

## Yale Resources Ltd.

(YLL – TSX Venture, YRLLF – OTC Pink Sheets, YAB - Frankfurt)

Initial mission of prioritizing the large number of targets at significant Mexican acreages is beginning to result in a "pipeline" of drill-ready targets. From a nearer term resource perspective, 2008 work at past producer Verde Grande is following up on positive indications for 1+ million tonne deposit.

### Yale – A Systematic, Rigorous Program to Produce Targets of Merit

- Over the past 1.5 years, Yale has assembled a portfolio of Mexican properties in world class mining districts. The large number of mineralized occurrences and small scale mining operations throughout their properties has dictated that a rigorous, systematic exploration program be followed. Over this time, literally thousands of samples have been collected and there has been several targets investigated by geophysics. This program has begun to bear fruit -
  - ❶ Drilling is now underway at two initial targets at **Urique North**.
  - ❷ Work at the past producer **Verde Grande** has resulted in a new geologic interpretation, a significantly greater strike, and potential for new processing methods (i.e. heap leach vs. traditional flotation)
  - ❸ The company continues at **Urique South** to prioritize the (now 7) targets for later drilling.
  - ❹ At the **Carol** property, sampling over wide areas in two skarn zones has yielded several high grade results – further hand trenching indicates that copper oxides occur in each trench over 6 – 22 m widths.

### Targets / Potential

- **Urique Au-Ag Targets.** Located in Mexico's prolific Sierra Madre gold belt, Yale has been narrowing down several targets in 2D for some time (i.e. > 2500 samples) and results are showing potential for large deposits – and corroborated by coincident geophysics results for extensions at depth. The company is now in the interesting stage – looking at the critical 3<sup>rd</sup> dimension in 2008 by drilling – for potential to generate more interesting and far-reaching news than with past sampling programs.
- **Meaningful Cu-Ag-Zn-Au Deposit at Verde Grande ?.** With 7 levels and 5 shafts, there has been considerable development and study of this deposit. A positive 1989 study focused on placing this past producer back into production (using underground mining & traditional flotation methods). **Yale is transforming this asset** - ❶ a reinterpretation of the deposit as flat-lying (not dipping as previously thought), ❷ beginning to investigate this asset from the point of view of open pitting and heap leaching. *Sampling the shafts is now underway to determine the extent of mineralization between the known levels.* While there are several key issues to be determined, should work continue to prove positive, there would be indications of a 1+ million tonne (given the now known dimensions), possibly \$100+ million gross (in situ) deposit (again, depending on what lies between the known layers). This could potentially represent a very attractive asset to Yale, particularly given Yale's current low, \$6 million market cap.
- **Carol Cu-Zn-Au Project.** It will be very interesting to learn the results of hand trenching to allow more bedrock sampling than was allowed in the earlier (encouraging) outcrop sampling program. This is potentially a very large scale target.

### Market Data



#### Share Data (\$Cdn):

Recent Price:	\$0.175
52-week Price Range:	\$0.12 - \$0.375
Shares Outstanding (current):	34.8 million
Fully Diluted Shares (1):	44.9 million
(1) Incl. 13.6 million options / warrants @ \$0.20 - \$0.50.	

#### Capitalization (\$Cdn):

Market Capitalization:	\$6.1 million
Total Debt:	nil

#### Corporate Information:

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### Investment Considerations

- Yale is now emerging from a fairly lengthy, rigorous, 1.5 year early stage program of prioritizing targets – the company is no longer a mere grass roots play.
- Yale is now beginning to mature as an advanced mineral exploration company that is capable of producing some very interesting results (i.e. drilling priority targets, with La Verde Grande as a potential producer).
- With a \$6 million market cap currently, we see the risk-reward balance as skewed to the upside.
- We note companies active in Mexico with small scale production, active drill programs, and a large number of targets (i.e. IPT.V, RCT.V, DIB.V) now trade at \$50 - \$70 million market cap, which offers some encouragement for Yale.

## Opinion – Valuation Issues

We see work by Yale as covering three fronts, each of which has its own valuation considerations.

1. **Drilling priority targets.** Given the size and nature of drill targets, positive drill results over the coming weeks / months will obviously have the potential to materially impact Yale stock.
2. **Investigating the potential for a meaningful deposit at Verde Grande.** Any junior that can demonstrate real potential to place a meaningful asset into profitable production would influence its current valuation.
3. **Further target definition.** This of course is of least interest to the market but critical to the long term future of Yale in terms of developing one / multiple properties.

Bottom line, we see Yale as essentially moving from being seen as a relatively pure early stage exploration company to one that is pursuing development on a number of levels – we see this as very positive from the point of view of having the ability to deliver not only more, but more varied news that is of more interest to junior resource investors.

## What are We Looking At – Property Synopsis

Urique (Au-Ag)	<ul style="list-style-type: none"> <li>There have been over <b>2500 samples taken, including testing at ~60 old mines / workings.</b> The property has been split into two areas - Urique North and Urique South owing to two key differences - 1) access – an ability to advance Urique North more rapidly, and 2) geology – a change in geology based on a 1 km vertical change in elevation.</li> <li>At Urique North —current focus at Cerro Colorado and San Pedro – <b>drilling underway.</b></li> <li>At Urique South —beginning to narrow the 7 priority targets to an initial emphasis on the large El Rosario area (newly discovered with some very high grade Ag values).</li> <li>World class territory – numerous multi-million ounce gold deposits have been discovered in this 300 km long region (Sierra Madre).</li> </ul>
La Verde (Cu, Ag, Zn, Au)	<ul style="list-style-type: none"> <li>Several past producers, including Verde Grande – developed on 7 levels. Previous work and small scale mining in the 1980s gave considerable information on the deposit.</li> <li>Recent work has included taking 181 samples from ~500 linear m of workings on 7 levels, geophysics, metallurgical testwork. Weighted average results are: 1.54 % copper, 57.9 g/t silver, 1.32 % zinc and 0.12 g/t gold.</li> <li>Importantly, <b>Yale has reinterpreted Verde Grande</b> as a flat-lying one and changing sampling protocols (i.e. sampling along the walls rather than just the back / top) provides information more relevant to a bulk mining scenario. Yale also has begun to investigate heap leaching and early signs are encouraging. <b>Essentially, Yale is attempting to transform this asset to what may become a very interesting (i.e. potentially "doable") resource.</b></li> </ul>
Carol (Ag, Zn, Au)	<ul style="list-style-type: none"> <li>Ready to follow up on positive wide spaced sampling and hand dug trenching – could produce specific locations for drilling in 2008.</li> </ul>

IF the work at Verde Grande ultimately proves successful, we believe it is interesting to have a back of the envelope look at what one might potentially be looking at. Bear in mind that these calculations not only do not represent in any way a 43-101 compliant resource, they do not represent reserves or resources at all. If we see that the material in the shafts is mineralized (now being sampled), if some drilling is done, and if more positive metallurgical testwork is done on what may be different rock types (i.e. Cu, Zn rocks), we might have more to say in time on this.

## Assumed Dimensions

Width	30	30
Depth	30	30
Length	<b>250</b> known strike	<b>400</b> based on recent geophysics
Cu. M	225,000	360,000
SG	3.5	3.5
<b>tonnes</b>	<b>787,500</b>	<b>1,260,000</b>

## Gross Value per tonne - in-situ - based on current sampling

Cu	1.54%	\$3.00	\$101.9
Ag	57.9	\$10.00	\$18.6
Zn	1.32%	\$0.80	\$23.3
Au	0.12	\$750	<u>\$2.9</u>
			<b>\$146.6</b>

**URIQUE PROPERTY, Mexico  
(up to 75% earn in)  
(290 sq. km, Silver-Gold)**

- Summary**
- Located in the prolific Sierra Madre gold belt of northern Mexico. Targets are for large-scale precious metal mineralized systems.
  - The Urique Project contains 10 mineralized targets, which include several historic mines as well as numerous small-scale workings.
  - Current program of drilling / continuing to carefully develop other targets to drill ready stage.

**Background** In May, 2006, Yale announced an agreement with Exmin Resources Ltd. (with formal agreement in August, 2006) to acquire, in two stages, up to a 75% interest in 11 mineral concessions in Chihuahua, Mexico by: 1) issuing 1 million shares (through 2009 – 400,000 issued to date), and 2) by incurring US\$2,800,000 in expenditures through 2010 (including US \$500,000 from 8/07 through 7/08). Yale can earn the additional 15% by issuing 500,000 shares and incurring an additional US\$1,700,000 in exploration and development expenditures before August 1, 2011. In October, 2006, Yale announced the addition of 4 concessions (153 hectares) that covered areas of historic production at two different locations (collectively called the **Cerro Colorado** area). Exmin is currently the operator.

The Urique Project covers or surrounds 10 mineralized areas with past mining activity. Each of these areas is related to large mineralized hydrothermal systems that have the potential to host bulk mineable resources.

**Urique North.** There are 3 targets with two immediate priorities being Cerro Colorado and San Pedro.

- **Cerro Colorado:** A large structure between 1.5 to 10 m in width and mapped over a 2.5 km strike length. Local workings have been identified at the northern extent of the target area and in the center.
- **San Pedro:** Consists of an area surrounding small old workings that targeted numerous, generally narrow epithermal veins with local bonanza grades (35 g/t gold and 482 g/t silver) with anomalous values for various indicator elements such as arsenic, antimony and mercury.

**Numerous multi-million ounce gold deposits have been discovered in this 300 km long region of southwestern Chihuahua: including**

- Mulatos (Alamos Gold),
- Dolores (Minefinders),
- Ocampo (Gammon Lake),
- El Sauzal mine (Goldcorp).

The Urique Project is located immediately north of Goldcorp's property and approximately 10 km north of the El Sauzal mine and extends 40 km to the north where it borders the Monterde property (Kimber Resources) – which hosts 800,000 oz. Au and 45 million oz. Ag.

**Urique South.** There are 7 targets, with the current priority being El Rosario (one part of the larger Urique area).

- **Urique:** Made up of an epithermal vein district with as many as 12 small mines. Limited sampling to date has yielded local bonanza grade gold and silver values of **up to 86 g/t Au and 161 g/t Ag.**

***The newly discovered El Rosario target has been discovered in this area.***

**Work to Date** The goal has been to prioritize known targets (i.e. surface expression / sampling grades) and advance them to the drill ready stage.

**At Urique North, narrowing the initial targets to Cerro Colorado and San Pedro.**

- **Cerro Colorado** is a structurally controlled gold and silver bearing breccia that has been traced on surface for approximately **2.5 km**. The known width of the breccia, which appears to be multi-phase in nature, varies from 2 to greater than 25 m.

Two zones, **El Vergel** and **Mina Guadalupe**, each of which have shallow **small-scale workings**, are located 1.5 km apart in narrow river valleys (topographically low areas). Initial sampling by EXMIN showed +1 g/t gold occurring at a series of locations along the entire strike length of the structure, whose width varies from 2 m to greater than 10 m and occurs within a much wider package of alteration. There has been no drilling performed, to date, in this area. Samples taken from these old workings yielded significant gold values in several exposures with individual rock chip samples returning as much as 15.3 g/t over 1.3 m.

**Follow up results from Mina Guadalupe** - ● 11.55 g/t gold and 44.3 g/t silver over 2.6 m located in an exposure immediately above the flooded main workings, ● 3.56 g/t gold and 58.3 g/t silver over 2.0 m (chip sample from above a second working located 50 m along strike), ● 0.72 g/t gold

and 43.7 g/t silver over 17.0 (from a road cut located approximately 30 m vertically above the Mina Guadalupe workings).

Follow up results from El Vergel - Exposure of the mineralized breccia has been traced running up the hillside for ~200 m. Sampling from the walls of the old workings are highlighted by 2.23 g/t gold and 150.0 g/t silver over 3.0 m and 8.00 g/t gold and 41.3 g/t silver over 1.2 m. As with the Mina Guadalupe area, only the strongly silicified core of the structure is exposed.

Trenching results along the structure at higher levels between the two areas (with more limited exposure) have shown indications of broad silicification and veinlets of silica that appear to have formed at low temperatures, and generally have anomalous values of the indicator elements mercury and antimony along with weakly anomalous silver and gold. In particular, sampling across transects made at regular intervals along the length has shown that **there are 3 areas that are each greater than 200 m which have returned gold and silver values of interest.**

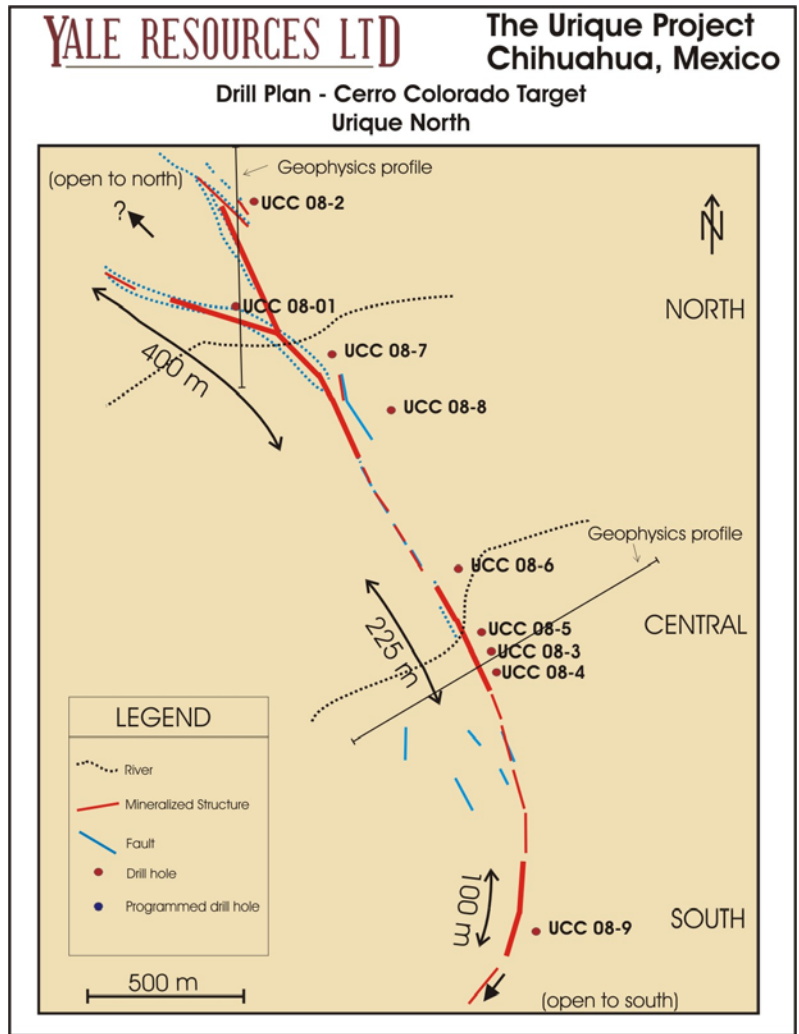
A 13.35 km IP geophysical survey indicates that the mineralization and alteration identified on surface may extend to depths greater than 100 m. In each area, geophysical anomalies coincide with mineralized structures and veins and in many cases even the dip of the anomalies are similar with those measured on surface.

The **San Pedro** target surrounds the historic Sangre de Cristo gold-silver mine (owned by a third party). Several parallel structures, each with multiple historic mines along them, are the focus of the exploration program. Assay results from showings range from 6.6 to 35.0 g/t gold and 61.0 to 401.0 g/t silver over 0.3 to 1.1 m vein widths. In addition three principal sets of gold-silver veins have been discovered with several of the narrow vein systems having yielded high-grade precious metals assays with highlights of **137.5 g/t gold** and 133.0 g/t silver over 0.25 m. Sampling of widespread alteration coincident with the intersections of north-south and northeast vein sets suggests that there may be potential for bulk mineable mineralization in the target area as trenching has uncovered mineralization grading 0.33 g/t gold and 7.6 g/t silver over 21.65 m.

**Urique South** is at an earlier stage than the northern targets, primarily due to less easy access. Initial visits (to sample 2 known targets) resulted in the discovery of 3 additional targets. Initial sampling included the sampling of **60** historic workings, mines and prospects. Several of these small mines returned high grade gold and silver values with local values in excess of 1,500 g/t silver from dumps and veins. One of the new areas of mineralization that was discovered, named **Guasimitas**, returned two 80 cm samples from a vein assaying 16.35 and 8.38 g/t gold. Later, in September, 2007, the very high grade **El Rosario** target was discovered, which now represents a priority target.

**Need To Drill Cerro Colorado.**

- Three very interesting zones with large scale potential.
- Strong geological evidence that the structural zone is better developed at depth.
- Very positive indications from the geophysics survey.
- Large 2 – 9 m wide structurally controlled breccia.



**Need To Drill San Pedro.**

- Bonanza grades at surface.
- Very positive indications from the geophysics survey.
- Intervening rock between veins is mineralized.

- The newly discovered El Rosario target is a part of the larger **Urique** zone, an epithermal vein district measuring **2 x 2 km** in size with more than **30** historic mines identified to date. El Rosario comprises multiple historic mines and prospects that exploited a system of high grade veins. Formal mining of this area ended in the late 1920s and consisted of several hundred m of underground workings on 3 levels. These historic workings are all within a zone of strong silicification in the andesite host rocks that measures approximately 100 m wide and over 400 m long. The zone is open at depth and along strike. *Interestingly, the intervening rock is altered and mineralized as well.*

**El Rosario.** Sampling has yielded significant values of as much as 10.6 g/t gold and **8,290.0 g/t (or 241.5 ounces per ton) silver** from 10-40 cm wide veins (see Feb. 6 / 08 news release for more detailed results). Sampling within the altered andesite has yielded gold and silver values of as much as 0.2 to 0.3 g/t gold and 5.0 to 41.0 g/t silver suggesting that the El Rosario area has the potential to host a bulk tonnage open pit resource.

Select Sample Results - El Rosario (for complete results see Yale news release Feb. 6 / 08)									
Sample	Width (m)	Au (g/t)	Ag (g/t)	Ag (opt)	Sample	Width (m)	Au (g/t)	Ag (g/t)	Ag (opt)
7463	0.25	1.35	1,050	30.6	7492	0.1	2.72	870	25.3
7466	0.85	8.13	25	0.7	6858	0.22	4.93	804	23.4
7471	0.35	1.35	977	28.5	6859	0.1	3.72	425	12.4
7473	0.1	1.23	1,110	32.3	6815	0.15	0.06	898	241.5
7474	0.3	1.01	341	9.9	7483	0.1	2.14	3,220	93.8
7510	0.1	7.17	49	1.4	7500	0.3	1.54	261	7.6
7515	0.4	2.86	10	0.3	6838	0.1	0.35	1,550	45.2
7485	0.1	1.73	8,290	241.5	6840	0.1	2.24	524	15.3
7487	0.1	2.78	3,640	106.0	6842	0.17	2.87	1,155	33.6
7490	0.12	8.88	1,030	30.0	6853	0.1	10.60	453	13.2
7489	0.8	0.16	265	7.7	6846	2	0.32	5	0.1
7491	0.5	1.09	196	5.7	6847	2	0.30	41	1.2

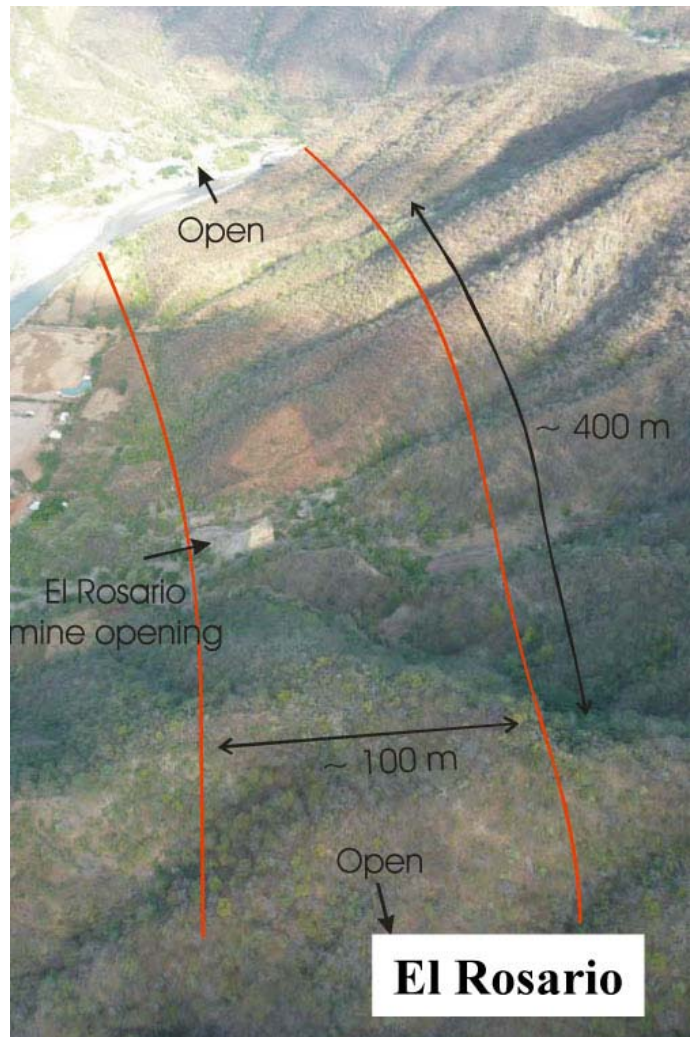
**Current Program**

In early April, it was announced that the first drill hole had been completed to a depth of 102.1 m in the Cerro Colorado target. The drill program planned is for 1,500 m of HQ core at the Cerro Colorado and San Pedro target areas. Interestingly, it was reported that **the first hole intersected the structure where anticipated**, which lends confidence to the geological model developed.

**Other Targets Moving Forward**

There are several additional targets that Yale is moving forward that look very interesting. As examples, in the South area.

- El Platano.** Reported to contain a 1.2 km long vein that averages 4 m in width; 3 samples taken by the CRM, averaged 4.0 m in width with 1% Cu and 84 g/t Ag.
- EL Sauz.** Located at the southern-most extreme of the property, immediately north of the El Sauzal property. Small working have returned 1.5 m of 0.57 g/t gold and 532 g/t silver. A dump in front of the working returned 1.49 g/t gold and 130 g/t silver.
- Also at the **Urique** target area, discrete high grade mineralization has been found at the **Santa Patricia Mine**, located at the northern edge of the target area. A narrow north trending fault related structure, which has been traced for 150 m along strike, returned **23.0 g/t gold, 73.9 g/t silver, 2.87 % lead** and **2.95 % zinc** over 0.50 m.



**LA VERDE PROPERTY, Mexico**  
**(100% earn in)**  
**(29.5 sq. km, Copper-Silver-Zinc-Gold)**

**Summary**

- At La Verde, there are 5 known deposits that have seen historic production, most notably *Verde Grande*, which has been developed with 7 levels of drifts and 5 shafts.
- Extensive sampling and a brief mining campaign at Verde Grande in 1980-81 provided considerable information (i.e. extensive sampling, metallurgical testwork, 3 mining campaigns) for later study in 1989 (a geological evaluation with a view to potentially placing the project back into production). Based on this work, a "proven" tonnage (mineralized mass based on a sectional reserve calculation) was calculated as **266,119 tonnes**, with its "tenor" based on sampling results (*Cu* – 2.28%, *Ag* – 104 g/t, *Au* – 0.3 g/t, no values quoted for Zn). An additional **152,595 "probable" tonnes** were estimated to exist below the proven ore. These results predate NI 43-101 and readers are referred to the important "note" below. As sampling was not obviously constrained by limits to mineralization along strike or at depth, potential for additional tonnage in this particular prospect was considered very good.
- In less than 1 year, Yale has been successful in a number of areas at the the Verde Grande mine.

**Sampling** has confirmed previous results, expanded the strike length, and gave estimates for Zn. At the Verde Grande minesite, 181 samples from ~500 linear m of workings on 7 levels gave a weighted average of **1.54 % copper, 57.9 g/t silver, 1.32 % zinc and 0.12 g/t gold.**

**Geophysics** – has provided indications for further extending the strike length to 400 m and identified 3 additional anomalies in the immediate vicinity.

**Metallurgical testwork** – Recent testing gave indications for a potential heap leach scenario (bottle roll tests gave recoveries of 84.3% for Cu and 76.5% for Zn). Column testing gave a 66.61% recovery for Cu after 30 days on "run of mine" material (no crushing).

- Several historical references to the presence of sulphides at depth (porphyry potential?).

**Note on Historical "Reserves" &  
"Resources" Referenced in this report.**

While a significant amount of development and other work has been completed at Verde Grande in the past, none of this is compliant with current regulations, in particular Canada's National Instrument 43-101.

All amounts quoted were estimated prior to the implementation of NI 43-101 and cannot be considered "reserves" or defined mineral resources. They are referenced as historical information only.

**Background**

In June 2007, Yale entered into an Agreement to acquire, in two stages, a 100% interest in the 300 ha La Verde for cash payments totaling US\$1,600,000 (through September, 2009, with US \$200,000 due 6/08 and again in 12/08). The vendor also retains a 2% NSR, which the company may purchase for an additional US\$1,000,000. At that time, Yale announced that it had also acquired, by staking, 1,900 hectares of prospective ground surrounding this area to cover additional skarn and porphyry potential.

The property is located 45 km northwest of Hermosillo, Sonora State, Mexico and is made up of 6 contiguous exploitation concessions that contain several past producers, including:

- the historic *La Verde Grande* copper-zinc-silver-gold mine, which saw limited production in the early 1900s as well as in the 1960s,
- the *La Verdecita*, *El Picacho*, *La Tescalama*, and *La Cobriza* prospects which saw limited production in the early 1900s.

The property is within 2 km of a paved highway and the power grid. Access is considered excellent.

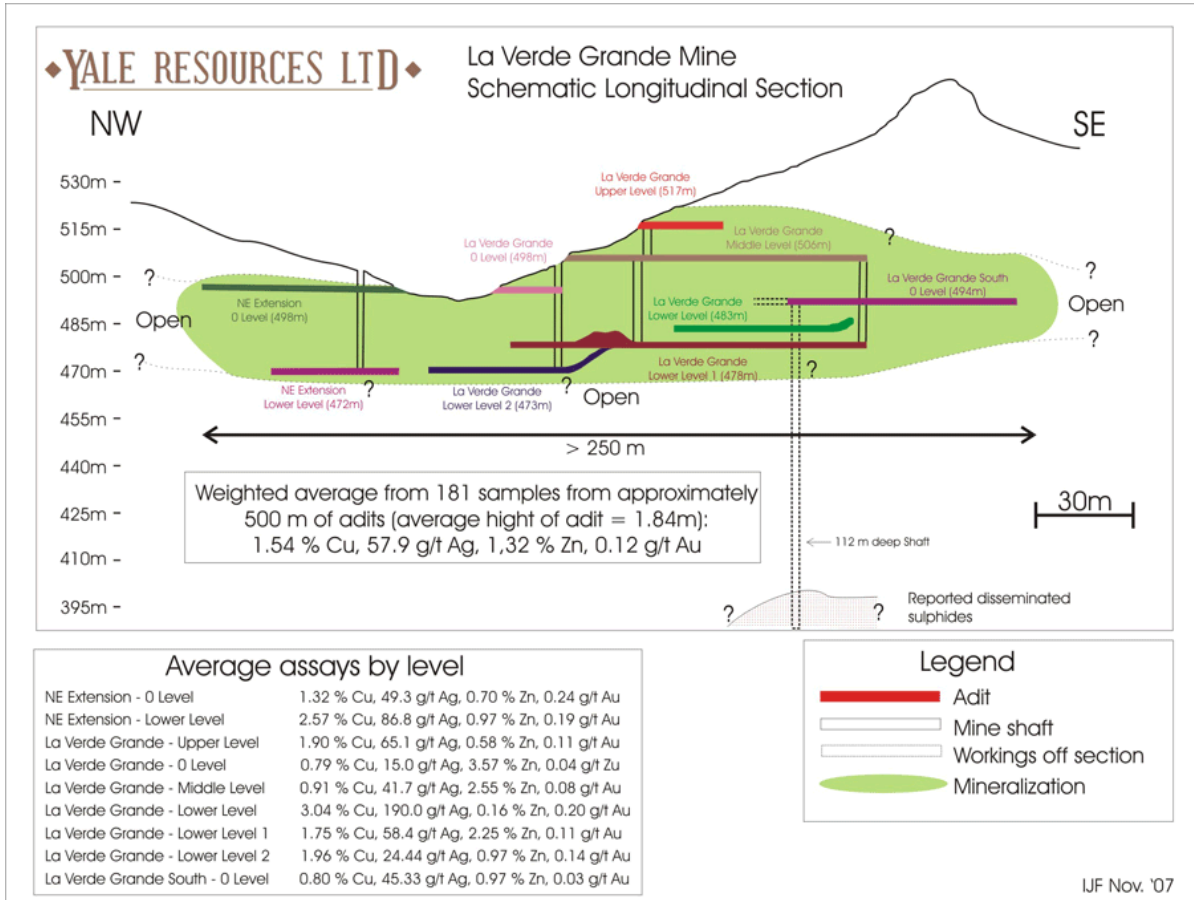
**Focus on  
Verde Grande  
Mine**

The La Verde Grande Cu-Ag-Zn-Au Mine is the most advanced of the known targets. It is a >50 m wide garnetite alteration developed in Paleozoic limestone. It is exposed in a bold outcrop in the bottom of one of the southeast flowing arroyos on the east flank of El Picacho mountain in the Sierra Lopez.

The La Verde Grande mine has 6 principle levels -- two of which are approximately 100 m in length -- and recent field work has identified an additional level vertically higher, which indicate that there is

the potential for additional resources. The northeast extension of the mine, located 30 m to the north, has additional workings that continue for another 30 m along strike. The northeast extension has a second level of workings, located 23 m below, which has high grade mineralization (**2.5% Cu, 86.8 g/t Ag, 0.97% Zn**).

Historic resource estimates only considered a strike length of 110 m but Yale has demonstrated that the skarn mineralization occurs over a strike length of greater than 250 m and has shown that mineralization is open in all directions. It is apparent that the deposit is much larger than originally understood.



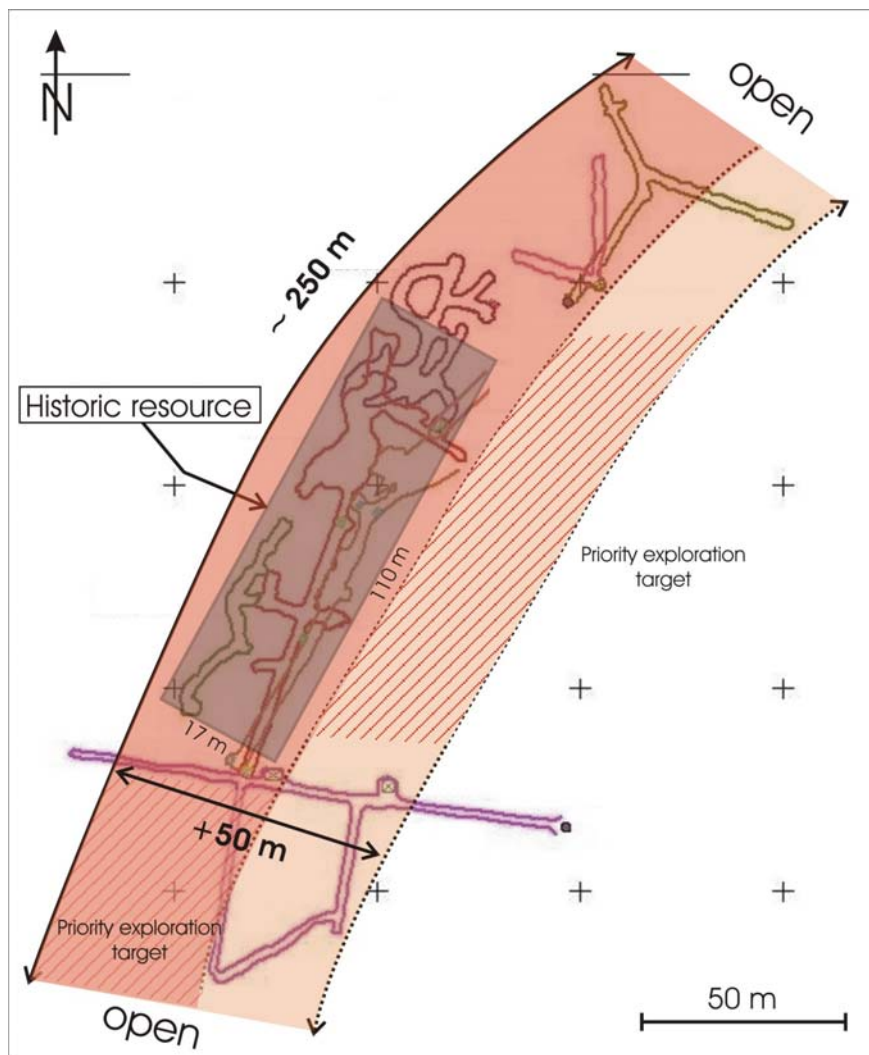
PRODUCTION HISTORY	
Year	Events
Early	<ul style="list-style-type: none"> <li>A foreign company first mined the mineral deposits in the area prior to the Revolution. They mined oxide copper mineralization from a large number of openings in several prospects.</li> <li>A smelter of unknown capacity was installed south of the La Verde Prospect at La Verde to treat the oxide minerals.</li> <li>Mining was reportedly halted by the revolution and was not re-established after peace returned to the region. A number of large dumps and foundations in the district attest to the earlier work.</li> </ul>
1961	<ul style="list-style-type: none"> <li>A small flotation plant with a capacity of 40 tons per day was installed. The plant recovered copper, gold and silver, shipping a low grade concentrate with a copper grade of 10% - 12% and values in silver and gold. Reportedly the recovery was on the order of 75% - 80% for copper and silver and 100% for gold.</li> </ul>

PRODUCTION HISTORY																																																																																																							
1980 – 81	<ul style="list-style-type: none"> <li>■ <i>Cia. Minera Monte Verde S.A. (Monte Verde)</i> initiated mining at the property in July, 1980. During that year they produced 1000 tonnes of ore from 3 levels. The ore was carried to the <b>Fomento mill</b> at Hermosillo and milled in January, 1981. An additional 2518 tonnes was carried to the mill through September, 1981.</li> <li>■ Monte Verde sampled the drifts in detail (4 levels of drifts). Mapping showed the mineralized zone to be <b>18 m wide</b> on the -23 level, <b>at least 34 m deep</b> and <b>at least 110 m long</b> within the mine openings southwest of the arroyo. The mineralization, as defined by exposures in the adits, is open along strike, to depth, and in the southernmost sections towards the surface.</li> <li>■ There were 3 milling campaigns completed by Monte Verde (production was stockpiled until enough ore would justify a several day run through the Fomento mill). Results were different in each campaign (which may have been related to variations in treatment of the various batches or to variations in the metallurgical character of the ore milled - ?)</li> </ul> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2">Campaign</th> <th rowspan="2">Product</th> <th colspan="3">Grade</th> <th colspan="3">Recovery</th> </tr> <tr> <th>Au (g/t)</th> <th>Ag (g/t)</th> <th>Cu (%)</th> <th>Au (g/t)</th> <th>Ag (g/t)</th> <th>Cu (%)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Head</td> <td>0.5</td> <td>156</td> <td>2.50%</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>Conc. 1</td> <td>8.0</td> <td>4,607</td> <td>3.67%</td> <td>33.35%</td> <td>61.57%</td> <td>3.06%</td> </tr> <tr> <td>1</td> <td>Conc. 2</td> <td>1.5</td> <td>201</td> <td>9.95%</td> <td>26.72%</td> <td>11.06%</td> <td>34.17%</td> </tr> <tr> <td>1</td> <td>Tails</td> <td>0.05</td> <td>48</td> <td>1.76%</td> <td>39.93%</td> <td>27.37%</td> <td>62.77%</td> </tr> <tr> <td>2</td> <td>Head</td> <td>0.3</td> <td>94</td> <td>2.30%</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>Conc.</td> <td>19.9</td> <td>8,635</td> <td>2.80%</td> <td>69.35%</td> <td>86.44%</td> <td>1.10%</td> </tr> <tr> <td>2</td> <td>Tails</td> <td>0.1</td> <td>13</td> <td>2.41%</td> <td>30.65%</td> <td>13.56%</td> <td>98.90%</td> </tr> <tr> <td>3</td> <td>Head</td> <td>n/a</td> <td>70</td> <td>2.40%</td> <td></td> <td></td> <td></td> </tr> <tr> <td>3</td> <td>Conc. 1</td> <td>n/a</td> <td>10,127</td> <td>3.10%</td> <td></td> <td>62.62%</td> <td>0.56%</td> </tr> <tr> <td>3</td> <td>Conc. 2</td> <td>n/a</td> <td>29</td> <td>2.74%</td> <td></td> <td>32.62%</td> <td>89.90%</td> </tr> <tr> <td>3</td> <td>Tails</td> <td>n/a</td> <td>16</td> <td>1.10%</td> <td></td> <td>4.76%</td> <td>9.54%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>■ Interestingly, results under these campaigns could give results that were significantly better than laboratory testwork. While these results appear satisfactory, divergence of the various data sets indicated a need for definitive testwork on representative samples.</li> <li>■ During this time, Fomento was supporting small miners by a system of advances against ore delivered to the mill. In response to falling metal prices, Fomento withdrew support for the Monte Verde operation and it ceased production in September.</li> <li>■ Historical sampling within the 2,000 feet (~ 610 m) of old workings the La Verde Grande Mine have been reported by the <i>Consejo de Recursos Minerales</i> in 1982 as: <ul style="list-style-type: none"> <li>■ 2.06 % Cu, 1.91 % Zn, 33.07 g/t Ag and 0.3 g/t Au for the upper workings and</li> <li>■ 2.54 % Cu, 0.76 % Zn, 132.59 g/t Ag and 0.3 g/t Au for the lower workings.</li> </ul> </li> </ul>	Campaign	Product	Grade			Recovery			Au (g/t)	Ag (g/t)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (%)	1	Head	0.5	156	2.50%				1	Conc. 1	8.0	4,607	3.67%	33.35%	61.57%	3.06%	1	Conc. 2	1.5	201	9.95%	26.72%	11.06%	34.17%	1	Tails	0.05	48	1.76%	39.93%	27.37%	62.77%	2	Head	0.3	94	2.30%				2	Conc.	19.9	8,635	2.80%	69.35%	86.44%	1.10%	2	Tails	0.1	13	2.41%	30.65%	13.56%	98.90%	3	Head	n/a	70	2.40%				3	Conc. 1	n/a	10,127	3.10%		62.62%	0.56%	3	Conc. 2	n/a	29	2.74%		32.62%	89.90%	3	Tails	n/a	16	1.10%		4.76%	9.54%
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1989	<ul style="list-style-type: none"> <li>■ A 1989 report was focused on the potential to mine the Verde Grande deposit was largely based on the earlier (high quality) sampling work and production carried out by Monte Verde. Basic parameters / results included: <ul style="list-style-type: none"> <li>• 100 tpd (underground mining), 8 year minelife based on "proven" reserves of 266,000 t (a "mineralized mass", based on minimum dimensions estimated by Monte Verde &amp; given above, less the tonnes produced during excavation of the adits, estimated to be 9163 tonnes). The "tenor" of the "reserves" were estimated from the sampling carried out by Monte Verde (Cu – 2.29%, Au – 0.3 g/t, Ag – 104 g/t).</li> <li>• Pricing (Cu - \$1.30 / lb., Ag - \$5.25 / oz., Au - \$360 /oz, nil for Zn)</li> <li>• Op. costs \$35.77 / recovered tonne, capx of \$195,000, working capital - \$309,000.</li> <li>• Op. profit of \$55.31 / recovered tonne and payback of 2 years.</li> <li>• If probable and indicated tonnes were proved up (150,000+ tonnes), it was suggested to move to 200 tpd over a 7 year minelife.</li> </ul> </li> <li>■ Conclusions / recommendations – ① more testwork to follow up on the results from 1980/81), ② more sampling to confirm Monte Verde results, ③ more detailed engineering design work, and ④ firm up cost estimates. It was stated that the results from a detailed feasibility study would show the project to be not only viable but an attractive investment.</li> <li>■ This project did not move forward. Although we are unsure as to why, we would note that the partner (Faith Mines) was being offered an option to acquire only a 40% interest in a Mexican company in return for making scheduled expenditures of US \$600,000 over 3 years or placing the project into production at 200 tpd for 300 days. Applicable Mexican tax rates at that time were also 49%.</li> </ul>																																																																																																						

## Yale's Program

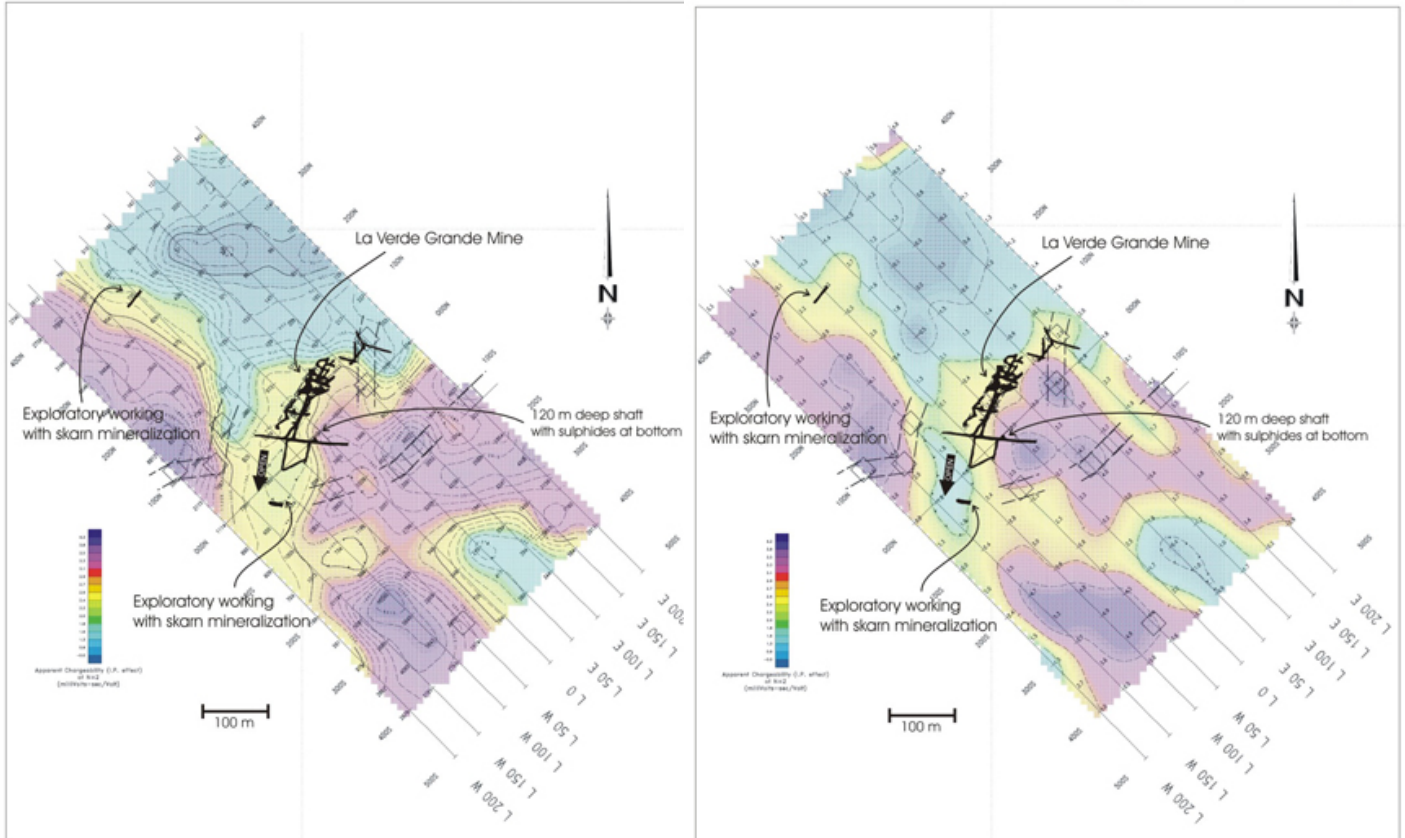
- **Extensive Sampling.** Following acquisition in June, Yale undertook an extensive sampling program at the Verde Grande mine – taking **181 samples** from approximately **500 linear m** of workings on **7 levels**. The weighted average of these 181 samples is **1.54 % copper, 57.9 g/t silver, 1.32 % zinc** and **0.12 g/t gold**. Chip samples averaged 1.84 m in height and were taken at approximately five m intervals along the walls of the workings.
- **Expansion.** Company geologists have identified additional skarn mineralization within a southern adit at the mine that was previously thought to only be an access way. *This adit is important in that it is the only one that crosscuts the width of the deposit, thus giving Yale geologists the true sense of the deposit's potential width as this adit cuts across greater than 50 m of skarn averaging greater than 1% copper.* The combination of all mapped workings has given Yale the ability to define the known strike length to at least 250m, which is considerably larger than was incorporated in the 1989 work.
- **Successful Geophysics Program.** A recently completed IP geophysical survey covering the deposit indicates that it may extend over a strike length of more than 400 m. It also identified 3 additional anomalies in the immediate vicinity to the La Verde Grande deposit.
- **Positive Preliminary Metallurgical Testing for Potential Viability of a Heap Leach Scenario.** In March, 2008, Yale announced results from bottle roll tests on 150 kg of material from the Lower Level of the mine, which gave recoveries of 84.3% for Cu and 76.5% for Zn. A preliminary column test performed by Yale showed recoveries of 66.61% Cu after 30 days on 30 kg of 'run of mine' (no crushing) mineralization. The results of this initial test indicate that better recoveries could be obtained with a longer leach time and that recoveries may also be improved with crushing.

Plan Map of the La Verde Grande Mine Showing  
Known Strike Length & Expansion Potential



La Verde Grande - Resistivity survey

La Verde Grande - Chargeability survey



From a potential mining perspective.

- The deposit seems to have good metallurgy – potential for good recoveries from less expensive methods – although very preliminary, results are encouraging.
- The deposit appears relatively flat lying and close to surface, the Company anticipates that it could be exploitable by open pit methods and have an excellent "starter pit".
- Yale continues to demonstrate that the deposit is larger than previously thought.

Key questions

- What is the extent of mineralization between the known zones.
- What metallurgical issues are there related to differences between copper rich and zinc rich rock.

**I**f the work at Verde Grande ultimately proves successful, we believe it is interesting to have a back of the envelope look at what one might potentially be looking at. Bear in mind that these calculations not only do not represent in any way a 43-101 compliant resource, they do not represent reserves or resources at all. If we see that the material in the shafts is mineralized (now being sampled), if some drilling is done, and if more positive metallurgical testwork is done on what may be different rock types (i.e. Cu, Zn rocks), we might have more to say in time on this.

**Assumed Dimensions**

Width	30	30
Depth	30	30
Length	<b>250</b> known strike	<b>400</b> based on recent geophysics
Cu. M	225,000	360,000
SG	3.5	3.5
<b>tonnes</b>	<b>787,500</b>	<b>1,260,000</b>

**Gross Value per tonne - in-situ - based on current sampling**

Cu	1.54%	\$3.00	\$101.9
Ag	57.9	\$10.00	\$18.6
Zn	1.32%	\$0.80	\$23.3
Au	0.12	\$750	<u>\$2.9</u>
			<b>\$146.6</b>

**Sulphide  
Potential**

A 1964 report by P.A. Laylander – Geologist had the following comment:

*The potentially more important reserves of copper sulphide ore have not been tested. Two areas favorable for testing by diamond drilling are apparent. Other targets may be determined by further geologic study.*

*Boulders of rock types indicating disseminated (porphyry) copper ore occur in an area which has had more than average erosion and accumulation of alluvium and caliche. The boulders indicate high grade ore. Whether this ore is present in sufficient quantity for mining can only be determined by some exploration through the alluvium.*

There were reports of copper sulphides in the neighboring area.

A 1908 report by E.C. Heck (Report on the Verde Grande Copper Co.'s Property) states "North of the property about 13 miles, in somewhat similar formation is the Lluvia de Cobro, concerning which, I am informed, has large deposits on surface. **On this property, is a shaft, 400 feet deep, opening up a strong vein of copper sulphides at 300 feet depth**". (emphasis added)

This company has installed a compressor plant and drills for extensive development work."

To the south of the Verde Grande Company six miles, is a the Crestone de Cobre being developed by a double compartment shaft, concerning which, I am informed, has reached a depth of 150 feet exposing a strong vein of copper sulphides."

**Indications**

- The large number of mineralized occurrences at surface indicate large source(s) at depth.
- Occurrences and past exploitation of copper sulphides to the north and south of La Verde property.
- Reports of past drilling intersecting (verbal only).
- Reports of a shaft at Verde Grande reaching sulphides.

**Other Targets**

There are numerous oxidized copper outcrops in an area of several square miles and several good oxidized copper prospects have been opened up to some extent.

The old surface workings are scattered over a great part of the surrounding country, and the extent of such and distance from mill justifies the belief that such ore was found in considerable quantity and of good value. The high grade ore in these old workings has been picked out by the Mexican miners. Such old workings only serve to illustrate the general mineralization of the surrounding country.

1. **El Picacho.** Mineralization at El Picacho is reported to occur in garnetized limestone (similar to the La Verde Mine) beds with one measuring 4.5 metres in thickness. Historical results document exposures averaging 3.0 % copper (with unknown zinc, silver and gold grades) from within a 15 m wide working.
2. **La Verdesita.** La Verdecita is located 1.3 km south of the La Verde Grande Mine and is exposed in four separate workings over a strike length of approximately 300 metres. The mineralization exposed at La Verdecita appears to be a result of selective replacement of the host limestone. Historic estimates of 100,000 tons of hand-selected material grading 3.0 % copper (with unknown zinc, silver and gold grades) have been reported.
3. **La Tescalama.** Mineralization at La Tescalama is exposed in a 40 m long adit that runs into the hillside. Skarn mineralization with locally greater than **4% Cu** is visually similar to that within the La Verde Grande mine.
4. **La Cobriza.** A series of workings over approximately 1.2 km show significant skarn mineralization. Sampling by the Mexican government indicates that this mineralization is high grade. New sampling by Yale has been completed but results are pending.

**CAROL PROPERTY, Mexico**  
(owned 100%)  
(758.14 hectares, Copper-Zinc)

- Summary**
- Located in the prolific Sierra Madre gold belt of northern Mexico - 4 km north of Frontera Copper Corp.'s Piedras Verdes copper porphyry deposit that has a reported proven and probable reserve of 191 million tonnes grading 0.36% copper (Frontera Copper's website) and is now in production.
  - Large mineralized areas – a need for further investigation / follow up of several known high grade portions.

**Background** In October, 2006, Yale Resources Ltd. announced that it has agreed to purchase a 100% interest in the Carol Property, located 20 km north of the city of Alamos in the state of Sonora, northern Mexico. To earn 100% Yale was required to make cash payments totaling US \$250,000 over 3 years. The vendor retained a 3% NSR, which can be purchased for US \$750,000. In March, 2008, Yale announced its intention to accelerate the agreement – paying the owner US \$70,000 and issuing 280,000 shares.

The Carol property is approximately 4 km north of *Frontera Copper Corp.'s Piedras Verdes* copper porphyry deposit that has a reported proven and probable reserve of 191 million tonnes grading 0.36% copper and is expected to begin commercial production in the second half of 2008. With the proximity of the Piedras Verdes mine, the Carol property has excellent infrastructure and there is road access to the core of the property.

**Phase I Program** **Phase I – narrowing down the large area.** Phase I consisted of a wide spaced sampling program (50 m intervals) along sample lines spaced at 100m in order to get initial coverage of the whole area. As can be expected from such a large area, sampling has returned a wide range of results -- from negligible to significant. The highest assays for significant elements were:

Gold -- 6.31 g/t Silver -- 69.5 g/t Zinc -- 8.13 % Copper -- 4.86 %

**Mineralization / Targets** The Carol Property is host to three distinct mineralized targets -- the Balde copper-zinc-gold-silver skarn, the high grade Escondida shear zone, and epithermal vein hosted silver and gold:

1. **The Balde South Cu-Zn-Au skarn zone.**

Within the Balde South skarn mapping and sampling has identified two key zones with visible copper oxide mineralization. The first is approximately 30 x 30 m and contains several small exploratory workings. Sampling in this area (samples 23-25) returned a weighted average of 1.73 % Cu, 3.13 % Zn, 11.99 g/t Ag, and 0.21 g/t Au over an average width of 5.33 m.

Sample	Target	Width	Cu %	Zn %	Au g/t	Ag g/t
23	Balde South	8	1.62	4.13	0.24	10
24	Balde South	6	1.65	2.65	0.12	18
25	Balde South	2	2.43	0.54	0.33	1.9
26	Balde South	4	0.64	0.61	0.09	4.5
27	Balde South	2	3.27	0.07	0.06	5.9
28	Balde South	2	1.68	0.34	0.4	20.7
29	Balde South	3	2.31	0.78	0.1	24.2
30	Balde South	2	2.16	2.65	0.53	6.3
31	Balde South	2.5	0.39	0.21	0.19	9.2
32	Balde South	6	0.79	0.12	0.56	3.4
33	Balde South	4	1.73	13.65	0.77	22.4

2. 500 m to the south - still within the Balde South skarn - the second area measures ~300 m x 200 m and widespread sampling (samples 27-32) returned a weighted average of 1.54 % Cu, 0.55 % Zn, 10.39 g/t Ag, and 0.35 g/t Au from six samples over an average width of 2.9 m.

**The potential for the Balde South skarn to be much larger is demonstrated by sample 33,** located some 300 to the east, which graded of 1.73 % Cu, 13.65 % Zn, 0.77 g/t Au, and 7.47 g/t Ag over 4.0 m.

3. **The Balde North zone.**

Sampling within the center of the Balde North skarn over an area approximately 50 m x 25 m returned a weighted average of 0.84 % Cu, 2.38 % Zn, 0.10 g/t Au and 4.57 g/t Ag over an average sample width of 2.3 m.

Sample	Target	Width	Cu %	Zn %	Au g/t	Ag g/t
34	Escondida shear	6	2.13	0.74	2.26	51.6
35	Balde North	4	0.67	2.71	0.1	4.7
36	Balde North	2	1.13	0.04	0.07	3.6
37	Balde North	1	0.91	5.77	0.13	6

Within the Balde North skarn is the **Escondida shear zone** from which a sample averaged 2.13 % Cu, 0.74 % Zn, 2.26 g/t Au, and 51.6 g/t Ag over 6.0 m.

**Phase II  
Work Program**

The goal here is to determine if the various mineralized zones previously sampled may form a bulk tonnage oxidized copper-zinc +/- gold-silver deposit.

With the widely spaced irregular distribution of samples grading +1% copper and/or zinc throughout the rest of the Balde Skarn zone, a follow-up detailed sampling program is required to further constrain the distribution of the mineralization. Since the sample spacing was so wide, there is still a lot of room to define significant mineralization.

**Results.** As stated in a March, 2008 news release, 17 trenches were dug by hand for a total of 1,325 m, with 12 dug within 3 areas of the South skarn target and 5 trenches dug in the North skarn target (including the La Escondida structure). All trenches were dug in an east to west direction and a total of 230 samples were taken covering approximately 460 m of mineralization and alteration. Mapping of the trenches indicates that copper oxides occur in each trench over **widths between 6 and 22 m**. In many instances deeper than expected overburden did not allow for the sampling of the underlying bedrock, hence several of the zones remain open.

**ZACATECAS VENTURE, Mexico  
(earned in 65%)**

**Summary**

- exploration targets at Zacatecas are bonanza grade silver veins that have been the subject of mining in the district since the arrival of the Spanish some 450 years ago. Each of the properties in the Zacatecas Venture has seen past production as evidenced by the numerous shafts and old waste dumps that have been identified to date. These dumps (see news release dated October 17, 2006) have averaged greater than 250 g/t silver in initial sampling.
- Located in a world class silver district.

In October, 2006, Yale announced a Letter Agreement with **IMPACT Silver Corp.** (IPT- TSX-V) to purchase up to an 80 % interest in three properties in the Zacatecas Silver District, Mexico, which had recently been acquired by IMPACT.

To earn a 65% interest, Yale was required to reimburse Impact the property purchase cost and then spend a minimum of US\$100,000 on exploration within 18 months. Yale would then have an option to increase its interest to 80 % by paying Impact US\$125,000 in either cash or shares, at Impact's discretion. IMPACT is the operator of the Zacatecas Venture.

In December, 2006, announced that a new concession has been added to the venture, bringing the number of properties that make up the Zacatecas Venture to four.

**Targets**

The exploration targets at Zacatecas are bonanza grade silver veins that have been the subject of mining in the district since the arrival of the Spanish some 450 years ago. Each of the properties in the Zacatecas Venture has seen past production as evidenced by the numerous shafts and old waste dumps that have been identified to date.

**Recent Work**

**Initial Program.** Initial sampling of mine dumps was conducted in 2006, which identified gold values of up to 7.0 g/t. Subsequently, geological mapping and detailed sampling was conducted at the historic workings as well as the run of mine dumps that occur throughout the properties. In January, 2007, Yale announced 121 samples had been taken from various workings and outcrops on the Salvador and San Jose claims, and that the field program was continuing.

**Drilling.** In July, 2007, the results of an initial drill program were announced. Holes were drilled at the Mina San Jose, Zacatecas and Salvador properties (San Sabino had yet to be drilled at that time). The program consisted of 16 diamond drill holes totalling 1815.75 m.

All holes encountered mineralization but results appear to be mixed. There were some excellent high grade results, including:

Mina San Jose – DDH1 - **1,340.0 g/t Ag**, 1.18% Zn, 1.23% Pb over 0.8 m (from 101.2 - 102.0 m)  
Zacatecas - SZ-08 – **273.0 g/t Ag**, 0.60% Zn, 0.17% Pb over 0.7 m (from 102.0 - 102.7 m).

A new exploration target was identified within the San José claims as recent sampling 150 m away from the known workings and dumps returned silver values up to 531 g/t (15.4 opt) and gold values from 0.27 to 0.87 g/t in outcrops over a widespread area.

In addition, sampling from mine dumps has returned 200 – 250 g/t Ag.

*Future  
Planned  
Work*

A phase-two drill program was scheduled to take place in the fall (2007), focused on expanding the understanding of the high-grade mineralization, particularly at Mina San Jose.

Yale and Impact have also stated that they are going to investigate the option of processing the mineralized dumps on the properties through the Veta Grande Mill, which IMPACT has an option to purchase. If test work is satisfactory, milling would then be done on a contract basis at rates to be negotiated.

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