF CONTENTS

2. Table of Contents	2
3. Summary	5
4. Introduction and Terms of Reference	6
5. Disclaimer	7
6. Property Description and Location	8
6.1 Location	9
6.2 Mineral Exploration Licences	9
6.3 Environmental Liabilities and Permits	12
7. Accessibility, Climate, Local Resources, Infrastructure and Physiography	13
8. History	14
9. Geological Setting	18
9.1 Regional Geology	18
9.2 Local Geology	20
9.3 Property Geology	21
10. Deposit Types	25
11. Mineralization	26
11.1 The Main Showing	26
11.2 The Road Showing	27
11.3 South Zone	28
11.4 Mineral Point (or Old Powderhorn) Zone	28
11.5 Dead Tree Zone	29
11.6 Pearl Zone	29
11.7 Unnamed Gossan	29
12. Exploration	30
12.1 2001 Field Season	30
12.2 2005-06 Field Season	30
12.3 Personnel	31
13. Drilling	32
13.1 2001 Drilling Program	32
13.2 2006 Drilling Program	35
14. Sampling Method and Approach	39
15. Sample Preparation, Analyses and Security	41
16. Data Verification	44

17. Adjacent Properties	48
18. Mineral Processing and Metallurgical Testing	49
19. Mineral Resource and Mineral Reserve Estimates	50
20. Other Relevant Data and Information	51
21. Interpretation and Conclusions	52
22. Recommendations	54
22.1 Recommendations	55
22.2 Budget	55
23. References	56
24. Certificate Of The Author	61
25. Consent Of The Author	63
26. Certificate Of Champion's Qualified Person	64

FIGURES AND TABLES

Figure 1: Location of The Powderhorn Lake Property	8
Figure 2: License Location Map, Powderhorn Property	9
Figure 3: Compilation Map Showing Results Of An Induced Polarization Survey Conducted In 2000 and The Location Of Follow Up Drill Holes Completed In 2001 (From Dwyer, 2001 And Reed, 2000)	17
Figure 4: Tectonic Subdivisions Of Newfoundland (After Williams Et Al, 1988)	18
Figure 5: Map Showing The Location Of All Significant VHMS Deposits Found Within The Dunnage Zone (After Swinden, 1991)	20
Figure 6: Geology Of The Powderhorn Lake Area (From Dickson, 2000)	23
Figure 7: Geological Map Of The Powderhorn Lake Property (From Dwyer, 2001)	24
Figure 8: Cross-Section Of Drill Hole PH01-09 Showing Copper And Zinc (In Percent) And Gold (50 Ppb Or Greater) (From Dwyer, 2001)	34
Figure 9: Plan Map Showing The Location Of The 2006 Champion Drilling, Along With That of Billiton Carried Out In 1999 And 2001	36

Figure 10:	Cross Section A-A' (Facing Northwest)	37
Figure 11:	Cross Section B-B' (Facing Northeast)	37
Table One:	Summary Of The Powderhorn Lake Property Licences	10
Table Two:	Selected Assay Data For Hole PH01-09	34
Table Three:	2006 Drilling Program, Hole Location Coordinates	35
Table Four:	Highlights Of Assay Results From The 2006 Drill Core Sampling	36
Table Five:	Precision of Duplicate Sample Analyses For Primary Metals Of Interest (Error %)	47

LIST OF APPENDICES

Appendix One:	Drill Logs, 2006 Drilling	65
Appendix Two:	Assay Certificates, 2006 Drilling	91
Appendix Three:	Graphs Of Results For The Blank Standards	125
Appendix Four:	Graphs Of Results For The Certified Reference Standard	130
Appendix Five:	Bias Plots For Each Of The Duplicate Sample Types For Each Of The Principal Metals	134
Appendix Six:	Option Agreement Between Copper Hill Resources And Champion Natural Health.Com	148
Appendix Seven:	Name Change from Champion Natural Health.Com, To Champion Minerals Inc.	211

3. Summary

The Powderhom Lake Property, located in central Newfoundland, is held by Copper Hill Resources Inc. a company based in St. John's, Newfoundland. The property hosts two varieties of metallic mineral occurrences, in turn indicative of two distinct geologic settings: (1) volcanic-hosted massive sulphide (“VHMS”) polymetallic mineralization, and (2) nickel sulphide mineralization associated with mafic intrusives. The VHMS style mineralization is hosted by the Roberts Arm Group, a regional geological unit that hosts a number of past-productive deposits, such as Buchans and Gullbridge. Selected hand samples taken by previous workers from the sulphide occurrences on the property have returned values of up to 4.5 percent zinc, 2.14 percent copper, 1.87 percent lead, and 1.2 grams per tonne (“g/t”) gold. Diamond drilling in the Pearl Zone has intersected mineralization within a stratigraphic interval, with core samples returning values of up to 4 percent zinc over 0.6 meters (“m”) and 3.1 percent zinc over 5 m (apparent thickness). More recent exploration efforts have focused on lithological, alteration, mineral zonation and geophysical features that may enable a trend or “vector” to be discerned, pointing toward the assumed VHMS source of this mineralization.

Occurrences of nickel sulphide mineralization on the property are restricted a gabbroic to dioritic intrusive suite. They do not appear to be of any economic significance.

In order to define possible VHMS targets on the property it is recommended that a primary geologic approach is taken in order to establish an observation based geologic model after which geophysical data may be incorporated in order to test and refine it, leading to the delineation of discrete drill targets. This approach should incorporate a fresh geological mapping campaign, with particular emphasis on stratigraphy, structure, alteration and mineral zonation. This should be followed by the re-logging of all drill core, incorporating the sub-surface geology into the established geological classifications and with a focus on any features that may indicate a direction toward better thicknesses and grades of sulphide mineralization. The combination of surface and subsurface geologic data should allow for the construction of a three-dimensional geologic model, upon which the existing and perhaps additional geophysical data may be incorporated to verify and perhaps refine the geologic model. Drill targets may then be selected, accordingly. A budget of C \$300,000 is estimated.