



## **Technical Report on the Iron-Beaver Uranium Exploration Project, Utah**

Pursuant to National Instrument 43-101 of the Canadian Securities  
Administrators

*Prepared for:*

Fair Sky Minerals Inc.  
Calgary, Canada

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## EXECUTIVE SUMMARY

- Associated Geosciences Ltd. (AGL) was retained by Fair Sky Minerals Inc. of Calgary to conduct a preliminary due diligence on the Iron-Beaver uranium exploration property in southwestern Utah and to prepare an independent technical report conforming to the requirements of the Canadian Securities Administrators' (CSA) National Instrument 43-101 and the Mining Standards Guidelines of the TSX Venture Exchange.
- This report has been prepared under the direction of Keith M<sup>c</sup>Candlish, P.Geol., Vice President & General Manager, Associated Geosciences Ltd., (AGL) who is the "Qualified Person" nominated for this report.
- The Iron-Beaver Project comprises two distinct claims areas located approximately 50 km northwest of Cedar City, Utah. All claims are held by Fair Sky Minerals, and consist of Federal lode mining claims with the exception of three State of Utah Mineral Leases. Altogether, the project area encompasses 10,680 ha (26,391 acres) of land.
- The main project area is Broken Ridge, which covers 9,907 ha (24,480 acres) and contains a historic mercury-sulfur producer, the Cima mine. The approximate midpoint coordinates of Broken Ridge are 274,000 E and 4,220,000 N (UTM Zone 12/NAD 27).
- The Blawn Mountain claims area covers 773 ha (1,911 acres), and is located to the north of the Broken Ridge. Its approximate midpoint coordinates are 272,000 E and 4,236,000 N (UTM Zone 12/NAD 27).
- The Blawn Mountain area is centered on a historic uranium-fluorite producer, the Staats Mine. This secondary project area was originally included in the airborne geophysical survey as a comparative analogue for assessing geophysical anomalies on the southern claim block but is considered to have exploration merit on its own.
- The Iron-Beaver project is situated within the Basin and Range Physiographic Province, and coincides with the Pioche-Marysvale Mineral Belt as well as the Blue Ribbon Lineament. This structural setting has been favorable for mineral deposits, including the historic Marysvale uranium district.
- The geology at Iron-Beaver is primarily volcanic; rhyolitic rocks occur both as flows and as domes. Hydrothermal alteration, most especially advanced argillic and silicic, is widespread.
- The uranium potential in the area is postulated to consist of fracture controlled replacement bodies in altered, welded and air fall tuffs of the Miocene (Tertiary) age rhyolite flows of the Blawn Formation and Steamboat Mountain Formation.

- Uranium mineralization on the property is structurally controlled, with the Bible Springs fault zone acting as the primary structural control. Numerous other elements are concentrated along the fault zone, including beryllium, fluorine, tin, niobium, molybdenum, copper, zinc, tungsten, and barium.
- Both uraniferous (pitchblende?) veins as well as disseminated uranium mineralization in silicified volcanics have been observed on the property.
- There is physical evidence of a number of exploration ventures within the main claims area. Some of the most significant of these include a series of northeast-trending adits and small excavations in the northeast that focus on cm-scale black veins, as well as a small cluster of drill holes and adits near the west property boundary. There is evidence of trenching, a single small adit, and, possibly ground geophysics being completed in the vicinity of the Cima mine. No documentation has been found for these exploration activities.
- Recent exploration work includes the acquisition of 5m orthorectified IRS satellite (2005-2006) and ASTER® colour imagery, lineament interpretation and a DIGHEM helicopter borne geophysical survey (2006). Keith M<sup>c</sup>Candlish, P.Geol., conducted an initial site assessment visit in 2005. Some preliminary sampling and a ground geophysical exploration program were conducted in 2006.
- Geophysical anomalies consistent with massive sulphide bodies have been identified.
- Additional ground exploration programs are recommended. Phase 1 will involve a total of \$102,500 for geophysics and \$100,000 for geological mapping and sampling. The purpose of this program is to identify drilling targets for Phase 2.
- The Iron-Beaver project is deemed to be an exploration “property of merit”.
- It is valued at US\$4.4 million (C\$4.8 million), based on the following comparable transactions: the Marysvale, San Rafael, Lisbon Valley, and East Canyon Wash properties.

**TABLE OF CONTENTS****EXECUTIVE SUMMARY**

ii

**TABLE OF CONTENTS**

iv

<b>1.0</b>	<b>INTRODUCTION</b>	<b>1</b>
1.1	Reliance on Other Experts	1
1.2	Sources of Data	1
1.3	Disclaimers	1
1.4	Units	2
1.5	Site Visits	2
1.6	Effective Date	2
<b>2.0</b>	<b>PROPERTY DESCRIPTIONS AND LOCATION</b>	<b>3</b>
2.1	Utah Mining Claims	4
2.1.1	Locating a Mining Claim in Utah	5
2.1.2	Lands Open to Location of Mining Claims	5
2.1.3	Recordation of Mining Claims	5
2.1.3.1	BLM-New Claim/Site Recordation Requirements	5
2.1.3.2	BLM-Filings Required to Maintain Claims/Sites with BLM	5
2.1.3.3	Recordation of Transfers on Interest	6
2.1.4	BLM Fees and Charges	6
2.1.5	Types of Mining Claims/Sites	6
2.1.6	Size of Mining Claims	7
<b>3.0</b>	<b>ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY</b>	<b>8</b>
3.1	Climate	8
3.2	Topography, Elevation, and Vegetation	8
3.3	Access	8
3.4	Proximity to a Population Centre	9
<b>4.0</b>	<b>MINING HISTORY</b>	<b>10</b>
4.1	The Staats Mine	10
4.2	The Cima Mine	11
<b>5.0</b>	<b>GEOLOGICAL SETTING</b>	<b>13</b>
5.1	Regional Geology	13
5.1.1	The Basin and Range Physiographic Province	13
5.1.2	The Pioche-Marysvale Mineral Belt	15
5.1.3	Blue Ribbon Lineament	15
5.2	Property Geology	16
5.2.1	Stratigraphy	16

5.2.1.1	Broken Ridge	16
5.2.1.2	Blawn Mountain	17
5.2.2	Structural Control	17
5.2.2.1	Broken Ridge	17
5.2.2.2	Blawn Mountain	18
5.2.3	Alteration	19
5.2.4	Mineralization	19
5.2.4.1	Broken Ridge	19
5.2.4.2	Blawn Mountain	20
5.2.5	Geo-chronology	21
5.2.5.1	Blawn Mountain	21
5.2.5.2	Staats Mine	21
<b>6.0</b>	<b>DEPOSIT TYPES</b>	<b>23</b>
6.1	Structure-Bound Uranium Deposits Associated with Felsic Volcanic Complexes	23
6.1.1	Volcanic Uranium Deposits	24
6.1.2	Nopal Type Deposits – Structure-bound/Veins-Stockworks	24
6.1.3	Cotaje Type Deposits – Structure-bound/Surficial Veinlike	25
6.1.4	Uranium/Lithophile Element Deposits	25
6.2	Arizona Strip Uranium District	26
6.2.1	Arizona Collapse Breccia Pipe-Hosted Uranium Deposits	27
<b>7.0</b>	<b>EXPLORATION</b>	<b>29</b>
7.1	Historic Exploration	29
7.1.1	Molybdenum-Tin Geochemical Anomaly	32
7.2	Current Exploration	33
7.2.1	Lineament Analysis	33
7.2.2	ASTER® Imagery	33
7.2.3	Airborne Geophysics	34
7.2.4	Ground Geophysics	38
7.2.5	Summary of Results	41
7.2.5.1	Blawn Mountain	41
7.2.5.2	Broken Ridge	42
7.2.6	Geological Program	44
<b>8.0</b>	<b>DRILLING</b>	<b>46</b>
<b>9.0</b>	<b>SAMPLING METHOD AND APPROACH</b>	<b>47</b>
<b>10.0</b>	<b>MINERAL RESOURCES AND MINERAL RESERVES</b>	<b>48</b>
<b>11.0</b>	<b>ADJACENT PROPERTIES</b>	<b>49</b>