ALMADEN MINERALS LTD
Form 20-F
March 31, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISION
Washington, D.C. 20549

FORM 20-F

o REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2010

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

o SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Date of event requiring this shell company report

For the transition period from _____ to _____

Commission file number 0-28528

ALMADEN MINERALS LTD.
(Exact name of Registrant as specified in its charter)

British Columbia, Canada
(Jurisdiction of incorporation or organization)

750 West Pender Street, #1103, Vancouver, British Columbia V6C 2T8
(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Name of each exchange on which registered
Common Stock without Par Value	NYSE Amex

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

55,500,822

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Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

o Yes x No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

o Yes x No

Indicate by check mark weather the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

x Yes o No

Indicate by check mark weather the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o Accelerated filer o
Non-accelerated filer x

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP o International Financial Reporting Standards as issued by the International Accounting Standards Board x Other o

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

o Item 17 o Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

o Yes x No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

o Yes o No

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Glossary of Geologic and Mining Terms

Adularia: A colourless, moderate to low-temperature variety of orthoclase feldspar typically with a relatively high barium content. It is a prominent constituent of low sulphidation epithermal veins.

Alkalic Intrusive: An igneous rock emplaced below ground level in which the feldspar is dominantly sodic and or potassic.

Alkalinity: The chemical nature of solutions characterized by a high concentration of hydroxyl ions.

Alteration: Usually referring to chemical reactions in a rock mass resulting from the passage of hydrothermal fluids.

Andesite: A dark-coloured, fine-grained extrusive rock that, when porphyritic, contains phenocrysts composed primarily of zoned sodic plagioclase (esp. andesine) and one or more of the mafic minerals (eg. Biotite, horn-blende, pyroxene), with a ground-mass composed generally of the same minerals as the phenocrysts; the extrusive equivalent of diorite. Andesite grades into latite with increasing alkali feldspar content, and into dacite with more alkali feldspar and quartz. It was named by Buch in 1826 from the Andes Mountains, South America.

Anomalous: A geological feature, often subsurface, distinguished by geological, geochemical or geophysical means, which is detectably different than the general surroundings and is often of potential economic value.

Anomaly: Any concentration of metal noticeably above or below the average background concentration.

Argillic: A form of alteration characterised by the alteration of original minerals to clays.

Arsenopyrite: A sulphide of arsenic and iron with the chemical composition FeAsS.

Assay: An analysis to determine the presence, absence or quantity of one or more components.

Axis: An imaginary hinge line about which the fold limbs are bent. The axis of a fold can be at the top or bottom of the fold, can be tilted or horizontal.

Batholith: An intrusion, usually granitic, which has a large exposed surface area and no observable bottom. Usually associated with orogenic belts.

Bathymetry survey: A geophysical survey that uses echo sounding to determine water depth.

Breccia: Rock consisting of more or less angular fragments in a matrix of finer-grained material or cementing material.

Brecciated: Rock broken up by geological forces.

Bulk sample: A very large sample, the kind of sample to take from broken rock or of gravels and sands when testing placer deposits.

Calc-silicate: Calcium-bearing silicate minerals. These minerals are commonly formed as a result of the interaction of molten rock and its derived, hot hydrothermal fluids with very chemically reactive calcium carbonate (limestone). Calc-silicate minerals include garnet, pyroxene, amphibole and epidote. These minerals are commonly described as skarn and are genetically and spatially associated with a wide range of metals

Carbonate replacement deposit: A style of silver lead zinc mineralization in limestones.

Chert: A very fine grained siliceous rock. Many limestones contain nodules and thin lenses of chert.

Chip sample: A sample composed of discontinuous chips taken along a surface across a given line.

Claim: That portion of public mineral lands, which a party has staked or marked out in accordance with provincial or state mining laws, to acquire the right to explore for the minerals under the surface.

Clastic: Consisting of rock material that has been mechanically derived, transported, and deposited. Such material is also called detrital.

Cleavage: The tendency of a crystal to split, or break, along planes of structural weakness.

Columnar Jointing: A pattern of jointing that breaks rock into rough, six-sided columns. Such jointing is characteristic of basaltic flows and sills and is believed to result from shrinkage during cooling.

Concordant Bodies: Intrusive igneous bodies whose contacts are parallel to the bedding of the intruded rock.

Conglomerate: Rock composed of mostly rounded fragments which are of gravel size or larger in a finer grained matrix.

Craton: A central stable region common to nearly all continents and composed chiefly of highly metamorphosed Precambrian rocks.

Cretaceous: Geological time period between 136 and 64 million years ago.

Crystalline: Means the specimen is made up of one or more groups of crystals.

Cut-off grade: The minimum grade of mineralization used to establish quantitative and qualitative estimates of total mineralization.

Dacite: A fine grained acid volcanic rock, similar to rhyolite in which the feldspar is predominantly plagioclase.

Degradation: The ongoing process of erosion in a stream.

Diabase: Igneous hypabyssal rocks. The name is applied differently in different parts of the world leading to considerable confusion.

Diagenesis: The changes that occur in a sediment during and after lithification. These changes include compaction, cementation, replacement, and recrystallization.

Diamond drill: A type of rotary drill in which the cutting is done by abrasion using diamonds embedded in a matrix rather than by percussion. The drill cuts a core of rock which is recovered in long cylindrical sections.

Dilution: Results from the mixing in of unwanted gangue or waste rock with the ore during mining.

Dip: Geological measurement of the angle of maximum slope of planar elements in rocks. Can be applied to beddings, jointing, fault planes, etc.

Discordant Bodies: Intrusive igneous bodies whose contacts cut across the bedding, or other pre-existing structures, to the intruded rock.

Disseminated deposit: Deposit in which the mineralization is scattered through a large volume of host rock, sometimes as separate mineral grains, or sometimes along joint or fault surfaces.

Dolomite: A magnesium bearing limestone usually containing at least 15% magnesium carbonate.

Dunite: An intrusive, monomineralic, ultramafic rock composed almost completely of magnesian olivine.

Dyke: A tabular, discordant, intrusive igneous body.

Earn in: The right to acquire an interest in a property pursuant to an Option Agreement.

Ejecta: Pyroclastic material thrown out or ejected by a volcano. It includes ash, volcanic bombs, and lapilli.

Epithermal: Epithermal deposits are a class of ore deposits that form generally less than 1 km from surface. These deposits, which can host economic quantities of gold, silver, copper, lead and zinc are formed as a result of the precipitation of ore minerals from up-welling hydrothermal fluids. There are several classes of epithermal deposits that are defined on the basis of fluid chemistry and resulting alteration and ore mineralogy. Fluid chemistry is largely controlled by the proximity to igneous intrusive rocks and as a result igneous fluid content.

Extrusive Rock: Igneous rock that has solidified on the earth's surface from volcanic action.

Fault: A fracture in a rock where there had been displacement of the two sides.

Faults: Breaks in rocks with noticeable movement or displacement of the rocks on either side of the break.

Feasibility study: A comprehensive study of a mineral deposit in which all geological, engineering, legal, operating, economic, social, environmental and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production.

Feldspar: A group of aluminum silicate minerals closely related in chemical composition and physical properties. There are two major chemical varieties of feldspar: the potassium aluminum, or potash, feldspars and the sodium-calcium-aluminum, or plagioclase, feldspars. The feldspars possess a tetrahedral framework of silicon and oxygen, with the partial substitution of aluminum for the silicon. They make up about 60 percent of the earth's crust.

Felsic: Light coloured silicate minerals, mainly quartz and feldspar, or an igneous rock comprised largely of felsic minerals (granite, rhyolite).

Fluid inclusion: A cavity, with or without negative crystal faces, containing one or two fluid phases, and possibly one or more minute crystals, in a host crystal. If two fluid phases are present, the vapour phase (bubble) may show Brownian motion.

Folds: Are flexures in bedded or layered rocks. They are formed when forces are applied gradually to rocks over a long period of time.

Fracture: Breaks in a rock, usually due to intensive folding or faulting.

Gabbro: A group of dark-colored, basic intrusive igneous rocks composed principally of basic plagioclase (commonly labradorite or bytownite) and clinopyroxene (augite), with or without olivine and orthopyroxene; also, any member of that group. It is the approximate intrusive equivalent of basalt. Apatite and magnetite or ilmenite are common accessory minerals.

Gambusino: Small miners working without machinery.

Gangue: Term used to describe worthless minerals or rock waste mixed in with the valuable minerals.

Geochemical Anomaly: An area of elevated values of a particular element in soil or rock samples collected during the preliminary reconnaissance search for locating favourable metal concentrations that could indicate the presence of

surface or drill targets.

Geochemistry: The study of the chemistry of rocks, minerals, and mineral deposits.

Geophysics: The study of the physical properties of rocks, minerals, and mineral deposits.

Gneiss: A coarse grained metamorphic rock characterized by alternating bands of unlike minerals, commonly light bands of quartz and feldspar and dark bands of mica and hornblende.

Gossan: The leached and oxidised near surface part of a sulphide mineral deposit, usually consisting largely of hydrated iron oxides left after copper and other minerals have been removed by downward leaching.

Gouge: The finely ground rock that results from the abrasion along a fault surface.

Grade: The concentration of each ore metal in a rock sample, usually given as weight percent. Where extremely low concentrations are involved, the concentration may be given in grams per tonne (g/t) or ounces per ton (oz/t). The grade of an ore deposit is calculated, often using sophisticated statistical procedures, as an average of the grades of a very large number of samples collected from throughout the deposit.

Granite: A coarse grained, plutonic igneous rock that is normally pale pink, pale pink-brown, or pale grey, and composed of quartz, alkali feldspar, micas and accessory minerals.

Granodiorite: A course grained, plutonic igneous rock that is normally pale grey, and composed of quartz, calc-alkali feldspar, micas and accessory minerals.

Gravity survey: A geophysical survey which measures the variations of the earth's gravitational field in order to differentiate between rocks of contrasting specific gravities.

Grid: A network composed of two sets of uniformly spaced parallel lines, usually intersecting at right angles and forming squares, superimposed on a map, chart, or aerial photograph, to permit identification of ground locations by means of a system or coordinates and to facilitate computation of direction and distance and size of geologic, geochemical or geophysical features.

Hanging wall and Footwall: Terms used in reference to faults where when mining along a fault, your feet would be in the footwall side of the fault and the other side would be "hanging" over your head.

Hectare: A square of 100 metres on each side.

Host rock: The rock within which the ore deposit occurs.

Hydrothermal: Of or pertaining to hot water, to the action of hot water, or to the products of this action, such as a mineral deposit precipitated from a hot aqueous solution; also, said of the solution itself. "Hydrothermal" is generally used for any hot water, but has been restricted by some to water of magmatic origin.

Igneous: Means a rock formed by the cooling of molten silicate material.

Ignimbrite: The rock formed by the widespread deposition and consolidation of ash flows and nues ardentes. The term includes welded tuff and nonwelded but recrystallized ash flows.

Indicated Mineral Resource: An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parametres, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as out-crops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

Induced polarization (I.P.) method: The method used to measure various electrical responses to the passage of alternating currents of different frequencies through near-surface rocks or to the passage of pulses of electricity.

Inferred Mineral Resource: An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

Intermediate: An igneous rock made up of both felsic and mafic minerals (diorite).

Intrusion: General term for a body of igneous rock formed below the surface.

Intrusive Rock: Any igneous rock solidified from magma beneath the earth's surface.

Joint venture agreement: An agreement where the parties agree to the terms on which a property will be jointly explored, developed, and mined. (See also "Option agreement" and "Earn in").

Jurassic: Geological time period between 195 and 136 million years ago.

Kimberlite: A kimberlite is a pipe-like volcano sourced from deep within the earth under extreme temperatures and pressures. It is the host rock for diamonds and diamond indicator minerals such as kimberlitic ilmenites and garnets.

K-silicate: Potassium-bearing silicates. Potassium silicates are very common rock-forming minerals, however they are also formed by the interaction of hyrothermal fluids derived from the cooling intrusive rocks that are genetically and spatially associated with porphyry and epithermal deposits. Potassium feldspar (orthoclase) and potassium mica (biotite) are both commonly closely associated with copper-molybdenum ore in porphyry copper deposits.

K-spar: Potassium feldspar.

Lamprophyre: A group of dike rocks in which dark minerals occur both as phenocrysts and in the groundmass and light minerals occur in the groundmass. Essential constituents are biotite, hornblende, pyroxene, and feldspar or feldspathoids. Most lamprophyres are highly altered. They are commonly associated with carbonatites.

Lava: Means an igneous rock formed by the cooling of molten silicate material which escapes to the earth's surface or pours out onto the sea floor.

Limestone: Sedimentary rock that is composed mostly of carbonates, the two most common of which are calcium and magnesium carbonates.

Lithosphere: The crust and upper mantle, located above the asthenosphere and composing the rigid plates.

Mafic: A general term used to describe ferromagnesian minerals. Rocks composed mainly of ferromagnesian minerals are correctly termed melanocratic.

Magma: Naturally occurring molten rock material, generated within the earth and capable of intrusion and extrusion, from which igneous rocks have been derived through solidification and related processes. It may or may not contain suspended solids (such as crystals and rock fragments) and/or gas phases.

Massive: Implies large mass. Applied in the context of hand specimens of, for example, sulphide ores, it usually means the specimen is composed essentially of sulphides with few, if any, other constituents.

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Measured Mineral Resource: A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parametres, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

Metamorphic: Means any rock which is altered within the earth's crust by the effects of heat and/or pressure and/or chemical reactions. Pertains to the process of metamorphism or to its results.

Metasediment: A sediment or sedimentary rock that shows evidence of having been subjected to metamorphism.

Metavolcanic: An informal term for volcanic rocks that show evidence of having been subject to metamorphism.

Mineral claim: A legal entitlement to minerals in a certain defined area of ground.

Mineral Deposit or Mineralized Material: A mineralized underground body which has been intersected by sufficient closely spaced drill holes and or underground sampling to support sufficient tonnage and average grade of metal(s) to warrant further exploration-development work. This deposit does not qualify as a commercially mineable ore body (Reserves), as prescribed under Commission standards, until a final and comprehensive economic, technical, and legal feasibility study based upon the test results is concluded

Mineral: A naturally occurring, inorganic, solid element or compound that possesses an orderly internal arrangement of atoms and a unique set of physical and chemical properties.

Mineral Resource: A Mineral Resource is a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

Mineral Reserve: A Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

Mineralization: Usually implies minerals of value occurring in rocks.

Monocline: A structure in which a bed exhibits local steepening of otherwise uniform dip.

National Instrument 43-101: A rule developed by the Canadian Securities Administrators and administered by the provincial securities commissions that govern how issuers disclose scientific and technical information about their mineral projects to the public. It covers oral statements as well as written documents and websites. It requires that all disclosure be based on advice by a "qualified person" and in some circumstances that the person be independent of the issuer and the property.

Net profits interest: A contractual granted right to some portion of the profits after deduction of expenses sometimes expressed as a form of royalty.

Net smelter returns: Means the amount actually paid to the mine or mill owner from the sale of ore, minerals and other materials or concentrates mined and removed from mineral properties. A royalty based on net smelter returns usually provides cash flow that is free of any operating or capital costs and environmental liabilities.

Option agreement: An agreement where the optionee can exercise certain options to acquire or increase an interest in a property by making periodic payments or share issuances or both to the optionor or by exploring, developing or producing from the optionor's property or both. Usually upon the acquisition of such interest, all operations thereafter are on a joint venture basis.

Ore: A natural aggregate of one or more minerals which may be mined and sold at a profit, or from which some part may be profitably separated.

Ore reserve: The measured quantity and grade of all or part of a mineralized body in a mine or undeveloped mineral deposit for which the mineralization is sufficiently defined and measured on three sides to form the basis of at least a preliminary mine production plan for economically viable mining.

Orogeny: The process of forming mountains by folding and thrusting.

Outcrop: An in situ exposure of bedrock.

Overburden: A general term for any material covering or obscuring rocks from view.

oz/t or opt: Ounces per ton.

Paleozoic: An era of geologic time, from the end of the Precambrian to the beginning of the Mesozoic, or from about 570 to about 225 million years ago.

Panel Sample: A large volume/weight continuous rock chip sample collected over a definite area (e.g. 0.25m X 0.50m), and to a uniform depth (e.g. 2.5cm or 1 inch), on a mineral zone. Panel sampling is generally employed in a trenching program to obtain more representative grades particularly of a narrow mineralized structure such as a vein.

Peridotite: A coarse grained ultramafic rock commonly consisting of olivine and pyroxenes.

Phenocrysts: An unusually large crystal in a relatively finer grained matrix.

Phonolite: Any extrusive rock composed of alkali feldspar, mafic minerals and any feldspathoid, such as nepheline, leucite, or sodalite.

Pluton: Term for an igneous intrusion, usually formed from magma.

Porphyry: An igneous rock composed of larger crystals set within a finer ground mass.

Preliminary feasibility study/Pre-feasibility study: A comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established and an effective method of mineral processing has been determined, and includes a financial analysis based on reasonable assumptions of technical, engineering, legal, operating, economic, social and environmental factors and the evaluation of other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the mineral resource may be classified as a mineral reserve.

Probable Mineral Reserve: A 'Probable Mineral Reserve' is the economically mineable part of an Indicated, and in some circumstances a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

Proven Mineral Reserve: A 'Proven Mineral Reserve' is the economically mineable part of a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

Pyroclastic rock: A rock of volcanic origin consisting of highly variable mixture of rock fragments, cinders and ashes and bits of crystals and glass.

Pyroxenites: Ultramafic plutonic rock chiefly composed of pyroxene, with accessory hornblende, biotite, or olivine.

Qualified Person: As defined in National Instrument 43-10, an individual who:

a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these;

b) has experience relevant to the subject matter of the mineral project and the technical report and

c) is a member in good standing of a professional association.

Quartz monzonite: A course grained, plutonic igneous rock that is normally pale pink, and composed of quartz, alkali feldspar, micas and accessory minerals.

Rare Earth: A group of rare metallic chemical elements with consecutive atomic numbers of 57 to 71.

Reclamation bond: A bond usually required by governmental mining regulations when mechanized work on a property is contemplated. Proceeds of the bond are used to reclaim any workings or put right any damage if reclamation undertaken does not satisfy the requirements of the regulations.

Reserve: That part of a mineral deposit which could be economically extracted or produced at the time of the reserve determination.

Reserves: A natural aggregate of one or more minerals which, at a specified time and place, may be mined and sold at a profit, or from which some part may be profitably separated.

Reverse circulation drill: A rotary percussion drill in which the drilling mud and cuttings return to the surface through the drill pipe.

Rhyolite: The fine grained equivalent of a granite.

Royalty interest: A royalty, the calculation and payment of which is tied to some production unit such as tonne of concentrate or ounce of gold or silver produced. A common form of royalty interest is based on the net smelter return.

Sample: Small amount of material that is supposed to be absolutely typical or representative of the object being sampled.

Sandstone: Composed of sand-sized fragments cemented together. As a rule the fragments contain a high percentage of quartz.

Schist: A strongly foliated crystalline rock, formed by dynamic metamorphism, that has well-developed parallelism of more than 50% of the minerals present, particularly those of lamellar or elongate prismatic habit, e.g. mica and hornblende.

Sedimentary: A rock formed from cemented or compacted sediments.

Sediments: Are composed of the debris resulting from the weathering and breakup of other rocks that have been deposited by or carried to the oceans by rivers, or left over from glacial erosion or sometimes from wind action.

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Selvage: A marginal zone, as in a dyke or vein, having some distinctive feature of fabric or composition.

Sericite: A fine-grained variety of mica occurring in small scales, especially in schists.

Shale: An argillaceous rock consisting of silt or clay-sized particles cemented together. Most shales are quite soft, because they contain large amounts of clay minerals.

Shear zone: Where a fault affects a width of rock rather than being a single clean break, the width of affected rock is referred to as the shear zone. The term implies movement, i.e. shearing.

Silicate: Most rocks are made up of a small number of silicate minerals ranging from quartz (SiO2) to more complex minerals such as orthoclase feldspar (KAlSi3O8) or hornblende (Ca2Na(Mg,Fe)4(Al,Fe,Ti)Si8)22(OH)2).

Sill: Tabular intrusion which is sandwiched between layers in the host rock.

Skarn: A thermally altered impure limestone in which material has been added to the original rock. Skarns are generally characterized by the presence of calcium and silica rich minerals. Many skarns contain sulphide minerals which in some cases can be of economic value.

Sonic drill: A drill used to penetrate soft sediments where the drill advance by means of slow rotations and sonic vibrations. Samples of very soft material can be collected with this system.

Stock: An igneous intrusive body of unknown depth with a surface exposure of less than 104 square kilometres. The sides, or contacts, of a stock, like those of a batholith, are usually steep and broaden with depth.

Stockwork: A mineral deposit consisting of a three-dimensional network of closely spaced planar or irregular veinlets.

Strike: The bearing, or magnetic compass direction, of an imaginary line formed by the intersection of a horizontal plane with any planar surface, most commonly with bedding planes or foliation planes in rocks.

Sulphide minerals: A mineral compound characterized by the linkage of sulfur with a metal or semimetal; e.g., galena.

Syncline: A fold in which the bed has been forced down in the middle or up on the sides to form a trough.

Tailings: Material rejected from a mill after recoverable valuable minerals have been extracted.

Tailings pond: A pond where tailings are disposed of.

Till: An unsorted sediment made up of clay, sand and boulders left in the wake of a glaciation.

Tonne: Metric ton – 1,000 kilograms – equivalent to 1.1023 tons.

Tourmaline: A group of minerals of general formula (Na,Ca)(Mg,Fe+2,Fe+3,Al,Li)3Al6(BO3)3Si6O18(OH)4; it sometimes contains fluorine in small amounts. Also, any mineral of the tourmaline group. Tourmaline occurs in 3-, 6-, or 9-sided prisms, usually vertically striated, or in compact or columnar masses; it is commonly found as an accessory mineral in granitic pegmatites, and is widely distributed in acid igneous rocks and in metamorphic rocks. It can indicative of alteration associated with porphyry style mineralization.

Tremolite: A white to dark-gray monoclinic mineral of the amphibole group: $Ca_2Mg_5Si_8O_{22}(OH)_2$. It occurs in long blade-shaped or short stout prismatic crystals, and also in columnar or fibrous masses, esp. in metamorphic rocks such as crystalline dolomitic limestone and talc schist. It is a constituent of much commercial talc. alteration — usually referring to chemical reactions in a rock mass resulting from the passage of hydrothermal fluids.

Triassic: Geological time period between 225 and 195 million years ago.

Tuff : A finer grained pyroclastic rock made up mostly of ash and other fine grained volcanic material.

Veins: The mineral deposits that are found filling openings in rocks created by faults or replacing rocks on either side of faults.

Vuggy silica: In a high sulphidation epithermal environment, the highly acidic waters have dissolved everything but silica resulting in a highly porous and pox marker rock which is a good host for gold deposition. It is an indicator mineralization typical of epithermal rocks.

Waste: Rock which is not ore. Usually referred to that rock which has to be removed during the normal course of mining in order to get at the ore.

Notes Concerning Terminology Related to Resources and Reserves

The terms "mineral resource", "measured mineral resource", "indicated mineral resource", "inferred mineral resource", “mineral reserve”, “probable mineral reserve” and “proven mineral reserve” used in this Annual Report are Canadian mining terms as defined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council on November 14, 2004 as may be amended from time to time by the CIM. In accordance with Industry Guide 7, Description of Property by Issuers Engaged or to be Engaged in Significant Mining Operations, issued by the U. S. Securities and Exchange Commission, resource is termed “mineralization” or “mineral deposit”.

Cautionary Note to U.S. Investors concerning estimates of Measured and Indicated Resources

This Annual Report uses the terms "measured" and "indicated resources." We advise U.S. investors that while such terms are recognized and permitted under Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. U.S. investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves.

Cautionary Note to U.S. Investors concerning estimates of Inferred Resources

This Annual Report uses the terms "inferred resources." We advise U.S. investors that while such term is recognized and permitted under Canadian regulations, the U.S. Securities and Exchange Commission does not recognize it. "Inferred resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that any part or all of an inferred resource exists, or is economically or legally minable.

Glossary of Abbreviations

Ag: Silver
Ag gm/t: Silver grade measured in grams per metric tonne
Converts to ounces per ton by dividing by 34.286
Au: Gold
Au gm/t: Gold grade measured in grams per metric tonne
Converts to ounces per ton by dividing by 34.286
Ba: Barium
Co: Cobalt
CRD: Carbonate replacement deposit
Cu: Copper
EIS: Environmental Impact Statement
Fe: Iron
gpm: gallons per minute
gpt: grams per tonne
g/t: grams per tonne
IP: Induced Polarization geophysical survey
Ni: Nickel
NSR: net smelter return royalty
opt: ounces per ton
Oz: Troy ounce
Pb: Lead
Pd: Palladium
PGM: Platinum group minerals

Pt: Platinum
S: Sulphur
tpd: Tonnes per day
ton: Short ton (2,000 pounds)
tonne: Metric ton (1000 kilograms - 2204.62 pounds)
VLF: Very low frequency electromagnetic geophysical survey
VMS: Volcanogenic massive sulphide

PART I

Item 1. Identity of Directors, Senior Management and Advisors

Not applicable

Item 2. Offer Statistics and Expected Timetable

Not applicable

Item 3. Key Information

The Company was created by amalgamation under the laws of the Province of British Columbia of its predecessor companies, Almaden Resources Corporation and Fairfield Minerals Ltd., effective December 31, 2001.

The following selected financial data of the Company for Fiscal 2010 and Fiscal 2009 ended December 31st was derived from the consolidated financial statements of the Company included elsewhere in this 20-F Annual Report. The selected financial data should be read in conjunction with the consolidated financial statements and other information included elsewhere in this Annual Report.

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Until December 31, 2008, the Company prepared its consolidated financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Effective January 1, 2009 the Company adopted IFRS.

Pursuant to SEC Release No. 33-8567 "First-Time Application of International Financial Reporting Standards", the Company is only required to include selected financial data prepared in compliance with IFRS extracted or derived from the consolidated financial statements for the years ended December 31, 2009 and 2010 (earlier periods are not required to be included).

Furthermore, pursuant to SEC Release No. 33-8879 "Acceptance from Foreign Private Issuers of Financial Statements Prepared in Accordance with International Reporting Standards Without Reconciliation to U.S. GAAP", the Company includes selected financial data prepared in compliance with IFRS without reconciliation to U.S. GAAP.

The basis of preparation and transition to IFRS are described in detail Notes 2 and 19, respectively, to our consolidated financial statements.

Table No. 1
Selected Financial Data
(expressed in thousands of Canadian dollars, except per share data)

	Year Ended 12/31/2010	Year Ended 12/31/2009
Revenues	$234	$2,441
Net loss	(3,465)	(2,286)
Loss per common share	(0.07)	(0.05)
Weighted average shares (000)	51,188	45,847
Working capital	29,187	14,530
Mineral properties	4,439	8,417
Net assets	35,694	25,171
Total assets	36,343	25,659
Capital stock	62,854	50,878
Dividends declared per share	0	0

Canadian/U.S. Dollar Exchange Rates

In this Annual Report, unless otherwise specified, all dollar amounts are expressed in Canadian dollars (CDN$). The Government of Canada permits a floating exchange rate to determine the value of the Canadian dollar against the U.S. dollar (US$)

Table No. 2 sets forth the exchange rate for the Canadian dollars at the end of the five most recent fiscal periods ended at December 31st, the average rates for the period, the range of high and low rates and the close for the period. Table No. 3 sets forth the range of high and low rates for each month during the previous six months.

For purposes of this table, the rate of exchange means the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York. The table sets forth the number of Canadian Dollars required under that formula to buy one U.S. Dollar. The average rate means the average of the exchange rates on the last day of each month during the period.

Table No. 2
Canadian Dollar/U.S. Dollar Exchange Rates for Five Most Recent Financial Years

	Average	High	Low	Close
Fiscal Year Ended 12/31/2010	$ 1.03	$ 1.08	$ 1.00	$ 1.00
Fiscal Year Ended 12/31/2009	1.14	1.30	1.03	1.05
Fiscal Year Ended 12/31/2008	1.06	1.30	0.97	1.22
Fiscal Year Ended 12/31/2007	1.07	1.19	0.92	0.99
Fiscal Year Ended 12/31/2006	1.15	1.17	1.10	1.17

Table No. 3
U.S. Dollar/Canadian Dollar Exchange Rates for Previous Six Months

September 2010	October 2010	November 2010	December 2010	January 2011	February 2011

High	$1.05	$1.03	$1.03	$1.02	$1.00	$1.00
Low	1.02	1.00	1.00	1.00	0.99	0.97

The exchange rate was $0.98 on March 25, 2011.

Risk Factors

General Risk Factors Attendant to Resource Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environment protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

Presently, the Company is in the exploration stage and there is no assurance that a commercially viable ore deposit (a reserve) exists in any of its properties or prospects until further exploration work is done and a comprehensive economic evaluation based upon that work is concluded. The Company retains an inventory of 1,597 ounces of gold from previous production by its predecessor ("Fairfield") from the Siwash mine on the Elk property. The gold was mined in 1994 and shipped to the smelter in 1996. The gold produced was retained as inventory by Fairfield. Both the Company and its predecessor have financed their operations principally through the sale of equity securities, entering into joint venture arrangements and the sale of its inventory of gold. The recoverability of mineral properties is dependent on the establishment of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and ultimately upon future profitable production or the realization of proceeds from the disposition of the properties.

Uncertainty in Discovering Commercially Mineable Ore Deposits

There is no certainty that the expenditures to be made by the Company in the exploration of its properties and prospects as described herein will result in discoveries of mineralized material in commercial quantities. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any particular level of recovery of ore reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

History of Net Losses, Lack of Cash Flow and Assurance of Profitability

The Company had net losses in a number of years since its date of incorporation. Due to the nature of the Company's business, there can be no assurance that the Company will be profitable. The Company had net losses of $3,464,652 in Fiscal 2010 and $2,285,959 in Fiscal 2009.

The Company currently has no revenues from operations as all of its properties and prospects are in the exploration stage. There is no assurance that the Company will receive revenues from operations at any time in the near future. During Fiscal 2010 and 2009, the Company had revenue from exploration and drilling contractor services provided to third parties. Otherwise, the Company has had no prior year's history of earnings or cash flow other than the NSR royalty from the La Trinidad Mine and the bulk sampling on the Elk gold property. Neither the Company nor

its predecessor has paid dividends on their shares since incorporation and the Company does not anticipate doing so in the foreseeable future. Historically, the only source of funds available to the Company was through the sale of its equity shares and entering into joint venture agreements. The only source of funds available to the Company's predecessor was through the sale of its inventory of gold, the sale of its equity shares and entering into joint venture agreements. Any future additional equity financing would cause dilution to current stockholders.

Uncertainty of Obtaining Additional Funding Requirements

If the Company's exploration programs are successful, additional capital will be required for the development of an economic ore body and to place it in commercial production. The only sources of future funds presently available to the Company are the sale of its inventory of gold, sale of equity capital or the offering by the Company of an interest in its properties and prospects to be earned by another party or parties carrying out further development thereof. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interest in such properties, dilute its interests in the properties and/or reduce or terminate its operations.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the financing of the conduct of its business by the issuance for cash securities of the Company or incurring debt, or a combination of the two. Any transaction involving the issuance of previously authorized but unissued shares of common stock, or securities convertible into common stock, would result in dilution, possibly substantial, to present and prospective holders of common stock. The Company usually seeks joint venture partners to fund in whole or in part exploration projects. This dilutes the Company's interest in properties it has acquired.

Mineral Prices May Not Support Corporate Profit

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered. The price of minerals is volatile over short periods of time, and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining techniques. Material changes in mineral prices may affect the economic viability of any project.

Environmental Regulations

The current and anticipated future operations of the Company, including development activities and commencement of production on its properties, require permits from various federal, territorial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Such operations and exploration activities are also subject to substantial regulation under these laws by governmental agencies and may require that the Company obtain permits from various governmental agencies. The Company believes it is in substantial compliance with all material laws and regulations which currently apply to its activities. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations, or that new legislation or modifications to existing legislation, would not have an adverse effect on any exploration or mining project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violation of applicable laws or regulations.

The enactment of new laws or amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

As a requirement for performing certain exploration activities, the Company has $124,764 on deposit as reclamation bonds for exploration work and site disturbance on the Elk and other prospects in Canada and the United States. These allocated funds have been deposited for the benefit of the Province of British Columbia and the State of Nevada until released upon approval from the Province and State after all necessary reclamation work on the properties has been performed. If the reclamation is more prolonged and requires funds in addition to those already allocated, the Company could be forced to pay for the extra work and it could have a significant negative impact upon the Company's financial position and operations.

No Guarantee of Title to Mineral Properties

While the Company and its predecessor have investigated title to all of its mineral properties and prospects, and, to the best of its knowledge, title to all of its properties and prospects in which it has the right to acquire or earn an interest are in good standing as of the date of this Annual Report, this should not be construed as a guarantee of title. The properties and prospects may be subject to prior unregistered agreements or transfers unknown to the Company and title may be affected by undetected defects, e.g. defects in staking or acquisition process.

As there are unresolved native land claim issues in British Columbia and the Yukon Territory, the Company's properties and prospects in these jurisdictions may be affected in the future.

If title is disputed, the Company will have to defend its ownership through the courts, which would likely be an expensive and protracted process and have a negative effect on the Company's operations and financial condition. In the event of an adverse judgment, the Company could lose its property rights.

Trading Volume

The relatively low trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares. Due to the reduced liquidity in the secondary markets, shareholders may find it more difficult to sell their shares.

Volatility of Share Price

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries, exploration and financial results, and other factors could have a significant effect on the price of the Company's shares.

Material Risk of Dilution Presented by Large Number of Outstanding Share Purchase Options and Warrants

As of March 21, 2011 there were share purchase options outstanding allowing the holders of these options to purchase 4,980,000 shares of common stock and share purchase warrants outstanding allowing the holders to purchase 1,205,499 shares of common stock. Directors and officers of the Company hold 4,295,000 of these share purchase options. An additional 685,000 share purchase options are held by employees and consultants of the Company. Given the fact that as of March 21, 2011 there were 55,876,822 shares of common stock outstanding, the exercise of all of the existing share purchase options and warrants would result in further dilution to the existing shareholders and could depress the price of the Company's shares. The exercise of all outstanding share purchase options would cause the number of issued and outstanding common shares to rise 8.9%. The exercise of all outstanding share purchase warrants would cause the number of issued and outstanding common shares to rise 2.2%.

No Proven Reserves

The properties and prospects in which the Company has an interest or the properties in which the Company has the right to earn an interest are in the exploratory stage only, are without a known body of ore and are not in commercial production. If the Company does not ultimately find a body of economically recoverable ore, it would either have to acquire additional exploration projects, or terminate is operations.

Uncertainty of Reserves and Mineralization Estimates

There are numerous uncertainties inherent in estimating proven and probable reserves and mineralization, including many factors beyond the control of the Company. The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgement. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to greater uncertainty and metals prices have fluctuated widely in the past. Declines in the market price of base or precious metals also may render reserves or mineralization containing relatively lower grades of ore uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limiting to, short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades, may materially and adversely affect reserves.

Foreign Incorporation and Civil Liabilities

The Company amalgamated under the laws of the Province of British Columbia, Canada. All of the Company's directors and officers are residents of Canada and substantially all of the Company's assets and its subsidiaries are located outside the United States. Consequently, it may be difficult for United States investors to effect service of process in the United States upon those directors and officers who are not residents of the United States, or to realize in the United States upon judgements of United States courts predicated upon civil liabilities whether under the United States Securities Exchange Act of 1934, as amended, or otherwise.

Conflict of Interest

Some of the Company's directors and officers are directors and officers of other natural resource or mining-related companies. James McInnes also serves as a director of Williams Creek Explorations Limited and Horseshoe Gold Mining Inc. Joseph Montgomery also serves as a director of Infrastructure Materials Corp. Gerald Carlson also serves as a director and President of Windstorm Resources Inc., a director of Copper Ridge Explorations Inc., director of Blue Sky Uranium Corp., director of Tarsis Resources Ltd., director of Panthera Exploration Inc., director of Enertopia Corporation, a director of Fairmont Resources Inc., and director of Pacific Arc Resources Inc. Barry Smee also serves a s a director of Platinum Group Metals Ltd. Marc Blythe also serves as a director and President and Chief Executive Officer of Tarsis Resources Ltd., director of Arcus Development Group Inc. and Inform Resources Ltd. and an officer of Rockhaven Resources Ltd. Mark Brown also serves as a director and CFO of Rare Element Resources Ltd. and Portal Resources Ltd. and CEO and director of Fox Resources Ltd. He also serves as a director of Strategem Capital Inc., Sutter Gold Mining Inc., Animas Resources Ltd. and Avrupa Minerals Ltd. He also serves as a CFO for Pitchstone Exploration Ltd., Tarsis Resources Ltd., and Rye Patch Gold Ltd. These associations may give rise from time to time to conflicts of interest, as a result of which, the Company may miss the opportunity to participate in certain transactions.

Foreign Operations

The Company currently has exploration projects located in Mexico and the United States. The Company's foreign activities are subject to the risk normally associated with conducting business in foreign countries, including exchange controls and currency fluctuations, limitations on repatriation of earnings, foreign taxation, laws or policies of particular countries, labor practices and disputes, and uncertain political and economic environments, as well as risks of war and civil disturbances, or other risk that could cause exploration or development difficulties or stoppages, restrict the movement of funds or result in the deprivation or loss of contract rights or the taking of property by nationalization or expropriation without fair compensation. Foreign operations could also be adversely impacted by laws and policies of the United States affecting foreign trade, investment and taxation.

Foreign Currency Fluctuations

At the present time, some of the Company's activities are carried on outside of Canada. Accordingly, it is subject to risks associated with fluctuations of the rate of exchange between the Canadian dollar and foreign currencies.

The Company is currently not engaged in currency hedging to offset any risk of exchange rate fluctuation and currently has no plans to engage in currency hedging.

Operating Hazards and Risks Associated with the Mining Industry

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected geological formations and other conditions are involved. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to or loss of life and property, environmental damage and possible legal liability for any or all damage or loss. The Company may become subject to liability for cave-ins and other hazards for which it cannot insure or against which it may elect not

to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and the incurring of such liabilities would reduce the funds available for exploration activities.

The Ability to Manage Growth

Should the Company be successful in its efforts to develop its mineral properties or to raise capital for such development or for the development of other mining ventures it will experience significant growth in operations. If this occurs management anticipates that additional expansion will be required in order to continue development. Any expansion of the Company's business would place further demands on its management, operational capacity and financial resources. The Company anticipates that it will need to recruit qualified personnel in all areas of its operations. There can be no assurance that the Company will be effective in retaining its current personnel or attracting and retaining additional qualified personnel, expanding its operational capacity or otherwise managing growth. The failure to manage growth effectively could have a material adverse effect on the Company's business, financial condition and results of operations.

Lack of a Dividend Policy

The Company does not intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends which the Company may pay will remain subject to the discretion of the Company's Board of Directors and will depend on results of operations, cash requirements and future prospects of the Company and other factors.

Competition

There is competition from other mining exploration companies with operations similar to those of the Company's. Many of the mining companies with which the Company competes have operations and financial strength many times greater than that of the Company. Such competitors could outbid the Company for such projects, equipment or personnel, or produce minerals at a lower cost which would have a negative effect on the Company's operations and financial condition.

Dependence on Key Personnel

The Company depends highly on the business and technical expertise of its management and key personnel, in particular, Duane Poliquin and Morgan Poliquin. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries. In Fiscal 2007, the Company took out an accidental death insurance policy on Duane Poliquin with a $2,000,000 limit. However, the loss or unavailability of any of its key personnel could have a negative effect on the Company's ability to operate effectively.

Item 4. Information on the Company

History & Development of the Company

The head office of the Company is located at 750 West Pender Street, Suite 1103, Vancouver, British Columbia, Canada, V6C 2T8. The registered and records office of the Company is 1199 West Hastings Street, Suite 950, Vancouver, British Columbia, Canada, V6E 3T5.

The contact persons are Duane Poliquin, Chairman and Morgan Poliquin, President. The telephone number is (604) 689-7644. The fax number is (604) 689-7645. The email address is info@almadenminerals.com. The web-site address is www.almadenminerals.com.

The Company was created by amalgamation under the laws of the Province of British Columbia of its predecessor companies, Almaden Resources Corporation and Fairfield Minerals Ltd., effective December 31, 2001. The Company operates under the laws of the Business Corporations Act (British Columbia).

The Company's common shares began trading on The Toronto Stock Exchange ("TSX") under the symbol "AMM" on February 11, 2002 and on the American Stock Exchange, now the NYSE Amex, under the symbol "AAU" on December 19, 2005. Almaden Resources Corporation's initial public offering on the Vancouver Stock Exchange was pursuant to a prospectus dated October 10, 1986. The shares of Fairfield Minerals Ltd. began trading on the Vancouver Stock Exchange on July 18, 1986 and on The Toronto Stock Exchange on May 21, 1990.

There have been no public takeover offers by third parties in respect of the Company's shares and the Company has made no public takeover offers in respect of other company's shares.

Organizational Structure

The Company currently has five wholly-owned subsidiaries that were formed to hold properties in their respective jurisdictions. These subsidiaries are:

	Jurisdiction	Nature of operations
Almaden America Inc.	Nevada	holding company
Republic Resources Ltd.	British Columbia	holding company
Almaden de Mexico, S.A. de C.V.	Mexico	exploration company
Minera Gavilan, S.A. de C.V.	Mexico	exploration company
Compania Minera Zapata, S.A. de C.V.	Mexico	exploration company

At December 31, 2010, the Company owned a 50% share interest in ATW Resources Ltd. ("ATW"), a company incorporated in the Northwest Territories, Canada on January 6, 1993 and a 16.7% share interest in Tarsis Resources Ltd. (formerly Tarsis Capital Corp.), a company incorporated in Alberta, Canada on October 21, 2005 and continued into British Columbia on June 2, 2008.

Business of the Company

The Company is engaged in the business of the acquisition, exploration and when warranted, development of mineral properties. The Company has property interests in Canada, United States and Mexico. None of the Company's property interests are beyond exploration stage. Presently there is no assurance that any of the Company's mining properties or prospects contain a commercially viable ore body (reserve) until further exploration work is done and final feasibility study based upon such work is concluded. The Company is in the exploration stage and has not generated any revenues from operations.

Company’s Principal Properties

The Company has four principal property interests: (1) the Elk gold, silver property which includes the Siwash Gold deposit in Canada (100% interest), (2) the Tuligtic prospect (100% interest) which includes the Ixtaca zone in Mexico, (3) the Caballo Blanco gold, silver, copper prospect in Mexico (100% interest subject to a sliding scale NSR and a 70% option agreement earn in right by Goldgroup Resources Inc.), and the El Cobre copper-gold prospect (60% interest, JV agreement with Goldgroup Resources Inc. who has a 40% working interest).

Company’s Secondary Properties

The Company’s secondary property interests include the ATW diamond prospect in Canada (net 65.5% property interest), the Merit prospect in Canada (100% interest), the San Carlos prospect in Mexico (100% interest), the Yago prospect in Mexico (100% interest), the Matehuapil prospect in Mexico (100% interest subject to a 60% option agreement earn in right by Golden Minerals Ltd.) and the Caldera prospect in Mexico (100% interest subject to a 60% option agreement earn in right by Windstorm Resources Ltd.

In February 2010, the Bufa prospect in Mexico was sold to Lincoln Mining Corporation subject to a 2% NSR.

The PV prospect in Canada was sold to Consolidated Spire Ventures Ltd. during Fiscal 2006. The MOR, Tim and other prospects in Canada and the Erika prospect in Mexico were sold to Tarsis Resources Ltd. (formerly Tarsis Capital Corp.) during Fiscal 2007 (refer to The MOR Prospect – Canada). During Fiscal 2008, the Ram prospect in Canada was sold to Ross River Minerals Inc. subject to a 2% NSR and the Prospector Mountain prospect was sold to Tarsis Resources Ltd.

The Company has an investigation portfolio of other property holdings in Canada, United States and Mexico that are not considered either principal or secondary properties. The Company determines the category of a property based on

exploration which is always subject to change based upon results received.

The Company also entered into a joint venture agreement in Fiscal 2005 with Japan Oil, Gas and Metals National Corporation ("JOGMEC") to undertake a regional grassroots exploration program for base metal deposits over a selected area in Mexico. During Fiscal 2007, JOGMEC withdrew from all joint venture activities.

Business Overview

Quality Control

The Company employs a strict quality control program for samples taken during its exploration programs. For drilling programs a quality control program is in place which includes the insertion of blanks, field duplicates and certified standards into the sample stream.

Chain of Custody
Samples of rock and drill core and cuttings are sealed by the sampler and kept under control of a qualified person until they are shipped to a laboratory.

Sample Handling
Soil and stream sediment samplers have been trained to industry standard levels of sampling methodology. In general, the Company sieves stream sediment samples to -20 mesh in the field during preparation. Samplers are required to not wear any jewellery or clothing or use equipment which may contaminate the sample. All sample locations are geographically located at the time of sampling using the Global Positioning System. The Company has prepared standardized sample information cards for samplers to record information concerning the sample location, type and medium. Outcrop, float and dump rock samples are collected by geologists who record similarly ordered geologic information relating to the sample taken.

Blanks
Blank material, a sample of crushed and pulverized rock, known to contain very low or non detectable concentration of gold, is inserted as a pulp into the sample stream on an interval of every 20 samples. Blanks are intended to detect possible contamination.

Duplicates
During drill programs the company routinely includes a field duplicate into the sample stream, spaced at 20 sample intervals. Field duplicate samples are splits of drill core or reverse circulation cuttings from the sample interval. The resulting two field duplicate samples are submitted with separate sample numbers “blind” to the assay lab and separately treated as normal samples. The samples are taken randomly with no regard to rock type, geographic position or degree of alteration or mineralization. These field duplicated are then used to detect the cumulative uncertainties associated with the entire sampling and analytical process.

Standards
During drill programs the company routinely includes a field duplicate into the sample stream, spaced at 20 sample intervals. Certified standards are purchased from CDN Resource Labs of Vancouver and are prepared by this professional third party lab according to industry standard and accepted methodologies. Standards are utilized to monitor the accuracy of the laboratory work.

Maintaining properties

The following is a general statement about government requirements for holding mineral properties in the jurisdictions where the Company works.

In Canada, mining law is a provincial or territorial matter. Maintaining a mineral property requires annual assessment work or cash in lieu of work.

In the United States, federal mining laws govern mining claims on federal land, including land administered by the Bureau of Land Management ("BLM"). A payment of US$140 per claim is payable to the BLM by September 1 of each year per twenty acre mining claim. This is filed in advance for the upcoming assessment year.

In Mexico, mining law is a federal matter. The government requires annual assessment work and expenditures per hectare which increase with the size and age of the claim. Land taxes per hectare also have to be paid by January 31 and July 31 each year. Both amounts are subject to inflation accounting and the inflation adjustment number for each fiscal period is published in the official gazette.

PRINCIPAL PROPERTY INTEREST IN CANADA

“MAP 1 - CANADA”

The Elk Property – Canada

“MAP 2 - ELK”

The Elk Property contains a known mineral deposit but all current work by the Company on the property is exploratory in nature.

Option to Acquire Interest
Initial staking was undertaken in November 1986 with additions in 1987, 1988, 1989 and 2006. A block comprising 72 units was optioned in October 1988. The Siwash North mining lease was issued in September 1992. Claim acquisition and subsequent work were conducted by Cordilleran Engineering Ltd. for the Company’s predecessor (“Fairfield”) until April 1995 when Fairfield assumed operations. Fairfield amalgamated with Almaden Resources Corporation in February 2002 and the claims were transferred to the amalgamated company Almaden Minerals Ltd.

On February 16, 2011, the Company announced it has entered into an Asset Sale Agreement under which Beanstalk Capital Inc. (“Beanstalk”) will acquire 100% of the Elk gold deposit. Almaden will retain a 2% NSR in the Elk project. Under the terms of the Agreement, Almaden will receive 37 million common shares of Beanstalk. Closing of the transaction is expected in the second quarter 2011 and remains subject to applicable regulatory approvals, including approval of the TSX. As part of the Transaction, Beanstalk will complete a private placement to close concurrently with the Transaction of up to 10,000,000 units (each a “Unit”) at a purchase price of $0.50 per Unit (each Unit consisting of one common share and one whole warrant (“Warrant”) exercisable at $0.75 for three years from the Closing) and up to 3,850,000 common shares in the capital of Beanstalk issued on a flow-through basis (each a “Flow-Through Share”) pursuant to the Income Tax Act (Canada) at a purchase price of $0.65 per Flow-Through Share for aggregate gross proceeds of up to $7,502,500, or in such other amounts and on such other terms as may be determined by Beanstalk. It is anticipated that upon completion of the transaction, Duane Poliquin (Chairman and Director of Almaden) and Morgan Poliquin (CEO and director of Almaden) will be Directors of Beanstalk. Marc Blythe (VP Mining of Almaden) is expected to be President of Beanstalk.

Expenditures to Date
During Fiscal 2010, the Company incurred $2,514,617 of expenditures, primarily on infill and exploration drilling, new camp construction and the completion of a preliminary economic assessment in January 2011. As at December 31, 2010, the Company had deferred costs of $8,760,369 on this property.

Location and Access
The Elk Property consists of 28 contiguous mineral claims comprising 783 cells plus a 15 hectare mining lease located 40 kilometres west of Peachland, British Columbia in the Similkameen Mining Division. The claims were converted to the new computer based cell system in July and August of 2005.

The claims cover forested, gently rolling hills with fair to poor bedrock exposure. The property is accessible by paved highway, 50 kilometres from Westbank, British Columbia, or 50 kilometres from the town of Merritt, British Columbia.

History
The property includes the Siwash Gold Mine, which, between 1992 and 1997, produced 51,460 ounces (1,600,400 gm) of gold at an average grade of 2.78 oz/t (95.32gm/t).

Work conducted on the property from 1986 to 1991 consisted of geological mapping, prospecting, linecutting, soil sampling, geophysics, excavator trenching (8.69 km), diamond drilling (111 holes, 12,524 m) and road construction.

During 1992, a bulk sample was extracted from an open pit on the Siwash vein in the Siwash North area. It totalled 2240 tons (2032 tonnes) grading 4.016 ounces/ton (137.7 gm/t) gold. A total of 70 reverse circulation holes were drilled to confirm the vein grade and continuity in the 1993 pit expansion area. Open pit mining was carried out by Wiltech Developments of Kelowna, B.C. under the supervision of Cordilleran Engineering. The ore was shipped to the Noranda smelter in Rouyn, Quebec in November.

In 1993, bulk sampling from the open pit continued with the extraction of 3733 tons (3386 tonnes) of mineralized material grading 3.080 oz/t (105.6 gm/t) gold. The 3.5 by 3.0 metre decline was collared at the 1628m elevation in June and reached the 1570m elevation in October. Test mining stopes were excavated at the 1611 and 1570 levels. Ore from the open pit and underground operations was shipped through the summer and fall to the Asarco smelter in Helena Montana. Eleven reverse circulation holes were drilled to the south of the open pit to provide closer spaced data for the planning of the 1994 open pit expansion.

In 1994, Fairfield received a mining permit, the open pit was expanded to a total size of 458,000 cubic metres and 10,119 tons (9,180 tonnes) of ore grading 2.669 oz/ton (91.51gm/t) gold were extracted. The ore was crushed to minus 6 inches and was shipped to the Asarco Smelter in Helena, Montana. Fairfield received credits for gold, silver and silica. An underground drill program was carried out at ten to twenty metre centres for a total of 2419 metres in 84 NQ holes to help define underground mineable shoots.

During 1995 underground development was completed to the 1511m elevation and longhole and shrinkage mining tests were carried out with shrinkage proving to be the more applicable method. An underground drill program comprising 217 NQ holes at ten metres centres for a total of 7612 metres was undertaken to fully test the area accessible by the existing underground development. Ninety-eight surface NQ diamond drill holes tested the areas beyond the reach of the decline and other targets on the claim group for a total of 4645m. Including all previous drilling, an area of about 340m by 150m had been tested at a hole spacing of less than 20m.

Surface diamond drilling totalling 6946.34 metres in 88 holes was completed on the Siwash mining lease during 1996. Detailed drilling was carried out in the area of the proposed Phase 5.5 open pit at approximately 20 metre centers. Five holes were drilled in the Deep B area down dip from the existing underground development. A new vein, known as the WD zone was outlined by 25 holes. A soil geochemistry anomaly in the Gold Creek West area was examined with five drill holes.

Limited prospecting, environmental monitoring and reclamation were done on the property between 1997 and 1999.

During August 2000, Fairfield completed a twelve-hole 1400-metre drill program on the property which targeted three gold bearing quartz vein systems in the Siwash Mine area. Prospecting in a new logging clearcut one kilometre to the east of the mine area has resulted in the discovery of two northeast trending structures coincident with anomalous gold soil values.

During 2001, a 230-metre trenching program comprising seven trenches was carried out on the claims in the Siwash East and Gold Creek West areas. The trenches were dug to determine the source of gold bearing quartz fragments found on surface and in road cuts. Six trenches in the Siwash East area, located 1.7 km to the east of the Siwash Mine site, exposed quartz veins up to 20cm thick and narrow pyritic fault zones cutting quartz monzonite adjacent to an andesite dyke. The andesite dyke was traced over 150 metres in four trenches with strong alteration and narrow bands of pyritic gouge containing quartz fragments in the immediate vicinity of the dyke. Trench SE01-4 was dug to a depth of 2.5 metres and exposed a steeply dipping quartz vein about 20cm thick. A 0.5 by 0.5 metre panel sample of the same vein taken in the wall of the trench returned 0.635 oz/ton (21.8 gm/t) gold and 0.96 oz/ton (32.9 gm/t) silver. Adjacent trenches 35 metres to the west and 50 metres east exposed the andesite dyke with a strong alteration zone but no quartz veins and weak gold values.

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Trench GCT01-1 was excavated the Gold Creek West area, 400 metres southwest of the mine site, to further expose a quartz vein discovered earlier in the year by hand trenching. Deeper excavation revealed a discontinuous quartz vein approximately 30cm thick over a length of nine metres hosted in strongly argillically altered quartz monzonite that shows evidence of slumping and deformation. The vein returned a value of 0.598 oz/ton (20.5 gm/t) gold and 1.74 oz/ton (59.6 gm/t) silver from a 0.8 metre by 0.5 metre panel sample.

A comprehensive review of the property database was completed on August 31, 2001 by Leo King, P.Eng., an independent consultant. His report recommends a three stage 9500 metre drill program to further explore the Siwash, Gold Creek West and WD vein systems.

During the 2002 field season twenty six NQ diamond drill holes tested the WD, B Zone, Gold Creek West and Bullion Creek vein systems for a total of 4996m. Seven holes were drilled into the WD zone to test the perimeter of the known shoot. The WD veins were intersected in all holes close to the projected depths. Eleven holes were drilled into the Deep B shoot located immediately below the existing underground development to fill-in the drill spacing to less than 25 metres and to test the perimeter of the known mineralization. Two holes were drilled on the west side of the existing open pit to help determine the feasibility of a pit expansion to the west. The Gold Creek West vein located approximately 450m southwest of the existing open pit was tested with four holes in two 50 metre step-outs to the west of the existing grid. Two holes were drilled into the Bullion Creek structure located 700 metres to the north of the open pit to test a geochemical anomaly.

During Fiscal 2002 the Company purchased a mill for possible use at the Siwash property. The mill, with a rated capacity of 125 tons per day, was purchased for US$75,000 (CDN$118,500). During Fiscal 2003, the mill was dismantled and moved to a storage facility near the property at a cost of $204,766. There has been no feasibility study to justify construction of the mill nor have permits to construct the mill been applied for. The mill was purchased because it would be suitable for processing the Siwash mineralized material and the price was below replacement cost. This low cost could have an impact on project economics. If studies indicate it would not be feasible to install this mill on the Siwash project, the mill will be sold.

Thirty NQ diamond drill holes drilled between August 6 and November 1, 2003 tested the WD Zone for a total of 6570.56m. Seven holes were drilled into the WD vein system to the west of the north-northwest trending RB fault located roughly between 2340E and 2400E.

Twenty five holes were drilled to the east of the RB fault between 2370E and 2670E to extend the known resource. The WD zone(s) were intersected in all but three holes which were terminated before the target depth due to excessive deviation or bad ground conditions. The known zone was extended to 2670E and to a depth of 340m below surface and 380m down dip. Fill-in drilling on sections 2445E, 2495E and 2545E intersected the WD veins at the expected depth however gold grades were not as high as those found on adjacent fences.

The 2004 diamond drill program in the Siwash Gold Mine area was completed in early November for a total of 10,265 metres of NQ drilling in 44 holes. The program extended the known perimeter of the WD zone 150 metres to the east and 100 metres downdip in 50 metre step-outs. Seven holes were drilled into the B zone to test a southwest shoot to depth and to fill in between existing 50 metre intercepts below the existing mine workings. Four holes were drilled to test the Bullion Creek zone over a 100m strike length. All completed holes intersected the projected zones. Two holes were abandoned due to poor ground conditions. Geological interpretation and re-assaying was completed and a summary of composited drill results greater than 10 gm/t-metre Au is listed below.

Hole Number	Depth From (m)	Depth To (m)	Sample Interval(m)	True Width (m)	Zone	Gold gm/t	Silver gm/t
SND04391	55.23	55.74	0.51	0.50	B	74.83	119.25
SND04390	55.05	55.65	0.60	0.60	B	43.40	90.68
SND04390	55.15	68.39	13.24	13.15	B	3.11	4.71
SND04390	43.00	68.39	25.39	24.01	B	1.76	2.58
SND04400	297.29	297.80	0.51	0.50	B	48.12	27.14
SND04403	337.80	338.34	0.54	0.50	B	20.26	9.64
SND04408	192.00	192.58	0.58	0.50	B	22.14	12.64
SND04374	50.10	53.61	3.51	3.42	Bb	8.51	32.79
SND04375	14.87	36.40	21.53	20.43	Bb	0.69	0.14
SND04390	67.39	68.41	1.02	1.00	C	13.73	6.89
SND04369	160.55	161.20	0.65	0.50	WD	24.75	44.22
SND04406	202.23	203.42	1.19	0.50	WD	22.81	32.61
SND04384	155.70	156.88	1.18	1.00	WDa	61.81	99.82
SND04386	198.50	199.21	0.71	0.50	WDa	21.62	26.05
SND04367	214.63	222.74	8.11	5.79	WD2	5.97	4.81
SND04367	214.59	215.34	0.75	0.60	WD2	20.51	14.55
SND04368	157.76	158.32	0.56	0.50	WD2	31.18	32.93
SND04372	233.00	235.60	2.60	2.22	WD2	4.80	7.56
SND04407	179.37	179.90	0.53	0.50	WD2	20.70	53.26
SND04366	176.05	193.20	17.15	11.27	WD2-3	2.39	1.85
SND04367	222.00	222.74	0.74	0.50	WD3	31.71	31.30
SND04367	217.33	222.83	5.50	4.60	WD3	5.94	4.15

Water sampling from eight sites around the mine area has been carried out since 1991 to determine changes in element concentrations due to mining and exploration activities. Metal levels in the major creeks have remained well within guideline limits though some minor increases in Cu and Zn have been noted in the sumps and minor creeks in the immediate minesite area. Benthic invertebrate studies were carried out during 2003, 2004 and 2006 which determined that invertebrate populations have not been significantly effected.

The 2005 diamond drill program in the Siwash Gold Mine area of the Elk property was completed in late October for a total of 8,394 metres of NQ drilling in 36 holes

The high grade core of the WD vein system has now been tested at intervals of 25m along strike and 50m down dip. The vein was intersected in all holes and has a drill tested strike length of 710m and down-dip length of 430m. Four holes tested the continuity of the WD to WD3 zones to the south and west of the 2004 drill grid. All four holes intersected the targeted zones.

Five holes were drilled to test the western projection of a gold shoot in the B vein that was outlined during the 2004 drill program below the existing mine workings. The targeted vein was intersected in four of these holes and one hole was not completed due to poor ground conditions. The PC vein, a flat lying vein located above the B vein, returned significant assay results.

Five holes were drilled into the Siwash Lake Zone located 700m south of the B vein to test the continuity of the veins intersected in 1996. The Lake zone (LZ) veins were intersected in all holes and results are listed below.

Hole Number	From Depth (m)	To Depth (m)	Sample Interval (m)	True Width (m)	Zone	Gold gm/t	Silver gm/t
SND05410	217.31	217.89	0.58	0.50	B	73.565	62.75
SND05411	259.12	260.73	1.61	0.50	B	16.774	26.70
SND05412	269.20	269.78	0.58	0.50	B	13.662	21.78
SND05424	306.36	306.87	0.51	0.50	B	34.348	39.14
SND05426	52.24	52.75	0.51	0.50	B	31.091	67.92
SND05422	25.95	26.46	0.51	0.50	B	10.395	5.85
SLD05438	87.60	88.10	0.50	0.50	LZ1	10.530	19.97
SLD05439	37.30	38.29	0.99	0.75	LZ2	17.127	168.90
SND05423	225.03	225.53	0.50	0.50	PC	41.425	101.81
SND05411	229.64	230.22	0.58	0.50	PC2	36.214	0.00
SND05413	171.36	172.36	1.00	0.50	WD	13.799	37.08
SND05425	120.80	121.66	0.86	0.65	WD	23.455	43.50
SND05426	305.03	305.76	0.73	0.50	WD	14.264	94.58
SND05427	249.23	249.97	0.74	0.50	WD	46.075	86.82
SND05429	195.23	196.65	1.42	0.50	WD	14.710	27.15
SND05432	125.85	126.50	0.65	0.50	WD	19.083	19.64
SND05434	233.48	234.05	0.57	0.50	WD	14.407	30.76
SND05415	280.99	281.70	0.71	0.50	WD2	21.666	26.58
SND05417	249.45	249.98	0.53	0.50	WD2	16.280	90.71
SND05420	169.47	170.25	0.78	0.50	WDa	15.398	35.85
SND05421	228.06	228.77	0.71	0.50	WDb	90.862	127.48
SND05422	258.16	259.78	1.62	0.50	WDb	10.046	11.76
SND05430	135.57	136.09	0.52	0.50	WDb	16.614	25.09

The 2006 program consisted of 8,873 metres of diamond drilling in 58 holes. This program focused on testing the near surface continuity and grade of the WD vein, increasing the density of drill hole intersections to 25 by 50 metres to approximately 100 metres below surface. The vein was intersected in all holes and now has been drill tested along strike for 730 metres and down dip for 450 metres.

Also as part of the 2006 program, seventeen holes were drilled on the B Zone. Four of these holes tested the zone at depth and the remainder the area below and to the east of the open pit.

Four holes tested the Siwash East zone located 2 kilometres of the minesite. Quartz veins adjacent to a steeply dipping andesite dyke were intersected but no significant gold results were returned from sampling.

Assaying has been completed and a summary of composite drill results greater than 10 gram-metres gold is listed below. True widths are based on core to vein angles.

Hole	From (m)	To (m)	Interval (m)	True Width (m)	Gold (oz/t)	Silver (oz/t)	Gold (g/t)	Silver (g/t)
SND06451	20.49	20.79	0.30	0.30	0.418	0.087	14.33	2.98
SND06453	168.12	168.42	0.30	0.26	0.869	0.612	29.79	20.98
SND06454	184.18	184.48	0.30	0.30	2.932	5.746	100.53	197.01
SND06456	178.15	178.45	0.30	0.28	0.871	0.671	29.86	23.01
SND06459	181.25	181.55	0.30	0.28	0.316	0.700	10.83	24.00
SND06461	58.52	58.82	0.30	0.28	0.547	0.146	18.75	5.01
SND06462	299.31	299.81	0.50	0.48	2.125	0.642	72.86	22.01
SND06463	328.99	329.49	0.50	0.47	0.724	1.167	24.82	40.01
SND06463	329.49	329.99	0.50	0.43	0.618	0.467	21.19	16.01
SND06464	139.03	139.28	0.25	0.22	0.403	0.204	13.82	6.99
SND06467	88.92	89.26	0.34	0.31	1.158	2.100	39.70	72.00
SND06467	91.45	91.91	0.46	0.25	0.342	0.671	11.73	23.01
SND06468	120.67	121.27	0.60	0.23	0.525	1.896	18.00	65.01
SND06469	25.72	26.18	0.46	0.45	0.325	1.837	11.14	62.98
SND06470	81.55	81.85	0.30	0.26	0.448	0.437	15.36	14.98
SND06471	86.58	86.91	0.33	0.32	0.421	0.437	14.43	14.98
SND06472	43.03	43.63	0.60	0.52	2.232	7.233	76.53	247.99
SND06472	102.90	103.20	0.30	0.29	0.865	0.612	29.66	20.98
SND06473	112.75	113.08	0.33	0.23	0.442	0.962	15.15	32.98
SND06473	143.37	143.67	0.30	0.24	0.394	0.175	13.51	6.00
SND06475	129.10	129.51	0.41	0.35	0.361	1.721	12.38	59.01
SND06477	26.31	26.70	0.39	0.30	1.315	1.896	45.09	65.01
SND06479	75.65	76.01	0.36	?	0.622	0.904	21.33	30.99
SND06481	63.53	63.83	0.30	0.25	2.418	2.100	82.90	72.00
SND06486	45.03	45.33	0.30	0.27	0.904	1.662	30.99	56.98
SND06487	83.58	84.23	0.65	0.44	0.352	2.333	12.07	79.99
SND06493	74.78	75.40	0.62	0.34	0.311	0.904	10.66	30.99
SND06499	114.06	114.44	0.38	0.25	1.438	2.800	49.30	96.00
SND06501	173.72	174.07	0.35	0.32	0.378	0.787	12.96	26.98
SND06502	42.66	42.96	0.30	0.26	0.370	0.262	12.69	8.98
SND06502	71.91	72.21	0.30	?	2.015	3.412	69.09	116.98

Note: m signifies metres; g/t signifies grams per tonne; oz/t signifies ounces per ton.

The qualified person and supervisor for the 2006 exploration drill program was Wojtek Jakubowski, P. Geo., an employee of the Company at the time. All samples were analyzed at Acme Analytical Labs (“Acme”) in Vancouver using wet geochemical, fire assay and metallics techniques. Duplicates, blanks and standards were inserted into the sample stream as part of the Company’s ongoing quality control program at the Elk Deposit. Check assays were carried out by ALS Chemex Labs in Vancouver.

During Fiscal 2007, the Company completed an intensive geological review, involving three senior geologists, of the deposit, resulting in changes to the interpretation of the shape of the orebody. Geologists modeled a total of 25 separate mineralized structures on cross sections and combined these sections to form three dimensional solids using industry standard software. The mineralized solids were grouped geographically into 3 vein sets: B-Veins, WD-Veins and Other veins not related to B or WD. Composites were formed at 0.5 m intervals that honoured the solid boundaries. Semivariograms were produced for structures with sufficient data to model. A block model consisting of blocks 10 m E-W, 2.5 m N-S and 5 m vertical was superimposed over the solids with blocks coded for the percentage

of each solid present. Gold grade was interpolated into each block with some proportion of mineralized structure present by ordinary kriging. Blocks were classified as measured, indicated or inferred based on semivariogram parameters and compliance with NI 43-101. Results were presented as grade-tonnage tables for the mineralized portion of the blocks. No external dilution has been applied.

CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF MEASURED AND INDICATED RESOURCES

This section uses the term "Measured Resources" and “Indicated Resources”. We advise U.S. investors that while this term is recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize it. The estimation of measured resources and indicated resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. US investors are cautioned not to assume that mineral resources in these categories will be converted into reserves.

CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF INFERRED RESOURCES

This section uses the term "inferred resources". We advise U.S. investors that while this term is recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize it. The estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. US investors are cautioned not to assume that estimates of inferred mineral resources exist, are economically mineable, or will be upgraded into measured or indicated mineral resources.

	MEASURED			INDICATED		
Au Cutoff (g/t)	Tonnes> Cutoff (tonnes)	Grade>Cutoff Au (g/t)	Contained Ozs.	Tonnes> Cutoff (tonnes)	Grade>Cutoff Au (g/t)	Contained Ozs.
1.00	320,000	11.585	119,200	581,000	8.952	167,200
	MEASURED PLUS INDICATED			INFERRED		
Au Cutoff (g/t)	Tonnes> Cutoff (tonnes)	Grade>Cutoff Au (g/t)	Contained Ozs.	Tonnes> Cutoff (tonnes)	Grade>Cutoff Au (g/t)	Contained Ozs.
1.00	901,000	9.887	286,400	826,000	7.949	211,100

In October 2009, the Company received an updated geological model and 43-101 compliant mineral resource estimate from Lions Gate Geological Consulting Inc. (“LGGC”) for its Elk gold deposit. The new model and resource estimate incorporated drilling results from 2007 not included in the previous estimate prepared by Giroux Consultants Ltd. in April, 2007. A review of the new and historical data resulted in a revised geological model and mineral resource estimate. The new model recognises eight separate vein zones that comprise the B vein system and four separate zones that comprise the WD vein. Almaden's management believes that this new model and resource more accurately reflects the geology of the vein system.

Cut-off g/t	Vein	Method	Class	Tonnage	Au g/t	Au Ounces
			Open Pit			
1	B&WD	Open Pit	Measured	70,000	9.6	20,000
1	B&WD	Open Pit	Indicated	550,000	5.0	90,000
			Measured &			
1	B&WD	Open Pit		610,000	5.5	110,000
			Indicated			
1	B&WD	Open Pit	Inferred	150,000	6.3	30,000
			Underground			
5	B&WD	Underground	Measured	50,000	19.0	30,000
5	B&WD	Underground	Indicated	260,000	13.5	110,000
			Measured &			
5	B&WD	Underground		300,000	14.4	140,000
			Indicated			
5	B&WD	Underground	Inferred	620,000	12.2	240,000
		Open Pit and Underground Combined				
		Open Pit &				
1 and 5	B&WD		Measured	110,000	13.5	50,000
		Underground				
		Open Pit &				
1 and 5	B&WD		Indicated	800,000	7.7	200,000
		Underground				
		Open Pit &	Measured &			
1 and 5	B&WD			920,000	8.4	250,000
		Underground	Indicated			
		Open Pit &				
1 and 5	B&WD		Inferred	780,000	11.0	270,000
		Underground				

Table 1: 2009 LGGC Resource Estimate

The Elk project has resource estimate blocks that are both close to surface and may be amendable to open pit mining methods and deeper high grade blocks that may be amenable to underground mining methods. Mr. Gordon Zurowski, P.Eng. of PEG Mining Consultants Inc. (“PEG”) produced a pit shell that LGGC incorporated in the mineral resource estimation tabulations. The input parameters used by PEG for the pit shell do not result from project specific studies but are considered to be reasonable cost assumptions for the style and size of the Elk project. The 2009 mineral resource estimate for the Elk project is declared using 1.0 Au g/t cut-off for blocks that are within the resource estimation pit shell and a 5.0 Au g/t cut-off for blocks below the pit shell. A summary of the 2009 LGGC estimate is provided in table 1. LGGC has reviewed the pit-shell parameters and finds them reasonable for inclusion in the mineral resource estimation.

For purposes of an equitable comparison, LGGC also tabulated the gold grade blocks of the 2009 estimate using a global cut-off of 1 g/t Au which was also used in 2007 (Table 2). The 2009 mineral resource estimate includes a minimum vein thickness of between 1.2 and 1.5 metre wide for the vein solids, resulting in dilution of the more narrow vein intercepts. This dilution, accompanied by an updated geological interpretation of the vein sets, has lowered the grade of some vein intercepts but has resulted in an increased tonnage for the 2009 mineral resource estimation.

2009 LGGC Global Resource (1 g/t cutoff)	2007 Giroux Global Resource (1 g/t cutoff)

	Tonnage	Grade (g/t)	Total Ounces	Tonnage	Grade (g/t)	Total Ounces
Measured	170,000	9.7	50,000	320,000	11.585	119,200
Indicated	1,400,000	5.4	240,000	581,000	8.952	167,200
Measured and Indicated	1,570,000	5.9	300,000	902,000	9.887	286,700
Inferred	1,860,000	6.0	360,000	826,000	7.949	211,100

Table 2: Comparison of 2009 and 2007 Estimates

A complete copy of the report provided by LGGC has been placed on the company's website. The Elk deposit veins are open along strike and to depth. In addition to the B and WD vein systems, there are other known veins and exploration targets on the 15,000 hectare property. The Company’s management believes there is excellent potential to increase the mineral resource at the Elk deposit through further exploration. On May 15th, 2008 the Company released results of metallurgical test work performed by G & T Metallurgical Services Ltd. (“G & T”) of Kamloops, an ISO 9001:2000 accredited laboratory, on diamond drill core recovered during the 2007 season.

The tests, which examined feed grades between 5 and 47 g/t gold, had average gold recoveries of 95% using gravity plus cyanidation. The company owns mill equipment, presently in storage near the property, which could be an important factor in any future development plans for the project.

Summary of the technical details used by LGGC to complete the 2009 Resource Estimate for the Elk Project:

The Elk gold project is a mesothermal quartz vein gold deposit hosted by the Okanagan Complex Batholith. Two vein systems, the B Vein and the WD Vein have been included in the current resource estimation.

The resource estimate reported in this news release was prepared by Susan Lomas, P.Geo., President and Principal Consultant of Lions Gate Geological Consulting Inc., who is the independent Qualified Person (as defined by NI 43-101) and reviewed the geological and analytical information in sufficient detail to support the data incorporated in the resource estimate. The Mineral Resource was completed on September 21st, 2009, and was built using GEMS® software and includes gold assay results from 419 surface and 290 underground diamond drill holes.

Drill hole spacing is variable throughout the deposit. The B Vein System has a large underground drilled area where the drill hole spacing approaches 10m, and much of the rest of the vein is supported by 25 m spaced drilling while the edges and deeper sections of the veins have between 50m to 100m spaced drill holes. The WD Vein System is typically supported by 35 to 50m spaced drill holes with wider spaced drilling on the edges and deeper sections of the veins. The B and WD Vein Systems were modeled on sections and three dimensional solids were built to tag the assay database and the block model. The solids were built to a minimum down-hole thickness of 1.2 to 1.5m wide so that the vein solids would have a minimum true thickness of between 1.0 and 1.2m thick.

There are 9,769 gold assay results in the project database and LGGC tagged 3,432 of them as representing the vein intersections and these were composited to 0.3m and included in the mineral resource estimate. The gold assay results were reviewed for extreme grades and LGGC applied a top gold grade cap to some vein domains and further added a restricted outlier strategy to one of the vein domains to restrict the influence of unusually high gold assays. A total of 35 assays were capped prior to compositing the data. The holes drilled between 2000 and 2007 (the last drill program) were supported by a reasonable QAQC program including blanks, core duplicates and after 2003, Standard Reference Material (purchased from CDN Laboratories) samples were included. Prior to 2000, the entire core sample was shipped for analysis at Acme Laboratories in Vancouver with some check analysis being completed at Chemex Laboratories in Vancouver. LGGC accepts that the gold assay results are reasonable for inclusion in a Mineral Resource Estimation.

Blocks in the model measure 2m in height, 5m along the long axis of the vein and 1 m wide. This small block size is supported in the best drilled areas of the deposit and was chosen to support a scoping study on underground mining extraction method for the bulk of the deposit. Potential for open pit extraction is also to be studied for the near surface material.

The gold grade composites were interpolated into the block model using inverse distance method to the fourth power. The block model was validated by visual inspection on sections and plans and by geostatistical review.

The estimate was classified as Measured, Indicated and Inferred Mineral Resources in accordance with the CIM definition standards for mineral resources and mineral reserves. The classification strategy for the block model considered both the sample spacing and confidence in the geological continuity of the veins.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic

considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to measured and indicated mineral resource categories through further drilling, or into mineral reserves once economic considerations are applied.

Recent exploration work

In addition, management decided to update metallurgical parameters for the project. Various reports have been commissioned on the project, however all metallurgical studies pre-date the implementation of NI 43-101. In order to achieve NI 43-101 compliance for the metallurgical testwork, fresh diamond drill holes were completed to provide bulk samples for testing. Metallurgical testwork has been carried out under the supervision of Mr. John Follinsbee, P.Eng., of G & T Metallurgical Services Ltd., of Kamloops, BC. And Gary Hawthorn, P.Eng. of Westcoast Mineral Testing Inc. of North Vancouver, BC.

Between August and October, 2007, the Company carried out a diamond drill program on the property, consisting of 2,469 metres of drilling in 9 holes. A summary of the highlights from the assays is presented in the table below:

Hole	From (m)	To (m)	Interval (m)	Gold (g/t)	Gold (opt)
SND07504	36.27	36.63	0.36	2.80	0.08
SND07505	151.65	152.23	0.58	14.60	0.43
SND07506	191.00	194.16	3.16	45.20	1.32
Including	192.10	193.16	1.06	131.00	3.82
SND0707	207.60	207.98	0.38	3.80	0.11
SND0708	157.16	159.66	2.50	10.30	0.30
Including	158.01	158.66	0.65	39.30	1.15
SND0708	399.51	402.01	2.50	26.20	0.76
Including	400.40	401.12	0.72	90.00	2.63
SND07509	31.70	31.98	0.28	30.30	0.88
SND07509	42.66	42.88	0.22	28.10	0.82
SND07509	212.29	214.40	2.11	22.50	0.66
SND07509	219.69	220.76	1.07	8.40	0.25
SND07510	218.95	219.36	0.41	38.60	1.13
SND07511	143.28	143.57	0.29	15.10	0.44
SND07511	178.70	179.22	0.52	27.70	0.81
SND07512	52.84	53.14	0.30	9.42	0.27

The qualified person responsible for supervising the 2007 drill program is Mr. Jim Hylands, B.A.Sc., P.Eng., an independent consultant.

During Fiscal 2008, the Company received a report detailing the metallurgical performance of ore samples from the property. Average gold recoveries of 95% were achieved using a gravity plus cyanidation flowsheet over a range of head grades. The tests, which examined feed grades between 5 and 47 g/t gold, were carried out by G & T Metallurgical Services Ltd. (“G & T”) of Kamloops on diamond drill core recovered during the 2007 season. G & T is an ISO 9001:2000 accredited laboratory and work was conducted under the supervision of Mr. John Folinsbee, P.Eng. A single gravity plus flotation test achieved a gold recovery of 95% also. Additional flotation tests may be necessary to confirm this result is representative of the expected performance of a gravity plus flotation flowsheet. Silver recoveries of 86% were reported using the gravity – cyanide flowsheet, although a silver resource has not yet been calculated for the property.

During Fiscal 2010, the Company conducted a diamond drilling program on the Elk project and commissioned a 43-101 Preliminary Economic Assessment and Resource Update. In 2010, 87 holes were drilled in the resource area for a total of 12,749 metres. In addition, four holes were drilled on the south showing for a total of 300 metres. Brian Alexander, P.Geo., a qualified person under the meaning of National Instrument 43-101, supervised the 2010 exploration program. The analyses reported were carried out at ALS Chemex Laboratories of North Vancouver using industry standard aqua regia, ICP and fire assay techniques. Blanks, field duplicates and certified standards were inserted into the sample stream as part of Almaden's quality assurance and control program which complies with National Instrument 43-101 requirements. Intervals that returned assays below detection were assigned zero values. Composites were calculated using a cut-off grade of 0.25 g/t gold and with a maximum of 5 metres internal dilution (values below 0.25 g/t). Reported widths are intersection and not true widths. The 2010 drill program was designed to increase the confidence level of the resource and expand the known mineralisation. Below are reported significant intercepts in tabular form from the 2010 drill program.

Zone	Hole #	From (m)	To (m)	Width (m)	Gold (g/t)
South	SSD 10-003	46.50	55.79	9.29	0.65
South	SSD 10-003	11.80	15.00	3.20	1.14
South	SSD 10-004	39.00	46.81	7.81	1.04
Resource Area	SND 10-001	13.60	14.00	0.40	4.14
Resource Area	SND 10-002	33.00	34.34	1.34	1.12
Resource Area	SND 10-004	106.70	108.45	1.75	5.35
Resource Area	SND 10-005	63.85	65.30	1.45	3.21
Resource Area	SND 10-005	87.80	89.60	1.80	6.76
Resource Area	SND 10-006	98.30	100.70	2.40	14.87
Resource Area	SND 10-007	79.30	85.50	6.20	0.56
Resource Area	SND 10-008	71.95	74.50	2.55	2.44
Resource Area	SND 10-009	92.70	96.30	3.60	1.99
Resource Area	SND 10-010	94.25	105.45	11.20	0.31
Resource Area	SND 10-010	146.10	148.30	2.20	13.08
Resource Area	SND 10-011	83.03	89.55	6.52	23.74
Resource Area	including	86.30	89.55	3.25	46.70
Resource Area	SND 10-012	71.35	83.80	12.45	2.97

Resource Area	including	71.35	72.40	1.05	9.31
Resource Area	and	78.68	83.80	5.12	5.14
Resource Area	and	78.68	80.40	1.72	15.12
Resource Area	SND 10-013	56.95	66.80	9.85	1.31
Resource Area	SND 10-013	72.20	84.60	12.40	1.51
Resource Area	including	72.20	76.00	3.80	5.16
Resource Area	SND 10-014	61.00	67.25	6.25	0.73
Resource Area	SND 10-014	71.95	76.25	4.30	1.73
Resource Area	SND 10-015	78.95	83.15	4.20	1.33
Resource Area	SND 10-015	99.77	103.25	3.48	0.81
Resource Area	SND 10-016	30.70	38.20	7.50	0.39
Resource Area	SND 10-017	94.00	95.50	1.50	26.40
Resource Area	SND 10-018	31.15	61.00	29.85	1.46
Resource Area	including	40.65	42.05	1.40	11.26
Resource Area	and	50.85	52.35	1.50	12.61
Resource Area	SND 10-019	43.45	54.75	11.30	0.40
Resource Area	SND 10-019	64.20	68.20	4.00	0.52
Resource Area	SND 10-020	68.00	68.30	0.30	13.75
Resource Area	SND 10-020	100.90	104.05	3.15	1.26

Zone	Hole #	From (m)	To (m)	Width (m)	Gold (g/t)
Resource Area	SND10-21	140.80	141.90	1.10	2.23
Resource Area	SND10-22	116.45	118.38	1.93	0.54
Resource Area	SND10-23	33.50	33.85	0.35	0.54
Resource Area	SND10-24	100.47	101.00	0.53	10.45
Resource Area	SND10-24	106.95	107.70	0.75	1.41
Resource Area	SND10-25	91.42	91.66	0.24	8.32
Resource Area	SND10-26	88.40	88.90	0.50	11.09
Resource Area	SND10-27	63.20	68.10	4.90	1.29
Resource Area	SND10-27	89.40	90.70	1.30	4.45
Resource Area	SND10-28	121.70	123.70	2.00	1.39
Resource Area	SND10-29	175.86	178.00	2.14	6.28
Resource Area	SND10-32	20.37	20.65	0.28	62.80
Resource Area	SND10-32	54.20	55.70	1.50	0.53
Resource Area	SND10-32	82.10	85.65	3.55	0.62
Resource Area	SND10-34	24.65	28.00	3.35	2.87
Resource Area	SND10-34	32.80	44.85	12.05	0.51
Resource Area	SND10-40	116.45	118.38	1.93	0.54
Resource Area	SND10-41	98.95	101.10	2.15	0.65
Resource Area	SND10-41	111.00	118.35	7.35	0.37
Resource Area	SND10-41	149.20	150.20	1.00	7.07
Resource Area	SND10-42	101.00	115.50	14.50	1.96
Resource Area	including	101.00	102.80	1.80	14.57
Resource Area	SND10-43	47.50	47.60	0.10	13.35
Resource Area	SND10-44	182.15	182.90	0.75	11.93
Resource Area	SND10-45	21.60	23.45	1.85	1.66
Resource Area	SND10-45	59.10	63.17	4.07	1.33
Resource Area	SND10-46	36.27	36.50	0.23	1.76
Resource Area	SND10-47	27.90	28.10	0.20	141.50
Resource Area	SND10-47	198.40	199.90	1.50	5.46
Resource Area	SND10-48	148.80	150.20	1.40	3.20

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On January 24, 2011, the Company reported the results of the positive Preliminary Economic Assessment ("PEA") of the open pit potential the project. The results for the base case (at US$1,000 per troy ounce) indicate a mining project with a 7 year mine life producing 139,000 ounces of gold at estimated cash operating costs of C$528 per troy ounce, initial capital expenditures of C$9.91 MM, pre-tax Internal Rate of Return of 51%, payback of 1.85 years and NPV of C$28.7 MM using a discount rate of 8%. The results for US$1,200 per troy ounce case indicate a mining project with a 9 year mine life producing 297,000 ounces of gold at estimated cash operating costs of C$652 per troy ounce, initial capital expenditures of C$17.5 MM, pre-tax Internal Rate of Return (IRR) of 39%, payback of 3.3 years and NPV of C$67.9 MM using a discount rate of 8%.

The NI 43-101 compliant PEA was completed by Roger Pooley, (MAusIMM) of SRK Consulting Australasia Pty Ltd. ("SRK"). SRK relied on other authors in the areas of Geology, Resources, and Mineral Processing. Susan Lomas, P.Geo. of Lions Gate Geological Consulting ("LGGC") prepared an updated National Instrument 43-101 compliant resource. Gary Hawthorn, P.Eng. of Westcoast Mineral Testing Inc. (WCMT) supervised the metallurgical testing and estimated the preliminary capital and operating costs for a treatment plant. Brian Alexander, P.Geo. supervised the 2010 drilling program. A Technical Report entitled "NI 43-101 Technical Report for a Preliminary Economic Assessment on the Elk Gold Project, Merritt, British Columbia, Canada" dated January 14th, 2010 was filed at www.sedar.com on January 27, 2011. The experts listed above have written sections of this Technical Report and are acting as the Qualified Person (QP) for those sections.

The PEA did not consider the underground potential of the resource but only the portion of the current resource amenable to open pit mining. The 2010 Mineral Resource Estimate and the PEA study do not include the results of the 2010 drilling at The Company plans to incorporate the 2010 drilling results into an updated mineral resource estimate once all the assay results are received, for the purposes of more advanced studies, including an analysis of the underground potential. The PEA recommends that the Company proceed with a Pre Feasibility Study of the project.

Highlights of the Preliminary Economic Assessment:

- Average life of mine cash operating cost of C$528 per ounce at US$1,000 per ounce (Base Case) and C$652 at US$1,200 per ounce.

- Estimated start-up capital expenditures of C$9.91 million and life of mine sustaining capital of C$12.18 million (Base Case).

- At US$1,000 per ounce, pre-tax Internal Rate of Return (IRR) of 51%, payback of 1.85 years and NPV of C$28.7 MM using a discount rate of 8% (Base Case).

- At US$1,200 per ounce gold, pre-tax Internal Rate of Return (IRR) of 39%, payback of 3.3 years and NPV of C$67.9 MM using a discount rate of 8%.

Project summary	Base Case	$1200 Case	Unit
Assumed gold price	1000	1200	US$/tr.oz
Tonnes per day treated	500	1000	tpd
Life	7	9	years
Total tonnes treated	1.1	2.6	MT
Grade	4.14	3.89	g/t
Waste: Ore ratio	16.4	30.1	
Plant recovery	92	92	%
Ounces Au produced	139,198	297,239	Tr.oz
Initial capital expense	9.91	17.50	C$M
Working and preproduction capital	2.27	9.60	C$M
Waste mining	2.42	1.90	C$/tonne waste
Ore mining	8.38	5.87	C$/tonne ore
Processing	20.68	14.74	C$/tonne ore
Administration and overheads	2.07	1.27	C$/tonne ore
Total operating cost	70.30	78.91	C$/tonne / ore
Pre-tax NPV @ 8%	28.7	67.9	C$M
Pre-tax IRR	51%	39%	
Max Exposure	13.66	33.53	C$M
Payback, years from start production	1.85	3.30	years
ratio, gross earnings: max exposure	5.02	6.00	
ratio, NPV: max exposure	2.10	2.03	

Table 1: Project Assumptions and Results for Base and US$1,200 Cases

Economic Parameters and Constraints for the Preliminary Economic Assessment:

The preliminary assessment includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary assessment will be realized. This mining study and PEA are at a conceptual level where different options can be considered and a broad understanding of the potential project performance can be gained. SRK and Almaden consider this project to be preliminary or “green field” in nature as previous mining activity on the property was largely for exploration purposes and the property has not been the subject of a detailed pre-feasibility study as is defined in NI 43-101. For the base case pit scenario 9% of the resource considered viable in the study are Measured Resources, 73% Indicated and 18% Inferred Resources. For the US$1200 pit scenario 7% of the resource considered viable in the study is based on Measured Resources, 71% on Indicated and 22% on Inferred Resources.

The trial open pit operation that occurred in the 1990s mined a small portion of vein material. The scenario developed as a recommendation for further study is summarised in the following table. Known as the Base Case, it is based on using augmented process equipment that Almaden already owns. This limits the throughput to 500 tpd. The Base Case is a conservative and low risk scenario in the light of the current gold price, and in practice the project could be expanded to mine a much larger part of the known resources if current gold prices are sustained. To show the effect of this, an alternative case known as the US$1200 case was also studied. The US$1200 case assumes that a gold price of US$1200/tr.oz will be maintained for eight years. The mine processing plant production is doubled, to 1,000 tpd. The underground resources declared in Table 3 below are not considered for production in this report. It is believed that if the project proposed goes ahead, then these resources will have a much improved chance of being mined,

because access can be gained from within the open pit, and the treatment plant will have been built, and will be ready to accept underground production without further capital expense. This matter can therefore safely be left for consideration at a later time.

Item	Value	Unit
Slope Angle	45	°
Mining Costs	2.29	$/tonne waste
	8.25	$/tonne ore
Mining Recovery	1.0	
Mining Dilution	1.1	
Processing Cost including G & A	22.75	$/tonne
Processing Recovery	92	%
Gold price	1,000	USD
US Dollar / CAD Dollar exchange rate	0.95	
Selling Cost	2%	Of nominal gold sale price

Table 2: Base Case Pit Optimisation Parameters

Highlights of Updated Mineral Resource Estimate:

A mineral resource for the Elk Property was estimated by LGGC. Multiple quartz veins were interpreted on north-south trending cross sections. Three-dimensional solids models were built from the sectional interpretations using diamond drill hole data captured through to 2007. Assay gold grades were capped and composited to vein width composites averaging about 1.5 m. Gold grades were estimated into a block model using the inverse-distance method

Table 3:Mineral Resources for the B and WD Veins at the Elk Project

LGGC directed SRK to produce a pit shell that LGGC incorporated into the resource estimation tabulations using a US$1200 gold price to constrain the blocks into open pit amenable resources reported at a 0.5 g/t Au cut-off. The remaining resources, that may have potential for underground extraction, was reported at a 5.0 g/t Au cut-off and are located below the US$1200 pit shell. Table 3 reports the results of the mineral resource estimation for the B and WD Veins using data available from December 2007.

Geology and Mineral Deposits

Gold-silver mineralization on the Elk Property is hosted by mesothermal pyritiferous quartz veins and pyritiferous altered granite and volcanics. The mineralized features generally trend northeasterly and are thought to be Late Cretaceous or Tertiary in age. To date, mineralization has been located in eight areas of the Elk property: Siwash North, South Showing, Discovery Showing, Lake Zone, End Zone, Great Wall Zone, Elusive Creek, Gold Creek West, WD Zone and the Bullion Creek area.

Infrastructure
All major services and labour can be found in Merritt or Westbank, towns accessible by four lane highway to the east and west of the property. There is good road access throughout most of the property by logging roads and a major highway (97C) crosses the northern claims. Single phase power is available at the highway 2km north of the mine site. Cell phone and radio phone communications are available from the mine site.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
Subject to regulatory approval, upon Beanstalk Capital's closing of the purchase of the Elk project, Beanstalk will be carrying out all future work on the Elk Project.

PRINCIPAL PROPERTIES INTERESTS IN MEXICO

"MAP 3 - MEXICO"

The Tuligtic Prospect – Mexico

"MAP 4 -TULIGTIC"

The Tuligtic (formerly "Santa Maria") prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
The prospect was acquired by staking and is owned 100% through the Company's subsidiary, Compania Minera Zapata, S.A. de C.V.

During Fiscal 2006, the Company entered into an agreement with Pinnacle Mines Ltd. ("Pinnacle"). To earn a 60% interest, Pinnacle had to incur exploration expenditures totalling US$6,000,000 and issue 1,000,000 shares to the Company within six years. During Fiscal 2007, Pinnacle failed to meet the expenditure requirements of the agreement and the Company terminated the agreement.

In Fiscal 2009, the Company entered into an agreement with Antofagasta Minerals. S.C. ("Antofagasta"). To earn a 60% interest, Antofagasta had to incur exploration expenditures totalling US$7,000,000 and make cash payments of US$1,000,000 to the Company by March 23, 2014. On February 16, 2010, the Company announced that Antofagasta had terminated its option to earn an interest in the prospect.

Expenditures to Date
During Fiscal 2010, the Company incurred $1,546,028 in staking and exploration costs on this prospect, primarily on a drill program, IP geophysical surveys and a geochemical soil sampling program. As at December 31, 2010, the Company had deferred costs of $1,580,458 on this prospect.

Location and Access
The Tuligtic project is located roughly one hundred kilometres north of Puebla, Puebla State, Mexico and may be accessed by paved highway from Puebla. Several other paved and unpaved roads provide access to various parts of the prospect from this highway. The centre of the prospect is approximately latitude 19 degrees 42 minutes North and longitude 97 degrees 52 minutes west.

Infrastructure
All major services are found in Puebla. Labour is available in local towns and villages. There is good road access throughout most of the area and major power lines also cross the prospect. A local power line network supplies

electricity to villages within the area.*

History and Recent Work

Several limited, superficial historic workings exist on the prospect mainly related to clay mining, however their age is unknown. To the Company's knowledge, no recent work has been carried out on the prospect other than that done by the Company.

In January 2003, a program of geologic mapping, rock, stream silt sampling and induced polarization geophysics was carried out. This program focused on the exposed porphyry intrusive and related skarn bodies but also covered areas of epithermal alteration. Anomalous results were received from rock samples taken from both the porphyry style and epithermal alteration and mineralisation. These results warrant further work. One line of induced polarization geophysics was carried out on the prospect. This work identified a greater than two kilometre wide zone of elevated chargeability response which is coincident with the exposed altered and mineralised intrusive system.

In January and February 2005, a program of further induced polarization geophysics and soil sampling was conducted, further defining the porphyry copper target as an area of high chargeability and elevated copper and molybdenum in soil.

To date 198 chip and grab rock samples have been taken from surface exposures over the entire prospect, including both the porphyry copper-gold and epithermal gold-silver target areas.

In the first quarter of 2008, the Company conducted a program of alteration mapping and stream sediment sampling.

The 2009 drilling program consisted of 2,973.05 metres in seven holes and was operated by Almaden on behalf of and under direct supervision of Antofagasta. Highlights of the drill program include 38 metres of 0.13% copper from 164 to 202 metres and 46 metres of 0.11 copper from 416 to 462 metres in hole DDH-01, 20 metres of 0.17% copper from 94 to 114 metres and 26 metres of 0.14% copper from 316 to 342 metres in hole DDH-02, 58 metres of 0.17% copper from 366 to 424 metres in hole DDH-03 (including 14 metres of 0.27% copper from 410 to 424 metres), 2 metres of 0.63% copper from 18 to 20 metres in hole DDH-04 and 20 metres of 0.11% copper from 276 to 296 metres and 8 metres of 0.13% copper in hole DDH-05. Molybdenum values were anomalous ranging up to 801 ppm (0.08%). Elevated gold values were also encountered including 2 metres of 1.34 g/t from 178-180 metres in hole DDH-01.

In August 2010, the Company reported the results from the first ever drilling on what is now being called the Ixtaca zone within the Company's 100% owned Tuligtic project located in Puebla State, Mexico. Hole TU-10-1, the first drilled intersected multiple quartz-carbonate-sulphide vein zones over its entire length, averaging 1.01 g/t gold and 48 g/t silver over 302.41 metres from the base of overburden at 47.50 metres depth to the bottom of the hole at 349.91 metres depth. Vein intersections include 0.70 metres of 129 g/t gold and 4288 g/t silver (within an interval of 4.10 metres from 174.5 to 178.6 metres that averaged 25.71 g/t gold and 936 g/t silver). Below are two tables showing the broad intervals of gold-silver mineralisation and the high grade gold-silver vein zones respectively.

The veins are composed of banded fine grained quartz, calcite, rhodochrosite and sulphides which display textures typical of classic low-sulphidation epithermal veins. The Ixtaca zone is a blind drilling discovery as there is very little surface manifestation of the veins. The discovery is the result of the Company's interpretation of the surface geology and utilising epithermal models of mineralisation.

From (m)		To (m)	Width (m)	Gold (g/t)	Silver (g/t)	Gold Eq. (g/t)	Ag/Au
47.50		349.91	302.41	1.01	48	1.7	47
including	62.00	275.00	213.00	1.23	62	2.2	51
and	101.00	275.00	174.00	1.49	74	2.6	50
and	225.77	271.26	45.49	1.95	69	3.0	36
and	315.00	349.91	34.91	1.23	32	1.7	26

Table 1: Broad Intervals, Ixtaca Zone, Hole TU-10-1

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From (m)		To (m)	Width (m)	Gold (g/t)	Silver (g/t)	Gold Eq. (g/t)	Ag/Au
106.70		109.73	3.03	4.44	453	11.4	102
174.50		178.60	4.10	25.71	936	40.1	36
including	174.50	176.17	1.67	60.66	2112	93.2	35
and	174.50	175.20	0.70	129.00	4288	195.0	33
202.30		215.06	12.76	1.45	116	3.2	80
225.17		236.13	10.96	3.90	114	5.7	29
including	225.77	233.45	7.68	5.44	136	7.5	25
and	230.72	233.45	2.73	5.35	312	10.2	58
and	232.62	233.45	0.83	8.30	641	18.2	77
253.54		261.90	8.36	2.71	61	3.6	22
315.65		319.43	3.78	9.53	279	13.8	29
including	315.65	317.40	1.75	17.28	527	25.4	31

Table 2: High Grade Gold-Silver Intervals, Ixtaca Zone, Hole TU-10-1

Hole TU-10-3, from the base of overburden at 21.49 metres to 253.79 metres depth, intersected a 232.30 metre interval that averaged 0.36 g/t gold and 34 g/t silver (0.9 g/t AuEq., 57 g/t AgEq.). Vein intersections include 0.81 metres of 4.3 g/t gold and 721 g/t silver (15.4 g/t AuEq., 1,002 g/t AgEq.) and 0.20 metres of 7.5 g/t gold and 1190 g/t Ag (25.8 g/t AuEq., 1,678 g/t AgEq.). Hole TU-10-2 was drilled away from holes TU-10-1 and TU-10-3 and also intersected vein and zones of veining including 32.69 metres from 172.31 to 205.00 depth of 0.15 g/t gold and 32 g/t silver (0.6 g/t AuEq., 41 g/t AgEq.). Vein intersections in hole TU-10-2 include 1.34 metres of 0.1 g/t gold and 440 g/t silver (6.9 g/t AuEq, 448 g/t AgEq.). Below are tables showing the broad intervals of gold-silver mineralisation and the high grade gold-silver vein zones respectively. Subsequent to the receipt of these analytical results it was clear that more complete sampling of holes TU-10-2 and TU-10-3 was required. TU-10-2 and TU-10-3 were subsequently sampled completely.

Hole	From (m)		To (m)	Width (m)	Gold (g/t)	Silver (g/t)	Gold Eq. (g/t)	Silver Eq. (g/t)	Ag/Au
TU-10-3	21.49		253.79	232.30	0.36	34	0.9	58	96
TU-10-3	including	34.20	222.00	187.80	0.42	41	1.0	68	98
TU-10-3	and	36.75	47.61	10.86	0.61	69	1.7	109	114
TU-10-3	and	78.97	211.04	132.07	0.49	46	1.2	78	95
TU-10-3	and	78.97	101.00	22.03	0.54	80	1.8	115	150
TU-10-3	including	78.97	89.00	10.03	0.80	121	2.7	172	151
TU-10-3	and	140.90	154.36	13.46	1.02	60	1.9	126	59
TU-10-3	and	191.95	211.04	19.09	1.12	86	2.4	158	77
TU-10-3	and	191.95	222.00	30.05	0.77	60	1.7	110	78
TU-10-2	172.31		205.00	32.69	0.15	32	0.6	41	211
TU-10-2	including	194.20	198.70	4.50	0.18	148	2.5	159	826

Table 1: Broad Intervals, Ixtaca Zone, Holes TU-10-2 and TU-10-3

Hole	From (m)	To (m)	Width (m)	Gold (g/t)	Silver (g/t)	Gold Eq. (g/t)	Silver Eq. (g/t)	Ag/Au
TU-10-3	78.97	79.3	0.33	3.86	378	9.7	629	98
TU-10-3	84.00	84.81	0.81	4.3	721	15.4	1002	166
TU-10-3	96.58	96.90	0.32	1.6	297	6.2	403	183
TU-10-3	110.16	110.47	0.31	2.2	481	9.6	624	219
TU-10-3	128.89	129.12	0.23	3.0	370	8.7	566	123
TU-10-3	140.90	141.10	0.20	4.1	113	5.8	378	28
TU-10-3	141.55	141.75	0.20	4.0	160	6.5	422	40
TU-10-3	142.94	144.16	1.22	2.5	113	4.3	277	45
TU-10-3	148.40	148.60	0.20	7.5	1190	25.8	1678	158
TU-10-3	152.41	152.99	0.58	5.4	111	7.1	462	21
TU-10-3	162.17	162.38	0.21	7.6	206	10.7	697	27
TU-10-3	163.18	163.44	0.26	3.9	392	10.0	647	100
TU-10-3	204.00	211.04	7.04	2.7	226	6.1	399	85
TU-10-3	including 204.00	206.65	2.65	3.6	329	8.7	565	91
TU-10-2	56.33	56.53	0.20	0.6	64	1.6	105	101
TU-10-2	57.58	57.78	0.2	0.96	137	3.1	199	143
TU-10-2	194.46	194.68	0.22	1.1	59	2.0	129	54
TU-10-2	197.36	198.70	1.34	0.1	440	6.9	448	3570

Table 2: High Grade Gold-Silver Intervals, Ixtaca Zone, Holes TU-10-2 and TU-10-3

In November 2010, the Company reported the results of holes TU-10-4 and TU-10-5. Both holes intersected multiple quartz-carbonate-sulphide vein zones over significant widths. Hole TU-10-4 intersected 158.0 metres (from 189.10 to 347.10 metres) averaging 0.94 g/t gold and 61.1 g/t silver (2.2 g/t AuEq and 108 g/t AgEq). Hole TU-10-5 intersected 230.43 metres (from 146.40 to 379.13 metres) averaging 0.51 g/t gold and 42.0 g/t silver (1.3 g/t AuEq and 67 g/t AgEq). Multiple higher grade intervals were also intersected in both holes (including 0.85 m of 8.83 g/t gold and 1337.0 g/t Ag in hole TU-10-4 and 0.52 m of 37.4 g/t Au and 466 g/t Ag in hole TU-10-5). The broad intervals of veining and high grade gold-silver zones are tabularised below.

Hole #		From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Gold Eq (g/t)	Silver Eq (g/t)
TU-10-4		38.00	59.30	21.30	0.66	25.2	1.2	58
TU-10-4	including	38.00	47.20	9.20	1.10	41.2	1.9	96
TU-10-4	and	38.00	40.40	2.40	3.09	33.9	3.8	189
TU-10-4		189.10	211.80	22.70	0.83	79.6	2.4	121
TU-10-4	including	195.00	203.85	8.85	1.44	154.5	4.5	226
TU-10-4	and	202.90	203.85	0.95	7.57	882.3	25.2	1261
TU-10-4		229.70	233.80	4.10	0.75	44.1	1.6	82
TU-10-4		240.80	246.80	6.00	0.19	13.1	0.4	22
TU-10-4		252.45	347.10	94.65	1.33	79.9	2.9	146
TU-10-4	including	252.45	287.60	35.15	1.08	82.9	2.7	137
TU-10-4	and	262.90	263.75	0.85	8.83	1337.0	35.6	1778
TU-10-4	and	272.70	277.00	4.30	2.70	151.3	5.7	286
TU-10-4	and	282.50	287.60	5.10	2.44	60.3	3.6	182
TU-10-4	and	293.45	347.10	53.65	1.63	86.4	3.4	168
TU-10-4	and	296.20	310.70	14.50	2.97	158.8	6.1	307
TU-10-4	and	322.10	325.30	3.20	4.21	97.3	6.2	308
TU-10-4	and	328.30	329.50	1.20	2.68	198.0	6.6	332
TU-10-4	and	335.50	340.20	4.70	2.53	198.7	6.5	325
TU-10-4	and	343.35	344.70	1.35	2.01	35.6	2.7	136
TU-10-4		367.90	379.00	11.10	0.30	38.1	1.1	53

Table 1: Intervals Hole TU-10-4

Hole #		From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Gold Eq (g/t)	Silver Eq (g/t)
TU-10-5		34.40	45.00	10.60	1.27	26.3	1.8	90
TU-10-5		63.20	73.30	10.10	0.68	41.6	1.5	76
TU-10-5		146.40	159.79	13.39	0.37	100.1	2.4	118
TU-10-5	including	149.15	150.40	1.25	2.80	706.0	16.9	846
TU-10-5		178.20	178.45	0.25	0.65	501.0	10.7	533
TU-10-5		183.76	185.05	1.29	0.21	614.7	12.5	625
TU-10-5		199.25	204.66	5.41	0.18	57.4	1.3	67
TU-10-5		213.81	335.91	122.10	0.74	40.9	1.6	78
TU-10-5	including	213.81	234.99	21.18	1.00	57.1	2.1	107
TU-10-5	and	227.16	230.06	2.90	3.78	230.2	8.4	419
TU-10-5	and	244.74	250.10	5.36	0.64	41.1	1.5	73
TU-10-5	and	261.26	276.46	15.20	0.71	53.1	1.8	89
TU-10-5	and	261.26	264.15	2.89	3.04	185.1	6.7	337
TU-10-5	and	283.45	335.91	52.46	1.04	51.2	2.1	103
TU-10-5	and	283.45	307.02	23.57	1.05	52.7	2.1	105
TU-10-5	and	295.00	299.74	4.74	3.50	128.1	6.1	303
TU-10-5	and	295.00	295.45	0.45	14.04	366.1	21.4	1068
TU-10-5	and	312.12	335.91	23.79	1.24	59.6	2.4	122
TU-10-5	and	319.16	323.81	4.65	4.24	127.3	6.8	339
TU-10-5	and	321.70	322.53	0.83	14.30	150.0	17.3	865
TU-10-5	and	332.50	334.76	2.26	2.07	197.6	6.0	301
TU-10-5		342.46	371.03	28.57	0.56	53.7	1.6	82
TU-10-5	including	368.84	369.77	0.93	3.60	476.2	13.1	656
TU-10-5		402.62	403.14	0.52	37.40	466.0	46.7	2336

Table 2: Intervals Hole TU-10-5

In November 2010, the Company reported the results from hole TU-10-6, located about 110 metres away (northeast) of holes TU-10-4 and TU-10-5 Hole TU-10-6 was collared with an azimuth of 150 degrees and dip of -50 degrees and intersected multiple quartz-carbonate-sulphide vein zones over significant widths. The entire zone of veining averaged 0.86 g/t gold and 61.7 g/t silver (2.1 g/t AuEq or 105 g/t AgEq) over 126.22 metres (from 295.58 to 421.80 metres). Multiple higher grade intervals were also intersected within this zone including 19.18 metres (from 317.50 to 336.68 metres) of 2.84 g/t gold and 160.2 g/t silver (6.0 g/t AuEq or 302 g/t AgEq). Both the broad intervals of veining and high grade gold-silver zones are tabularised below.

Hole #		From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Gold Eq (g/t)	Silver Eq (g/t)
TU-10-6		111.16	111.82	0.66	0.56	62.1	1.8	90
TU-10-6		222.57	233.89	11.32	0.12	22.2	0.6	28
TU-10-6		273.26	277.52	4.26	1.41	130.4	4.0	201
TU-10-6	including	273.26	275.95	2.69	2.09	202.6	6.1	307
TU-10-6		295.58	421.80	126.22	0.86	61.7	2.1	105
TU-10-6	including	295.58	340.65	45.07	1.38	92.3	3.2	161
TU-10-6	and	317.50	336.68	19.18	2.84	160.2	6.0	302
TU-10-6	and	317.50	319.69	2.19	6.66	474.9	16.2	808
TU-10-6	and	331.61	336.68	5.07	5.45	242.4	10.3	515
TU-10-6	and	331.61	333.66	2.05	9.15	310.2	15.4	768
TU-10-6	and	345.47	359.05	13.58	0.89	72.6	2.3	117
TU-10-6	and	379.50	421.80	42.30	0.77	61.2	2.0	100
TU-10-6	and	405.85	412.07	6.22	2.55	209.2	6.7	336
TU-10-6	and	410.87	412.07	1.20	6.83	482.4	16.5	824

Table 1: Intervals Hole TU-10-6

In January 2011, the Company reported all outstanding assay results from its 2010 drilling program (holes TU-10-7 through TU-10-14.

Hole #	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	AUEQ (g/t)	AGEQ (g/t)
TU-10-7	37.05	53.83	16.78	0.48	24.4	1.0	48
including	43.35	47.55	4.20	0.91	30.5	1.5	76
TU-10-7	60.00	134.12	74.12	0.30	31.1	0.9	46
including	63.00	66.60	3.60	0.71	59.5	1.9	95
and	80.20	82.25	2.05	1.57	146.7	4.5	225
and	92.47	93.25	0.78	1.59	393.8	9.5	473
TU-10-7	139.20	162.25	23.05	0.16	15.1	0.5	23
TU-10-8	85.10	109.70	24.60	0.32	38.5	1.1	55
including	101.11	104.11	3.00	0.94	94.7	2.8	142
and	107.38	109.70	2.32	1.30	127.7	3.9	193
TU-10-8	117.32	135.87	18.55	0.22	24.3	0.7	35
including	123.00	126.45	3.45	0.91	90.7	2.7	136
TU-10-9	35.52	57.31	21.79	0.50	14.0	0.8	39
TU-10-9	271.28	281.20	9.92	0.46	16.2	0.8	39
TU-10-9	288.14	291.63	3.49	1.93	162.5	5.2	259
TU-10-9	297.94	299.13	1.19	1.07	57.3	2.2	111
TU-10-9	314.74	320.00	5.26	1.18	48.9	2.2	108
TU-10-9	333.00	341.56	8.56	0.61	10.5	0.8	41
TU-10-10	83.06	108.40	25.34	0.20	18.8	0.6	29
including	94.02	96.10	2.08	0.97	109.3	3.2	158
TU-10-10	180.50	188.50	8.00	0.22	33.5	0.9	45
TU-10-10	196.46	203.43	6.97	0.15	13.7	0.4	21
TU-10-10	223.49	225.29	1.80	0.26	31.1	0.9	44
TU-10-10	257.60	394.52	136.92	1.47	36.3	2.2	110
including	257.60	301.56	43.96	3.10	62.3	4.3	217
and	257.60	258.54	0.94	6.74	288.5	12.5	626
and	264.60	265.47	0.87	23.29	34.6	24.0	1199
and	271.72	273.43	1.71	13.11	55.6	14.2	711
and	278.53	286.05	7.52	7.76	216.5	12.1	605
and	335.79	341.78	5.99	3.07	163.9	6.3	317
and	347.90	352.26	4.36	2.83	119.8	5.2	261
TU-10-10	486.70	498.00	11.30	0.51	5.1	0.6	31
TU-10-11	122.70	124.20	1.50	0.65	229.8	5.2	262
TU-10-11	185.09	185.64	0.55	1.13	405.7	9.2	462
TU-10-11	204.98	408.63	203.65	1.01	44.3	1.9	95
including	255.42	338.50	83.08	1.83	77.7	3.4	169
and	207.82	208.40	0.58	1.27	274.5	6.8	338
and	223.05	224.50	1.45	3.02	284.7	8.7	436
and	241.03	242.94	1.91	6.72	551.5	17.8	888
and	258.68	260.45	1.77	48.98	1391.7	76.8	3841
and	279.23	280.63	1.40	7.82	560.3	19.0	951
and	292.93	296.34	3.41	2.91	133.9	5.6	279
and	303.09	306.90	3.81	2.79	113.1	5.1	253
and	333.85	336.36	2.51	6.30	237.1	11.0	552
TU-10-12	121.62	147.80	26.18	0.08	51.8	1.1	56
including	132.75	133.73	0.98	0.06	1050.0	21.1	1053
TU-10-12	172.93	338.00	165.07	0.83	50.8	1.8	92

including	229.44	296.20	66.76	1.65	111.4	3.9	194
and	230.32	275.33	45.01	2.37	157.4	5.5	276
and	234.13	236.96	2.83	10.52	685.8	24.2	1212
and	254.78	257.95	3.17	10.53	585.7	22.2	1112
TU-10-13	64.90	89.00	24.10	1.43	99.0	3.4	171
TU-10-13	193.65	201.33	7.68	0.21	19.2	0.6	30
TU-10-13	212.80	213.42	0.62	2.72	269.0	8.1	405
TU-10-13	289.50	289.92	0.42	6.67	304.0	12.8	638
TU-10-13	420.01	420.42	0.41	5.54	35.7	6.3	313
TU-10-13	426.62	427.70	1.08	1.69	37.2	2.4	122
TU-10-14	113.17	298.27	185.10	0.44	27.9	1.0	50
including	113.17	247.40	134.23	0.53	35.6	1.2	62
and	188.63	206.04	17.41	2.04	149.6	5.0	252
and	203.30	206.04	2.74	8.17	710.1	22.4	1119

In March 2011, the Company reported all outstanding assay results from its early 2011 drilling program (holes TU-10-15 through TU-10-17.

Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	AuEq (g/t)	AgEq (g/t)
TU-11-15	138.30	276.00	137.70	0.82	28.4	1.4	69
and	138.30	150.59	12.29	6.16	40.4	7.0	348
and	139.70	142.00	2.30	31.46	69.4	32.8	1642
and	197.87	200.46	2.59	1.68	148.0	4.6	232
and	253.66	259.86	6.20	1.29	122.5	3.7	187
and	258.68	259.86	1.18	3.49	237.5	8.2	412
TU-11-16	208.00	409.35	201.35	0.99	86.2	2.7	136
includes	208.00	237.19	29.19	0.67	105.7	2.8	139
and	235.30	237.19	1.89	3.68	776.1	19.2	960
and	256.48	286.60	30.12	1.62	187.9	5.4	269
and	269.28	273.68	4.40	4.33	577.3	15.9	794
and	270.68	272.68	2.00	6.78	1038.5	27.5	1377
and	281.79	282.84	1.05	18.15	2250.0	63.2	3158
and	317.20	351.48	34.28	1.73	95.2	3.6	182
and	326.32	329.34	3.02	6.13	601.9	18.2	909
and	338.91	349.10	10.19	2.85	72.4	4.3	215
and	365.90	409.35	43.45	1.62	118.9	4.0	200
and	374.22	378.75	4.53	4.19	280.3	9.8	490
and	374.22	376.83	2.61	5.74	336.9	12.5	624
and	386.70	387.70	1.00	6.88	524.0	17.4	868
and	395.63	409.35	13.72	1.74	138.7	4.5	226
and	395.63	402.99	7.36	2.46	208.2	6.6	331
TU-11-16	439.00	443.00	4.00	1.11	13.0	1.4	69
TU-11-17	128.00	329.00	201.00	0.55	45.7	1.5	73
includes	149.33	253.80	104.47	0.79	77.7	2.3	117
and	183.38	191.14	7.76	1.46	123.3	3.9	196
and	226.28	247.00	20.72	1.87	228.2	6.4	322
and	238.73	253.80	15.07	1.79	260.8	7.0	350
and	238.73	247.00	8.27	2.68	416.9	11.0	551
and	296.75	305.00	8.25	0.88	9.1	1.1	53

All analytical work reported was carried out at ALS Chemex Laboratories of North Vancouver using industry standard aqua regia, ICP and fire assay techniques. Blanks, field duplicates and certified standards were inserted into the sample stream as part of Almaden's quality assurance and control program which complies with National Instrument 43-101 requirements. Gold equivalent ("AuEq" or "Gold Eq.") and silver equivalent ("AgEq" or "Silver Eq.") values were calculated using silver to gold ratios of 50 to 1. Intervals that returned assays below detection were assigned zero values. Metallurgical recoveries and net smelter returns are assumed to be 100% for these calculations. Registered geologist Jim Lunbeck, a QP under the meaning of NI 43-101, will be the QP and project manager of Almaden's 2011 Ixtaca program. Drilling recommenced at the Ixtaca zone in January 2011.

Geology and Mineralization

The project covers an area of intensely altered rocks roughly 5 by 5 kilometres in size. Within this area a field program carried out by the Company identified both a porphyry copper and an epithermal gold target. The copper porphyry target occurs within K-silicate altered intrusive rocks that intrude deformed limestone which is overlain by intensely altered volcanic rocks. Calc-silicate altered limestone occurs in proximity to the intrusive contacts and is associated with skarn-type copper mineralization. Multiple phases make up the intrusive body which has been altered and veined. Stockwork quartz pyrite veining dominates the alteration and is associated with minor copper mineralization. This alteration is observed to overprint earlier potassic alteration.

An induced polarisation geophysical survey was carried out on one line over the exposed stockwork veined intrusive. A further IP geophysical survey was carried out on eight lines, three kilometres in length, spaced 200 metres apart, and centred over the gullies which have cut through the unmineralised ash deposits and exposed the stockwork veined and copper-gold mineralised intrusive rocks. This survey indicated that the exposed mineralization represents a portion of a much larger intrusive hosted system characterised by an elevated chargeability response anomaly which is open in three directions and increasing in tenor with depth. Soil sampling has returned highly anomalous copper, molybdenum, silver and gold in soil samples over areas where the altered and mineralised intrusive rocks are exposed, and elevated chargeability responses have been recorded at surface. The volcanic rocks, which are exposed roughly one kilometre to the south of the outcropping intrusive are also extensively altered. The alteration is considered indicative of the upper parts of an epithermal system and includes replacement silicification and sinter, the precipitate or sediment that was deposited from a hot spring.

Quartz-calcite veins with textural evidence of boiling have been identified outcropping in limestone roughly 100 metres beneath the exposed sinter. Initial sampling of these veins and from float boulders of breccia containing quartz vein fragments have returned anomalous values in gold and silver. The sinter and overlying altered volcanic rocks are anomalous in Hg, As and Sb.

Planned Work Program – Fiscal 2011, Ending December 31, 2011

The Company's planned exploration program for Fiscal 2011 consists of diamond drilling the Ixtaca zone on 50 metre spaced sections and drill testing other targets on the property with a proposed budget of C$2MM.

The Caballo Blanco Prospect - Mexico

"MAP 5 - CABALLO BLANCO"

The Caballo Blanco prospect is without known reserves and all current work on the prospect is exploratory in nature.

Option to Acquire Interest

In 1996, the Company signed an option to purchase agreement with two private Mexican individuals for the approximately 40,000 acre property. Under the terms of the agreement, to earn a 60% in the property, the Company had to issue a total of 200,000 shares and pay US$500,000 plus value added tax over four and a half years. To earn the remaining 40% interest, the Company had to pay an additional US$500,000 plus value added tax within a year of earning its 60% interest, plus a 2.5% NSR from any production. The Company could have reduced this NSR to 1.5% for a fixed payment of US$2,000,000 plus value added tax payable equally over 10 years.

The agreement was amended in January 2003. To earn a 100% interest, the Company must issue a total of 200,000 shares of its stock and pay US$668,500 plus value added tax by March 6, 2007 (amended) which issue and payment have been made. The underlying owner would also receive a NSR of 2.5% to 1% ("sliding scale NSR") based on the rate of production. The Company can purchase 50% of this NSR for a fixed payment of US$750,000 plus value added tax.

In Fiscal 2003, the Company entered into an agreement with Comaplex Minerals Corp. (“Comaplex”). To earn a 60% interest, Comaplex was obligated to keep the property in good standing and incur exploration expenditures totalling US$2,000,000 by January 16, 2007. During Fiscal 2006, Comaplex completed the earn-in requirements. In Fiscal 2007, the Company acquired Comaplex’s 60% option interest for US$1,250,000 and made the final payment of US$210,000 plus value added tax to the underlying owner, now holding a 100% interest in the property subject to the sliding scale NSR.

Also in April 2007, the Company entered into an option agreement with Canadian Gold Hunter Corp. ("CGH"). To earn a 70% interest, CGH agreed to keep the property in good standing, issue 1,000,000 million shares of CGH to the Company (received), make a US$500,000 payment (received), incur exploration expenditures totalling US$12,000,000 and fund all costs required for the completion of a bankable feasibility study. The Company would be entitled to participate in whatever terms CGH may have negotiated for production financing.

In February 2010, the Company announced that it has agreed to terms with NGEx Resources Inc. ("NGEx", formerly Canadian Gold Hunter Corp.) and Goldgroup Mining ("Goldgroup") with respect to its Caballo Blanco project. NGEx and Goldgroup had announced that they had concluded an arrangement whereby Goldgroup could acquire NGEx's not yet exercised right to acquire a 70% interest in the Caballo Blanco project from Almaden. Almaden has now agreed to this arrangement but under the condition that a portion of the Caballo Blanco project previously known as the "Central Grid zone" or "Central Grid" be separated from that agreement to form the now named "El Cobre Project", to be owned 60% by Almaden and 40% by Goldgroup. This arrangement is subject to Goldgroup earning its 70% interest in the prospect. Should Goldgroup fail to do so, Goldgroup's interest in the El Cobre project will be reduced to 20%. Goldgroup has agreed to pay a NSR to NGEx of 1.5% on Goldgroup's portion of both the El Cobre and Caballo Blanco projects. Both Almaden and Goldgroup will hold a working interest in the El Cobre Project and Almaden will be the operator of exploration programs.

Goldgroup will hold the right to acquire a 70% interest in the portion of the Caballo Blanco property outside that of which comprises the El Cobre project. In 2010 Goldgroup Mining, recently announced a new 43-101 resource for the Cerro La Paila zone of the Caballo Blanco property Almaden's agreement with Goldgroup (formerly with NGEx) allows for Goldgroup to earn a 70% interest in the Caballo Blanco property by spending US$12,000,000 (not yet completed). Goldgroup will remain responsible for all costs until a bankable feasibility study is presented to Almaden. Almaden shall be entitled to participate in any production financing arranged by Goldgroup on the same terms arranged by Goldgroup.

Expenditures to Date
During Fiscal 2010, the Company incurred $6,146 in exploration costs on the Caballo Blanco prospect which were not recovered. As at December 31, 2010, the Company had deferred costs of $77,161 on this prospect.

Location and Access
The Caballo Blanco project, consisting of mineral concessions, currently comprising about 8,200 hectares, is located in the state of Veracruz about 75 kilometres northwest along the Pan American highway in eastern Mexico from the city of Veracruz.

Infrastructure
The prospective areas of the prospect are all located within 10 kilometres of a paved highway and Mexico's only nuclear power plant. Veracruz, located 75 kilometres south of the prospect, is a large and well serviced city.

History and Recent Work
The area was staked in 1993 as a new discovery. The Company carried out limited exploration on the property in 1995 with mixed results, and subsequently provided the owner with funding to continue prospecting under a "grubstake" agreement. Further mineralization was found and an option agreement was negotiated. Since 1996, the Company's efforts have focussed on three distinct areas of alteration and mineralisation known as the Central Grid Zone, Highway Zone and Northern Zone respectively. Most of the work to date has been carried out on the Central Grid and Highway zones. Geological mapping, sampling, geochemical surveys, magnetic and induced polarization (IP) geophysical surveys were carried out, mostly in 1997. A 2,390 metre reverse circulation drill program was carried out by the Company in 1998 on the Central Grid Zone. This drilling intersected both porphyry-style copper-gold mineralization and high-grade gold-silver mineralization in veins apparently spatially peripheral to the porphyry

system. In the Highway Zone, soil geochemistry, geologic mapping, and induced polarisation geophysical surveys identified a large altered area containing evidence of a high sulphidation epithermal system. The Northern Zone is a large area of argillic alteration, within which preliminary prospecting and geochemical surveys have identified areas of elevated gold-copper-arsenic in silcified rock. Highly anomalous values have been found in stream silt samples and boulders in streams, and this area is thought to represent a large unexplored high-sulphidation gold system. In 1999, 2000, and early 2001, the Company carried out limited geological, geochemical, and IP surveys. Late in 2000, the Company purchased exploration data and surrounding claims from Lucero Resources Corp. The Company also purchased a small net smelter return royalty on these claims for $1,000 Canadian dollars from Lucero's successor in early 2003.

In Fiscal 2001, the Company's subsidiary, Minera Gavilan, S.A. de C.V., signed an agreement with Noranda Exploracion Mexico S.A de C.V. ("Noranda"), a subsidiary of Noranda Inc., which was terminated in Fiscal 2002. Noranda carried out geological mapping, some regional geochemical surveying and diamond drilling. Starting in March 2002, Noranda completed 1789 metres of drilling in seven holes, four in the Central Grid area, and three into the Highway Zone area, aimed at porphyry copper targets. At the Company's expense, two short holes were drilled to test a gold target in the Central Grid part of the property.

Later in Fiscal 2003, Comaplex optioned the property from the Company. Work during 2003 at the Highway and Northern zones consisted of sampling, geologic mapping and induced polarization (IP) geophysics and was complimented by analysis of alteration mineralogy with a PIMA portable infrared spectrometer.

Comaplex started building roads for drilling in mid 2004 but experienced difficulty with construction on the Northern Zone. In November 2004, Comaplex started a 3000 metre drill program to test the Central Grid, Highway and Northern zones of the prospect, the centres of which are located roughly 7 kilometres apart. Drilling was carried out by Comaplex in both 2005 and 2006.

In 2007, the Company conducted a program of geological mapping, geochemical surveys, induced polarization (IP), geophysical surveys and alteration studies. CGH subsequently conducted further geological, geochemical and geophysical survey work as well as road building. Late in 2007, CGH started a diamond drill program which continued until mid 2008. A second phase of drilling with a total of 10,000 metres planned started in late November 2008. Only 3,605.55 metres were drilled in 14 drill holes. In-fill drilling in the La Paila Target encountered predominantly massive to micro-vuggy silica with few intervals of the well developed hydrothermal breccias noted in previous drilling. Gold grades encountered are generally low with the best interval occurring in hole 08CBN-029 where 36.58 metres grade 1.13 g/t gold and 3.7 g/t silver. Other significant values include hole 08CBN-033 where 131.11 metres grade 0.59 g/t gold and 1.4 g/t silver including a 27.4 metre interval grading 1.01 g/t gold and 2.7 g/t silver. Based on 2007-2008 and the 2008-2009 drilling, the best gold grades appear related to north trending structures which probably acted as conduits for fluids creating the hydrothermal breccias and depositing gold. Initial metallurgical bottle roll testing on La Paila target material yielded gold recoveries of 55% or less. More test work is necessary to optimize recoveries. A reconnaissance hole drilled 385 metres north and 105 to 110 metres vertically above anomalous gold values obtained from rock samples in Cerro La Cruz intersected massive, crackle brecciated, largely opaline silica with no gold values. These rocks are believed to represent the cooler, upper most portions of the hydrothermal system. Two holes drilled into the Bandera Sur resistivity anomaly encountered similar massive to weak micro-vuggy, largely opaline silica with no gold values. In Bandera Norte, a single reconnaissance hole drilled at the far east end of the 1200 metre long resistivity anomaly intersected hydrothermal breccias with weakly anomalous gold grading 0.02 g/t Au and 0.3 g/t Ag over 35.05 metres.

In the Pedrero copper-gold target, a single step-out hole collared 250 metres east of 08CBCN-019 returned 137.16 metres grading 0.105% copper and 0.10 g/t gold. The hole continues to demonstrate the presence of a large, underlying copper-gold porphyry system that may extend to Porvenir West and ultimately Porvenir.

Geology and Mineralization

The property occurs in a caldera setting in flat lying volcanic rocks of Miocene age, along the northeastern edge of the Trans-Mexican Volcanic Belt. It is a new discovery, first identified by sampling in acid sulphate altered quartz stockwork veining, in a road cut for the main coastal highway which yielded anomalous gold values. The property covers three large hydrothermal alteration zones called the Central Grid, the Highway Zone, and the Northern Zone. The Central Grid area is the most deeply eroded and demonstrates porphyry Cu-Au, and low sulfidation Au-Ag style mineralization. The centres of the Highway and Northern zones are located roughly 7 kilometres apart. Geologic and alteration mapping in these areas has identified extensive zones of acid-sulphate alteration including quartz alunite and residual or vuggy silica alteration zones. These zones of alteration, developed in flat lying volcanic rocks, are

interpreted to represent high sulphidation gold-silver epithermal systems. Mineralogical evidence is interpreted to indicate that minimal erosion has taken place and the hydrothermal systems are mainly preserved.

Exploration Results

A geochemical soil survey on a grid that covers roughly 3 kilometres by 3 kilometres in the Central Grid area of the property outlined a number of coincident gold-copper anomalies associated with what appears to be two styles of mineralization within a very large alteration zone. In one area, two creeks contain float rock of porphyry style quartz stockwork veining associated with copper-gold mineralization and K-silicate alteration. A geochemical soil survey outlined a copper anomaly roughly 700 metres by 500 metres, with coincident anomalous gold values. The other style of mineralization, gold-silver-copper-lead quartz stockwork and quartz barite veins, is found in several areas.

Geological mapping found that the anomalous gold values are closely associated with areas of widespread k-silicate alteration and copper staining. The geochemical grid was extended northwards to cover possible extensions to the known highly anomalous values.

An induced polarization and ground magnetic geophysical program over the Central Grid area identified a very broad zone of elevated chargeability enveloping several intense chargeability highs. These chargeability highs are linear in orientation, and are over one km long. Profiles indicate these anomalies extend from surface to significant depths. These linear highs relate spatially to the presence of outcrop and float of quartz-barite-sulfide veining and associated gold soil geochemistry.

A 2,390 metre reverse circulation drill program started in April and was completed in May 1998.

Holes CB-1 and CB-2 were drilled in the porphyry-copper-gold style target.

Hole CB-1 (located at 5100E and 3400N, drilling east at -60o, 167.6m deep) intersected a mineralized feldspar porphyry cut by quartz stockwork veining. Chalcopyrite, pyrite and magnetite occur as coatings on fractures and in disseminated form. Bornite is sparsely disseminated. Anomalous results are: from 3m to 167.6m (164.6m) of 0.15% Cu and 0.223 grams/tonne Au, including from 3m to 110m (107m) of 0.18% Cu and 0.254 grams/tonne Au.

Hole CB-2 (located at 5295E and 3400N, drilling west at -50o, 193.5m deep) was similar to hole CB-1 but sections of the porphyry are more highly clay altered with quartz stockwork veining containing pyrite chalcopyrite, minor galena and sphalerite. Anomalous results are: from 26m to 193.5m (167.5m) of 0.09% Cu and 0.159 grams/tonne Au, including 96m to 108.2m (12.2m) of 0.13% Cu and 0.322 grams/tonne Au; from 153.9m to 193.5m (39.6m) of 0.15% Cu and 0.394 grams/tonne Au; and the last sample 192m to 193.5m (1.5m) of 0.23% Cu and 0.720 grams/tonne Au.

IP geophysical and soil geochemical anomalies were targeted with the drilling over a roughly 1 by 2.2 kilometre area. The water table was consistently intersected at shallow depths. The water flow encountered in many holes limited the practical depth of drilling with the drilling system employed.

An involved quality control program was employed for the project and included the insertion of blanks, standards and duplicates into the sample stream. Samples were submitted blind to Bondar Clegg/ITS labs of North Vancouver for analysis. Industry standard methods of analysis were employed.

Hole CB-3 was collared into a ground magnetic high at 5545 metres east on line 3295N. The hole, drilling west at -50o, passed through 10.7 metres of overburden before intersecting andesite which continued to 153.9 metres, the end of the hole. The andesite is highly altered to hydrothermal magnetite, epidote, chlorite and pyrite. Magnetite and epidote occur as veins and clots throughout the andesite. This style of alteration is similar to magnetite-epidote skarning developed in volcanics adjacent to porphyry Cu-Au deposits elsewhere. Several gold values over 1.52 metre sample widths were elevated with a high of 0.774 grams/tonne Au. This hole was drilled across the assumed dip of the skarned zone and did not penetrate through to an expected andesite/intrusive contact.

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Hole CB-4 (collared at 5600 East on line 3524N; drilling east at -50o) passed through 16.8 metres of overburden before penetrating the same andesite to the end of the hole. The andesite is skarned as in hole CB-3, however at depth in the hole silicification, clay alteration and pyrite associated with quartz-sulfide veining were intersected. Several zones contained anomalous assay results.

Results in Hole CB-4 included 39.62 metres from 96.01m to 135.63 metres that averaged 0.25g/t gold and about 1.0 g/t Ag with 0.15% Cu and 0.10% Pb and 0.18% Zn. This interval included a higher grade section from 96.01 metres to 108.20 metres totalling 12.19 metres averaging 3.8 g/t Au, 23 (g/t) Ag, 0.37% Cu, 0.19% Pb and 0.34% Zn. This section relates to strong veining and included a high of 19.9 g/t Au and 26 g/t Ag over 1.52 metres from 102.1 to 103.63 metres. A further zone of mineralization and veining was intersected from 123.4 to 126.5 metres over 3.10 metres of 1.7 g/t Au, 14 g/t Ag, and 0.11% Cu, 0.21% Pb and 0.35% Zn.

Holes CB-5 and CB-6 were drilled further south on line 2000 N at 5760 E and 5600 E respectively. CB-5 was drilled to the west at -50o and CB-6 was drilled east at -50o. Both holes collared in similarly altered andesite but at shallow depths penetrated a highly silicified, clay altered and pyritized feldspar porphyry. The porphyry is cross-cut by narrow, dark quartz-pyrite-chalcopyrite veinlets.

Intersections in CB-5 included a 13.72 metres zone of veining, from 21.33 metres to 35.05 metres of 1.8 g/t Au, 31 g/t Ag and 0.10% Cu. A second zone was intersected 48.77 metres from 54.86 to 103.63 metres averaging 0.241 g/t Au and 0.06% Cu. Included in this section is a 19.81 metre zone from 83.82 to 103.63 metres averaging 0.446 g/t Au and 0.11% Cu.

CB-6 intersected similar porphyry style mineralization over 67.05 metres from 35.05 metres to 102.1 metres averaging 0.188 g/t Au and 0.05% Cu. This includes a 13.72 metre section from 35.05 to 48.77 metres averaging 0.361 g/t Au and 0.09% Cu. The results from holes CB-5 and CB-6 indicate that porphyry Au-Cu mineralization exists over 1.4 kilometres to the south of the previously released holes, CB-1 and CB-2. The mineralization is associated with the highly altered feldspar porphyry, an entirely different intrusive rock from that intersected in CB-1 and CB-2.

The remaining holes returned lower but still anomalous gold and copper values.

Fluid inclusion work on drill cuttings from the reverse circulation drilling program in the main grid, identified three stages of quartz with several types of inclusions. The early and late stages of quartz and the inclusion characteristics are diagnostic of a classic copper-gold-porphyry system. The intermediate banded quartz is common only in the shallow porphyry systems of the Maricunga Au belt.

Geological mapping, line cutting and geochemical soil sampling on the Highway Zone extended the gold in soils anomaly to cover an area 2 kilometres long, and up to 400 metres wide. Geological mapping and prospecting of this area has found extensive vuggy silica in float and some outcrops in an area of widespread deep weathering and overburden.

On the Northern Zone, the Company conducted further geochemical stream silt sampling to find the source of anomalous gold values in drainages that contained float with multigram gold values in vuggy silica and breccia. The stream silt sampling and follow up geological mapping and prospecting isolated an area of extensive large angular boulders of vuggy silica and subcrop with anomalous gold values.

In order to test the Central Grid and Highway Zone porphyry targets, Noranda drilled 1,789 metres in seven holes. Four were drilled in the Central Grid looking for the extension of the outcropping copper bearing porphyry and three holes were drilled into the previously undrilled Highway Zone. The report summary states “Despite pervasive K-spar

flooding potassic alteration associated with the porphyry in the Central Grid and the huge argillic alteration zone that occurs at the Highway Zone, significant copper mineralization was not found." Noranda stated the presence of an important gold deposit in the Central Grid area had not been ruled out but possibilities for an open pittable copper porphyry were reduced. On the Highway Zone, very low values of copper were found but drilling did intersect short intervals of elevated gold. Hole CB-02-07, Noranda's last hole, which was drilled in an area of extensive argillic alteration associated with elevated gold in soil geochemistry had several interesting gold intersections. These included stockwork veining from 51.35 to 84 metres depth within which a 6 metre section averaged 1.42 g/t gold. A sample from 192 to 195 metres depth within a zone of argillic alteration averaged 2.5 g/t gold and the final sample of the hole from 212.0 to 212.5 metres depth returned a gold value of 4.98 g/t gold. The hole was lost at this point due to poor drilling conditions.

Two further holes were attempted at the Company's expense at the end of Noranda's program, under the supervision of an independent consultant. These were located near reverse circulation Hole CB98-04, from Almaden's 1998 program, which intersected 12.2 metres of 3.8 grams of gold per tonne. Hole CB-02-08 was drilled east at -50°, parallel to and about thirty metres south of hole 98-4. It intersected fault gouge in the area where the vein was expected. Hole CB-02-09 was located ninety metres north of CB 98-04 and also aimed east at -50°. This hole intersected a mineralized vein zone from 57.3 to 60.0 metres, and from 69.0 metres to 73.0 metres the recovered material contained fragments of quartz vein material that is mineralized with chalcopyrite, galena, and pyrite. The hole was abandoned in bad ground at 73.0 metres, which is a few metres before the expected location of the zone found in hole CB 98-04.

Comaplex's 2003 program on the Highway zone outlined several prominent areas of alteration and mineralisation. A significant resistivity and chargeability anomaly has resulted from this work over a roughly 5 by 3 kilometre area of acid sulphate alteration characterised by hypogene alunite and vuggy silica.

At the Northern zone, sampling, geologic mapping and PIMA portable infrared spectrometer analyses have defined a roughly 6 by 5 kilometre area of acid sulphate alteration and vuggy silica, including many breccia bodies. Past sampling in these areas by Almaden has returned anomalous gold values, the highest being 11 g/t. The alteration in the Northern zone is very similar to that in the Highway zone, however up until this program very little work had been carried out in this area. Initial sampling by Comaplex returned anomalous gold values from outcrop, the highest being 1 g/t. Outcrop in this area includes breccia bodies containing clasts of vuggy silica. An IP section over the zone outlined a large high resistivity feature.

A drill program that was to have commenced earlier in 2004 was delayed due to additional permitting requirements, shortage of drilling equipment, difficulties in road building and the summer rainy season. Drilling on a portion of the southern Highway zone commenced in November 2004 and shut down for the Christmas season. This work consisted of four holes, three in the Highway Zone (CB-04-02, 03 and 04) and one in the Central Grid area (CB-04-01). To date the drilling on the Highway zone has not tested the principle targets of interest as the holes were drilled to the south of the main vuggy silica bodies, generally found to be the most prospective for gold in high sulphidation systems, in an area of clay dominated alteration. These three holes intersected anomalous gold values in clay altered and silicified volcanics including an interval of 0.22 g/t gold over 16 metres in hole CB-04-03.

Hole CB-04-01 was drilled in the Central Grid area of the property near where two reverse circulation drill holes drilled by Almaden in 1998 intersected porphyry copper-gold mineralization. Hole CB-04-01 was located roughly equidistant from these two holes and intersected a K-silicate and quartz-sulphide veined monzonite body from surface to the end of the hole at 298 metres. The entire length of this hole averaged 0.38 g/t gold and 0.16% copper including two higher grade intervals; 56 metres of 0.84 g/t gold and 0.34% copper from 70 to 128 metres depth and 24 metres from 172 to 194 metres averaging 0.89 g/t gold and 0.28% copper (includes a 10 metre interval averaging 1.7 g/t gold and 0.49% copper). The alteration associated with these intervals (K-silicate alteration including quartz-K-feldspar and chalcopyrite veining and hydrothermal biotite overprinted by quartz-pyrite-chlorite-sericite alteration and veining) is typical of a porphyry copper setting.

Diamond drilling by Comaplex continued in late May 2005. A total of 3 holes totalling 523 metres were drilled from the same setup on the top of Cerro la Cruz in the Northern Zone. A total of 1,500 metres was planned for the program, but further drilling was not possible at the time due to the intensity of the rainy season. In addition Comaplex has reported the drilling was extraordinarily slow and logistically difficult due to the extremely hard and broken nature of the rock. The Northern zone is an area where sampling, geologic mapping and PIMA analyses have defined a large, roughly 6 by 5 kilometre zone of alteration, which includes several areas of massive silicification and vuggy silica, one of which is the Cerro la Cruz area. These areas of massive silicification and vuggy silica are recognized worldwide to be the prospective parts of high-sulphidation gold systems. The Cerro la Cruz area of massive silicification and vuggy silica was the target of drilling in the Northern zone because past sampling on surface has

identified significant gold grades in this area.

Due to drilling difficulties outlined above, two of the three holes had to be terminated before they reached their intended depths. All three holes encountered more massive silicification that seems to grade with depth into more brecciated and vuggy silica bodies. Hole CB05-1 was vertical and reached a depth of 136.5 metres. This hole encountered largely massive silica to 76 metres at which point more vuggy material was intersected. Hole CB05-2 was drilled to the east (110 Azimuth) and at a dip of -65. This hole also encountered massive and vuggy silica bodies but was lost at the shallow depth of 72 metres. This hole encountered increasing gold values to the end of the hole in both massive and vuggy silica. Hole CB05-03 was drilled at an azimuth of 342 and a dip of -50 and was the only hole completed to its intended depth which was 314 metres. A section of massive and vuggy silica was intersected from the collar to 200 metres where clay altered volcanic rock was encountered to the end of the hole. This entire section (from the top of the hole to 214 metres) averaged 0.7 g/t gold. Within this section a zone of strongly brecciated and vuggy silica was encountered, a 108 metre section of which (from 66 metres to 174 metres depth) averaged 1.14 g/t. This includes a 40 metre section from 74 to 114 metres depth which averaged 2.35 g/t gold.

More massive silica zones with lower gold values appear to cap vuggy and brecciated zones which carry the most significant gold values as evidenced by hole CB05-3. The intersection in this hole indicates the potential for both grade and size in an entirely untested high-sulphidation gold system. It should be emphasized that the Cerro la Cruz area represents one of several massive and vuggy silica zones within the Northern Zone. In addition the Highway zone, located seven kilometres south of the Northern zone, is also an area of high-sulphidation alteration containing zones of massive and vuggy silicification. In both the Highway and Northern zones areas of massive silicification are dominant which, in light of the results of the current drill program, may cap further zones of brecciated and vuggy silica like that encountered at Cerro la Cruz.

During 2006, Comaplex completed 743.8 metres of drilling in three holes (CB06-01, CB06-02 and CB06-03). All three holes were collared in the vicinity of the 2005 drilling, on the top of Cerro la Cruz of the Northern Zone. Two of the holes (CB06-01 and CB06-02) were drilled to test higher grade surface gold mineralization on the south-west and south-east ridges of the summit. Drillhole CB06-03 was collared approximately 100 metres north on the summit ridge of the Cerro La Cruz target and angled towards the highly anomalous gold mineralization in last year's hole CB05-03 (2.6 g/t gold over 32 metres). Hole CB06-01 intersected 92.65 metres averaging 1.0 grams per tonne from 116 metres depth to the end of the hole (206.65 metres) at which depth the hole was lost due to poor drilling conditions. This intersection included 28.65 metres from 178 metres depth to the end of the hole which averaged 1.8 grams per tonne gold, 18 metres from 178 to 196 metres that averaged 2.3 grams per tonne gold and 8 metres from 186.0 to 192.0 metres averaging 3.7 grams per tonne gold. Hole CB06-01 averaged 0.7 grams per tonne gold over its entire 206.65 metre length. Hole CB06-02 was completed to a depth of 301.14 metres and intersected highly anomalous, but sub 1 gram per tonne gold values which included a 222 metre interval from surface to 222 metres that averaged 0.25 grams per tonne gold. Intervals reported are drill intercepts, rather than calculated true widths.

Hole Number	From (m)	To (m)	Interval (m)	Gold (g/t)
CB06-01	0	206.65	206.65	0.7
Including	116.00	206.65	92.65	1.0
Including	178.00	206.65	28.65	1.8
Including	178.00	196.00	18.00	2.3
Including	186.00	192.00	8.00	3.7
CB06-02	0	222.00	222.00	0.2
CB06-03	0	230.00	230.00	0.8
Including	0	144.00	144.00	1.0
Including	0	76.00	76.00	1.7
Including	12.00	66.00	54.00	2.0
Including	36.00	62.00	26.00	2.5

The Company's 2007 work program found a new centre of porphyry style copper-gold mineralization in the Central grid area, about 3 kilometres northwest of the previously known mineralized area. Geological mapping also found alteration in an area between the Highway and Northern zones which may mean the two are connected or one large zone of alteration and mineralization. CGH conducted further surveys which provided more detail for selecting drill targets and prepared access roads to various areas for drilling.

On March 6, 2007 and April 14, 2008, the Company reported that it has received partial assay results from CGH from the first two diamond-drill holes completed. Hole 07CBN-002 is the first hole drilled by the CGH in the Cerro la Paila target area (formerly referred to as Cerro la Cruz) of the Northern Zone high-sulphidation gold system, which covers an area of some 20 square km. This hole was drilled at -50 degrees E from a collar in the Cerro la Cruz gold zone about 200 metres SW of the collars of past drill holes 05CB-03, 06CB-01 and 06CB-03.

Diamond drill hole 07CBN-001 was drilled about 3 ½ km. to the south west of Cerro la Paila in the Cerro Bandera part of the Northern Zone. This vertical hole was collared in a structurally disturbed zone and was lost in a strong fault at 109.12 metres.

Assay results for 07CBN-001, 002 and 003 are listed below.

Drill Hole	Az/Angle	Depth (m)	Interval (m)	Width (m)	Au g/t	Ag g/t
07CBN-001	-90°	109.12	31.39-42.06	10.67	0.005	22.8
including			39.01-42.06	3.05	0.005	51.7
and			106.07-109.12	3.05	0.009	40.7
07CBN-002	090°/-50°	293.5	29.57-38.71	9.14	0.10	28.3
			38.71-255.12	216.41	0.60	3.1
and including			38.71-104.24	65.53	0.76	3.9
and including			85.95-99.27	13.32	1.03	4.1
and including			230.73-255.12	24.39	1.01	9.5
08CBN-003	090°/-80	246.89	72.54-154.84	82.30	1.08	2.8
including			107.59-124.36	16.77	2.63	3.1

Hole 07CBN-003 is also in the Cerro la Paila target area (formerly referred to as Cerro la Cruz) within the Northern Zone high-sulphidation gold system.

Core holes 08CBN-004 and 08CBN-005 were drilled into the Cerro la Paila gold target.

Complete assay results for 08CBN-004 and 005 are listed below.

Drill Hole	Az/Angle	Depth (m)	Interval (m)	Width (m)	Au g/t	Ag g/t
07CBN-004	080°/-80°	203.61	77.11-171.60	94.49	2.09	1.4
including			128.93-168.55	39.62	3.93	2.3
08CBN-005	090°/-80°	273.71	81.69-212.75	131.06	0.53	1.4
including			84.73-138.07	53.34	0.79	2.3
including			113.69-138.07	24.38	1.08	2.0

Significant assay results for 07CBN-006 to 011, also in the Cerro la Paila gold target, are listed in the table below:

Drill Hole	Az/Angle	Depth (m)	Interval (m)**	Width (m)**	Au g/t	Ag g/t
08CBN-006	090°/-50°	173.20	38.00-48.77	10.77	0.03	425.7
08CBN-007	090°/-70	187.45	No significant	Intersections		
08CBN-008*	090°/-50°	213.66	54.86-213.66	158.80	0.85	2.3
including			54.86-135.64	80.78	1.23	3.5
including			54.86-74.68	19.82	2.26	3.3
and			193.55-213.66	20.11	0.90	1.0
08CBN-009*	090°/-50°	135.03	84.73-135.03	50.30	0.66	5.9
including			118.26-135.03	16.77	1.35	7.1
08CBN-010*	090°/-70°	22.25	No significant	Intersections		
08CBN-011*	270°/-60°	189.89	99.97-189.89	89.92	1.11	1.4
including			101.49-116.73	15.24	2.07	1.8
and including			144.17-177.70	33.53	1.45	1.9

Notes: * Hole lost above planned target depth. **Intervals are core lengths and true widths may be less than reported here.

A number of the holes, including 08CBN-012, 013, 014 and 016, were lost in mineralized vuggy silica breccias prior to being completed to their planned depths. Holes 08CBN-014 and 016 were drilled through significant intervals of unmineralized andesite before encountering silica breccias with anomalous gold values and then being lost. The last few samples in each hole had the highest gold grades in the hole. Significant assay results for 07CBN-012 to 017 are listed in the table below.

Drill Hole	Az/Angle	Depth (m)	Interval (m)**	Width (m)**	Au g/t	Ag g/t
08CBN-012*	090°/-50°	227.08	166.12-227.08	60.96	0.99	1.1
including			210.31-227.08	16.77***	3.15	2.9
08CBN-013*	090°/-50	118.26	43.59-118.26	74.67	0.30	2.4
including			89.31-118.26	28.95	0.54	3.9
08CBN-014*	270°/-70°	103.63	99.06-103.63	4.57	0.25	0.5
08CBN-015	090°/-80°	157.89	124.35-150.27	25.92	0.87	1.4
including			136.55-147.21	10.66	1.41	1.3
08CBN016*	120°/-60°	201.17	195.07-201.17	6.10***	0.42	215.0
08CBN-017	090°/-85°	227.99	67.97-131.98	64.01	1.02	1.2
including			105.80-122.53	16.73	2.10	1.7

Notes: * Hole lost above planned target depth. **Intervals are core lengths and true widths may be less than reported here. *** Intervals had very poor core recovery and grades are unreliable.

Significant assay results for 07CBN-018 & 020 in Cerro la Paila.

Drill Hole	Az/Angle	Depth (m)	Interval (m)*	Width (m)*	Au g/t	Ag g/t
08CBN-018	090°/-50°	179.83	71.63-126.49	54.86	1.31	1.4
including			91.44-105.16	13.72	3.21	3.5
08CBN-020	090°/-70	199.64	97.54-199.64	102.1	0.19	0.5
including			135.64-169.16	33.52	0.31	0.8

Significant assay results for 07CBCN-019,021, 022 & 024 in Pedrero.

Drill Hole	Az/Angle	Depth (m)	Interval (m)*	Width (m)*	Au g/t	Cu%
08CBCN-019	180°/-50°	187.45	146.30-187.45	41.15	0.42	0.27
08CBCN-021	180°/-50	108.20	No significant	results		
08CBCN-022	180°/-50°	304.19	132.89-281.33	148.44	0.21	0.17
08CBCN-024	180°/-50°	210.00	56.38-89.91	33.53	0.46	0.02

Significant assay results for 07CBCN-023,025-028 in Porvenir.

Drill Hole	Az/Angle	Depth (m)	Interval (m)*	Width (m)*	Au g/t	Cu %
08CBCN-023	180°/-50°	295.13	12.19-131.06	118.87	0.15	0.12
08CBCN-025	180°/-75°	318.51	117.35-163.06	45.71	0.25	0.14
08CBCN-026	180°/-50°	349.91	94.48-204.21	109.73	0.27	0.17
08CBCN-027	360°/-60°	272.80	91.44-115.82	24.38	0.16	0.18
08CBCN-028	180°/-75°	403.86	39.62-403.86	364.24	0.17	0.12

*Intervals are core lengths and true widths may be less than reported here.

CGH reported on September 23, 2008 that the initial phase of drilling in the Northern Zone had been completed. Nineteen holes totalling 3,464 metres were drilled. At Cerro la Paila, gold-bearing silica breccias have now been traced by surface sampling and diamond drilling over a north-south distance of 750 metres and up to about 350 metres in an east-west direction. The gold-bearing breccias are up to 150 metres thick; however on many sections the drill holes were abandoned in mineralized silica breccias.

On the Central Grid 2,467 metres were drilled in nine holes to test two targets, Pedrero and Porvenir, which are gold-rich porphyry targets defined by coincident magnetic, I.P. and geochemical anomalies. Pedrero and Porvenir are separated by almost three kilometres and are part of a very large sulphide system as defined by I.P. surveys. Broad intervals of copper-gold mineralization are associated with intensely altered monzodiorite intrusions.

In a November 27, 2008 news release, the Company announced that further diamond drilling had commenced. The planned program is up to 10,000 metres in two phases, with the initial phase being 5,000 metres.

In a February 5, 2009 news release, the Company reported that it had received additional assay results from the Cerro la Paila gold target from operating partner CGH.

Drill Hole	Az/Angle	Depth (m)	Interval (m)*	Width (m)*	Au g/t	Ag g/t
08CBN-029	082°/-75°	268.22	100.58-137.16	36.58	1.13	3.7
including			112.77-134.11	21.34	1.33	5.2
08CBN-030	077°/-71°	332.46	99.05-114.29	15.24	0.28	21.5
and			147.82-178.30	30.48	0.38	0.7
08CBN-031	088°/-57°	334.98	114.91-180.44	65.53	0.38	2.0
08CBN-032	090°/-75°	256.03	152.4-249.94	97.54	0.43	1.2
including			152.4-176.78	24.38	0.63	1.0
and including			234.70-248.41	13.71	0.82	1.0
08CBN-033	088°/-57°	246.89	86.86-219.46	132.60	0.58	1.4
including			114.3-131.06	16.76	1.43	1.6
and including			188.98-204.22	15.24	1.41	3.0

*Intervals are core lengths and true widths may be less than reported here.

The 5,682 hectare El Cobre Project, the area formerly known as the Central Grid area, covers copper-gold porphyry mineralization known to exist over a strike length of at least four kilometres. The mineralization is associated with the exposed portions of diorite stocks which have intruded intermediate volcanic rocks. Mineralogic and fluid inclusion studies show conclusively that the gold and copper-gold porphyry-style mineralization at El Cobre is not deeply eroded and great potential exists at depth. More importantly these studies indicate that the mineralization is genetically uniquely like that of some of the Maricunga district gold-copper porphyry systems in Chile.

The Company reported that Goldgroup announced the details of a US$8.5 Million 30,000 metre multi-drill diamond and reverse circulation drill and exploration program has been designed to expand and upgrade the current NI 43-101-compliant mineral resource estimate at the La Paila anomaly of the Northern Zone (contained in Goldgroup's NI 43-101 technical report dated March 22, 2010) and to test other highly prospective areas for mineralization, including targets at the Red Valley and Highway zones. The May 22, 2010 technical report addresses only the La Paila area of the Northern Zone where 32 diamond drill holes have defined a mineral resource of 34.3 million tonnes averaging 0.60 g/t Au (139,000 oz Au indicated and 517,000 oz Au inferred; see Goldgroup 43-101 technical report of March 22, 2010). Many targets on the property, including those in other parts of the Northern Zone, Red Valley and Highway zones, have not been tested by past drilling. Goldgroup also reports that it plans to conduct further ground geophysics, surface sampling, metallurgical testing and the construction of several underground adits, for purposes of bulk sampling and geological mapping, and an environmental impact study.

In December 2010, the Company reported the results contained in a news release of Goldgroup (see Goldgroup news release of December 1, 2010). These results are from the first two reverse circulation ("RC") drill holes, #10CBRC48 ("48") and #10CBRC49 ("49") drilled at the La Paila zone of the Caballo Blanco project and include an interval of 62 metres averaging 0.75 g/t gold (see table below).

Hole #	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)
48	42	104	62	0.44	4.67
48	112	174	62	0.75	0.76
49	22	38	16	0.67	2.75
49	50	68	18	0.38	1.90
49	80	90	10	0.29	1.22
49	102	150	48	0.53	1.35

Goldgroup reports that Hole #48 was drilled to confirm the grade from the 32 diamond drill holes drilled in the La Paila zone prior to Goldgroup assuming operating control of Caballo Blanco and to obtain large samples for column leach testing. Goldgroup reported that the results from Hole #48 showed a high degree of correlation to the previous drilling which is used in the current block model resource outlined in the NI 43-101 compliant technical report dated March 22, 2010. Hole #48 was terminated in mineralization above the cut-off grade (0.2g/t) at a depth of 217 metres due to poor drilling conditions in very broken rock. Goldgroup reported that Hole #49 was drilled 50 metres east of known mineralization and that the extent of mineralization in Hole 49 may indicate that the mineralized zone appears to be wider than previously modelled in the La Paila zone.

Goldgroup also reports that additional drill results from this drill program will be forthcoming in the following weeks. Almaden has not reviewed the new data reported in the December 1, 2010 news release of Goldgroup. Goldgroup reports that its Caballo Blanco drill program is being conducted under the direct supervision of Kevin Sullivan, B.Sc., MAusIMM, Goldgroup's Vice President, Exploration and a qualified person, as defined by NI 43-101. Goldgroup disclosed that Mr. Sullivan reviewed the technical information contained in their news release of December 1, 2010, the data from which is reported in this release of Almaden. Goldgroup used a cut-off grade of 0.2 g/t gold to calculate intersected lengths. Goldgroup also reports that mineral samples from all holes drilled will be used for column leach testing in their newly completed on-site metallurgical facility to re-confirm the prior preliminary work that the mineralized samples can be directly heap leached using run-of-mine rock. Goldgroup reports that drill chips were split on-site and a representative sample bagged and labelled them. The samples were then collected by Inspectorate America Corp. ("Inspectorate") and transported to their preparation facility at Durango, Mexico where they were dried and crushed to -150 mesh. The rejects remained with Inspectorate while the pulps were air couriered to Inspectorate's Richmond, BC, Canada facility and analysed for gold by fire assay with Atomic Absorption ("AA") finish. In addition, a 30 element Inductively Coupled Plasma ("ICP") analysis (aqua regia digest) was conducted on all samples. Goldgroup reports that a QA/QC program was implemented as part of the sampling procedure for the drill program and that one

standard, one blank or one duplicate was inserted per group of 20 samples sent the laboratory.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company has no planned 2011 exploration program on the Caballo Blanco prospect with all work being conducted by Goldgroup which is working to earn an interest in the prospect. The Company plans a 2011 exploration program on the El Cobre prospect to include geophysics and drilling with an estimated budget of $500,000 of which the Company is responsible as to 60%.

The ATW Prospect – Canada

This diamond exploration prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
In Fiscal 1992, these claims were acquired directly by staking and additional claims were acquired from Michael Magrum by ATW Resources Ltd. ("ATW"). The Company owned a 40% share interest in ATW along with Williams Creek Explorations Limited-40% share interest and Troymin Resources Ltd.-20% share interest (now Santoy Resources Ltd.). ATW acts as trustee and these companies are the beneficiaries of a declaration of trust for their respective interest in the prospect. In 1993 the property was optioned to Kennecott Canada Exploration Inc. ("KCEI"). KCEI's interest reverted back to ATW in 2001. ATW then completed a joint venture agreement with Aberex Minerals Ltd.-15% property interest and SouthernEra Resources Limited-10% property interest. A 2% gross overriding royalty on diamonds produced from TR 107 (a portion of the ATW property) is payable to KCEI. An option granted to KCEI under an agreement made as of November 30, 2001, by the Company, together with all other shareholders of ATW, to acquire a 40% share interest in ATW lapsed unexercised.

In January 2005, the Company and Williams Creek acquired Santoy's 20% share interest in ATW and now each owns a 50% share interest in ATW. In 2008 ATW acquired the 10% interest owned by SouthernEra through the elimination of debt of $32,086. Williams Creek failed to contribute to the 2008 program and was diluted to a 34.4% interest in the prospect. Harry Winston Diamond Corporation (formerly Aberex Minerals Ltd.) also did not contribute and was diluted to a 6.8% interest in the project. Williams Creek failed to contribute its share interest to the 2009 program and was diluted further to a 30.0% interest in the prospect. Harry Winston Diamond Corporation also did not contribute in 2009 and 2010 and was diluted further to a 4.5% interest in the project. The Company's net interest is now 65.5%

Expenditure to Date
During Fiscal 2010, the Company incurred $215,802 in exploration costs, primarily on a diamond drill program. As at December 31, 2010, the Company had deferred costs of $1,110,116 on this prospect.

Location and Access
The ATW property is located roughly equidistant between the Diavik and Snap Lake diamond deposits, on MacKay Lake, Lac de Gras area, Northwest Territories. A winter road to the Diavik and Diamet diamond mines passes through the property.

History and Recent Work
Government geological surveys, widely spaced airborne magnetic surveys and regional mineral exploration programs were carried out in the property area before 1992.

In the summer of 1992, ATW conducted a limited summer till sampling program for diamond indicator minerals, and contracted an airborne magnetic - electromagnetic (EM) survey of the western half of the property. After optioning the property, KCEI conducted several phases of prospecting, till sampling using sonic and reverse circulation drills, ground geophysical surveys, a small helicopter borne magnetic survey, and limited diamond drilling in two programs that totalled 671metres. This work identified a kilometres long train of diamond indicator minerals in glacial till that

was followed east under MacKay Lake. Their work also found one kimberlite body, TR107, which contains no diamond indicator minerals, and therefore cannot be the source of the indicator mineral train being followed.

Subsequent to the return of the property by KCEI, the joint venture group conducted an airborne magnetic EM survey in 2001 over the five by five kilometre projected source area of the diamond mineral indicator train. This was followed up by ground geophysics which confirmed the presence of four anomalies found by the airborne survey.

These four targets were diamond drilled in the spring of 2002, but no kimberlite was found.

In early 2003, a sonic drill program of 77 holes was completed to further trace the indicator mineral train previously found and to narrow down the possible source area.

During December 2003, surface Magnetometer and HLEM surveys were carried out on the northeast end of MacKay Lake to determine the source of an indicator mineral trend defined by the sonic drill program. Surface gravity, bathymetry and further HLEM survey were carried out over the same area to help outline the indicator mineral source during February of 2004. The gravity and bathymetry surveys grid were extended in April 2004. All the geophysical work carried out in 2003 and 2004 was done by Aurora Geosciences of Yellowknife, NT. The data from the geophysical surveys was reviewed and interpreted by Martin St. Pierre in December of 2004 and nine low to moderate priority drill targets were defined.

A bathymetry (water depth) survey was carried out in mid-2005 over the projected source area of the indicator mineral train as defined by the 2003 sonic drill program.

In early 2006, a planned 77 hole sonic drill program was cut short due to adverse weather and the early closure of the winter ice road required for prospect access. Eight holes were completed during the program and no significant results reported.

In 2008, ATW completed a 38 sonic drill program to obtain more till samples in an attempt to narrow the area of search for the source of the indicator mineral train. This program collected many Kimberlitic Indicator Minerals (KIMs). Subsequent analysis was encouraging.

On March 5, 2009, the YKDFN (“Yellowknife Dene First Nation”) and ATW entered into a forward-looking relationship by signing an Exploration Agreement. In addition to formalizing KYDFN support for ATW’s exploration activities, this agreement provides for mutual ongoing communications prioritization of First Nation business and employment opportunities, and YKDFN participation in on-site archaeological studies and environmental monitoring. Understanding that the complex regulatory framework and the ambiguous nature of consultation in the NWT are discouraging exploration investment, YKDFN and the other Akaitcho Dene first Nations finalized the development of an Exploration Agreement with formal ratification in November 2008. This agreement was designed in collaboration with mineral exploration companies to ensure that projects can proceed with efficiency, clarity and certainty. Containing explicit provisions defining the respective roles and responsibilities of both the First Nation and the company, an Exploration Agreement is a mechanism to dispose of consultation obligations and potentially streamline the regulatory process for any company wishing to explore in Akaitcho Territory.

After review of all geophysical data, targets were selected for a 2009 drill program. Nine diamond drill holes were completed but none intersected kimberlite. During the summer of 2009, further bathymetric surveys were completed and new drill target were selected for a diamond drill program to be conducted early in 2010.

Geology and Mineralization

The property area is within the Slave Structural Province. This terrain was formed in the late Archean with late diastrophism. The oldest known rocks appear to be remobilized granitoids, emplaced in a thick volcano-sedimentary sequence. All of these units were subsequently metamorphosed, deformed and also intruded by other mainly granitoid bodies.

The ATW claims overlay Yellowknife Supergroup rocks of the Slave Craton. These Archean rocks consist of, metasediments (greywacke, pelite, minor quartzite, conglomerate, iron formation, and metavolcanics). Some of these formations give magnetic and electromagnetic responses. Large granitoid bodies intrude these rocks. The Proterozoic MacKenzie dyke swarm dominates the airborne magnetics as long continuous magnetic high responses that traverse the property.

Exploration and Drilling Results

Exploration work by KCEI between 1993 and 1998 identified a long diamond indicator mineral train or anomaly in glacial till that extended southeasterly up glacial ice direction. Several geophysical targets were also identified from an airborne magnetometer-EM survey. In 1994, four geophysical targets were drilled, and one of these, TR-107 intersected a kimberlite body, that was not diamondiferous and did not contain diamond indicator minerals. In January 1998, KCEI informed the Company that the main exploration target on the property was the source of the prominent indicator mineral till anomaly. This anomaly contains indicator minerals (garnets and chromites) with chemistry from within the diamond inclusion field suggesting the source will be diamondiferous. This indicator mineral anomaly was been traced to the western edge of MacKay Lake. Reverse circulation (RC) drilling was carried out on the lake ice in early 1998 followed the till anomaly easterly back up the original direction of glacial ice movement towards the anticipated source location. Thirty-three holes for a total of 390 metres drilled at about 100 metre on three lines were completed to sample the till on the lake bottom. The easterly line has four holes 100 metres apart that had elevated counts pyrope garnets (>5) in the basal till, one of these had a very high count of olivines (>50) with elevated values in three holes. The work thus extended the indicator mineral train but no source area was delimited. In 1999, a sonic drill used to sample the till in a fence of holes across the ice movement direction and 13 holes for a total of 479 metres in a single line were drilled about five kilometres up ice direction from the last previous line of RC drill holes. These were essentially devoid of indicator minerals, and so it was concluded that the source area had been narrowed down to a five kilometre by five kilometre area, and that a potential source for the diamond indicator minerals should be looked for between these two lines of holes. Analyses were done at KCEI's Thunder Bay laboratory, an ISO Guide 25 facility.

ATW's 1992 airborne survey did not cover this area, so a contract was given in March 2001 to Fugro Airborne Surveys to carry out a survey of the area between these two lines of holes, and also over a small area in a bay of MacKay Lake further down ice on the mineral train where a small magnetic low was outlined on an old (1960s) government magnetic survey of the area. This work outlined two targets with pipe like characteristics and a long dike like structure that is not magnetic indicating it is not caused by a diabase dike. Surface geophysics confirmed the size and strength of the two pipe targets.

In early 2002, results of microprobe analyses performed on indicator minerals from sampling of the glacial dispersion train on the property were received by ATW from Kennecott Canada Inc. Mineral Services Canada Inc. (Mineral Services), a subsidiary of Mineral Services International, reviewed these microprobe results. The following is an excerpt from the summary of the report provided from Mineral Services:

"A prominent kimberlitic indicator dispersion has been traced up-ice in till samples over a distance of 20 km, and was found by drill sampling to continue in MacKay Lake sediments for a further 3 km, leading to geophysical target ATW-02. The available kimberlitic indicator mineral analyses from this, the MacKay Lake dispersion, comprises 74 olivines, 18 orthopyroxenes, 127 clinopyroxenes and 198 garnets, but no kimberlitic ilmenite or chromite. The compositional characteristics of this indicator assemblage show it to be derived from kimberlite source(s) that have entrained predominantly diamond-stable mantle peridotite along a cold cratonic geotherm similar to that defined by garnet peridotite xenoliths in the Diavik kimberlites. Various samples show this indicator assemblage contains from 16 to 20% G10 garnets, with moderate-Cr_2O_3 G10 garnets well represented. Based on available data, and assuming that these data are representative of the samples from which they are derived, the source kimberlite(s) are predicted to be at least moderately diamond-bearing. A more definitive assessment of their diamond potential cannot currently be made due to the fact that: eclogitic garnet compositions are not reported; the extent to which the available data are representative of the full indicator mineral population present in the tills and sediments or in specific source bodies is not known; and several critical kimberlite-specific mineralization factors have yet to be determined.

Kimberlitic garnet, orthopyroxene and clinopyroxene recovered from a composite core sample of the TR107 kimberlite reveal compositions quite unlike that seen in exploration samples on the rest of the MacKay Lake property.

The TR107 kimberlite apparently sampled essentially only graphite-stable mantle peridotite on an elevated geothermal gradient. The kimberlite core sample is assigned zero diamond potential and it manifestly does not correlate with the intrinsically higher diamond potential of the vast majority of kimberlitic indicator minerals recovered from the property."

In April 2002 a program of drilling geophysical anomalies on the project was completed. No kimberlite was found. Three resistivity low anomalies were tested. Two were explained by graphitic conductors. No explanation was found for the third anomaly.

In early 2003, a till sampling program with seventy-seven holes were drilled to recover samples of basal till samples on several lines of hole between the last two lines of till sampling holes described above. This work narrowed down the anticipated source area to a one kilometre by one kilometre square. Both 2002 and 2003 drill programs were supervised by Almaden personnel.

During December 2003, surface Magnetometer and HLEM surveys were carried out on the northeast end of MacKay Lake to determine the source of an indicator mineral trend defined by the sonic drill program. Surface gravity, bathymetry and HLEM survey were carried out over the same area to help outline the indicator mineral source. The gravity and bathymetry surveys grid were extended in April 2004 for a total of 6.5 line km. All the geophysical work carried out in 2003 and 2004 was done by Aurora Geosciences of Yellowknife NT. The data from the geophysical surveys was reviewed and interpreted by Martin St. Pierre in December of 2004 and nine low to moderate priority targets were defined for drilling.

A bathymetry (water depth) survey was carried out in 2005 over the area defined as the source of the indicator minerals. The bathymetry survey was done by boat in August and September of 2005 at 50m line spacing for a total of 282 line kilometres. The data was then provided to Intrepid Geophysics for the reinterpretation of the gravity surveys with the goal of defining drill targets.

In early 2006, a planned 77 hole sonic drill program was cut short due to adverse weather and the early closure of the winter ice road required for prospect access. Eight holes were completed during the program and no significant results reported.

In 2008, ATW completed a sonic drill program to obtain more till samples in an attempt to narrow the area of search for the source of the indicator mineral train.

Drilling was done at 38 sites located on grid lines two hundred metres apart designed to bracket the possible source or sources of the indicator mineral plume. The program was supervised by APEX Geoscience Ltd (APEX). This program successfully cut the plume off to the east and traced KIMs to this area from the west. From the 38 drill sites, a total of 5,742 KIMs and possible KIMs were collected. This total is comprised of 1648 peridotitic garnets, 218 possible eclogitic garnets, 6 possible picroilmenites, 30 chromites, 74 chrome diopsides and 3766 olivines. Peridotitic garnets range from reddish to bright pink and unabraded grains are reported to be common in each sample that contains these garnets. From one to 200 grains were present in a single sample. Eclogitic garnets are present in amounts from 1 to 26 grains in a single concentrate and a few grains have kimberlite on their surface. Chrome diopsides are present in amounts from 1 to 9 grains and some have a patch of kimberlite on surface suggesting short transportation from source. Olivines are the most abundant KIM, with from 1 to 720 grains in samples that had any.

Samples were collected by APEX and sent in sealed containers to Vancouver Indicator Processors for heavy mineral separation. KIM picking was carried out by KIM Dynamics. For quality control purposes, 26% of all observed sample were observed twice by two different observers. Kris Raffle, P.Geo. of APEX a qualified person under the meaning of National Instrument 43-101 supervised the program.

Past electron microprobe analyses of KIMs from the Mackay Lake project found a significant proportion of high interest G10 garnets, however, in 2008 Mineral Services Canada Inc. (MSC) was retained to do a more comprehensive analysis of the KIMs in an attempt to refine the target areas for future exploration. In October 2008, ATW received results from a Mineral Composition and Surface Texture Study conducted by MSC on mineral grains recovered in

2003 and 2008. MSC's analysis suggests that there could be as many as five distinct kimberlite sources contributing minerals to the Mackay Lake indicator mineral train. The mineral abundance and composition and surface texture data further suggest that these sources may lie within the currently defined mineral train, which extends over an area of approximately 3.5 kilometres by 1.5 kilometres. Three of these sources show the potential to contain diamonds of peridotitic or eclogitic origin. The identification of rare eclogitic garnets with diamond association compositions in this work is encouraging as diamondiferous eclogite can be a significant contributor to the economic potential of kimberlites

In January 2009, ATW received the results of a comprehensive reinterpretation of past magnetic, electromagnetic/resistivity and gravity survey data. The reinterpretation was undertaken by Petra Geophysical Consulting Inc. (Petra) on data from previously completed geophysical surveys done in conjunction with the Spring 2008 sonic drilling. This work has identified a number of high-quality targets. A Spring 2009 exploration program included further ground geophysical surveys and diamond drill testing for at least seven of these targets. Further sonic overburden drilling may also be carried out if warranted.

In the summer of 2009 further bathymetric surveys were completed to provide further information about lake bottom conditions and till formation.

Early in 2010, a further diamond drill program was initiated to test some newly selected anomalous areas. No kimberlites were intersected.

In February 2011, the Company commenced a geochemical exploration program at the property. The program will comprise the completion of approximately 134 sonic overburden drill holes. The holes will be drilled within a 3 kilometre by 4 kilometre area of interest that lies at the at the “up ice” terminus of a 20 kilometre long kimberlite indicator mineral (“KIM”) dispersion train. The dispersion train has been traced “up ice” and easterly under MacKay Lake over several campaigns by Almaden and partners. The purpose of the 2011 drill program is to define the “up ice” and lateral extent of the head of the KIM dispersion train under Mackay Lake. Previous sonic drilling campaigns completed during 2003 and 2008 have defined the southern and “up ice” (eastern) cut-off of the dispersion train, resulting in the definition of the present high priority area if interest. Based on the results of winter 2011 exploration, targets will be chosen for diamond drill testing during winter 2012. The 2011, ATW Diamond Project exploration program is being conducted under the supervision of Kristopher J. Raffle, P.Geo., APEX Geoscience Ltd. Mr. Raffle is a qualified person as defined by National Instrument 43-101.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
Early in 2011, a program of sonic overburden glacial till sampling was initiated to further refine the anomalous area for future diamond drilling at a budgeted cost of $500,000 of which the Company is responsible for 64.8%.

The Merit Prospect – Canada

The Merit Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
The Merit claim group comprises about 1,906.6 hectares (~19 sq. km) and was acquired by staking during 2004 and 2005 and is 100% owned by the Company.

In Fiscal 2006, the Company entered into an agreement with Williams Creek Explorations Limited (“Williams Creek”). To earn a 60% interest in either the Merit and/or Brookmere prospects, Williams Creek had to incur exploration expenditures of $4,000,000 and issue 1,000,000 shares to the Company by December 31, 2012. During 2008, Williams Creek conducted no work due to funding problems and at year end the prospect reverted to the Company.

In Fiscal 2010, the Company entered into an agreement with Sunburst Explorations Inc. (“Sunburst”). To earn a 60% interest in the Merit prospect, Sunburst must incur exploration expenditures of $3,000,000 and issue 700,000 shares to the Company within five years from listing of the stock on the TSX Venture Exchange (“TSX-V”).

Expenditures to Date

During Fiscal 2010, the Company incurred $1,411 maintaining the prospect. As at December 31, 2010, the Company has written down the carrying value of the prospect to $1.

Location and Access
The prospect is readily accessible by road, 30 kilometres west of Merritt, British Columbia.

History and Recent Work
Pre-acquisition work to September 2004 consisted of prospecting and recon geochemical sampling, based on follow-up of earlier government (BC-RGS) and Company-generated regional gold stream sediment anomalies. Following initial claim staking, in September-October 2004, further similar work was carried out. All of the samples were tested for 36 elements, by Acme Analytical Laboratories in Vancouver, BC.

During 2005 the initial (legacy) claims were converted to electronic (BCGS) grid cell claims, and two additional new cell claims were acquired resulting in a land area expansion from about 1700 hectares to the current 1906.6 hectares on the Merit prospect. The 2005 exploration program comprised further prospecting and recon rock/soil geochemical sampling, a property wide grid soil geochemical survey, limited geological mapping and hand trenching in two mineralized areas – Sullivan Ridge and West Zone.

The rock sample results have identified numerous gold-silver bearing quartz (± calcite) float occurrences, and insitu quartz-carbonate alteration/mineralization along two major northerly (to NNE) - trending structures. Initial Sullivan Ridge grid soil sampling conducted in 2004 over an area of 800 metres by 200 metres on one segment of the main structure has outlined a multi-element anomaly. The main, property wide, grid soil sampling results from 2005 show other discrete areas of elevated gold±arsenic±antimony±mercury. The largest of these (2005) soil anomalies measures 3500 metres long by 300 to 900 metres wide, and is situated between and subparallel to the Sullivan Ridge and West Zone mineral trends.

During 2006, Williams Creek conducted a geological mapping and soil sampling program on the Merit prospect.

During 2007, Williams Creek applied for permits to build roads and drill on the Merit prospect. These permits were obtained too late for the work to be done in the 2007 field season.

During 2008, Williams Creek conducted no work due to funding problems and at year end the prospect reverted to the Company.

During 2009, a brief Induced Polarization survey over Sullivan's Ridge developed a significant resistivity target that corresponds well with the gold in soil anomaly and significant gold assays previously found in hand trenching.

In 2010 Sunburst Explorations Ltd. carried out a program of IP geophysics and surface geological work at the prospect which defined drill targets which Sunburst plans to test in a proposed 2011 drill program.

Geology and Mineralization
The Merit prospect is underlain dominantly by the northwest trending belt of intermediate to mafic volcanics and minor sediments of the Cretaceous Spences Bridge Group. This assemblage dips gently to the northeast and is locally overlain by Tertiary (Eocene) mafic to felsic volcanics. Major structural features in the local area are north to northeast trending, steeply dipping normal faults. One such feature, situated adjacent to the eastern claim boundary, is a prominent structural break that extends northward for over 40 kilometres through to and beyond the Highland Valley porphyry copper producing district.

Within the claim area, all of the (float and bedrock) mineral occurrences found to date show characteristics of low sulphidation type epithermal veins and breccias.

The main or El Gordo structure has been traced intermittently along a strike length of 2,700 metres and is highlighted by two segments of exposed alteration and mineralization called Discovery Hill and Sullivan Ridge zones. Both of these zones are characterized by intense iron carbonate-hematitic silica and clay alteration containing elevated to strongly anomalous values of one or more of the epithermal suite trace elements arsenic, antimony, mercury, barium, plus copper and manganese. The more prominent Sullivan Ridge consists of a 10- to 50-metre wide zone that is readily traceable in outcrop and talus over a length of 750 metres. Locally abundant quartz vein and carbonate-quartz breccia occur within the alteration envelope. Grab and trench channel samples of this material from several sites along the zone have yielded anomalous gold and silver analyses. The better gold grades encountered to date are in the northern portion of the Sullivan Ridge Zone, and they occur in veins/breccia that strike northerly versus the NNE trend of the overall structure.

A second, parallel northerly trending structure has been identified 1.5 kilometres to the west of El Gordo. This structure is characterized by the West Zone quartz vein and rubble train which has been traced over a 350-metre strike length. Initial hand trenching across this zone at three closely spaced intervals has revealed a massive hematitic quartz vein having true widths of 1.5 to 2.5 metres. Eighteen continuous chip and grab samples of the vein and altered wallrock material have returned anomalous gold, silver, copper, arsenic, antimony, barium and mercury analyses.

The nature of the alteration and mineralization found to date at Discovery Hill, Sullivan's Ridge and West zones, including the presence of high mercury and barium values, suggests that these zones may represent the upper part of an epithermal system.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
Under terms of the option agreement, Sunburst as operator of the exploration program will conduct the exploration at the Merit project in 2011.

The San Carlos Prospect – Mexico

The San Carlos Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature. The San Carlos Prospect consists of the San Carlos and San Jose claims located in the State of Tamaulipas in Mexico

Option to Acquire Interest
The prospect is owned through the Company's subsidiary, Compania Minera Zapata, S.A. de C.V. The San Carlos claim was acquired directly by staking. The San Jose claim, initially held under option, was purchased outright in February 2001 for US$100,000 plus a 2% NSR. During Fiscal 2007, the Company acquired the NSR for US$20,000 and the issuance of a share purchase warrant for a term of three years exercisable at a price of $3.00 per share, with an estimated fair value of $13,000, which expired in Fiscal 2010 unexercised. The Company has a 100% interest in the prospect.

In March 2004, the Company entered into an agreement (the "Hawkeye Option") with Hawkeye Gold and Diamond Ltd. ("Hawkeye"). In April 2005, the Company signed a revised option agreement with Hawkeye on terms whereby Hawkeye could have earned a 51% interest in the project by paying C$45,475 representing past obligations, issuing a total of 1,250,000 shares to Almaden by April 2008 and incurring exploration expenditures of US$2,000,000 by March 15, 2008 (amended). During Fiscal 2006, Hawkeye terminated its option.

Expenditures to Date
During Fiscal 2010, the Company incurred $254,181 on exploration costs on the prospect, primarily on drilling and the payment of Mexican mining taxes of $51,942, all of which were written off to operations. As at December 31, 2010, the Company has written down the carrying value of the prospect to $1.

Location, Access and Climate
The prospect is located in the state of Tamaulipas, which is in the north-eastern part of Mexico. The town of San Carlos is located roughly in the center of the San Carlos claim block. There is two phase power, telephone service, general supplies and a small hotel in this town.

San Carlos is connected by paved road, and is about 100 kilometres north of the capital of Tamaulipas, Ciudad Victoria. The town of Linares, Nuevo Leon is located approximately 80 kilometres northwest of San Carlos. Intermediate to San Carlos and Linares, and connected by an all season dirt road is the mining district of San Jose.

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The climate is arid and hot. During the summer months temperatures can average greater than 35 degrees centigrade. The duration and timing of the summer rainy season varies considerably; however, rains generally are expected during the months of June, July and August.

The town of San Carlos is approximately a three and one half hour drive from Monterrey which is a major industrial city with a population of about three million people. Ciudad Victoria and Linares are both about a one and one half hour drive from San Carlos and have populations of over 100,000 people. All necessary supplies can be purchased at these towns and labour is abundant.

History and Recent Work

Accurate historic data is difficult to find, however, it appears that up until 1911 copper-gold mining did occur. At that time, the operator was an English company that built a narrow gauge rail line to the property and a small smelter on the property. There is no record of total production at that time. Several attempts were made to establish production on a small scale from these skarn zones as recently as 1950, records are incomplete but indicate 4,067 tons of direct shipping ore that averaged 4.02% copper (Cu) and 11.24 grams/ton gold (Au) was mined during this period. Fairfield was attracted to this area following a review by management of the geological literature on eastern Mexico. The literature indicated that the many of the igneous rocks are alkalic in composition. This is of interest because many large copper-gold deposits are associated with these types of rocks. The literature also described a skarn zone up to five hundred metres wide. The San Jose area was the site of an historic mining camp (Begonia and Santa Helena mines) that was active during the late 1800's and early 1900's. Production from this area was from a number of high-grade copper-gold skarn orebodies. The old workings are reported to be limited to less than 100 metres below surface. There has been only limited exploration, development, and production from that time until the present activity.

Fairfield acquired a large block of ground over the area and then negotiated terms to acquire the San Jose and Begonia claims. The San Jose Claim was subsequently purchased subject to a 2% royalty.

Property scale prospecting and stream sediment sampling were undertaken in May 1998 and February 1999 by Fairfield’s personnel. An airborne magnetometer-electro-magnetic survey was carried out over most of the claim block in April 1999 by Terraquest Ltd. of Mississauga, Ontario. In June 2000 a baseline was cut for geochemical surveying. Assaying and analysis was carried out by Acme Analytical Labs of Vancouver, Canada.

In Fiscal 2001, Aurcana (previous optionee) carried out geological mapping, geochemical surveys, underground mapping and sampling in the Begonia and Santa Helena mine areas, and two phases of geophysical surveys. Targets outlined by this work were drilled in two phases in late 2002 and early in 2003. Further limited geochemical surveys to check a gold anomaly on the eastern edge of the previous grid was also carried out. No further work was carried out by Aurcana.

Hawkeye work

In 2004 Hawkeye carried out a geologic mapping, geochemical and geophysical survey and rock and soil sampling program over the area of anomalous soils identified by Aurcana. This work delineated several areas that are deemed anomalous with respect to gold, silver, lead and zinc responses in soil samples and elevated chargeability responses recorded in the induced polarization geophysical survey carried out.

Hawkeye commenced a drill program in December 2005, which was completed in March 2006. In total, 950 metres were diamond drilled in six holes on the prospect. Drill sample assays were completed by Acme Laboratories of Vancouver and no significant results were reported.

On the basis of the drill results, Hawkeye terminated its option agreement with the Company. Hawkeye's geological testwork and drilling examined approximately 25% of the prospect. The Company carried out geophysical and geochemical soil surveys in 2008.

Geology and Mineralization

A trend of alkalic intrusive centers has been recognized in eastern Mexico. These rocks generally form distinct, isolated high relief areas and intrude deformed and thrust faulted, dominantly carbonate strata of the eastern extent of the Sierra Madre Oriental mountain range.

Extrusive and intrusive rocks in the San Carlos area are interpreted to represent the erosional remnant of a denuded shield volcano. The volcanic rocks have been recognized along the margins of a major intrusive complex, and the intrusives are thought to represent shallowly emplaced magmas. The San Jose area is cored by a strongly fractured quartz-microdiorite. To the south of the San Jose area both calc-alkaline and alkaline intrusives occur and have been cut by lamprophyre and phonolite dykes.

Several styles of mineralization are known in the San Carlos district. Manto and vein silver-lead-zinc orebodies hosted in limestone were exploited in the 18th century east of the San Jose district at San Nicolas. These orebodies were very important at that time and at one point the town of San Nicolas reportedly had a population of over 10,000. Several grab samples were taken from dump material and exposures in workings. Most of these showings are held by others but are proximal to the San Carlos claim group.

Mineralization in the San Jose district is closely related to intrusive rocks. Copper sulphides and gold are associated with calc-silicate minerals and magnetite (skarn) that have replaced the limestone country rock. Copper sulphides and gold are also associated with extensive K-silicate alteration and veining within the intrusive body, which was considered to present the potential for a porphyry style gold-copper deposit in the intrusive complex. The geologic setting of the San Carlos project bears many similarities to that of the Grasberg and Bingham Canyon porphyry copper-gold-molybdenum deposits where similar intrusive rocks intrude folded limestone strata forming porphyry, skarn mineralization and more distal lead zinc silver mineralization.

Exploration Results
Stream sediment sampling and prospecting along with examination of old workings in the Begonia and Santa Helena areas, when related to the known geology and airborne magnetic survey results, indicated several areas for follow-up with potential for porphyry and skarn related copper gold deposits. The San Jose area has evolved into the main area of interest and this is the focus for further work.

Aurcana Work
A preliminary prospecting and mapping program confirmed the presence of widespread porphyry style alteration, and copper-gold mineralization in the multi-phase intrusive complex. Aurcana's next program of work was carried out over the San Jose zone and consisted of 1,002 soil samples, ground magnetics and one line of induced polarisation (IP) geophysics, all carried out on a cut grid. The soil survey identified an approximately 1.5 km by 2.0 km area of coincident, elevated copper and molybdenum soil geochemistry, spatially associated with an area of altered and veined intrusive rocks. The copper and molybdenum anomaly remained open to the north and is flanked by elevated Zn, Pb and Mn in soil. This zonation is typical of that seen in many Cu-Au-Mo porphyry systems world-wide. The copper-molybdenum in soil anomaly had a high magnetic response in the ground magnetic geophysical data. In addition to the copper-molybdenum soil anomaly, several Au-Cu soil geochemical anomalies were identified. Of these anomalies, most are associated with known skarn bodies with past copper-gold production but several also constitute new discoveries as they are not spatially associated with known mineralization or past mining.

Detailed mapping and sampling by Aurcana of the La Begonia workings identified a skarn-breccia complex measuring approximately 50 metres by 250 metres. The highly porous and permeable nature of the breccia has permitted oxidation and supergene processes to take place. Within the heavily oxidized, sulphide poor skarn-breccia area, average assay values for continuous channel samples (2 m lengths) were taken. Underground mapping and sampling was also conducted on the Santa Elena Mine, approximately two km north of La Begonia, however access was limited to two stopes due to a high water level in the main access tunnel. While the geological setting at the Santa Elena Mine is similar to La Begonia, the Santa Elena Mine has a lower gold content. It appears that most of the past mining and development was from the oxide horizon. Mapping of the underground workings combined with surface observations identified what appears to be an important structural orientation in the southern portion of the San Jose area. It appears that the gold-copper bearing breccia bodies have formed along north-east trending zones which

coincide with several trends identified from results of a soil geochemical survey conducted in late 2001. The significance of this controlling structure and the coincident geochemical trends is the potential to discover additional high-grade breccia-skarn bodies on the property still held.

The cut grid was extended approximately 1.0 km to the north and provided control to complete a soil geochemical survey. This work, combined with further induced polarization (IP) geophysical surveying and a ground magnetic survey identified a large copper-gold soil anomaly coincident with a chargeability high in the IP results.

In December 2002, Aurcana drilled two diamond drill holes totalling 440 metres to test the Begonia skarn zone. Due to rugged topography, the drill setup was 150 metres from the area of high grade underground sampling. Both holes were from the same setup and did not intersect any sulphide mineralization in the skarn zone in the western end of Begonia.

A second phase of diamond drilling started in February 2003 to test the approximately 1.5 km by 2.5 km area containing the IP anomaly and elevated copper and gold values in soils. Four holes totalling 765 metres were drilled. All holes targeted a depth of approximately 200 metres and all encountered geology indicative of a porphyry system however grades of copper, molybdenum and gold were low.

During its last phase of surface work, Aurcana further defined a gold in soils anomaly at the northeastern edge of the surveyed area. This anomalous area lies over the contact between intrusive rocks and limestone.

Hawkeye work
Hawkeye's work program was designed to evaluate the potential for Carbonate Replacement Deposits (CRD) style and copper-gold skarn mineralization around the 9 km periphery of the Tertiary intrusion into the thick section of Cretaceous carbonates.

A total of 21 km of Induced Polarization survey was completed using a pole-dipole technique in a six to eight level array at 50 m slope chained intervals.

The results obtained to date have identified six areas of interest underlain by significant Induced Polarization (IP) anomalies (chargeability highs and coincident resistivity highs and lows) and a combination of coincident anomalous soil and rock geochemical responses. The six targets are outlined in the north and eastern parts of the project area within the carbonate sequence at various distances peripheral to the main San Jose monzonite intrusion. Two of the targets are classified as Au-Cu (gold-copper) targets likely associated with proximal and contact skarn and/or fracture mineralization whereas the remaining four are believed to represent more distal carbonate replacement deposit (CRD) style mineralization.

The most widely anomalous element of significance for CRD style mineralization is zinc, forming an intermittent linear north trending band 3 km long and 1.3 km wide. Clusters of moderately anomalous response outline northwest trends up to 1 km long and 100 m wide. One of these anomalies is believed to coincide with the southeastern extension of the smithsonite silicification zone. Manganese and arsenic response are also largely coincident with zinc while silver and lead values are weakly elevated but do form small clusters that are coincident within the outer periphery of the grid.

Hawkeye informed the Company that its 2005/2006 drill program was designed to test for both CRD and skarn type mineralization. The drill program reported no significant results.

The Company's 2008 program consisted of soil sampling, IP geophysics and a limited sampling and mapping program. The soil sampling and geophysical grid was set up over an area of hydrothermal alteration within a stockwork veined intrusive body. A total of 554 soil samples were taken on a 200 metre by 50 metre grid and IP geophysics was conducted on the 200 metre spaced east west lines. This work identified a broad area of elevated copper and molybdenum in soil now called the main zone and a smaller area to the west, now known as the Lupe zone, of elevated gold, silver, copper, molybdenum in soil and chargeability responses. The Lupe zone is a new discovery and

was not identified prior to this 2008 program. The sampling and geophysics conducted over the main zone outlined a 1.5 kilometre by 500 metre zone that remains open to the south, of highly elevated chargeability, magnetic response and copper, molybdenum and gold in values in soils. Argillic altered and quartz-sulphide veined intrusive rocks have been identified in this area. A grab sample taken of outcropping argillic altered and stockwork veined intrusive taken at the northern edge of the main zone returned 0.19% copper. The Lupe zone soil anomaly occurs on top and along the flanks of a ridge which is underlain by a discrete chargeability anomaly interpreted to reflect elevated sulphides. This anomaly is at least 200 metres across along the five lines on two hundred metre spacing.

In 2010 the Company conducted a preliminary diamond drilling program on the prospect. No significant assays were intersected in this program however the Company is still reviewing the data in order to plan a future drilling campaign.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company's has no planned exploration program for Fiscal 2011.

The Yago Prospect - Mexico

The Yago prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
From Fiscal 1997 to Fiscal 2004, the Company acquired a 100% interest in the prospect through staking and purchase agreements.

In February 2007, the Company entered into an agreement with Consolidated Spire Ventures Ltd. ("Spire"). To earn a 60% interest, Spire had to incur exploration expenditures of US$3,500,000 and issue 800,000 shares to the Company over five years. On March 24, 2009 Spire acknowledged they were in default in observing the terms of the agreement and quit claimed and released all interest in the prospect.

In 2009, the Company acquired a 100% interest in claims totalling 12,102 hectares in the Yago / Carretera project area for the sum of US$14,000 and subject to a NSR royalty capped at US$250,000. Almaden's holdings in the Yago / Carretera area now total 16,980 hectares.

Expenditures to Date
During Fiscal 2010, the Company incurred $62,158 in costs, primarily the payment of Mexican mining taxes of $55,530 all of which were written off to operations. As at December 31, 2010, the Company has written down the carrying value of the prospect to $1.

Location and Access
The Yago prospect is located in the state of Nayarit, on the Pacific Coast of Mexico. The claims encompass the town of Yago, which is located by paved road approximately seven kilometres from Highway 15, which is the major thoroughfare from the United States to Mexico. Yago is located roughly 50 kilometres north of Tepic, the capital of Nayarit.

History and Recent Work
Southern Part:
The assembled claims cover a large alteration zone centered on a northwest trending extensional structure with numerous separate gold veins, many of which had had historic small scale mining operations from numerous old workings. It is believed that this was the first time in many years that all these claims had been assembled into a single property. The separate owners each controlled a part of the main area of interest in the southern part of the property which is a large stockwork zone of chalcedonic banded quartz veins where small scale mining was carried out. Wider veins within the stockwork zone were mined by underground open stopes accessed by adits and by glory holes mined out to surface.

In 1997, soil sampling and geological mapping were carried out on a grid over the southern area of interest. Numerous rock samples were also taken at this time. Encouraging results were followed up by expanding the grid and detailed in fill soil sampling in areas of interest.

In Fiscal 1998, the Company optioned the property to Santoy Resources Ltd. ("Santoy") who conducted a 975.2 metre drill program late in the year. Results did not meet their expectations and Santoy dropped their option in July 1999.

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During November and December 1999 a program of mapping, sampling and road building was carried out on the project. Work was focussed on the Guadalupe-Tejona-Korina vein system in the southern portion of the project. Samples of ore from recent development and production blasts were also taken from the La Sarda area active operations, roughly seven kilometres north. The La Sarda Prospect had been in continuous production for about 5 years and mining during the option period was to be for the benefit of the current owner but restricted to 150 tonnes per day maximum and to material above the lowest level of workings on the La Sarda vein which is roughly 100 metres below the surface. Mining operations ceased in early 2000.

In March 2000, the Company and its predecessor ("Fairfield") entered into an agreement where Fairfield could earn 51% of the Company's interests and rights to the prospect. Fairfield drilled two holes on the southern part of the property with discouraging results, and completed the acquisition of the northern part of the property.

In 2002, the Company optioned the property to Ascot Resources Ltd. The optionee carried out further sampling, geological mapping, induced polarization geophysical surveys and limited diamond drilling. Ascot dropped their option in 2003.

Northern Part:
In this area, the thrust of the Company's exploration effort was to find new, larger zones of high grade material at greater depths on both the La Sarda and parallel vein zones.

In December 1999 some mapping was carried out on the La Sarda vein. Because the mine and mill were operating without established reserves, production and grade were somewhat erratic. The La Sarda vein had provided most of the production over the previous four or five years. This vein was found by mapping to be just underneath the opaline silica horizon, further indication that only the top portion of this extensive system is exposed.

The La Sarda area active workings were inspected. Four major sub parallel vein systems have been recognized in this area, and three were being actively worked at that time. High grade ore was reported in the active faces of the La Cucaracha vein workings. A sample taken from muck from an ore face returned values of 20.2 grams/tonne Au and 151 grams/tonne silver.

Geology and Mineralization
The assembled claims cover a large alteration zone centered on a northwest trending extensional structure with numerous separate gold veins.

The country rocks in the area are Tertiary andesitic tuffs and flows that are observed to be flat-lying. The alteration zone is characterized by strataform silicification spatially associated with friable argillic alteration dominated by kaolinite with subordinate alunite and cristobalite.

This alteration zone is interpreted to represent the paleowater table of a shallowly-eroded epithermal system. Gold-bearing quartz veins with prominent crustiform, colloform banding and stockwork quartz veining, are exposed beneath the strataform alteration and are the target of the exploration efforts.

Infrastructure
A main railway line crosses the prospect and there are electric powerlines to the town of Yago. The prospect is approximately seven kilometres from Highway 15 and is traversed by numerous gravel roads.

Exploration Results
Southern Part:

In 1997, a 1 by 1 kilometre grid was cut over the area of intense quartz-adularia veining and float and a soil sampling program was carried out at 50 metre spacing on lines 100 metres apart. Several large multi-line gold-silver-antimony anomalies resulted that extended to the edge of the grid. A follow-up survey was carried out in which the grid was expanded to roughly 1.5 by 2 kilometres. Samples were taken intermediate to anomalous samples taken in the initial program to provide greater detail and to serve as a check on previous sampling. Sampling was also carried out to define the extent of anomalies discovered in the first phase of sampling. The in fill sampling confirmed the results of the previous survey while the additional soil sampling provided better definition of the existing anomalies and resulted in new anomalies which still remain open. This anomaly lies in the central and south-west part of the grid in an area devoid of old workings and remains open in two directions. Veins mapped in this area strike roughly 10 degrees east of north. Emanating from the north-east part of this anomaly is a linear gold-silver-antimony soil anomaly trending approximately 40 degrees east of north. The trend coincides with the attitudes of veins measured in outcrop in the north-east portion of the grid. Several other multi-line gold in soil anomalies resulted from the soil sampling. Antimony and silver for the most part correlate well with gold geochemistry, defining similar trends throughout the grid.

At the time of soil sampling more than sixty rock samples were taken over the property. These samples were taken from exposures in historic workings and the associated dumps as well as the vein float prevalent over the property. Conventional Fire Assay and ICP techniques were employed on both rock and soil samples.

Several areas of intense banded quartz-adularia veining, stockwork veining and one area of hydrothermal brecciation and silicification were defined which are coincident with areas of anomalous soil geochemistry. The initial geologic data indicates that the veining represents high elevations within a shallowly eroded low-sulfidation epithermal system, of which the paleo-water table is preserved over much of the property. Exploration was designed to seek bonanza vein type mineralization.

Geologic work and road building in the southern Guadalupe-Tejona-Korina area was designed to provide access and investigate areas for future diamond drilling. During the course of this work several new veins and previously unknown historic workings were discovered. In the La Korina area (on the Sagitario claim), the lowest elevation workings, several shafts and adits were discovered in heavy undergrowth. The work completed has enabled the Company to select several sites for drilling in this area. Several banded quartz-adularia veins were discovered in the new road cuts within areas of high gold in soil geochemistry. In one area banded veining was discovered in an area of very high gold soil geochemistry along the La Guadalupe vein trend over 500 metres from known historic workings. These areas and the Korina area were not tested by past drilling and are relatively lower in elevation than the depth tested by past drilling.

This program of work resulted in the definition of several key drill hole locations in the southern Guadalupe-Tejona-Korina area. These locations would test the correct elevations for potential bonanza grades at depth along the strike and intersection of several banded quartz-adularia veins. Road building provided access for these holes. Drill holes were also been designed to test the La Sarda area vein systems to the north including the Cucaracha vein.

Numerous small scale old workings are present on the property.

Hydrothermal alteration mapping and fluid inclusion studies support the conclusion that the present erosion surface represents shallow depths beneath the paleo-water table of the hydrothermal system. The potential for high-grade gold-silver mineralization is expected to extend from surface to significant depths beneath the present surface.

In December 1998, seven (7) widely spaced holes totalling 975.2 metres were completed by Santoy to test epithermal vein targets at depth. Widespread quartz veining and stockwork systems were encountered at depth, many of which correlated well with surface zones.

Widespread anomalous gold, silver and base metal values were obtained from the drilling with the most significant mineralized intervals as follows: Hole No.	From - To (m)	Interval (m)	Au (g/t)	Ag (g/t)
98-01 (Tejona Vein)	53.3 to 54.8	1.5	0.37	24.9
98-02 (Guadalupe Vein)	44.2 to 47.2	3.0	0.44	43.8
	67.0 to 70.1	3.1	0.51	15.1
	121.9 to 126.4	4.5	0.54	16.7
98-03 (between Creek & Tejona)	38.1 to 54.8	16.7	0.15	22.6
	incl.38.1 to 39.6	1.5	0.63	99.8
98-04 (La Morraya)	42.6 to 44.2	1.6	0.32	35.7
98-05	198.1 to 201.1	3	1.8	0.9
98-06 (Creek Zone)	32.0 to 36.5	4.5	0.13	9.4
98-07	No significant values			

In July 2000, Fairfield began a diamond drilling program on the southern part of the property. Progress was very poor. Drilling commenced with two holes on the Guadalupe vein that would be the most difficult to access if the rainy season were to start early. Hole one did not reach its objective and the core barrel was lost in the hole. Hole two was completed to the planned depth. The program was then terminated. Although the first hole did not reach its targeted vein, another vein was intersected. The projected vein in hole two was also intersected where expected. No significant assays were returned from these holes.

In 2002, Ascot completed a gradient array IP (induced polarization) geophysics survey on the La Sarda and Yago grids. The two large geophysical grids covered three of four principal veins in the La Sarda mine area, and the Guadalupe, La Tejona and La Korina vein systems in the Yago area to the south.

At La Sarda the three northeast-striking veins surveyed to date were mapped very effectively by gradient array IP and traced approximately 200 metres beyond their last known exposures. The data suggest that all three vein structures remain well defined over a strike length of 900 metres and are open for extension to the northeast. In the Yago area, south of La Sarda, the IP data appear more complex. On the west side of the grid geophysics traced the north-south striking Guadalupe vein over a distance of approximately 400 metres and defined a large area of very high resistivity corresponding to the La Tejona and La Korina vein structures.

A total of 1098.2 metres of diamond drilling was completed on the La Sarda vein by Ascot, one hole was lost before reaching the vein target, another hole had lost core through the section where the vein intersection was expected, and the remaining four had low grade values that nevertheless showed good vein width and continuity.

During 2007, Spire conducted a trenching and diamond drilling program in both the Northern and Southern areas of the prospect. Spire updated on the exploration work in their news release of August 17, 2007 which reported that

phase 1 drilling was planned for 3,000m but a total of only 945m were drilled before the start of the rainy season in July. Highlights of the drilling program to that date were reported and include the following:

Hole	From (m)	To (m)	Width (m)	Au (g/t)	Ag (g/t)
DDH-07-M01	137.5	138.6	1.45	1.01	2.1
DDH-07-M02	100.8	101.8	1	0.24	8.5
DDH-07-S01	34.6	37	2.4	0.73	152.09
DDH-07-S03	23.1	24	0.9	0.43	64.1
DDH-07-S04	36.6	37.5	0.9	1.29	49

Spire also announced that it completed a trenching program in the Sagitario area of the prospect along with the following highlights of that program:

Trench	Sample Width (m)	Gold (g/t)	Silver (g/t)
TS1-1A	0.8	1.08	199
TS2-1	1.1	0.89	192
TS2-1	1.1	2.24	551
TS2-2	1.3	4.71	441
TS2-3	1.8	4.13	171
TS2-5	0.2	1.625	25.2

Due to market conditions, Spire was not able to fund any exploration in 2008.

In 2009, the Company conducted prospecting and geophysical surveys in the Gallo de Oro (also known as Carretera) are of the prospect where banded quartz veining thought to represent the upper reaches of another epithermal vein system several kilometres west of other veins on the prospect. Forty-five new rock-chip samples of quartz vein material at surface returned gold values from 0.005 to 18.85 g/t gold and less than detection to 871 g/t silver. Earlier in 2009 and IP and soil sampling survey was carried out which helped define the vein system for this surface sampling program. A total of 62 samples have now been taken from the Carretera zone, and these average 2 g/t gold, ranging from 0.005 to 104 g/t gold. The zone of quartz veining has now been expanded to strike length of over 2 kilometres.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company's planned exploration program for Fiscal 2011 consists of further rock sampling and geophysical surveys, at a budgeted costs of $50,000 in order to better define targets for a drill program later in 2011.

The Matehuapil Prospect - Mexico

The Matehuapil Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

In Fiscal 2007, the Company acquired a 100% interest in the Matehuapil claim, subject to a 1% NSR royalty payable to the Mexican government, through the successful bid of approximately $500,000. An initial acquisition payment of $117,572, representing 20% of the purchase price, was paid. The Company was required to put up two bonds ("mineral property deposit"), one in the amount of $446,964 representing four pending instalment payments of 20% each to be paid in six month instalments from the issuance of title and one in the amount of $138,929 to pay for the purchase of the NSR royalty. During 2008 the Company paid the remainder of the purchase price outright. The bond in the amount of $446,964 was returned to the Company.

The Company subsequently entered into an agreement with Apex Silver Mines Limited ("Apex"). To earn a 60% interest, Apex must incur exploration expenditures totalling US$2,600,000 by December 1, 2013 and make cash payments of 3,312,000 Mexican Pesos by July 10, 2009. Apex reorganized under Chapter 11 of the United States Bankruptcy Code and emerged as Golden Minerals Company ("Golden Minerals").

Expenditures to Date
During Fiscal 2010, the Company incurred $2,187 in exploration costs on the prospect and recovered $3,639 from Golden Minerals. As at December 31, 2010, the Company had deferred costs of $266,074 on this prospect.

Location and Access`
The Matehuapil prospect is located in Zacatecas State, Mexico, about 25 km east of Concepcion del Oro.

Infrastructure
There is road access throughout the prospect and single phase power to villages within the prospect boundary.

History and Recent Work
The prospect was held by the government mining agency which conducted surface work and limited geophysics. Apex has informed Almaden that it has conducted surface work on the prospect. Almaden is to receive technical data from Apex resulting from their work program of 2008 in an annual report.

Geology and Mineralization
Almaden has identified silver-lead-zinc mineralisation consisting of oxidized sulphides in a jasperoid developed within carbonate units on the northeastern portion of Matehuapil project area which borders the company's Santa Isabela project claims. This style of mineralization is interpreted to be associated with carbonate replacement sulphide deposits. The Matehuapil claim is centered on historic lead-zinc silver and copper-gold mines and carbonate replacement and skarn mineralization spatially associated with intrusive rocks.

Planned Work Program – Fiscal 2011, Ending December 31, 2010
The Company has no planned exploration program for Fiscal 2011 with all work being conducted by Golden Minerals which is working to earn an interest in the prospect.

The Caldera Prospect - Mexico

The Caldera Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
During Fiscal 2007, the Company acquired the Caldera prospect by staking and has a 100% interest in the prospect. During 2008, additional staking was carried out to cover anomalous areas that were not within the original block stated.

In Fiscal 2010, the Company entered into an agreement with Windstorm Resources Inc. ("Windstorm"). To earn a 60% interest, Windstorm must incur exploration expenditures totalling US$5,000,000 and issue 1,000,000 share to the Company over six years.

Expenditures to Date
During Fiscal 2010, the Company incurred $47,826 in exploration costs primarily on an IP geophysical survey, a geochemical soil sampling program and the payment of $29,920 in Mexican mining taxes. As at December 31, 2010, the Company had deferred costs of $447,491 on this prospect.

Location and Access
The Caldera prospect is located in Puebla State, Mexico, near the town of Libres which is approximately 70 kilometres northeast of Puebla City by the all season paved road.

Infrastructure
There is no infrastructure in place on the prospect.

History and Recent Work
The prospect was discovered by the Company during Fiscal 2007 during a regional exploration program. There is no known history of mineral exploration or mining in the area.

During Fiscal 2009 the Company completed a work program consisting of alteration mapping, prospecting, soil and stream sediment sampling and induced polarization (IP) geophysics that was initiated in Fiscal 2008.

Geology and Mineralization
Hydrothermal alteration typical of high sulphidation epithermal gold-silver environments, including vuggy silica and extensive areas of acid-sulphate alteration, has been identified at the prospect to date over eight kilometres in a northwest-trending window beneath barren, post mineral volcanic rocks. The altered zone is defined by north-south to

northwest trending zones of intense argillic and advanced argillic alteration and silicification, including vuggy residual silica. Silicified zones are commonly up to 20 metres wide and locally greater 50 metres wide. Locally, silicified zones are cored by cryptocrystalline alunite and are adjacent to parallel zones of pyrophyllite and dickite. Topaz occurs sporadically at the core of the silicified zones. Kaolinite+/-smectite forms a broad argillic envelope surrounding the silica and advanced argillic alteration.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company has no planned exploration program for Fiscal 2011 with all work being conducted by Windstorm which is working to earn an interest in the prospect.

The Logan Property – Canada

The Logan Property is without known reserves.

Interest
The Company owns a 40% carried interest in the property, acquired from its predecessor ("Fairfield") through amalgamation. The owner of the 60% joint venture interest is required to fund 100% of exploration expenditures until a production decision is made, at which time the Company may elect to pay its proportionate share of future expenditures after the production decision or convert its property interest into a 15% Net Profits Interest. In 2003, the 60% owner agreed to sell its joint venture interest to Expatriate Resources Ltd. ("Expatriate"). To simplify documentation, a new agreement was entered into at this time directly between the Company and Expatriate with all details of the previous agreement remaining the same. In late 2004 Expatriate was restructured into two successor corporate entities, resulting in a transfer of the 60% joint venture interest to one of the successors named Yukon Zinc Corporation.

Expenditures to Date
During Fiscal 2010 the Company incurred no costs on this prospect. As at December 31, 2010, the Company is carrying this property at $1.

Location and Access
The Logan Property comprises 156 claims located 108 kilometres northwest of Watson Lake, Yukon at latitude 60 degrees 30 minutes North and longitude 130 degrees 27 minutes West. The claims are situated 38 kilometres north of the Alaska Highway and 258 kilometres east of Whitehorse. Principal access is by fixed-wing aircraft or helicopter. A 52 kilometre trail originating from Milepost 687 (Km 1105) on the Alaska Highway provides minimum winter access to the property for track-equipped machinery.

History and Recent Work
The initial 36 Logan claims were staked in July and October 1979 to cover showings of zinc-silver-copper-tin mineralization discovered during a reconnaissance prospecting and stream sediment sampling program undertaken by Regional Resources Ltd. (Fairfield's predecessor). Additional claims (Logan 37-106) were staked at various dates in 1984 and 1986. Property exploration programs including geological mapping, geochemical and geophysical surveys, detailed prospecting and hand trenching were carried out between 1979 and 1985.

In May 1986 the property was transferred to Fairfield and subsequent exploration programs during 1986 to 1988 included diamond drilling (103 holes totalling 16,439 metres of NQ core), excavator trenching (15 trenches totalling 2,412 linear metres), additional soil geochemistry, Induced Polarization geophysical surveys, as well as aerial photography, various ground control surveys, construction of a 700-metre long gravel airstrip, and reclamation work. Most of the drilling was conducted at 100-metre by 50-metre grid spacing.
All of the above work programs were performed or supervised by Cordilleran Engineering Ltd. of Vancouver, Canada. All project sample assays and analyses were performed by Bondar Clegg & Company Ltd. in North Vancouver. In late 1988 an initial mineral resource estimate for the Main Zone deposit was calculated by J.J. Hylands, P.Eng., and M.A. Stammers, FGAC, of Cordilleran Engineering Ltd. However, this estimate was not strictly defined according to Canadian Institute of Mining (CIM) standard resource/reserve classifications.

In early 1989 preliminary metallurgical testing was undertaken on composite samples of drill core assembled from 16 selected intersections of the Main Zone deposit. This work was conducted by Lakefield Research under the direction of Strathcona Mineral Services Ltd. of Toronto, Canada. The results demonstrated that high zinc (93-97%) and silver (85-87%) recoveries are readily achievable from a concentrate grading 50-54% zinc.

The project was dormant from 1989 through 2002.

In early 2003 Expatriate purchased a 60% joint venture interest in the property from Energold Minerals Inc. (formerly Total Energold) and became the operator of the project. A baseline environmental survey was conducted in and around the property in advance of further exploration and/or engineering studies. Staking of the LOGAN 107 to 152 and STRIP 1 to 4 mineral claims was completed to cover areas of potential infrastructure. Core storage facilities at the old exploration camp were refurbished and core inventoried for future examination.

In November 2003, Expatriate commissioned Hatch Associates Ltd. (”Hatch”) to complete a resource estimate and data compilation as part of an Independent Technical Report to NI 43-101 standards. Hatch completed this assignment with the assistance of Mr. Gary Giroux, P.Eng., while Hatch’s Qualified Person for this assessment was Mr. Callum Grant, P.Eng. who visited and inspected the property in October 2003. The resource estimation portion of the report was released on March 24, 2004.

CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF INFERRED RESOURCES
This section uses the term “inferred resources”. We advise U.S. investors that while this term is recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize it. “Inferred resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies.
U.S. INVESTORS ARE CAUTIONED NOT TO ASSUME THAT PART OF ALL OF AN INFERRED RESOURCE EXISTS, OR IS ECONOMICALLY OR LEGALLY MINEABLE.

The published Inferred Resource of 13.08 MT grading 5.10% Zn and 23.7 g/t Ag uses a 3.5% zinc-equivalent cutoff that is based upon metal prices of U.S. 43 cents per pound zinc and US$5.50 per ounce silver, with recoveries of 94% and 64% respectively. The Hatch re-estimation of resources at Logan uses the block model method, with Kriging applied to the assay data from 58 drill holes completed in the Main Zone during 1986-88. The model relies wholly on this historical drill-hole information and does not include any new exploration data. The model is constrained by geologic boundaries to mineralization as interpreted on 23 cross-sections of the Main Zone over a 1.53 km (0.95 mile) strike length. No mineralized intercepts are included from the East or West Zones.

In Fiscal 2006 Yukon Zinc conducted an airborne gravity survey of the property.

Geology and Mineral Deposits
The property is dominantly underlain by granodiorite and pegmatites of the Cretaceous Marker Lake Batholith, which has intruded Lower Cambrian and possibly older metasedimentary rocks. Tertiary andesite dykes, quartz-feldspar monzonite-latite porphyry dykes, quartz veins and breccia bodies are associated with an eight kilometre long east-northeast (ENE) trending mineralized structure. Within this structure, at least three mineral bodies have been identified and named as the Main, West and East Zones.

The Main Zone deposit has been defined by 58 drill intersections, to an average vertical depth of 185 metres (~600 feet). It is contained within a steeply dipping fault bounded tabular body 1100 metres long by 50 to 140 metres wide. Sphalerite with lesser pyrite, arsenopyrite, chalcopyrite, pyrrhotite, silver-bearing lead sulphosalts and cassiterite occur as fracture fillings, disseminations and coarse masses in quartz veins or breccia and silicified hostrock.

Infrastructure

With the exception of the airstrip and connecting network of drillsite access trails, there is no infrastructure in place on the property.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company has no planned exploration program for Fiscal 2010. Yukon Zinc Corporation maintains the property in good standing.

The Nicoamen River Prospect – Canada

The Nicoamen River Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
The Nicoamen River claim group comprises about 1,945 hectares (19.5 sq. km) and was acquired by staking during 2004 and 2005 and is 100% owned by the Company.

In Fiscal 2006, the Company entered into an agreement with Tanqueray Resources Ltd. ("Tanqueray"). To earn a 60% interest, Tanqueray had to incur exploration expenditures of $4,000,000 and issue 1,000,000 shares to the Company by December 31, 2012. During Fiscal 2007, Tanqueray relinquished its option on the property.

In Fiscal 2007, t he Company entered into an agreement with Zenith Industries Corp. ("Zenith"). To earn a 60% interest, Zenith had to incur exploration expenditures of $4,000,000 by December 31, 2012 and issue 1,000,000 shares to the Company by December 31, 2010. As of December 31, 2008, Zenith abandoned its interest in the prospect.

In Fiscal 2009, the Company entered into an agreement with Fairmont Resources Inc. ("Fairmont"). To earn a 60% interest, Fairmont has to pay the Company $25,000, incur exploration expenditures of $2,000,000 and issue 300,000 common shares to the Company.

Expenditures to Date
During Fiscal 2010 the Company incurred no exploration costs on this prospect. As at December 31, 2010, the Company is carrying the prospect at $1.

Location and Access
The prospect is readily accessible by road, approximately 40 kilometres northeast of the village of Boston Bar on the Trans-Canada Highway in southern British Columbia.

History and Recent Work
Pre-acquisition work during July 2003 and August/October 2004 consisted of prospecting and recon geochemical sampling, based on follow-up of earlier government (BC-RGS) and Company-generated regional gold and arsenic stream sediment anomalies. These programs generated 16 rock, 47 silt, and 15 soil samples. In September 2005 a preliminary property evaluation program was conducted, comprising further prospecting and recon rock/silt geochemical sampling, minor hand trenching, grid and roadcut soil geochemical sampling.

The 2005 program generated an additional 20 rock, 7 silt, and 827 soil samples. All of the samples collected to date (2003-2005) have been tested for 36 elements, by Acme Analytical Laboratories Ltd. in Vancouver, B.C.

The rock sample results have identified several gold bearing quartz float occurrences, and insitu gold-quartz vein mineralization along a major NNW - trending fault structure. The initial grid soil sampling has outlined a main multi-element geochemical anomaly measuring 800 metres by 2000 metres in the Discovery area.

Tanquerary reported to the Company that detailed soil geochemistry conducted in 2006 over sections of the previous soil grid identified five large gold in soil anomaly clusters that will require ground truthing, by prospecting, mapping and excavator trenching. Ground geophysics was also completed.

During 2007 the Company had an independent consultant review work done to date and make recommendations for further work.

During the 2009 field season, Fairmont conducted geological and geophysical surveys.

Geology and Mineralization
The dominant rock assemblage underlying the Nicoamen River prospect is the Cretaceous Spius Creek Formation, a basaltic andesite unit. This is the upper part of the Spences Bridge Group which is a broad northwest trending sequence of gently folded volcanics with lesser sediments, dipping shallowly to the northeast. The Spences Bridge Group unconformably overlies older plutonic rocks, mainly granodiorite to diorite of the Permian to Triassic Mount Lytton Complex occupying the southwestern claim area. The Spences Bridge Group is unconformably overlain locally by Eocene Kamloops Group intermediate and felsic volcanics.

The major structural features in the district are steeply dipping normal faults. The Nicoamen River Fault parallels the canyon of Nicoamen River which crosses the claim area from south to north. The Nicoamen West Fault is subparallel to the Nicoamen River Fault and lies along the west boundary of the claims.

Insitu mineralization found to date consists of gold-bearing quartz veins in altered granodiorite at the Discovery Zone, and silica-rich pods or clasts in brecciated quartzofeldspathic rocks at the West Zone (located 2.35 km WNW of the Discovery Zone). The Discovery Zone occurrences have been exposed by a series of small hand trenches in the face of a 130-metre long roadcut in subcrop of variably silicified and/or argillically altered granodiorite. Local ankeritic (possible) and iron/manganese oxide alteration is also present. The occurrences are narrow (<1 - 10 cm) anded chalcedony veins associated with local subparallel shears having a close spatial relation to the Nicoamen River Fault. Both steeply dipping and fairly flat-lying veins occur, with apparent poor continuity. The vein textures and trace element geochemistry are typical of low sulphidation style epithermal mineralization.

Roadcut soil samples collected in the vicinity of both the Discovery and West Zone showings are strongly anomalous in gold, arsenic, antimony and molybdenum. The larger (area) grid soil geochemical anomalies show generally good coincidence amongst these same elements, plus flanking or peripherally situated elevated levels of mercury.

Infrastructure
There is no infrastructure in place on the prospect.

Drilling Results
No drilling has been carried out on the prospect.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company has no planned exploration program for Fiscal 2011 with all work being conducted by Fairmont which is working to earn an interest in the prospect.

The Skoonka Creek Prospect – Canada

The Skoonka Creek (formerly “Sam”) Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
The Skoonka Creek prospect was staked by the Company during Fiscal 2003 to Fiscal 2005 and comprises approximately 10,190 hectares.

In Fiscal 2005, the Company executed an option agreement with Strongbow Exploration Inc. (“Strongbow”), whereby Strongbow could earn an initial 51% interest in the prospect by issuing to the Company 600,000 shares and completing exploration expenditures of $2,000,000 prior to December 31, 2008. During Fiscal 2006, Strongbow completed earn-in requirements and a formal joint venture agreement was completed. Subsequent work programs reduced the Company’s interest to approximately 32%.

Expenditures to Date
During Fiscal 2010, the Company incurred no costs on this prospect. As at December 31, 2010, the Company is carrying the prospect at $1.

Location and Access
The prospect is readily accessible by road, 25 kilometres northeast from Lytton, British Columbia, on the Trans-Canada Highway.

History and Recent Work

Pre-acquisition work during 2003 consisted of prospecting and recon geochemical sampling based on follow-up of a government (BC-RGS) regional gold stream sediment anomaly. This program generated 22 rock, 41 silt, and 14 soil samples. The 2004 assessment work program included minor access road improvements, further prospecting and recon sampling (25 rocks, 8 silts), approximately 21 line-km of roadcut soil sampling (417 soils), and limited hand trenching at three sites (16 rock chip samples). All of the samples collected to date have been tested for 36 elements, by Acme Analytical Laboratories in Vancouver, BC.

The rock sampling identified variable grade gold and lesser silver mineralization in a number of widely scattered quartz float occurrences, and in two major insitu vein showings named Discovery and JJ.

The soil and stream sediment sampling outlined two broad areas of gold-arsenic-antimony ± mercury enrichment which include and encompass the Discovery and JJ mineral zones.

During 2005 Strongbow expended $668,000 on exploration at Skoonka Creek which consisted of regional and detailed soil geochemical surveys, geological mapping, prospecting and recon rock/silt sampling, ground geophysical surveys, further hand trenching and initial core drilling on the JJ mineral structure and additional nearby geochemical/geophysical targets (Eleven NQ core holes totalling 1258.4 metres of drilling). The 2005 program generated 29 silt, 224 recon rock grab, 29 trench rock channel, 3588 grid soil, and 824 drill core samples. All of the samples were tested for 28 elements by geochemical (ICP or AA) analysis at Global Discovery Laboratories in Vancouver, B.C. Samples that returned gold analyses of greater than 0.2 g/t (and greater than or equal to 0.1 g/t later in the season) were subsequently fire assayed for gold, and those with moderate or high gold grades were additionally subjected to metallic screen assays.

At the JJ Showing area, the 2005 hand trenching has exposed the quartz vein system over a 60-metre strike length. Detailed soil sampling has identified a broad gold and arsenic anomaly, coincident with mineralization. Detailed ground geophysical surveys revealed a linear magnetic low, corresponding to the alteration system surrounding the quartz veins. The drill program completed in October 2005 successfully extended the vein system at depth and along strike.

In the Discovery Showing area, the 2005 detailed grid soil sampling results define a 450-metre long northeast-southwest trending gold anomaly with numerous coincident anomalous rock samples.

The 2005 regional soil grid encompassing 16 square kilometres outlined several additional gold anomalies underlain by prospective andesite host rock. The largest of these, called the Backburn Anomaly, is spatially related to the Discovery area and measures 1500 metres long by 800 metres wide.

During 2006, Strongbow conducted regional and detailed soil geochemical surveys, geological mapping, prospecting, ground geophysical surveys and diamond drilling on the prospect. The program generated 1,500 rock and 4,500 soil geochemical samples. Work was carried out on a number of showings discussed below.

The JJ prospect has a strike length of 700 metres and drill tested epithermal gold mineralization to a depth of at least 250 metres. A ground geophysical survey was carried out.

The Discovery-Backburn Trend is a 3,000 metre long corridor containing a number of mineral showings (Discovery, Backburn, Deadwood, Ember and Zebra). It is located 3,000 metres northeast of the JJ prospect and contains a gold in soil anomaly, characterized by clay and silica altered andesitic fragmental rocks.

The Backburn showing is an area 1,100 metres by 300 metres containing anomalous gold values in soil. A ground geophysical survey was carried out on the Backburn showing. Rock chip and soil samples were collected in this area.

The Ember showing is a 97 metre long quartz vein and breccia system, located at the southern end of the Discovery-Backburn trend. A ground geophysical survey was carried out on the Ember showing. Rock chip and soil samples were collected in this area.

The Deadwood showing is a 200 metre long zone in which closely spaced quartz veins are found within andesitic volcanic rocks. Strongbow collected 105 rock grab and chip samples from this zone. A detailed ground magnetic survey was also completed. The Deadwood showing is located at the western end of the Discovery-Backburn Trend.

The Zebra showing is an 1,100 metre by 700 metre area in which elevated gold values have been detected in soil and bedrock samples.

No field work was reported by the operator in 2009 and 2010.

Geology and Mineralization
The prospect area is underlain by a northwest-southeast trending shallowly dipping sequence of intermediate and mafic volcanic rocks of the Cretaceous Spences Bridge Group. Sill-like bodies of feldspar porphyry are also present, and felsic dyke (?) rubble has been noted in a few localities. The ages and relationships of these rocks to the main volcanic assemblage are presently unknown.

Major structural features in the local area are north-south oriented high angle normal faults. Two, east to ENE-trending, vague lineaments in the central property area are discernible from aerial photographs, topographic maps and limited field observations. These easterly striking features are roughly parallel with the main soil geochemical anomaly trends and mineral showings identified to date.

Quartz hosted gold and lesser silver mineralization have been identified in widely scattered float occurrences, and in two major vein showings. All of these occurrences exhibit compositions and classic textures typical of low sulphidation epithermal veins and breccias. The styles of mineralization include massive multiphase vein, multistage breccia, stockwork veinlet, and pyritic silica-carbonate replacement of hostrock. Disseminated pyrite and specular hematite also occur in both quartz matrix and hostrock clasts at the Discovery Showing. Fluid inclusion studies of two vein rubble samples from the discovery area have reported formation temperatures in the range of <200oC to 210oC, indicating minimal erosion of the epithermal system at this site.

The (2003) Discovery Showing represents a large but low grade vein breccia zone having an estimated 4.2m true width over which the 2004 channel sampling returned gold analyses ranging from 0.34 g/t to 0.48 g/t, with negligible silver. This zone trends ENE and is subvertical.

The 2005 detailed soil sample grid in the Discovery Showing area defined a 450-metre long NE-SW trending gold anomaly with numerous coincident anomalous rock samples. This anomaly is spatially associated with a silicified and chloritized alteration zone within andesite flows, as well as a feldspar and hornblende-phyric porphyry dyke. The 2005 regional soil grid identified additional gold anomalies underlain by prospective andesite flows, substantially farther out from but also spatially related to the Discovery area. The largest of these gold-in-soil anomalies, named the Backburn Anomaly, covers an area of 1500m by 800m and is coincident with abundant float and subcrop occurrences of brecciated volcanic rocks that are variably oxidized with a quartz-carbonate-chlorite matrix.

The high grade JJ Showing discovered in 2004 is situated about three kilometres to the southwest of the Discovery Vein, on a subparallel ENE structural trend. It consists of a moderately to steeply dipping zone containing two closely spaced veins (Jan & Jodi Veins) and intensely clay altered andesite wallrock having an estimated combined 2m true width. The quartz veins are massive to colloform banded. Nine large-sized channel samples were collected on a staggered pattern across the zone. Weighted average gold assays across the veins and vein zones are as follows:

1. Three samples (R9-R11) across the Jan Vein:
   19.28 g/t Au over 1.0m length (0.67m true width)
2. Three samples (R12-R14) across the Jodi Vein:

42.64 g/t Au over 0.93m length (0.62m true width)

3. Sample string R9H-R9-R9F and 0.5m-offset string R14, R14F:
   22.77 g/t Au over 3.0m length (2.0m true width)
4. Sample string R9H-R9-R9F and 0.5m-offset sample R13:
   28.33 g/t Au over 2.5m length (1.67m true width)

These channel samples were taken by or under the close supervision of a registered professional geologist and maintained under his control until delivered to an ISO9001:2000 certified assay analytical laboratory for sample preparation and analysis. Sample locations were marked in the field with flagging and weatherproof tags. A UTM grid location for every site was recorded by GPS unit using NAD 27 datum. Rock sample individual weights ranged from 2.5 to 10 kilograms. The laboratory runs standards and provides resamples at varying intervals for each shipment received. A resample consists of analyzing a second cut (subsample) from the sample pulp(or occasionally the reject portion), and is reported as a rerun (RE) or reject rerun (RRE) on the analysis certificate. At the high grade JJ showing initial gold and silver analyses were by Inductively coupled Plasma- Mass Spectrometry (ICP-MS) and were later checked by metallics fire assays, with good duplication of results in eight of nine samples, which is very good considering the nugget nature of high grade gold mineralization. These results were also checked by resampling by Strongbow Resources Ltd. Prior to their optioning the property from the Company. The level of quality control increases with the significance of the program, with drill core having more duplicates, blanks, standards and reruns than initial prospecting work.

Further hand trenching and channel sampling (by Strongbow) during 2005 intermittently exposed the JJ vein system over a 60-metre strike length and returned gold grades as follows: of 29 channel samples collected, 28 reported greater than 0.1 g/t including 20 samples greater than 1.0 g/t and 10 samples in excess of 12.0 g/t. The 2005 drill program successfully traced the JJ mineralization over a strike length of 350 metres, to vertical depths of 17.5 to 62 metres below surface, and indicated highly variable gold grades as listed in the Table under Drilling Results. In general, the JJ gold mineralization occurs as two types: (1) high-grade associated with dark grey to black (sulphide/sulphosalt?) layers in banded quartz veins, and (2) low-grade disseminated in argillic-chloritic-pyritic altered volcanic wall rocks.

Infrastructure
There is no infrastructure in place on the prospect.

Drilling Results
During October 2005, Strongbow completed an 11-hole diamond drill program generating 1258.4 metres of NQ2 core (core size – 50.5mm diameter) from the JJ Showing area. The main target for drilling was the coincident geochemical-geophysical anomaly that is interpreted to represent the host structure for high grade gold-quartz veins exposed intermittently by hand trenching along a 60-metre strike length. Seven holes (841m) tested this interpreted target over a strike length of approximately 350 metres. Each of these seven holes intersected alteration and quartz veining typical of low sulphidation epithermal systems. Anomalous assay results from the seven holes which targeted the JJ Showing are summarized in the Table below:

DDH	From (m)	To (m)	Interval1 (m)	Assay2 (g/t Au)	Assay (g/t Ag)
SC-003	38.60	57.59	18.99	1.38	1.61
Including	48.70	49.70	1.00	16.6	8.60
SC-004	39.58	46.80	7.22	1.10	2.70
Including	39.58	41.65	2.07	2.87	2.56
SC-005	34.44	36.82	2.38	4.22	4.29
	43.15	44.75	1.60	12.4	6.00
	78.20	79.36	1.16	4.52	5.00
SC-006	61.40	65.50	4.1	7.48	4.15
Including	64.25	65.5	1.25	16.2	5.76
	77.90	78.90	1.00	1.23	1.20
SC-007	17.85	19.05	1.20	1.27	1.92
	20.74	24.05	3.31	26.8	28.85
Including	20.74	22.31	1.57	54.5	56.75
	25.15	28.30	3.15	0.92	1.17
SC-008	16.90	17.70	0.80	2.87	3.75
	28.90	41.70	12.80	20.2	14.22
Including	28.90	29.67	0.77	28.6	10.78
And	32.89	35.80	2.91	51.1	46.49
Including	33.65	34.95	1.30	110.4	100.46
And	40.95	41.70	0.75	117.1	49.20
SC-009	25.70	28.90	3.20	2.04	2.41

1Current geological interpretations of the mineralized system are preliminary and therefore true widths of mineralization are uncertain. However the true widths of the reported intervals are estimated to be 90-100% and 50-70% of the reported intervals for holes drilled at -45 degrees and -80 degrees, respectively.
2All reported assays are uncut.

Hole SC-003 was set up as a 50m step-out to test the western extent of the JJ showing. The hole was oriented at an azimuth of 340° with a -45°dip.

Hole SC-004 was drilled from the same site, and at the same azimuth as SC-003, but at a -80° dip.

Hole SC-005 was drilled at az.326°/dip -45°, as a 50m step-out to the east from the JJ Showing.

Hole SC-006 was drilled under SC-005, at az. 326/dip -80°.

Hole SC-007 was set up 32.5m south of the JJ veins main surface exposure, and drilled at az.335°/dip -45°.

Hole SC-008 was drilled behind SC-007, at az. 340°/dip -80°.

Hole SC-009 is a 300m step-out to the west from the JJ Showing, and was drilled at az. 340°/dip -45°.

The remaining four holes of the program tested additional targets in the vicinity of the JJ Showing:

Hole SC-001 tested the Red Earth Zone, a geochemical target comprising a four-sample soil anomaly located north of the JJ Showing. It was oriented at az. 340°/dip -45°, and encountered fault gouge and breccia with minor gold mineralization from 12.62 to 14.00 m (0.22 to 0.56 g/t Au) and from 15.70 to 18.80 m (0.14 to 0.90 g/t Au).

Hole SC-002 was collared at the same site as SC-001, and was drilled at az. 340°/dip -80°. A zone of minor gold mineralization was intersected between 20.30 and 34.40 m, ranging from 0.40 to 1.12 g/t Au with thin unmineralized bands returning <0.10 g/t Au.

Hole SC-010 was drilled north of SC-005 and -006, to test two gold-in-soil anomalies and a weak to moderate VLF geophysical anomaly. This hole was oriented at az. 340°/dip -45°. Weak gold mineralization was encountered from 88.70 to 90.30 m.

Hole SC-011 tested two other gold-in-soil anomalies and the same VLF geophysical anomaly plus a linear magnetic low feature. The hole was drilled at az. 340°/dip -46°. Weak gold mineralization (0.32 g/t Au) was encountered from 77.20 to 78.20 m.

Strongbow's 2006 program started with a 12 hole, 2,545 metre drill program on the JJ showing in order to follow up the results reported above. This program successfully traced mineralization along strike and down-dip. Results included 6.16 metres of 2.08 g/t gold in hole SC-012 (including 1.73 metres of 5.79 g/t gold), 5.98 metres of 1.42 g/t gold in hole SC-015 (including 0.92 metres of 7.25 g/t gold) and 8 metres of 1.2 g/t gold in hole SC-016 (including 2.83 metres of 2.91 g/t gold).

A second drill program on the JJ showing was completed in November 2006. Over the course of the surface program the bedrock geology of the prospect was mapped and over 4,500 soil and 1,500 rock geochemical samples were collected. Four bedrock gold showings were identified along the length of the DBT including the Deadwood showing. Mineralization at Deadwood consists of narrow (typically <20 cm), closely spaced quartz veins within andesitic volcanic rocks. At the Deadwood showing a total of 105 rock grab and chip samples were collected over a 200 m strike length with 23 samples returning in excess of 1 g/t gold, including the three best samples grading 11.1 g/t gold, 13.2 g/t gold and 13.8 g/t gold. Results from detailed soil sampling were also considered to be encouraging.

In January 2007, Strongbow reported the results from the autumn 2006 drill program. The 6 hole, 2000 metre program tested the JJ vein system to depth. A 20-25 cm well developed quartz vein was encountered in the final two drill holes of this program. Drill holes SC-031 and SC-032 collared at the same set up and azimuth, returned assays of 16.3 g/t Au over 0.23 m and 17.0 g/t Au over 0.5 m, respectively at depths of 120 m and 130 m down dip from surface. The vein was encountered 175 m along strike to the west of drill hole SC-008.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company has been advised by Strongbow who is the operator, that a geological review is planned. The Company intends to participate.

The Viky Prospect - Mexico

The Viky Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
The prospect was discovered in Fiscal 2005 during Almaden's regional exploration program in Central Mexico and is 100% owned by the Company. The property was acquired through staking, although an undivided 100% interest in three small claims located in the vicinity has subsequently been purchased.

In Fiscal 2007, the Company entered into an agreement with Apex Silver Mines Limited ("Apex"). To earn a 60% interest, Apex had to incur exploration expenditures totalling US$5,600,000 and make cash payments of US$1,350,000 to the Company over five years. During Fiscal 2008, Apex abandoned its interest in the prospect.

Expenditures to Date
During Fiscal 2010, the Company incurred $288,496 in exploration costs, primarily on a drill program, which were written off to operations. As at December 31, 2010, the Company was carrying the prospect at $1.

Location and Access
The Viky prospect is located in Coahuila State, Central Mexico.

Infrastructure
There is no infrastructure in place on the prospect.

History and Recent Work
During Fiscal 2006, Almaden completed a large program of soil sampling, induced polarization geophysics, prospecting and rock chip sampling on the prospect. Results from the program identified a broad zone of elevated silver, lead and zinc in soil spatially associated with high induced polarization chargeability values at depth.

During 2007, Apex conducted surface mapping and sampling. A magnetic survey was also completed.

In Fiscal 2008, Apex completed a drill program on the property which returned anomalous lead, zinc and silver values.

No work was conducted in Fiscal 2009.

In 2010 the Company conducted a preliminary diamond drilling program on the prospect. No significant assays were intersected in this program however the company is still reviewing the data in order to plan a future drilling campaign.

Geology and Mineralization
The Viky prospect covers an area of replacement silicification which has developed in folded and deformed thinly bedded limestone. The prospect is considered prospective for silver-rich zones within quartz replacement zones and quartz veining as well as silver-lead-zinc sulphide-rich replacement bodies.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company has no planned exploration program for Fiscal 2011.

The Fuego Prospect - Mexico

The Fuego Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
During Fiscal 2003, the Company's subsidiary, Compania Minera Zapata, S.A. de C.V., acquired 100% interest in the prospect by staking.

In February 2004, the Company entered into an agreement (the "Horseshoe Option" with Horseshoe Gold Mining Inc. ("Horseshoe"). To earn an initial 50% interest, Horseshoe had to maintain the property in good standing, incur exploration expenditures totalling US$2,000,000 and issue 1,000,000 shares to the Company by December 31, 2007 (amended). During Fiscal 2008, the Company was informed by Horseshoe that it had relinquished its option on the prospect.

Expenditures to Date
During Fiscal 2010, the Company incurred $21,696 in costs of maintaining the prospect which were written off to operations. As at December 31, 2010, the Company was carrying the prospect at $1.

Location and Access
The prospect is located in south central Oaxaca State, Mexico and is accessible from the city of Oaxaca by paved highway southeast for 114 kilometres to San Pedro Totolapan, then by unpaved road south for 24 kilometres to San Maria Zoquitlan and a further 32 kilometres of rough winding road extending in a southeasterly direction.

Infrastructure
There is no infrastructure within the immediate area of the prospect.

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History and Recent Work

Limited historic mining was last carried out on the prospect in 1905 from open cuts and small scale, shallow underground openings on at least 3 separate quartz veins.

Horseshoe completed a surface geologic mapping and rock and soil sampling program on the prospect. A small Induced Polarization (IP) geophysical survey was carried out to test the effectiveness of this methodology in identifying vein structures that are not exposed.

Geology and Mineralization

The prospect is a high-level, classic quartz-adularia epithermal vein system. The textures identified, including fine grained silica and electrum banding and bladed calcite, are typical of that associated with epithermal vein systems worldwide. Some limited historic workings exist on one of several banded veins identified within a more than 20 metre wide zone of veining and silicification in volcanic rocks. Banded quartz-adularia veins within the vein system generally dip shallowly and are up to 5 metres wide. In the initial work the parallel vein system has been traced nearly a kilometre along strike. To date 16 grab and chip rock samples have been taken on the property of both banded quartz adularia vein material and silicified volcanic wall rock. Visible gold was recognised in several hand specimens collected on the property which were not sent for analysis. The property has excellent infrastructure and represents an epithermal vein system that has had no known previous modern exploration.

Exploration Results

The El Fuego vein system was first examined and sampled by Almaden during a helicopter-supported reconnaissance exploration project in March 2003. There is no evidence of any recent work on the prospect.

In December 2003, a reconnaissance style, field appraisal that included geological mapping and limited rock sampling was carried out by an independent geologist.

In early 2004, reconnaissance geological mapping, sampling and an Induced Polarization survey gave better definition to the vein. This work identified the known veins as resistivity and chargeability highs. Additional resistivity and chargeability highs were identified in this work which suggests that further veins may exist. In 2004 Horseshoe completed a surface geologic mapping and rock and soil sampling program. This program outlined the main vein zone which has been traced in outcrop roughly 1,000 metres along strike. Along this exposed strike length vein widths vary from 3 to 10 metres. Several parallel veins were identified in outcrop as well.

In 2005 and 2006, Horseshoe completed a diamond drill program on the prospect. In all 15 holes were completed for a total of 2,500 metres of drilling. The drilling program intersected banded quartz-adularia veining within broad zones of silicification. The veins are hosted within a package of felsic crystal and lithic bearing tuffaceous volcanic rocks. Zones of silicification and quartz veining were intersected in all 15 holes drilled which were collared along roughly 700 metres of strike length. The most significant assays from the program are tabularized below. Gold and silver values are reported in grams per tonne (g/t) and the intervals are reported in metres (m).

Hole #	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)
Hole 1	6.50	10.00	3.50	0.32	60.0
Including	6.00	6.50	0.50	0.70	180.0
Hole 2	128.07	132.20	6.13	1.00	22.0
Hole 3	74.26	74.65	0.39	4.26	100.0
Hole 4	138.00	141.06	3.06	0.55	9.4
Hole 5	75.04	77.70	2.66	1.10	68.5
Hole 6	77.70	79.46	1.76	0.20	29.3
Hole 7	63.09	63.76	0.67	0.31	27.7
Hole 10	86.30	88.00	1.70	0.24	6.8
Hole 11	89.60	95.00	5.40	0.44	33.8
including	91.00	92.00	1.00	1.38	98.2
Hole 14	97.50	97.80	0.30	0.10	142.0
Hole 14	99.00	100.00	1.00	0.91	84.3
Hole 14	104.98	105.68	2.30	0.54	34.5
Hole 15	115.93	118.05	2.12	0.61	59.4
including	116.60	117.22	0.62	1.06	63.7

These results indicate that the vein system is mineralized over a broad strike and dip extent. Geological, geochemical and petrologic studies carried out on the veins intersected in core indicate that the depths at which the vein has been tested are still quite shallow within the hydrothermal system and relative to where high grades are expected. This is in part due to the vein dipping at a shallower angle than expected.

In addition to diamond drilling along the known extent of the vein system, a geologic mapping, rock-chip and soil sampling program was carried out in January and February 2006 to better define and extend the understanding of the veining and to identify further veins. The soil sampling program defined a gold, silver and antimony in soil anomaly which extends the known trend of gold mineralization by roughly 500 metres.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company has no planned exploration program for 2011. A joint venture partner is being sought for the project.

The Campanario Prospect – Mexico

The Campanario Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
The prospect was acquired directly by staking and the Company has a 100% interest. In November 2005, the Company entered into an agreement with Consolidated Spire Ventures Ltd. (“Spire”). To earn a 60% interest, Spire had to incur exploration expenditures of $3,500,000 and issue 500,000 shares to the Company by April 30, 2011. In 2008, the Company terminated the option with Spire for non-performance.

Expenditures to Date
During Fiscal 2010, the Company incurred $8,145 maintaining the prospect which was written off to operations. As at December 31, 2010, the Company was carrying the prospect at $1.

Location and Access
The Campanario property is located near the village of San Miguel del Valle which is located by paved road roughly 25 kilometres southeast of the City of Oaxaca in the State of Oaxaca, Mexico.

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Infrastructure
There is no infrastructure in the immediate area of the property.

History and Recent Work
The Campanario prospect was identified during a helicopter reconnaissance program in Fiscal 2003 and acquired by the Company by staking. There is no known mining or exploration history in the area of the prospect.

Geology and Mineralization
The property covers several ridges where outcrop and subcrop of a breccia body has been identified. The breccia consists of fragments of various rock types but dominated by fine-grained quartz-feldspar porphyry clasts that are variably sized and shaped. The fragments are silicified, adularised, clay altered and quartz-veined. The matrix of the breccia consists of quartz and pyrite and the breccia itself is extensively crosscut by a stockwork of pyrite-bearing quartz veining. The breccia body has been traced in outcrop to be at least 150 by 150 metres in size however, float of breccia material suggests that the body or bodies of breccia may encompass a much larger area.

Exploration Results
To date only a very preliminary exploration program has been carried on the prospect. Spire completed a further program of rock and soil sampling and geologic mapping and an induced polarization (IP) geophysical survey in order to better define the breccia zone and the soil anomaly. By reason of delays encountered arising from civil unrest has made access to the prospect to conduct exploratory drilling operation impracticable.

Planned Work Program – Fiscal 2011, Ending December 31, 2011
The Company has planned a preliminary diamond drilling program for Fiscal 2011. An estimated budget has not yet been determined.

Nevada Prospects – United States

The Company has acquired four projects in Nevada all of which were acquired through staking, the Willow, Paradise East, BP and MT claims. These properties are all early stage exploration projects.

Ownership
The prospects, discovered during Almaden's ongoing regional exploration program in Nevada ,are 100% owned by the Company. The properties were acquired through staking.

Expenditures to Date
During Fiscal 2010, the Company incurred $209,759 in acquisition and exploration costs on the prospects.

Location and Access
The projects are all road accessible and located in western, eastern and south-western Nevada.

Infrastructure
There is no infrastructure in place on the prospect.

History and Recent Work
During Fiscal 2008 and 2009, Almaden completed a large program of soil sampling, induced polarization geophysics, prospecting and rock chip sampling on the Willow prospect and a similar but more preliminary program on the Paradise East prospect. Results from the program identified a broad zone of elevated gold, copper and molybdenum in soil spatially associated with high induced polarization chargeability values at depth at Willow.

In 2010 the Company conducted staked the BP project and conducted a preliminary geological mapping and soil sampling program.

Geology and Mineralization

At Willow Almaden has completed geologic and alteration mapping, rock sampling, soil sampling and stream sediment sampling. Mapping has outlined a roughly 2 by 2 kilometre area of intense hydrothermal alteration characterised by minerals and features typical of high sulphidation epithermal systems including silicification and brecciation, alunite, kaolinite and dickite. In this area 174 rock samples have been taken with results ranging from 0.005 to 0.29 g/t gold. Soil sampling was conducted on a 200 by 50 metre grid. The 1,297 soil samples collected returned gold values from below detection up to 1.2 g/t gold and averaging 0.024 g/t gold. Several significant areas of greater than 0.1 g/t gold were outlined in this soil sampling program. Stream sediment samples were also taken and returned values from 0.002 g/t gold to a high of 3.4 g/t gold and averaging 0.041 g/t gold. These geochemical results are interpreted to be indicative with top of a high sulphidation gold system. Almaden plans to conduct a preliminary drill program at Willow in 2010.

This early stage project located near the historic Paradise Peak gold mine in central Nevada covers an area of acid sulphate alteration interpreted to represent a high sulphidation system.

The BP claims cover an area of jasperoid and clay alteration developed in an exposed debris flow in lower plate rocks, the geologic succession that hosts many of the important gold deposits in northern Nevada. The alteration and host rocks are typical of that of major Carlin type deposits in Nevada and the prospect is located roughly 30 miles from the Carlin district along the Carlin trend. The prospect is located nearby good access but off roads and no evidence of past work was noted in the area except for several small barite workings. No significant gold values were returned from the reconnaissance sampling however these rock samples did have anomalous trace elements typical of Carlin type systems.

Planned Work Program – Fiscal 2011, Ending December 31, 2011

The Company plans a preliminary drill program at the Willow prospect with a budget of US$150,000 and further surface work on the other prospects, designed to better define future drill targets.

The Tropico Prospect - Mexico

The Tropico Prospect is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest

The Company's predecessor ("Fairfield") acquired the claims from a subsidiary of BHP Billiton, for a nominal consideration. The property is subject to a 2.25% net smelter return payable to BHP. In Fiscal 1999, Fairfield optioned the property to Santoy Resources Ltd. ("Santoy") who earned a 60% interest. Subsequently, the joint venture purchased the Maricela and Tarantula II claims. The prospect was reduced to these claims but in 2007 the El Recodo claim of 21,000 hectares was staked.

During Fiscal 2008 the Company and Santoy entered into an agreement with Skeena Resources Limited ("Skeena"). To earn a 60% interest, Skeena had to maintain the property in good standing, incur exploration expenditures totalling $3,000,000 and issue 1,250,000 shares, 40% to the Company and 60% to Santoy, by March 17, 2012.

In Fiscal 2010, the Company and Santoy sold their 40% interest to Skeena. The Company received 2,560,000 shares of Skeena. The Company retains 40% of a 2% net smelter royalty.

The Bufa Prospect - Mexico

The Bufa Prospect (formerly "Guadalupe") is without known reserves and all current work by the Company on the prospect is exploratory in nature.

Option to Acquire Interest
During Fiscal 2003, the Company's subsidiary acquired 100% interest in the La Bufa claim by staking.

In Fiscal 2005, the Company entered into an agreement with Lincoln Gold Corp. ("Lincoln Gold"). To earn a 60% interest Lincoln Gold must incur exploration expenditures of US$3,000,000 and issue 450,000 shares to the Company over five and a half years. If production is achieved, Lincoln Gold must then issue an additional 100,000 shares to the Company. All shares issued will be Restricted Securities under the U.S. Securities Act 1933 and all certificates representing the shares will be endorsed with legends confirming their status as restricted securities.

In Fiscal 2007, the Company renegotiated the agreement with Lincoln Gold. To earn a 60% interest Lincoln Gold must now incur exploration expenditures of US$3,500,000 and issue 1,550,000 shares to the Company over four years.

In Fiscal 2009, Lincoln Mining Corporation (previously named LPT Capital Ltd.) ("Lincoln Mining") acquired all of the outstanding common shares of Lincoln Gold through a previous merger of 0843037 B.C. Ltd., a wholly owned subsidiary of Lincoln Mining, with Lincoln Gold to form the company Lincoln Mining Corporation.

In Fiscal 2010, the Company sold its interest in the Bufa prospect to Lincoln Mining Corporation, Minera Lincoln de Mexico, S.A. de C.V. and Lincoln Gold Corporation (the "Lincoln Entities") for a total of 6,000,000 common shares of Lincoln Mining. The Company retains a production royalty of 2% NSR.

The Ram Prospect – Canada

The Ram claims were acquired from the Company's predecessor ("Fairfield") and were 100% owned by the Company.

In May 2000, Fairfield entered into an agreement (later amended) with Ross River Gold Ltd. (now Ross River Minerals Inc. ("Ross River") whereby Ross River could have earned a 70% interest in the prospect by incurring $500,000 in exploration expenditures by April 1, 2008 and issuing to the Company a total of 390,000 shares.

In January 2008, the Company completed the sale of the Ram prospect to Ross River for 100,000 shares of Ross River and a 2% NSR.

Item 5. Operating and Financial Review and Prospects

Operating Results

The following discussion and analysis of the results of operations and the Company's financial position should be read in conjunction with the consolidated financial statements and related notes for the years ended December 31, 2010 and 2009 appearing under Item 17 – Financial Statements and listed under Item 19 – Exhibits.

The Company's consolidated financial statements are stated in Canadian Dollars.

Transition to International Financial Reporting Standards

As stated in Note 2, these are the Company's first annual consolidated financial statements prepared in accordance with IFRS.

The Company adopted IFRS in accordance with IFRS 1, First-time Adoption of International Financial Reporting Standards ("IFRS 1). The first date at which IFRS was applied was January 1, 2009 ("Transition Date"). IFRS 1 provides for certain mandatory exceptions and optional exemptions for first-time adopters of IFRS.

IFRS 1 requires that the same policies are applied for all periods presented in the first IFRS financial statements and that those policies comply with IFRSs in effect as at the end of the first IFRS annual reporting period. Accordingly, the opening IFRS statement of financial position, 2009 comparatives and current year financial statements have been prepared using the same policies. The previously presented 2009 Canadian GAAP financial information has been reconciled to the IFRS information as part of this transition note in accordance with the requirements of IFRS 1. Further, the policies applied have been done so on a full retrospective basis unless an alternative treatment is permitted or required by an IFRS 1 election or exception. These are discussed below.

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Elections upon first-time adoption of IFRS

The IFRS 1 exemptions applied by the Company in the conversion from Canadian GAAP to IFRS are as follows:

(a) Business combinations

IFRS 1 indicates that a first-time adopter may elect not to apply IFRS 3 (2008) Business Combinations retrospectively to business combinations that occurred before the date of transition to IFRS. The Company has elected to apply IFRS 3 (2008) to only those business combinations that occurred on or after the Transition Date and such business combinations have not been restated. As a result of this election, no adjustments were required to the Company's statement of financial position as at the Transition Date.

(b) Share-based payment transactions

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2 Share-based Payment to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that vested prior to the Transition Date.

Mandatory Exceptions under IFRS

The IFRS 1 mandatory exception applied by the Company in the conversion from Canadian GAAP to IFRS is as follows:

(c) Estimates

In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP unless those estimates were in error. The Company's IFRS estimates as at the Transition Date are consistent with its Canadian GAAP estimates as at that date.

Reconciliations of Canadian GAAP to IFRS

IFRS 1 requires an entity to reconcile equity and comprehensive income for prior periods presented under Canadian GAAP to IFRSs as of the same date. In addition, an explanation is required for any material adjustments to cash flows to the extent that they exist. The analysis which follows represents the reconciliations from Canadian GAAP to IFRS for the respective periods noted:

		As at January 1, 2009			As at December 31, 2009		
	note	GAAP	Effect of Transition to IFRS	IFRS	GAAP	Effect of Transition to IFRS	IFRS
ASSETS							
Non-current assets							
Property, plant and equipment		$ 1,013,580	$ -	$ 1,013,580	$ 875,101	$ -	$ 875,101

Investment	1,549,036	-	1,549,036	1,261,651	-	1,261,651
Reclamation deposit	81,500	-	81,500	84,000	-	84,000
Mineral property deposit	138,929	-	138,929	138,929	-	138,929
Mineral properties	8,235,749	-	8,235,749	8,416,597	-	8,416,597
	11,018,794	-	11,018,794	10,776,278	-	10,776,278
Current assets						
Inventory	274,768	-	274,768	274,768	-	274,768
Marketable securities	340,893	-	340,893	763,479	-	763,479
Accounts receivable and prepaid expenses	448,675	-	448,675	702,227	-	702,227
Cash and cash equivalents	12,318,950	-	12,318,950	13,142,671	-	13,142,671
	13,383,286	-	13,383,286	14,883,145	-	14,883,145
TOTAL ASSETS	$ 24,402,080	$ -	$ 24,402,080	$ 25,659,423	$ -	$ 25,659,423

	note	As at January 1, 2009 GAAP	Effect of Transition to IFRS	IFRS	As at December 31, 2009 GAAP	Effect of Transition to IFRS	IFRS
EQUITY							
Share capital		$49,159,392	$-	$49,159,392	$50,877,609	$-	$50,877,609
Reserves							
Equity settled employee benefits	19(iv)	-	4,509,023	4,509,023	-	4,576,523	4,576,523
Warrants	19(iv)	-	176,741	176,741	-	1,158,726	1,158,726
Available-for-sale financial assets	19(iv)	-	(1,358,650)	(1,358,650)	-	(736,359)	(736,359)
Contributed surplus	19(iv)	4,685,764	(4,685,764)	-	5,735,249	(5,735,249)	-
Accumulated other comprehensive income	19(iv)	(1,358,650)	1,358,650	-	(736,359)	736,359	-
Deficit		(28,419,696)	-	(28,419,696)	(30,705,655)	-	(30,705,655)
		24,066,810	-	24,066,810	25,170,844	-	25,170,844
LIABILITIES							
Non-current liabilities							
Asset retirement obligation		129,332	-	129,332	135,016	-	135,016
Current liabilities							
Accounts payable and accrued liabilities		205,938	-	205,938	353,563	-	353,563
		335,270	-	335,270	488,579	-	488,579
TOTAL EQUITY AND LIABILITIES		$24,402,080	$-	$24,402,080	$25,659,423	$-	$25,659,423

Reconciliation of Statement of Comprehensive Loss

			Year ended December 31, 2009		
	note		GAAP	Effect of Transition to IFRS	IFRS
Revenue					
Interest income			$169,458	$-	$169,458
Drilling services			2,112,832	-	2,112,832
Other income			158,329	-	158,329
			2,440,619	-	2,440,619
Expenses					
Drilling services expenses			1,218,518	-	1,218,518
Write-down of interests in mineral properties			890,811	-	890,811
General and administrative expenses (Schedule 1)			1,291,253	-	1,291,253
General exploration expenses			665,055	-	665,055
Stock option compensaiton			67,500	-	67,500
			4,133,137	-	4,133,137
			(1,692,518)	-	(1,692,518)
Loss on equity investment			(90,908)	-	(90,908)
Loss on dilution			(196,476)	-	(196,476)
Write-down of marketable securities			(80,600)	-	(80,600)
Income on mineral property options			77,360	-	77,360
Loss on sale of marketable securities			(26,790)	-	(26,790)
Foreign exchange loss			(415,755)	-	(415,755)
Loss before income taxes			(2,425,687)	-	(2,425,687)
Income tax recovery	19	(v)	232,728	(93,000)	139,728