



Risby Deposit, Yukon

Technical Report Update

Pierre Desautels

PEG Mining Consultants Inc.

5/29/2009

Contents

1	SUMMARY	1-1
2	INTRODUCTION AND TERMS OF REFERENCE	2-1
3	DATA VERIFICATION	3-1
3.1	Site Visit	3-1
3.2	Collar Coordinate Conversion	3-1
3.3	Assay Validation	3-1
3.4	Software Version Validation	3-1
4	MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES	4-1
4.1	Data	4-1
4.2	Exploratory Data Analysis	4-1
4.2.1	Assays	4-2
4.2.2	Capping	4-2
4.2.3	Composites	4-3
4.3	Bulk Density	4-4
4.4	Geological Interpretation	4-5
4.5	Spatial Analysis	4-10
4.6	Resource Block Model	4-10
4.7	Interpolation Plan	4-11
4.8	Mineral Resource Classification	4-12
4.9	Mineral Resource Tabulation	4-13
4.10	Block Model Validation	4-14
4.10.1	Visual Comparison	4-14
4.10.2	Global Comparison	4-14
4.10.3	Local Comparisons – Grade Profile	4-15
4.10.4	Naïve Cross-Validation Test	4-18
5	INTERPRETATION AND CONCLUSIONS	5-1
6	RECOMMENDATIONS	6-1
7	CERTIFICATE OF QUALIFIED PERSON	7-1

Tables

Table 4-1:	Holes Used in the Resource Estimate	4-1
Table 4-2:	Raw Assay Data Comparing Trench Data against Drill Data	4-1
Table 4-3:	Raw Assay Statistics	4-2
Table 4-4:	Capping Level for the 2008 update	4-3
Table 4-5:	Risby Core Length Statistics	4-3
Table 4-6:	Composite Statistics for Points Used in Resource Model	4-4
Table 4-7:	Wireframe Volume	4-6
Table 4-8:	Maximum and Minimum Coverage for the Block Model Matrix (Edge to Edge – HudBay Grid).....	4-11
Table 4-9:	PEG Ellipsoid Dimensions.....	4-12
Table 4-10:	Upper and Lower Skarn Resource estimate.....	4-13
Table 4-11:	Tonnage-Grade Estimates for the Updated Inferred Resources for No. 2 Zone.....	4-13
Table 4-12:	Global Grade Comparison at 0.00 WO ₃ % Cut-off	4-14
Table 4-13:	Metal Content Difference between Methods.....	4-15

Figures

Figure 4-1:	Downing Interpretation	4-7
Figure 4-2:	PEG and Wardrop Interpretation.....	4-8
Figure 4-3:	Completed 3D Geological Models.....	4-9
Figure 4-4:	Global Grade Comparisons at 0.00 WO ₃ % Cut-off.....	4-15
Figure 4-5:	X-Axis Swath Plots.....	4-16
Figure 4-6:	Y-Axis Swath Plots.....	4-17
Figure 4-7:	Z-Axis Swath Plot.....	4-17
Figure 4-8:	Naive Cross Validation Test Results	4-18
Figure 4-9:	Naive Cross Validation Composite vs. Inverse Distance Model Result	4-19

Appendices

Appendix A	Sections and Plan View
------------	------------------------

Glossary

Abbreviations and Acronyms

Association of Professional Engineers and Geoscientists of British Columbia	APEGBC
Grams per cubic centimetre	g/cm ³
Grams	g
Kilometre	km
Metres	m
Millilitres	mL
Million cubic metres	Mm ³
Million metric Tonnes	MTU
Million pounds	Mlb
Million	M
National Instrument 43-101	NI 43-101
Percent	%
Quality Assurance and Quality Control	QA/QC
Quality Control Quality Assurance	QA/QC
Tonnes	t

1 SUMMARY

Playfair Mining Limited (Playfair) requested that PEG Mining Consultants Inc. (PEG) complete an update of the September 2007 NI 43-101 resource estimate for the Risby deposit authored by Wardrop Engineering Ltd. (Wardrop) with the 2008 drill results. The project is located in the remote Pelly Mountains, in the south-central region of the Yukon Territory, about 50 km west-southwest of the village of Ross River or 160 km (100 miles) northeast of Whitehorse.

The first phase of the study consisted of adding the 2008 drill results to the Wardrop GEMS database and updating the 3D wireframe of the upper and lower skarn zone. The second phase consisted of updating the resource model and comparing the results with the Wardrop 2007 estimate. Phase 3 consisted of re-issuing a full NI 43-101 compliant resource report should the change in the resource is considered material by the BC Security commission. If not, then a short internal report describing the changes in the estimation parameter was to be issued.

The Risby Tungsten deposit is a scheelite-bearing skarn occurrence underlain by lower Paleozoic sedimentary rocks that have been intruded by Cretaceous age biotite-quartz monzonite. The intrusive activity has produced skarn mineralization, principally tungsten skarn with lesser copper and molybdenite metal enrichment. The principle tungsten target is two tungsten skarn horizons, the upper and lower skarn horizons, both of which occur close to and paralleling the quartz monzonite contact.

In September 2007, Playfair commissioned Wardrop to complete a NI 43-101 compliant inferred tungsten resource estimate of 6.4 Mt of 0.462% WO_3 using a 0.2% WO_3 cut-off. The purpose of Playfair's 2008 drill campaign was to expand the known limits of the tungsten deposit (No. 2 Zone). Holes 50 and 51 (drilled from the same site) are located about 220 m north and along strike of the limits of the inferred tungsten resource. These two holes are the most significant of the 2008 drill program, having intercepted similar tungsten grades and widths as those found within the nearby deposit outline. The tungsten intercepts within these two holes demonstrates a strong lateral or on-strike continuity of tungsten mineralization over a total estimated strike length now exceeding 750 m (DDH 50-51 + inferred deposit outline). Importantly, the property has untested surface gossan zones located as much as one kilometre north on-strike of the main deposit. A highlight intercept from hole RT08-51 is as follows: 4.43 m of 0.991% WO_3 , including 2.00 m of 1.650% WO_3 .

Originally, Playfair had planned to drill an estimated 7,000 m of core in about 15 to 20 holes, with the goal of greatly expanding the Tungsten deposit; however the program endured a perfect storm of technical, personnel, and weather related complications, which greatly hindered exploration efforts and increased costs significantly. Out of the six holes completed in 2008, three were abandon before reaching the mineralized horizon. Playfair changed drilling equipment to a Longyear LF-70 and started collaring the hole with HQ size core followed by NQ at depth. With these improvements, three of the four remaining holes returned encouraging results.

Effective May 14, 2009, the base case mineral resource model for the Risby deposit yielded a total of 8.5 Mt grading at 0.475% WO_3 containing 89.4 Mlb of WO_3 or 4.1 MTU using a 0.2% WO_3 cut-off grade.

The resource estimate takes into account 9,057 m of diamond drill hole data up to the end of the 2008 drill campaign and also incorporates results from trenching on the lower Skarn horizon. The base-case cut-off grade chosen was determined based upon the cut-off grades for similar deposits in Western Canada envisioning an open pit mining scenario.

When compared to the 2007 Wardrop resource estimate, the tonnage increased by 34% from 6.4 Mt to 8.5 Mt coupled with a slight 2.81% increase grade from 0.462% to 0.475% WO_3 at the same cut-off grade of 0.2% WO_3 . The tonnage and grade increases corresponded to the 37% change in metal content from 2.95 to 4.05 MTU.

2 INTRODUCTION AND TERMS OF REFERENCE

The Risby Tungsten Property is located in the Yukon Territory, within the Whitehorse Mining Division. The property forms a contiguous block of 43 quartz mineral claims 100% owned by Playfair Mining Ltd. of Vancouver, British Columbia, Canada (TSX-V: PLY).

The Risby Tungsten Deposit is a scheelite-bearing skarn occurrence in the Ross River area of Yukon. At present, the property is accessible by helicopter or float plane to Wristpin Lake 2 km from the zone.

In 1982, HudBay estimated a resource of 2.7 Mt of 0.81% WO₃ using a 0.4% WO₃ cut-off grade (predating 43-101 and not compliant)

In September 2007, Playfair completed a NI 43-101 compliant resource estimate of 6.4 Mt of 0.462% WO₃ using a 0.2% WO₃ cut-off. Playfair completed a drill program over the 2008 field season, which comprised seven drill holes totalling 1,655.21 m.

The resource statement in Section 4 of this report complies with the standards set out in NI 43-101 for the Canadian Securities Administration. This internal report describes the methods and procedures used in the resource estimation and are not NI 43-101 form F1 compliant since it is missing key sections required by the legislation. The readers are encouraged to consult the 2007 – NI 43-101 Wardrop Resource Report posted on Sedar at www.sedar.com for the missing sections.

The resource update was prepared at the request of Mr. Neil Briggs, President and Director of Playfair Mining Ltd. under the direct supervision of:

- **Mr. Pierre Desautels, P.Geo.** – Principal Resource Geologist with PEG Mining Consultants Inc. Mr. Desautels directed the review of the 2008 digital data as well as the estimation of the resource for the Playfair Risby Deposit and is responsible for the overall report. Mr. Desautels was also the qualified person in the 2007 Wardrop resource estimate and visited the project site in July 2007 to review drill core logging and sampling procedures, and to verify drill hole collar locations.

The following individual provided the logs, assay database, QA/QC results, and local geological and historical information on the Risby Deposit:

- **Michael Moore, P.Geo.** - Mr. Moore is a registered Professional Geologist in good standing with the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC). All exploration and sampling during the 2008 drill program was carried out under his supervision

Information, conclusions, and recommendations contained herein are based on a field examination, including a study of relevant and available technical data and discussions with Risby's site geologist.

All units used in this report are metric unless otherwise stated; grid references are based on the HudBay local grid system with some reference to the UTM NAD 83 coordinate system when noted.

3 DATA VERIFICATION

3.1 Site Visit

Pierre Desautels visited the Risby property in July 2007 while employed by Wardrop Engineering. No site visit was conducted in 2008.

3.2 Collar Coordinate Conversion

The collar coordinates from the 2008 drill campaign were available in NAD83 and were converted to the old HudBay grid by scaling the coordinate from a plan view. Playfair confirmed the correct position of the drill hole in the HudBay grid.

3.3 Assay Validation

Wardrop as part of the 2007 NI 43-101 report validated assays up to the end of the 2006 drill program. For this resource estimate, data verification consisted of restoring the 2007 Wardrop database and adding the additional 2008 drill results. Two hundred and forty-six assay values for the 2008 drilling (100%) were validated against the PDF copy of the signed assay certificate with no errors found.

Imported assays were also validated with the tools provided by GEMS. Records were verified for the following items:

- overlapping intervals
- negative length intervals
- missing intervals
- "To" values exceeding the drill hole length.

3.4 Software Version Validation

The Wardrop resource model was imported into Gems 6.21 version. The resource report was re-created to confirm that the model volume and grade could be replicated with the newer version of the software.

No other validation was conducted on the Playfair Risby database.

4 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

4.1 Data

An updated mineral resource estimate has been completed by PEG for the No. 2 Zone upper and lower skarn on the Risby Tungsten Property in the Ross River area of Yukon. Gemcom software GEMS version 6.42™ was used for the resource estimate. Table 4-1 shows a summary of the drill hole data that was available for the estimate (all supplied by Playfair).

Table 4-1: Holes Used in the Resource Estimate

	No. of Holes	Meterage	Number of Assays
<i>Used in Resource</i>			
Playfair Holes (2006)	5	754.88	376
Playfair Holes (2008)	8	1,655.21	246
HudBay Holes (pre-2006)	43	6,646.95	1,274
All Holes	56	9,057.04	1,896
<i>Not Used in Resource</i>			
HudBay Holes (pre-2006)	3	411.4	-

Trench data for the Upper Skarn zone was not used in the resource model because the statistical analysis indicated that they would introduce a bias; (as shown in Table 4-2). The mean tungsten value of the drill holes for the Upper Skarn is 0.545 WO₃% as compared to 0.178 WO₃% for the trenches. Lower Skarn trench data was incorporated in the resource model.

Table 4-2: Raw Assay Data Comparing Trench Data against Drill Data

	Lower Skarn		Upper Skarn	
	DDH	Trench	DDH	Trench
Number of Values	471	38	185	20
Minimum	0.003	0.010	0.005	0.010
Maximum	10.000	2.400	10.000	1.210
Mean	0.580	0.553	0.545	0.178

4.2 Exploratory Data Analysis

Exploratory data analysis is the application of various statistical tools to characterize the statistical behaviour or grade distributions of the data set. In this case, the objective is to understand the population distribution of the grade elements in the various units using such tools as histograms, descriptive statistics, and probability plots.

4.2.1 Assays

Table 4-3 shows the raw assay statistics for points used for the composite. The distribution of the raw assay data is lognormal with outliers starting at 2.5 WO₃% for the lower skarn and 1.8 WO₃% for the upper skarn.

Table 4-3: Raw Assay Statistics

	WO3% Lower Skarn	WO3% Upper Skarn
Valid Cases	529	192
Mean	0.606	0.545
Std. Error of Mean	0.041	0.072
Variance	0.893	1.006
Std. Deviation	0.945	1.003
Variation Coefficient	1.559	1.841
Rel. V.coefficient(%)	6.779	13.286
Minimum	-	0.005
Maximum	10.000	10.000
Range	10.000	9.995
Sum	320.575	104.628
1 st Percentile	-	0.010
5 th Percentile	0.010	0.010
10 th Percentile	0.020	0.020
25 th Percentile	0.071	0.112
Median	0.300	0.300
75 th Percentile	0.760	0.577
90 th Percentile	1.510	1.186
95 th Percentile	2.190	1.510
99 th Percentile	5.159	5.768
Geom. Mean	-	0.229

4.2.2 Capping

In the 2007 report, Wardrop used three methods to assess the potential risk of grade distortion from higher-grade assays:

1. Cumulative Frequency Plots
2. Decile Analysis
3. Grade capping curve method.

In a mining project where the assay population is highly skewed, high-grade outliers can contribute excessively to the total metal content of the deposit.

PEG elected to retain the capping methodology used by Wardrop, which consisted of no capping for the very restricted Pass 1 search ellipsoid and then used capped grade for the subsequent two passes (Table 4-4). This methodology essentially restricted the usage of the high-grade outliers to an area in very close proximity to their location, while preventing high grade smearing in the remaining areas.

Table 4-4: Capping Level for the 2008 update

Vein	Used by PEG and Wardrop
Low Skarn	Pass 1 – Un-capped
	Pass 2 and 3 – Cap at 2.50 WO ₃ %
Up_Skarn	Pass 1 – Un-capped
	Pass 2 and 3 – Cap at 2.50 WO ₃ %

4.2.3 Composites

Core length statistics indicate the sampling intervals in the Upper and Lower Skarn of the Risby Deposit average 0.63 m with a significant number of assay lengths as low as 0.10 m. The upper third quartile shows an average of 0.85 m to 0.90 m. Based on that information a 1 m composite length was selected. This length allowed for a few samples of greater length to be broken without affecting the variance and for shorter samples to be combined to produce a sample of proper support. Table 4-5 shows the summary statistics.

Table 4-5: Risby Core Length Statistics

	Lower Skarn	Upper Skarn
Valid Cases	491	192
Mean	0.63	0.63
Minimum	0.10	0.10
Maximum	2.35	2.00
1 st Percentile	0.10	0.10
5 th Percentile	0.14	0.14
10 th Percentile	0.18	0.20
25 th Percentile	0.32	0.30
Median	0.55	0.53
75 th Percentile	0.85	0.90
90 th Percentile	1.20	1.20
95 th Percentile	1.46	1.40
99 th Percentile	1.80	1.58
Geom. Mean	0.51	0.51

Assays were composited in 1 m intervals starting at the collar of the hole and honouring the geological boundaries. Composite remnants, which are composites less than 1 m in length, are unavoidable if the

hard geological boundaries are to be honoured. The compositing methodology locates the composite remnant (less than one metre) against the footwall contact of the veins.

Wardrops' statistical analysis of the composite remnants indicates that intervals less than 0.4 m could be safely deleted from the dataset without introducing a bias in the remaining composites. This would ensure that smaller, less representative samples would not be included in the interpolation. This methodology was retained in the PEG model update.

Table 4-6 show the final composite statistics used in the resource model.

Table 4-6: Composite Statistics for Points Used in Resource Model

	Lower Sill		Upper Sill	
	WO ₃ %	WO ₃ % Capped	WO ₃ %	WO ₃ % Capped
Valid Cases	373.00	373.00	136.00	136.00
Mean	0.49	0.47	0.43	0.40
Std. Error of Mean	0.03	0.02	0.04	0.03
Variance	0.26	0.22	0.24	0.15
Std. Deviation	0.51	0.47	0.49	0.38
Variation Coefficient	1.04	1.00	1.13	0.96
Rel. V.coefficient(%)	5.37	5.15	9.66	8.22
Skew	1.87	1.73	2.70	2.15
Kurtosis	3.88	3.27	8.52	6.57
Minimum	0.00	0.00	0.00	0.00
Maximum	3.03	2.50	2.88	2.42
Range	3.03	2.50	2.88	2.42
Sum	182.75	175.74	58.83	54.22
1 st Percentile	0.007	0.007	0.006	0.006
5 th Percentile	0.020	0.020	0.028	0.028
10 th Percentile	0.039	0.039	0.052	0.052
25 th Percentile	0.142	0.142	0.144	0.144
Median	0.340	0.339	0.270	0.270
75 th Percentile	0.658	0.649	0.516	0.516
90 th Percentile	1.172	1.127	0.907	0.875
95 th Percentile	1.598	1.449	1.372	1.249
99 th Percentile	2.359	2.261	2.712	2.239
Geom. Mean	0.26	0.26	0.25	0.25

4.3 Bulk Density

The available documentation for the HudBay resource estimate suggests that a bulk density of 2.91 g/cm³ was used.

The Risby Deposit is scheelite hosted in garnet-diopside skarn and also scheelite in quartz-biotite chlorite schist. Bulk density for schist, varies between 2.39 g/cm³ to 2.90 g/cm³ with an average of 2.64 g/cm³.

The open pit ore bulk density at the similar Cantung Deposit in the Yukon is 3.20 g/cm³. Mineralization at the Cantung mine is comprised of skarn replacements within the Ore Limestone. At the Open Pit, mineralization is also present as lower grade replacements in the underlying Chert Unit. The Open Pit skarn ore is comprised of scheelite and minor chalcopyrite disseminated in a gangue of pyrrhotite, diopside, garnet, and actinolite.

When compared to Cantung, the bulk density of 2.91 g/cm³ used by HudBay may be low.

In 2008, Playfair added 10 specific gravity determinations analysed at the EcoTech laboratory using coarse chip rejects. Additionally Playfair conducted eight field measurements using a graduated cylinder methodology.

The EcoTech methodology consisted of using approximately 50 g of dry reject weighed into a dry tared phosphoric acid flask. Reverse osmosis water is added to cover the sample and it is swirled to ensure complete wetting of the sample and absence of all air. Once the sample has degassed, it is filled to the 200 mL line with water and reweighed. The specific gravity is calculated from these measurements and is recorded as grams per cubic centimetre.

The Playfair methodology consisted of using a Ohaus Scout Pro balance with an accuracy to 0.01 g weighing the rock sample measured in air, then in water by suspending the rock with a thin wire into a container of water (balance was zeroed for the combined mass of container and water). The specific gravity was then calculated by dividing the mass of the sample in air by the difference of the in-air and in-water readings.

SG measurements in the field were a little higher by 0.17 g/cm³ from 2.85 g/cm³ from EcoTech to 3.02 g/cm³ for the field measures; confirming the value used in the past by HudBay. Due to small sample size, PEG elected to use the average SG value of the 18 measurements of 2.92 g/cm³.

4.4 Geological Interpretation

A wireframe model of the Upper and Lower Skarn of the No. 2 Zone originally constructed by Wardrop using digital data supplied by Playfair was updated with the results from the 2008 drill program. Data was imported into Gemcom software and 3D geology rings of the skarn were digitised on each drill section and then on a few selected plan views to confirm the interpretation. Both the quartz diopside garnet skarn (code 60) and the tungsten assays were used to guide the geological interpretation. A minimum thickness of 3.0 m was used for the modeling. Tie lines and plans were used to connect the geology rings on different sections to create the wireframe.

The topographic surface and trench locations were imported into Gemcom. The wireframes incorporated the location of the trench data. The model was extended above the topographic surface and then clipped to the topographic surface.

The Wardrop interpretation differs from HudBay on section 2900W where Downing (1982) interpreted a possible fault offset between holes RT80-28 and RT80-36 (Figure 4-3). In the Dawning interpretation, higher grade mineralization located near the hanging wall of the Wardrop Lower Skarn zone in hole RT80-36 was flagged as the Upper Skarn zone. While this interpretation is still a possibility, Wardrop modeled a thickening of the Lower Skarn between holes RT80-28 and RT80-36 and connected the Upper Skarn zone from holes RT80-28 to a small diopside skarn unit in hole RT80-36 located above the lower skarn horizon. In 3D, the Wardrop interpretation maintains a relatively constant distance between the Upper and Lower Skarn and the quartz monzonite basal unit and shows no significant offset in the mineralization as illustrated in Figure 4-1. This interpretation is more amendable to an open pit mining scenario since it combines the higher grade hanging wall and footwall of the lower skarn zone with the lower grade central portion, resulting in higher tonnages with lower grade.

No new additional information was available in 2008 to refute or substantiate this interpretation.

The lithological wireframes were clipped to the topographical surface for volume generation and display purpose. The average true thickness for the upper skarn and lower skarn is 3.39 m and 8.07 m respectively. Table 4-7 shows total volume of the wireframes.

Table 4-7: Wireframe Volume

Zone Name	Mm³
Lower Skarn	71
Lower Skarn	3
Total Volume	102

Figure 4-2 shows the completed geological models.

Figure 4-1: Downing Interpretation

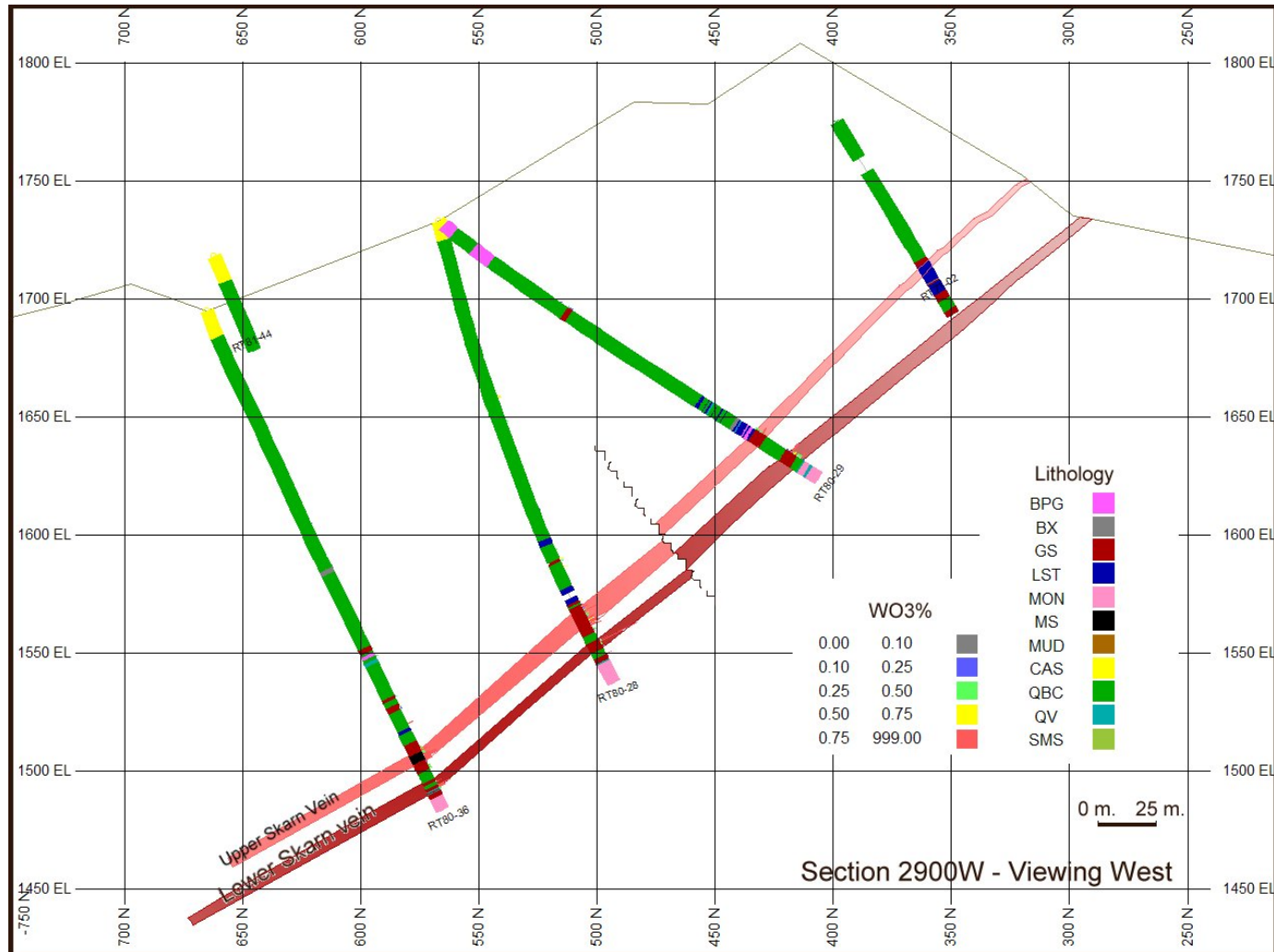


Figure 4-2: PEG and Wardrop Interpretation

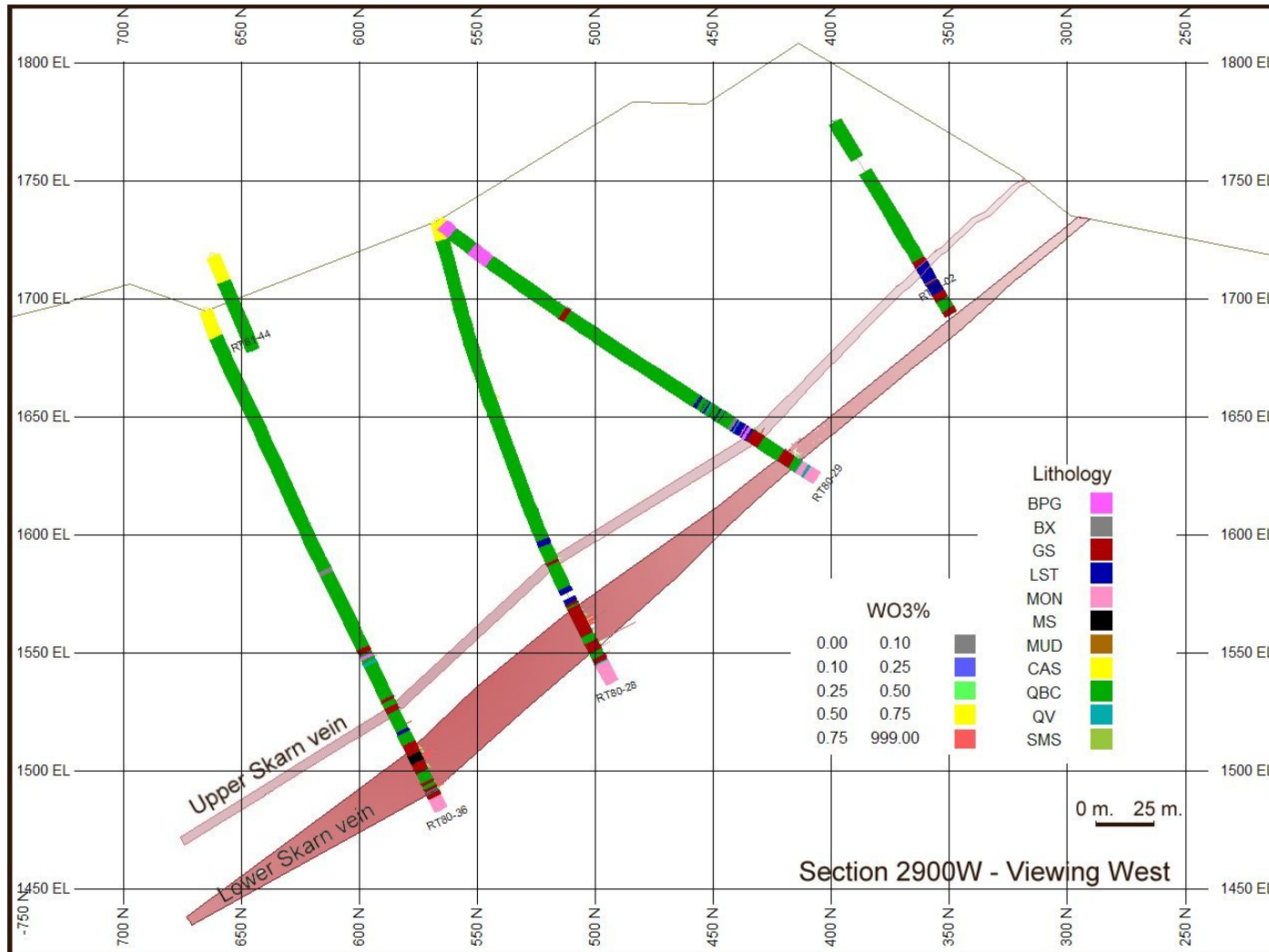
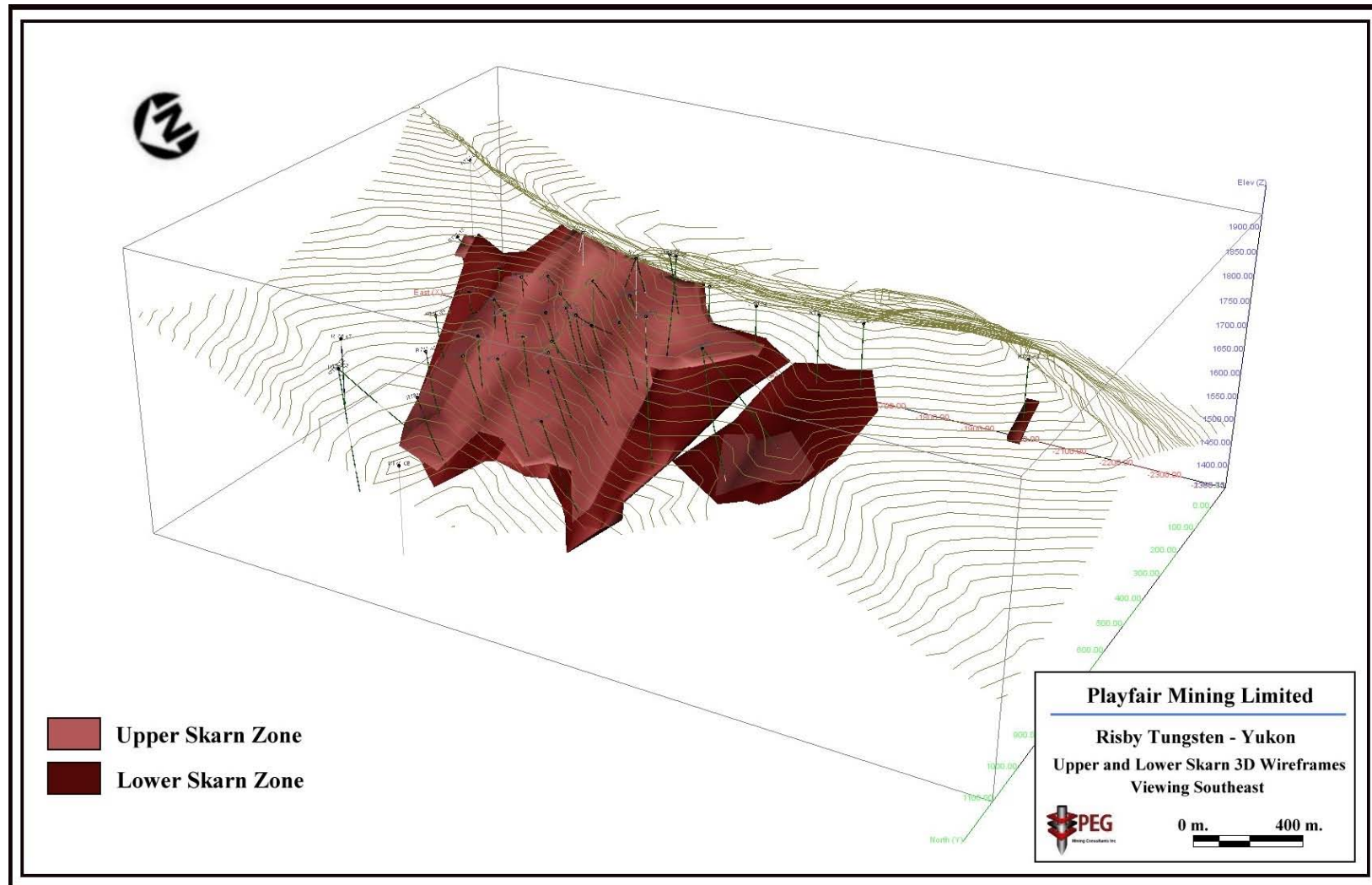


Figure 4-3: Completed 3D Geological Models



4.5 Spatial Analysis

PEG as part of the 2008 update did not redo Variography analysis since only three new holes intersected the mineralization. Wardrop reported that both downhole and directional variography were applied to the Upper and Lower Skarn veins to evaluate the spatial continuity of the tungsten values. Neither method was successful, so the search parameters were defined with respect to the orebody and drill hole density as explained in Section 4.7.

These parameters orient the search ellipse parallel to the vein and give it dimensions that reflect the known geometry of the vein. The ratio of the major axis was set to 1.8 times the semi-minor axis, which mimics the orebody strike dimension of 900 m and down dip dimension of 500 m. For example, in the Pass 1 search ellipsoid, the major axis (21.6 m) is oriented parallel to the strike of the vein while the semi major axis (12 m) is oriented down the dip of the vein. The minor axis (6 m) is oriented parallel to the thickness of the vein.

For 2008, the search ellipsoids used by Wardrop were validated and PEG added one additional sub-domain to handle the change in the vein orientation on the west side of the Fault as defined by hole RT08-50 and RT08-51.

4.6 Resource Block Model

One block model was constructed in Gemcom's GEMS version 6.42™ software. The block sizes remain at 5 m x 5 m x 2 m to capture the low dip angle of the Deposit and the high/low grade areas of the veins.

The block model matrix was defined using the following coordinates (block edge) based on the HudBay local grid system:

Easting: -2,150
Northing: 200
Top elevation:..... 1,910

Rotation angle: 0.0 degrees anti clockwise around the origin giving the model X direction an azimuth of 0° in the local grid system and approximately 135° azimuth in the true north coordinate system.

Number of blocks in the X direction:..... 254
Number of blocks in the Y direction:..... 120
Number of blocks in the Z direction:..... 305

The block model matrix covers the area bounded by the coordinates listed in Table 4-8.

A grade domain model was assigned a code corresponding to the integer code of the wireframe. Blocks in this model have a value of 90 for areas external to the wireframe, 100 for the lower skarn vein and 200 for the upper skarn.

Table 4-8: Maximum and Minimum Coverage for the Block Model Matrix (Edge to Edge – HudBay Grid)

Coordinate	Minimum	Maximum
Easting	-2150	-880
Northing	200	800
Elevation	1300	1910

4.7 Interpolation Plan

The only element modeled is tungsten (as WO₃%), using nearest neighbour and inverse distance squared interpolation routines.

Interpolation was carried out in three passes with an increasing search radius coupled with a decreasing sample density restriction. The interpolation plan used for the Risby Deposit allows for limited usage of uncapped values for the most restrictive Pass 1 search followed by capped values for the remaining less restrictive two passes. Additionally, a fully uncapped grade model was interpolated along with a two-pass uncapped model with a one block diamond pattern search restriction on high grade value in order to quantify the impact of high grade capping on the resource model.

All grade domains were treated as hard boundaries with the surrounding domains.

The search ellipsoids orientation and dip were adjusted to coincide with the average strike and dip angle of the deposit in both orientation sub-domains.

The search ranges were defined with respect to the orebody geometry and drill hole density. The ratio of the major axis was set to 1.8 times the semi-minor axis, which mimics the orebody strike dimension of 900 m and down dip dimension of 500 m as stated earlier. The incremental ratio of the major and semi major axis between Pass 1 and Pass 2 is 4.16 and between Pass 2 and Pass 3 is 2.0.

Table 4-9 shows a summary of the ellipsoid orientation and dimensions used in the different passes.

Two special models in the block matrix called passNb recorded the pass number; a given grade was interpolated. The dist model recorded the distance to the closest composites.

Table 4-9: PEG Ellipsoid Dimensions

	Orientation	Ellipsoid Dimension (in m)			Number of Samples Used			Comment
	GEMS ZXZ	X	Y	Z	Min	Max	Max per Hole	
Pass 1	+7.5, -36.2, 0.0 East search ellipsoid orientation (Sub domain 0)	21.6	12	6	6	15	5	Minimum of two holes required – Uncapped grade
Pass 2		90	50	12	6	15	5	Minimum of two holes required – Capped grade
Pass 3		180	100	24	2	15	5	Capped Grade
Pass 1	-10.0,-28.0,0.0 West search ellipsoid orientation (sub domain 1)	21.6	12	6	2	15	5	Minimum of two holes required – Uncapped grade
Pass 2		90	50	12	6	15	5	Minimum of two holes required – Capped grade
Pass 3		180	100	24	2	15	5	Capped Grade

4.8 Mineral Resource Classification

Several factors are considered in the definition of a resource classification:

- CIM requirements and guidelines
- experience with similar deposits
- spatial continuity
- confidence limit analysis.

No environmental, permitting, legal, title, taxation, socio-economic, marketing or other relevant issues that may affect the estimate of mineral resources are known to the author. Mineral reserves can only be estimated based on an economic evaluation that is used in a preliminary feasibility study of a mineral project; thus, no reserves have been estimated. As per NI 43-101, mineral resources, which are not mineral reserves do not have demonstrated economic viability. All of the mineral resources within Risby Deposit are classified as Inferred Mineral Resources. To upgrade the classification to include Indicated Mineral Resources, Wardrop suggested re-surveying the control stations in UTM coordinates so that the 2006 drilling can be reliably incorporated with the old HudBay drill holes, twinning a few holes from the old HudBay program to ascertain the grade distribution, implement a full QA/QC program, and incorporate structural features in the model.

Playfair conducted a high precision survey on the property during the summer 2008, implemented a limited QA/QC program and it has yet to twin one or two holes from the former HudBay drilling. Unfortunately, due to lack of funds the resource model could not be converted to NAD83 as it would entail a complete re-interpretation of the wireframe model due to coordinate and elevation adjustments of the drill hole collars. For these reasons, the resources at Risby were kept in the inferred category.

4.9 Mineral Resource Tabulation

Effective May 14, 2009, PEG has estimated the Mineral Resource for the Risby deposit No. 2 Zone, utilizing approximately 9,057 m of diamond drill hole data. The resource estimate takes into account all drilling information for the Risby deposit up to the end of the 2008 drill campaign and incorporates results from trenching on the lower Skarn horizon.

The Risby No. 2 resource estimate comprises Inferred resources reported as WO₃% mineralization with a base case cut-off grade of 0.20% WO₃.

The base case cut-off grade chosen was determined based on the cut-off grades for similar deposits in western Canada envisioning an open pit mining scenario.

Table 4-10 shows the results summary of the resource estimate at the Risby No. 2 Zone. The total Inferred Resource is 8.5 Mt grading at 0.475% WO₃ containing 89.4 Mlb of WO₃ or 4.1 MTU. Table 4-11 shows resource at various cut-offs with the 0.2% WO₃ base case highlighted.

Table 4-10: Upper and Lower Skarn Resource estimate

Resource Category	Cut-off Grade WO ₃ %	Tonnes	WO ₃ % Grade	WO ₃ Pounds	MTU
Inferred	0.2	8,537,000	0.475	89,400,000	4,055,075

Table 4-11 shows the tonnage-grade estimates for the Inferred Mineral Resources for No. 2 Zone, Upper and Lower Skarn veins using a base case of 0.2% WO₃ cut-off grade.

Table 4-11: Tonnage-Grade Estimates for the Updated Inferred Resources for No. 2 Zone

Vein	Cut-off WO ₃ %	Volume (Mm ³)	Tonnage (Mt)	WO ₃ % (capped grade)
Lower Skarn	>0.8	0.26	0.76	0.938
	>0.7	0.40	1.17	0.872
	>0.6	0.63	1.84	0.790
	>0.5	0.87	2.54	0.723
	>0.4	1.33	3.89	0.627
	>0.3	1.85	5.39	0.550
	>0.2	2.34	6.84	0.487
	Total	2.34	6.84	0.487
Upper Skarn	>0.8	0.02	0.06	0.874
	>0.7	0.04	0.13	0.805
	>0.6	0.08	0.24	0.731
	>0.5	0.17	0.51	0.634
	>0.4	0.29	0.85	0.561
	>0.3	0.42	1.23	0.495
	>0.2	0.58	1.70	0.427
	Total	0.58	1.70	0.427

4.10 Block Model Validation

The updated Risby resource model was validated by using four methods:

- Visual comparison of colour-coded block model grades with composite grades on section plots
- Comparison of the global mean block grades for ordinary kriging, inverse distance, nearest neighbour models, composite and raw assay grades
- Comparison using grade profiles at 50 m spacing in the X and Y direction and 30 m spacing in the Z direction looking for local bias in the estimate
- Naive cross validation test with composite grade versus block model grade.

4.10.1 Visual Comparison

The visual comparisons of block model grades with composite grades for the Upper and Lower Skarn Vein shows a reasonable correlation between the values. No significant discrepancies were apparent from the sections reviewed. Appendix A includes representative Gemcom plots of the comparison between the block model and drill hole assays.

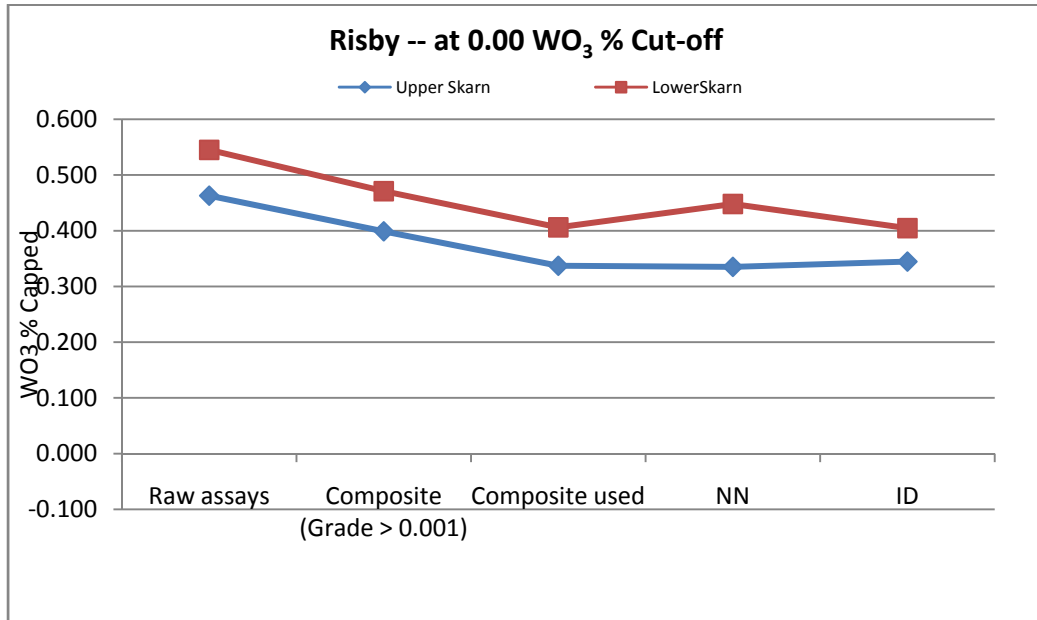
4.10.2 Global Comparison

Table 4-12 and Figure 4-4 compares the average grades for the different interpolation methods using 0.0% WO₃ cut-off. The differences in values are expected and logical – they reflect the use of different search parameters on capped or uncapped data.

Table 4-12: Global Grade Comparison at 0.00 WO₃% Cut-off

Source	Upper Skarn (WO ₃ %)	Lower Skarn (WO ₃ %)
Assay	0.463	0.545
Composite (grade > 0.01)	0.399	0.471
Composite used for interpolation	0.337	0.406
Block Model – Nearest neighbour – Un-capped	0.386	0.478
Block Model – Nearest neighbour – Capped	0.335	0.448
Block Model – Inverse distance – Un-capped	0.387	0.423
Block Model – Inverse distance – Capped	0.345	0.405

Figure 4-4: Global Grade Comparisons at 0.00 WO₃% Cut-off



Percent changes in metal content shown in Table 4-13 between the nearest neighbours capped grade and inverse distance with high-grade search restriction is in very close agreement between the two methods with 3.0% difference or less except for the nearest neighbour lower skarn zone showing a 1% difference. This was also observed in the Wardrop 2007 model and is probably due to the hole distribution on the fringe of the deposit. The un-capped models show 12% more metals for both the nearest neighbour model and inverse distance for the Upper Skarn. The Lower Skarn vein shows an improvement of 18% in metal for the nearest neighbour un-capped model and 4% for the inverse distance un-capped model.

Table 4-13: Metal Content Difference between Methods

Method	Upper Skarn (% Difference)	Lower Skarn (% Difference)
Block Model – Inverse distance – Capped (base case)	0	0
Block Model – Nearest neighbour – Capped	-3	11
Block Model – Nearest neighbour – Un-capped	12	18
Block Model – Inverse distance – Un-capped	12	4

4.10.3 Local Comparisons – Grade Profile

The comparison of the grade profiles (swath plots) of the raw assay, composites and estimated grade allows for a visual verification of an over- or under-estimation of the block grades at the global and local scales. A qualitative assessment of the smoothing and variability of the estimates can also be observed from the plots. The output consists of three swath plots generated at 48 m intervals in the X direction, 52 m in the Y direction and 28 m vertically for WO₃%, the main grade element.

The Inverse distance estimate should be smoother than the nearest-neighbour estimate, thus the nearest-neighbour estimate should fluctuate around the Inverse distance estimate on the plots or display a slightly higher grade. The composite line is generally located between the assay and the interpolated grade. A model with good composite distribution should show very few crossovers between the composite and the interpolated grade line on the plots. In the fringes of the deposits, as composite data points become sparse, crossovers are often unavoidable. The swath size also controls this effect to a certain extent; if the swaths are too small, fewer composites will be encountered, which usually results in a very erratic line on the plots.

The best swath orientation for the Risby deposit is along the X axis or the vertical Z axis. The Y axis orientation is roughly parallel to the strike of the deposit.

In general, the swath plots show good agreement with all three methodologies with no major local bias. All axis show minor crossovers. Grade profiles are presented in Figures 4-5 to 4-7.

Figure 4-5: X-Axis Swath Plots

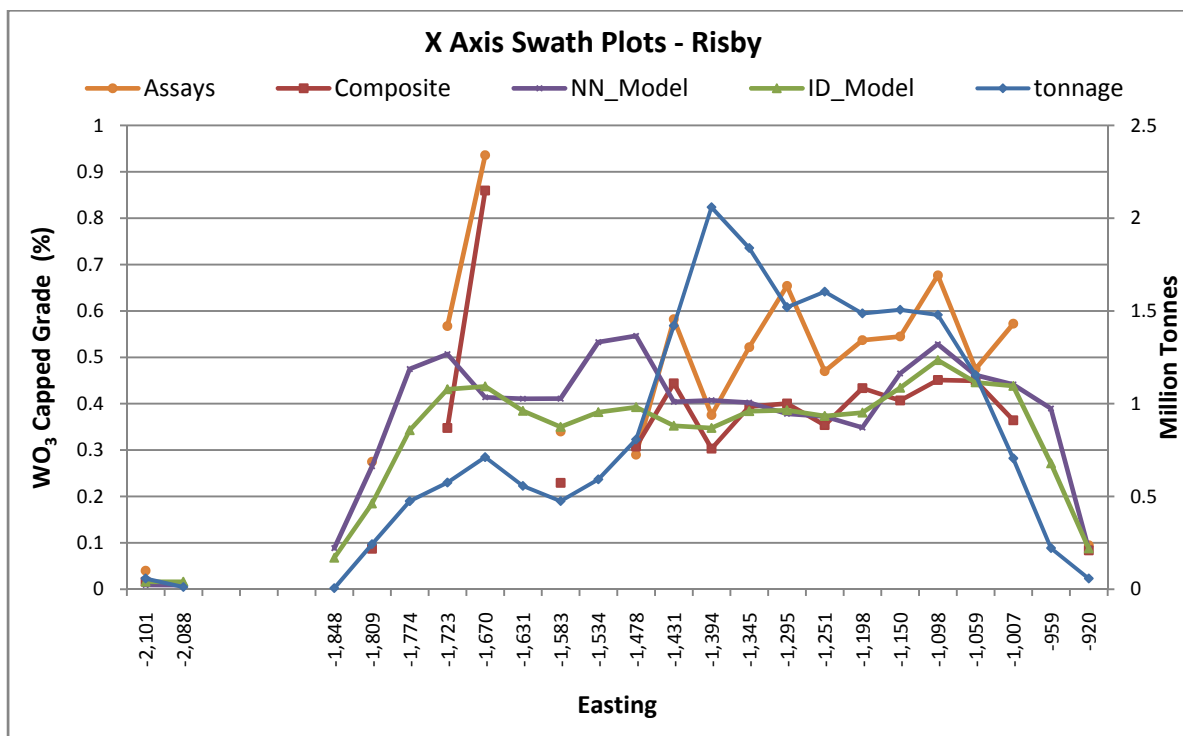


Figure 4-6: Y-Axis Swath Plots

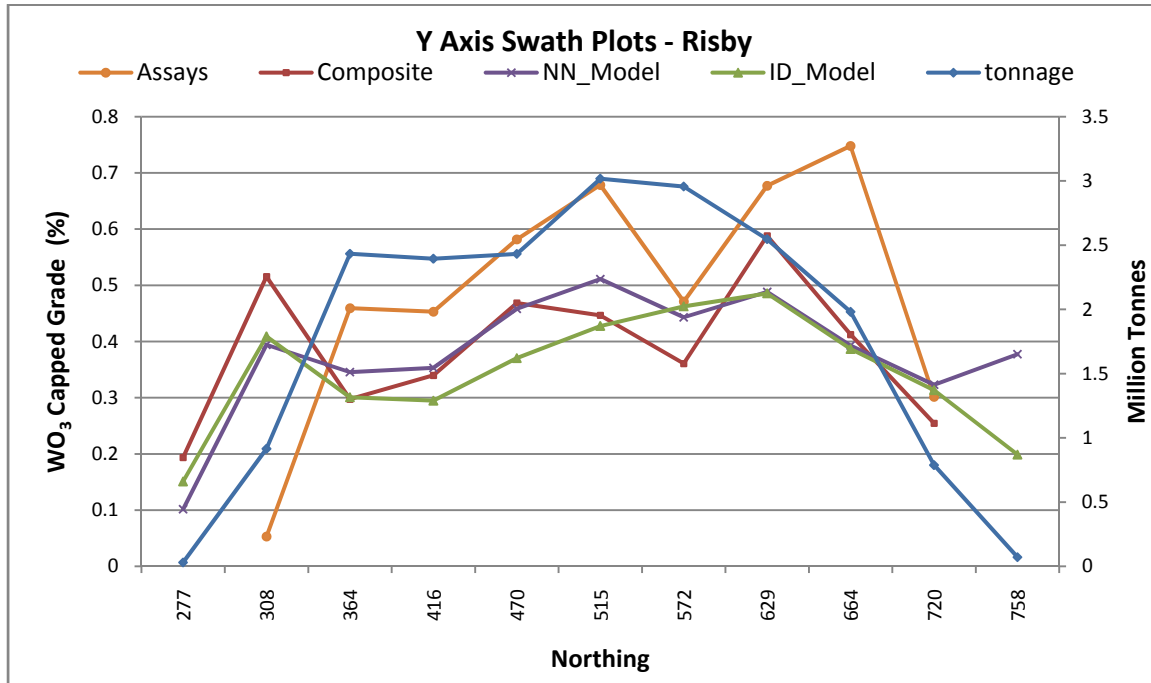
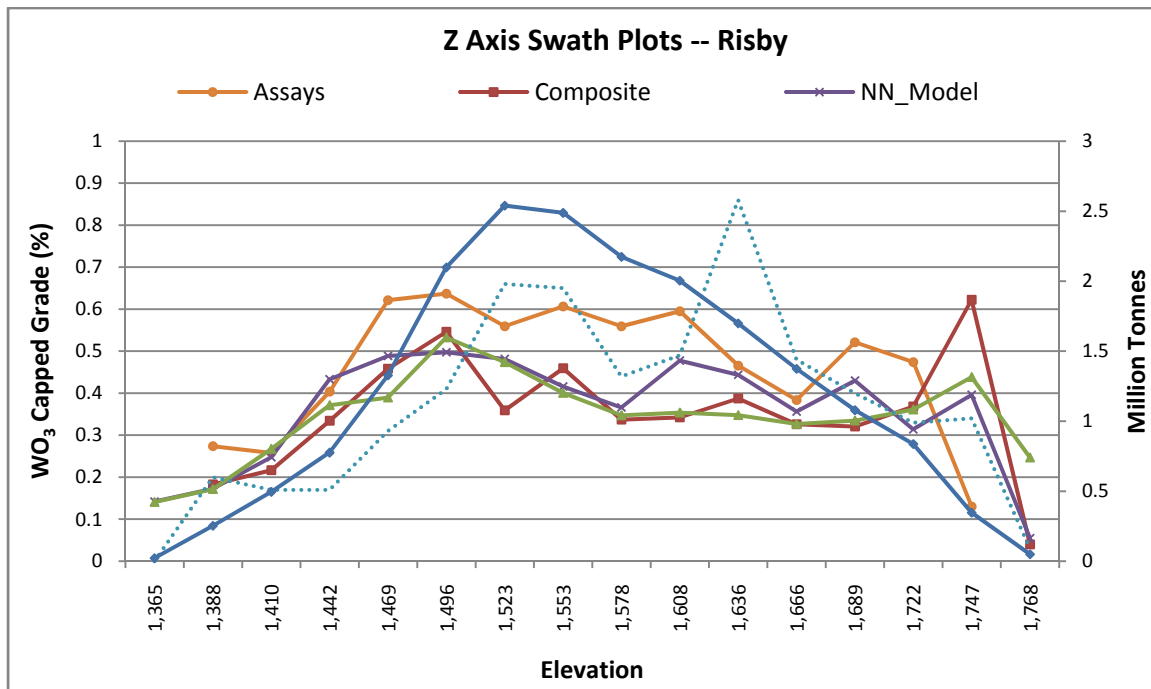


Figure 4-7: Z-Axis Swath Plot



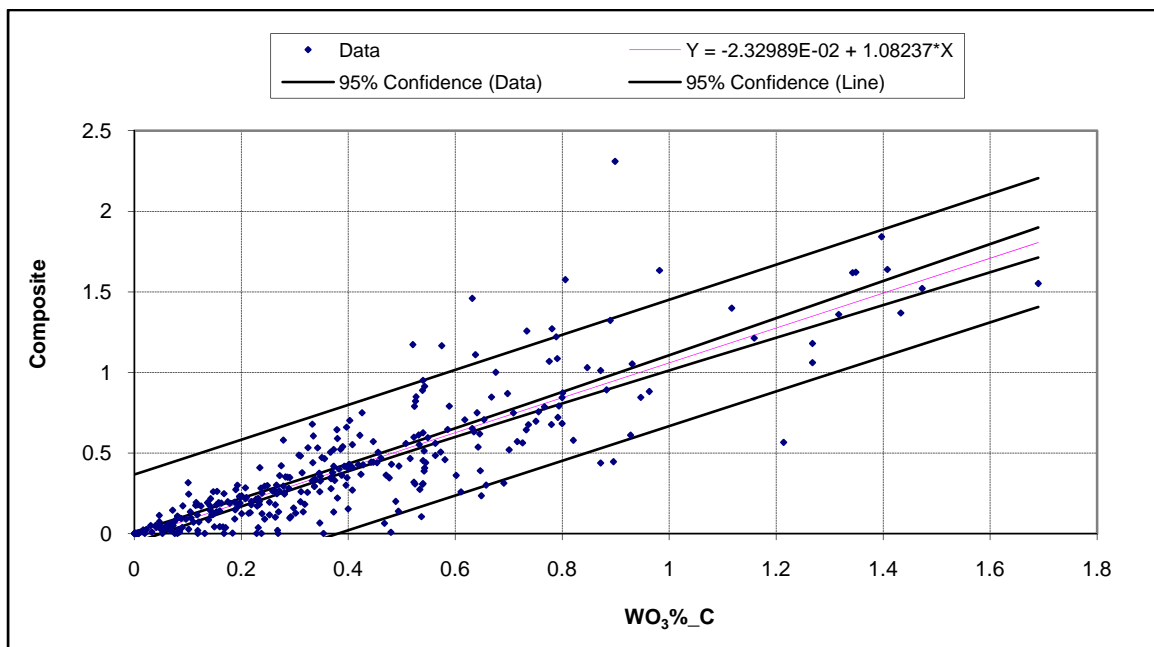
4.10.4 Naïve Cross-Validation Test

A comparison of the average grade of the composites within a block with the estimated grade of that block provides an assessment of the estimation process close to measured data. Pairing of these grades on a scattered plot gives a statistical valuation of the estimates. This methodology differs from “Jack Knifing” which replaces a composite with a pseudo block at the same location. Jack Knifing evaluates, and compares the estimated grade of the pseudo block against that of the composite grade.

It is anticipated that the estimated block grades should be similar to the composited grades within the block, however without being of exactly the same value.

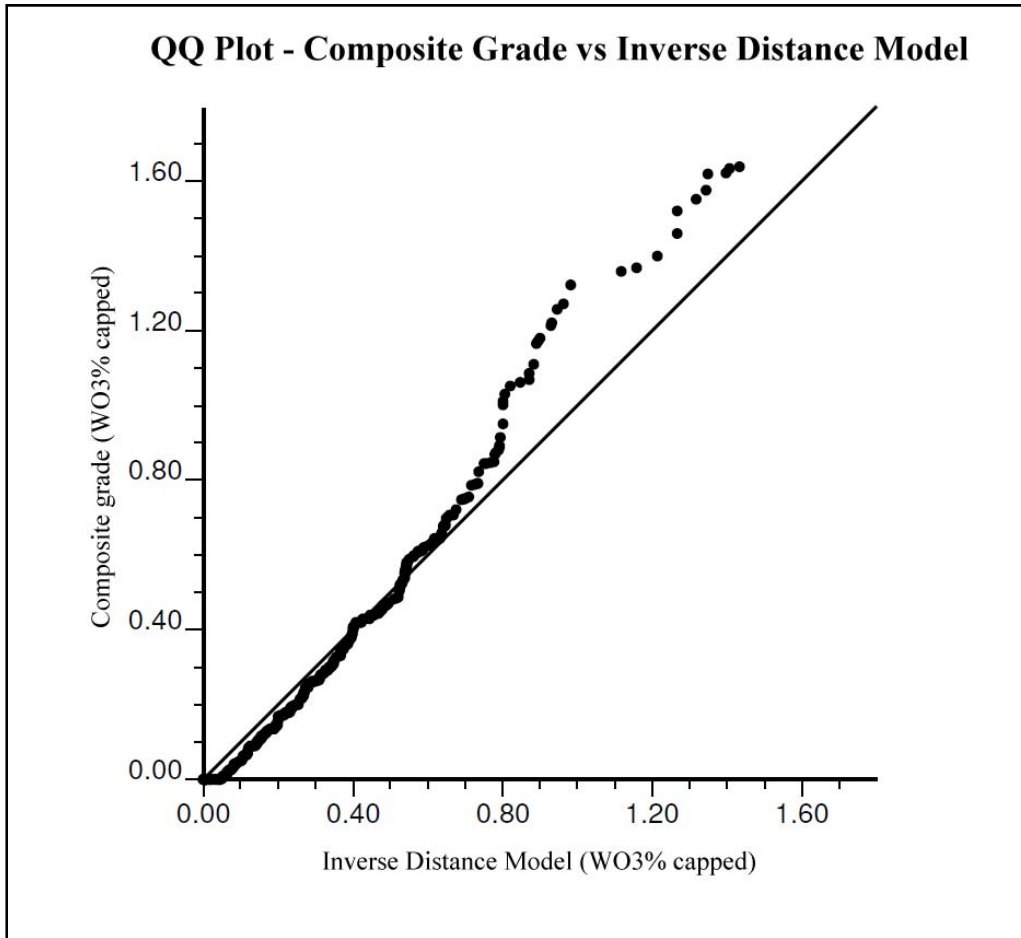
A high correlation coefficient will indicate satisfactory results in the interpolation process, while a medium to low correlation coefficient will be indicative of larger differences in the estimates and would suggest a further review of the interpolation process. Figure 4-8 presents the results from the pairing of the composited and estimated grades within blocks pierced by a drill hole. The R2 value is 0.745.

Figure 4-8: Naïve Cross Validation Test Results



Plotting the same data on a QQ plot (Figure 4-9), revealed that the interpolation performs remarkably well in the grade ranging from 0% to 0.8% WO₃. Above 0.8% WO₃, the inverse model appears to underestimate the composite grade due to smoothing which is a common observation with this type of interpolation.

Figure 4-9: Naive Cross Validation Composite vs. Inverse Distance Model Result



5 INTERPRETATION AND CONCLUSIONS

A mineral resource has been estimated for the Risby Tungsten Deposit Upper and Lower Skarn using data supplied by Playfair. This data includes drill hole information as well as assay and trench data. All of the data within the skarn has been used in the final block model.

The tungsten mineralization is typically in the form of scheelite disseminated within the garnetiferous sections of the diopside skarn; pyrrhotite, quartz, and actinolite are usually present with minor pyrite, chalcopyrite and traces of molybdenite. A bulk density of 2.92 g/cm³ was used based on 18 measurements taken by Playfair in 2008.

PEG validated the 2008 drill hole assay database and reviews the QA/QC procedures implemented in 2008. PEG believes that the information supplied for the resource estimate and used in this report is accurate.

Both Inverse Distance Squared and Nearest Neighbour interpolation methods were used and grade models were estimated using capped and uncapped values. No significant discrepancies exist between these methods. The usage of capped grade downgraded the resource average grade by 12% for the smaller upper skarn vein and only 4% for the larger lower skarn zone.

PEG estimated 8,537,000 tonnes of Inferred Mineral Resources at an average grade of 0.475% WO₃ using a 0.2% cut-off for the Upper and Lower skarn units of the Risby Deposit.

6 RECOMMENDATIONS

Following the completion of the mineral resource estimates of the deposit, PEG recommends the following:

- Future drill campaigns should focus on the following areas:
 - in-fill drilling to minimize areas where holes are spaced at more than 60 m from each other
 - drilling on section 2100W to 2300W in order to extend the mineralized envelope outlined by the 2008 drill campaign.
- Continuing the collection of specific gravity measurement in future drill program to supplement the existing data. SG determination should be carried out automatically at a rate of 1 sample every 5 m. This would ensure proper coverage in both high-grade and low-grade sections of the deposit. The SG data collection should also incorporate waste rocks for those areas that could be encompassed by an open pit and around the perimeter of the deposit.
- With additional drilling, future resource models should revisit the fault interpreted by Downing since connection from the upper and lower skarn horizon in that area of the deposit is not well understood.
- Closely spaced grade data is required in sufficient quantity to enable modelling of well-structured directional variogram models. Variograms should be revisited at the conclusion of the 2009 drill program.
- As part of the next drill campaign, PEG recommends the implementation of a geotechnical data-collection program. Guidance regarding the proper collection methodologies should be sought from a specialized firm to ensure the data will be usable in the future.
- PEG recommends utilizing the block model to investigate the mining potential of the deposit. Based upon the geometry and value of the deposit, both open pit and underground mining techniques need to be investigated. A conceptual scoping study can be conducted with the different mining methods to determine the economics of the project.
- One or two additional standards should be purchased to insert in the sample stream as it would provide a blind submission to the analytical laboratory.
- Blanks and core twin duplicates should be inserted in the sample stream along with the standards to assess the accuracy of the analytical laboratory.
- Playfair should produce control charts as part of the QA/QC monitoring procedure. This would allow Playfair to locate deteriorating trend in the analytical procedures and resubmit batches should the QA/QC results be above the fail mark.
- Coarse rejects and pulps from earlier assays should be inserted in the sample stream with a new tag number in order to incorporate a blind coarse and pulp duplicate procedure to the QA/QC protocol.

This recommendation assumes that the logistics in relation to the rejects/pulp samples shipped back from the laboratory to the project site can be resolved. Obviously, the additional cost of adding this procedure to the QA/QC program needs to be weighed against the benefit obtained.

7 CERTIFICATE OF QUALIFIED PERSON

I, Joseph Rosaire Pierre Desautels of Barrie, Ontario, do hereby certify that as one of the authors of this Technical Report update **Technical Report Update for the Risby Deposit, Yukon, Canada**, dated May 29th, 2009, I hereby make the following statements:

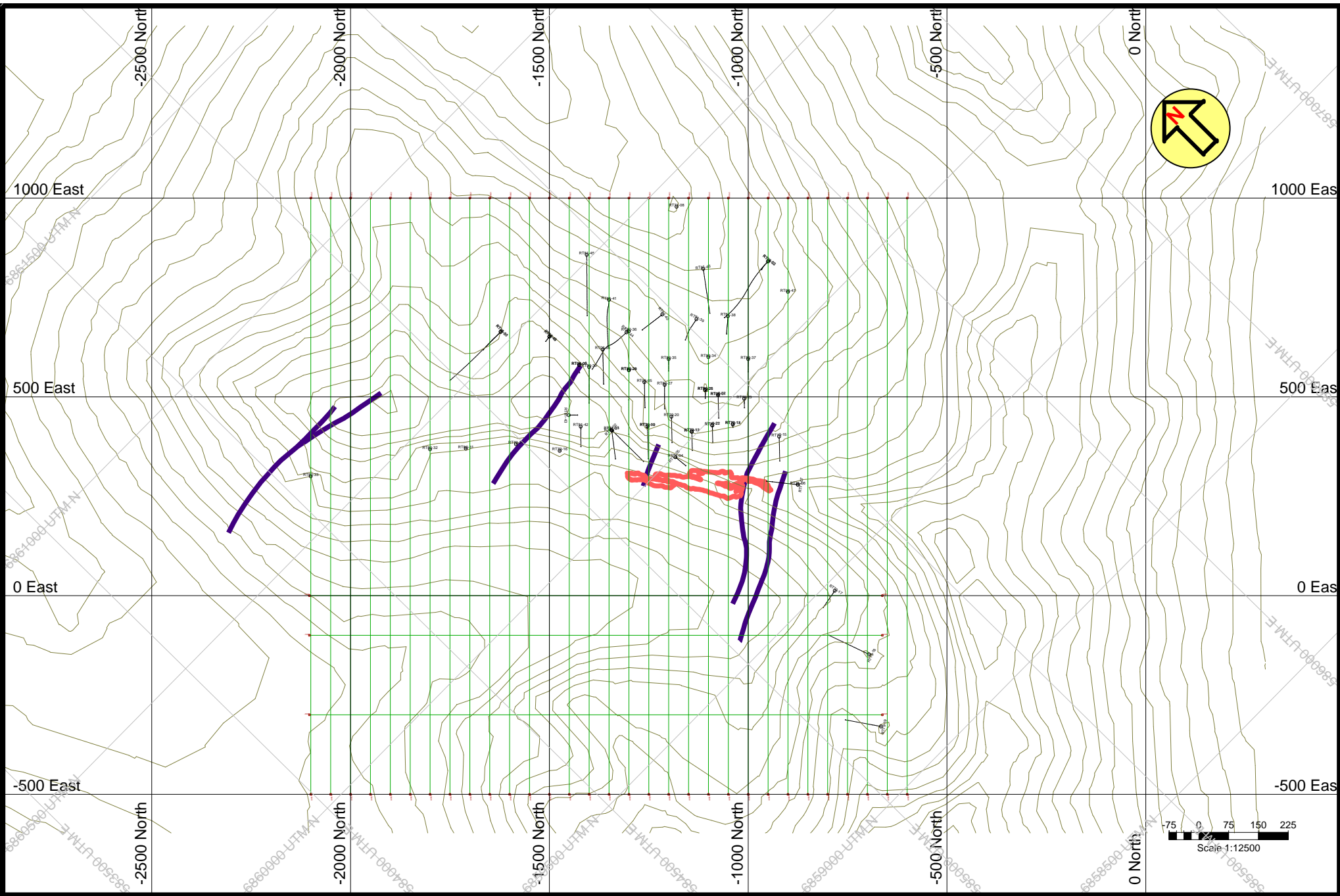
- I am a Principal Resource Geologist with PEG Mining consultants Inc. with a business address at 92 Caplan Avenue, Suite 610, Barrie, Ontario, Canada, L4N 0Z7.
- I am a graduate of Ottawa University (B.Sc. Hons., 1978).
- I am a member in good standing of the Association of Professional Geoscientists of Ontario (Registration #1362).
- I have practiced my profession in the mining industry continuously since graduation.
- I have read the definition of “qualified person” set out in National Instrument 43-101 (NI 43-101) and certify that, by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purpose of NI 43-101.
- My relevant experience with respect to resource modeling includes 29 years experience in the mining sector covering database, mine geology, grade control, and resource modeling. I was involved in numerous projects around the world in both base metals and precious metals deposits.
- I am responsible for the preparation of this technical report titled “Technical Report Update for the Risby Deposit, Yukon, Canada, dated May 29th, 2009.
- I have no prior involvement with the property that is the subject of the Technical Report.
- As of the date of this Certificate, to my knowledge, information, and belief, this technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.
- I am independent of the Issuer as defined by Section 1.4 of the Instrument.



Signed and dated this 29th day of May 2009, at Barrie, Ontario.

*“Original Document, signed and sealed by
Pierre Desautels, Barrie Ontario”*

Signature

APPENDIX A
SECTIONS AND PLAN VIEW

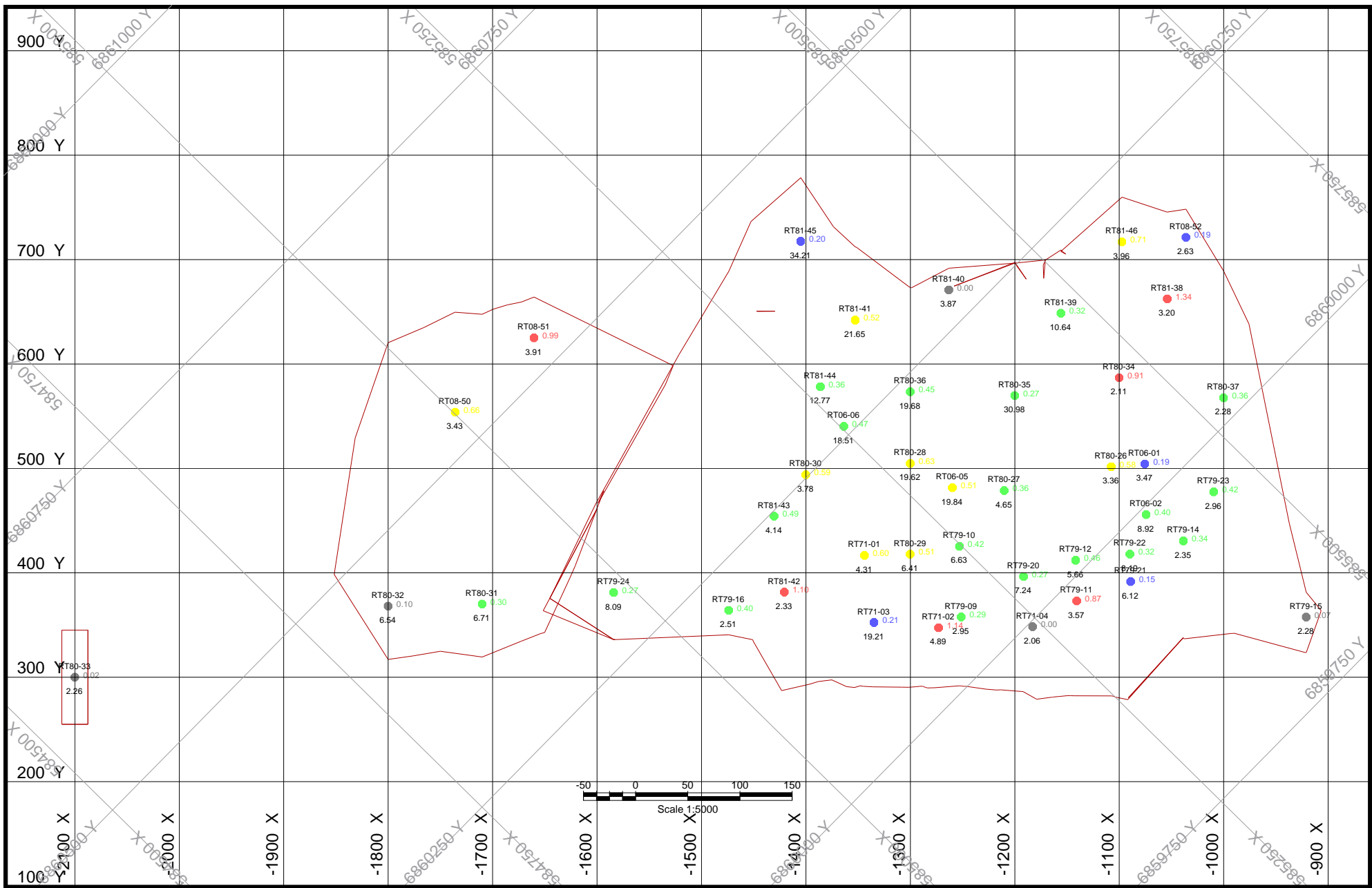


Legend	
	Fault Lines
	Zone Surface Expression

PEG Mining Consultants Inc
 92 Caplan Avenue, Suite 610
 Barrie, ON L4N 0Z7

Units: Meters (1:8000)

PlayFair Mining - Risby zone
 General plan view
 Showing section lines



Legend

Wireframe Outline

Hole-ID

WO3%

True Thickness

PEG Mining Consultants Inc

92 Caplan Avenue, Suite 610
Barrie, ON L4N 0Z7

Units: Meters

PlayFair Mining - Risby zone

Plan view

Lower Zone - Pierce Points (zone center)

