

Drill setup, Good Friday kimberlite (2004), photograph courtesy of Spider Resources.

"TECHNICAL (GEOLOGICAL) REPORT on the

MACFADYEN PROPERTY"

James Bay Lowlands, Porcupine Mining Division, Ontario, Canada

Approximate center of MacFadyen Property

(2) Latitude ~ 52° 52′50″ N (52.881° N), Longitude ~ 83° 57′25″ W (83.957° W)

UTM (NAD 83) Zone 17; 301 000m E, 5 863 000m N; NTS 43B/13

report originally prepared for

RESSOURCES KWG INC. / KWG RESOURCES INC. 630 boul. René-Lévesque Ouest, Bureau 2930, Montréal, Québec, H3B 1S6

and transferred (without amendments) to KWG Resources' wholly owned subsidiary

DEBUTS DIAMONDS INC.,

630 boul. René-Lévesque Ouest, Bureau 2930, Montréal, Québec, H3B 1S6

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Original report for KWG Resources Inc. dated

April 10, 2006

Transferred without amendments to Debuts Diamonds Inc. on

August 13, 2008

2. TABLE OF CONTENTS

1. TITLE PAGE		1
2. TABLE OF CONTENTS		2
List of Tables		3
List of Sketches		4
List of Figures	311777777777777777777777777777777777777	4
3. SUMMARY		5
4. INTRODUCTION		6
4.1 Terms of Reference		6
5. RELIANCE ON OTHER EXPERTS		6
5.1 Disclaimer		6
5.2 Expert Information		6
5.3 Other Guidelines for Report		7
6. PROPERTY DESCRIPTION AND LOCATION		7
6.1. Location Data		7
6.2. Ownership Information		8
6.3 Land Management Issues		9
7. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, II	NFRASTRUCTURE AND	
PHYSIOGRAPHY		10
7.1 Accessibility		10
7.2 Climate		10
7.3 Local Resources, Vegetation and Fauna		11
7.4 Infrastructure		12
7.5 Physiography		12
8. HISTORY		13
8.1 Northern Ontario Mining		13
8.2 Property History		13
9. GEOLOGICAL SETTING		15
9.1 General Information		15
9.2 Quaternary Deposits		16
9.3 Paleozoic Sediments		17
9.4 Phanerozoic Igneous Events		17
9.5 Precambrian Basement		17
10. DEPOSIT TYPES		19
10.1 Kimberlite magmatism		19
10.2 Kimberlite Orebody Morphology		22
10.3 Kimberlite encountered in Drill Core		22
11. MINERALIZATION		23
11.1 1994 Sampling Results		23
11.2 2004-2005 Sampling Results		24
12. EXPLORATION		25
12.1 Airborne Geophysics		25
12.2 First Ground Magnetic Grid		26
12.3 Second Ground Magnetic Grid		26
12.4 Description of Known Kimberlites		27
13. DRILLING		27
13.1 The 1994 Drilling Campaign		27
13.2 The 2004-2005 Drilling Campaign		28
14. SAMPLING METHOD AND APPROACH		29
15. SAMPLE PREPARATION, ANALYSES AND SECUR		29
15.1 Field to Laboratory		29
15.2 Laboratory Preparation		29
16 DATA VERIFICATION AND SECURITY		30

TABLE OF CONTENTS (continued)

17. ADJACENT PROPERTIES	,	
17.1 De Beers Property Information		
18. MINERAL PROCESSING AND METALLURGICAL 1	TESTING	
19. MINERAL RESOURCE AND MINERAL RESERVE	ESTIMATES	
20. OTHER RELEVANT DATA AND INFORMATION		
21. INTERPRETATION AND CONCLUSIONS		
21.1 Interpretation		
21.2 Conclusions	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
22. RECOMMENDATIONS		
22.1 Phases in Kimberlite Exploration		
22.2 Recommended Program	,	
22.3 Budget Estimates		
23. REFERENCES		
24. DATE AND SIGNATURE PAGE		
24.1 Mousseau Tremblay		
24.2 Hadyn R. Butler		
25. ADDITIONAL REQUIREMENTS FOR TECHNICAL	REPORTS ON DEVELOPMENT	
PROPERTIES AND PRODUCTION PROPERTIES	***************************************	
26. ILLUSTRATIONS		

LIST OF TABLES

from	
	7
	8
supplied	
**********	24
tificates of	
	24
ensions	
	25
	25
	27
**********	28
	ensions

LIST OF SKETCHES

Sketch 1	Position of MacFadyen Property and Trapline MO 230		9
Sketch 2	Muskeg swamps on satellite images, MacFadyen Property	******	12
Sketch 3	Local magnetic expression of kimberlites	*******	14
Sketch 4	Schematic diagram of overburden and Paleozoic		
	sequence and relationship to kimberlite		16
Sketch 5	A subcontinental mantle interpretation of blocks beneath		
	the East Siberian Craton		18
Sketch 6	Schematic diagram showing zone of diamond stability	************	20
Sketch 7	Averaged changes in subcontinental mantle composition		20
Sketch 8	Schematic tripartite carrot model and facies in a kimberlite body	******	22
Sketch 9	Plot of CaO versus Cr ₂ O ₃ in garnet		23
Sketch 10	Model defining 5 magnetic targets	*******	26
LIST OF FIGI	JRES		
Figure 1	MacFadyen Property embedded in the Attawapiskat kimberlite		
	swarm		46
Figure 2	MacFadyen Property claim numbers and surrounding claims		47
Figure 3	Traditional Lands and Traplines		48
Figure 4	Photomap of claim block		49
Figure 5	Airborne magnetic survey and location of Attawapiskat		
O	kimberlite swarm members		50
Figure 6	Area of Spider #1 Airborne Magnetic survey		51
Figure 7	Regional magnetic interpretation of Precambrian basement		52
Figure 8	Photographs of drill core, Good Friday kimberlite		53
Figure 9	Total field ground magnetic survey (1994)		54
Figure 10	Residual magnetic model from ground magnetic survey (1994)		55
Figure 11	Deep component model from ground magnetic survey (1994)		56
Figure 12	Schematic showing "kimberlite peaks" from ground magnetic		
	survey (1994)		57
Figure 13	Second ground magnetic survey (2003)		58
Figure 14	2004-2005 drill hole locations plotted on ground magnetics		59
Figure 15	Kimberlite intersections plotted on ground magnetics		60
Figure 16	Interpretation of ground magnetics for MacFadyen kimberlite		61
Figure 17	Residual magnetic component outlining MacFadyen kimberlite		62
Figure 18	Suggested drill-hole layout (Hogg, 2006)		63

3. SUMMARY

The MacFadyen Property of Ressources KWG Inc./KWG Resources Inc. (TSXV-KWG, "KWG") and joint venture partner Spider Resources Inc. (TSXV-SPQ, "Spider") comprises a contiguous block of five (5) mining claims (42 claim units) just south of the Attawapiskat River, in the James Bay Lowlands of northern Ontario (Figures 1 and 2).

Kimberlite bodies and dykes have been found on the property - the Good Friday, MacFadyen #1 and MacFadyen #2 bodies, as well as two other zones here called the MacFadyen #1b and MacFadyen #2b (separate drill intersections). The kimberlites are part of the Attawapiskat kimberlite swarm, and are close to the De Beers Tango-1 and Tango-Extension kimberlites that occur just ~1 km to the SW. KWG/Spider have undertaken two drilling campaigns (in 1994 and 2004-2005) leading to the discovery of kimberlite interpreted by field geologists to be both "hypabyssal" and "deep-crater facies" units, in a line striking NW, and roughly 1.5 km long. Extensions of this "kimberlite alignment," as well as locations for infill drilling and other parts of the property, have not yet been explored.

Ashton Mining of Canada Inc. and Lakefield Research analyzed 1994 reconnaissance drill core. From a total of 163.6 kg of core, 7 small diamonds passed the 0.5 mm sieve, and 2 were retained by the sieve. Caustic fusion analysis using 2004-2005 drill core (combined weight 1,007.05 kg) at the Kennecott Canada Exploration Inc. laboratory in Thunder Bay, Ontario yielded 190 small diamonds, 4 of which could not pass the 0.5 mm sieve. Their dimensions were 1.45 x 0.96 x 0.77 mm, 0.89 x 0.59 x 0.41 mm, 1.25 x 0.83 x 0.65 mm, and 2.1 x 1.9 x 1.3 mm. The largest stone weighed 0.0765 carats and was found in a small (4.94 kg) sample associated with another small stone (<0.5 mm). MacFadyen kimberlites, therefore, contain diamonds, but insufficient sampling has been done to determine size distribution statistics, and further sampling of the various bodies (mini-bulk sampling) is necessary to evaluate the potential and quality of diamonds that will not pass a 1.70 mm sieve.

The recommended drilling and sampling campaign outlined in this report is designed to accomplish three main things:

- a) To determine the geometry of the three main kimberlite bodies discovered so far (MacFadyen #1, MacFadyen #2, and Good Friday), as well as test a new geophysical interpretation made by Scott Hogg and Associates for further kimberlite occurrences.
- b) To do systematic caustic fusion analysis on representative diamond drill core (samples weighing <100 kg) so that smaller diamond size-distribution statistics may be inferred for each body and kimberlite facies.
- c) To collect sufficient drill core so that a mini-bulk sampling program can be commenced with representative samples weighing between 1.5 to 3 metric tonnes to be run through a standard diamond recovery plant, in an effort to determine the statistical probability of larger stones that will not pass a 1.70 mm sieve.

Based on preliminary quotes, a drilling budget (with contingency) has been estimated for this remote area at \$1,585,000 Canadian. If new kimberlite is found during the drilling campaign itself, a budget of \$2,000,000 is recommended.