MOSER RIVER
HALIFAX COUNTY
NOVA SCOTIA

NTS MAP 11D16D
NTS MAP 11D16C

APRIL 2007

REPORT OF ASSESSMENT WORK
CONDUCTED ON EXPLORATION
NO. 06718 FOR:

MEGUMA RESOURCE ENTERPRISES INC.
RR3, SALTSPRINGS
PICTOU COUNTY
NOVA SCOTIA
BOK 1PO

BY

Thomas R. Baillie
President/CEO
Meguma resource enterprises inc.

TABLE OF CONTENTS

APPENDICES

FIGURES

SUMMARY

Very little exploration data and history exist for licence no. 06718 containing 43 contiguous claims at Moser River, Halifax County.

Auriferous quartz veins noted by E.R. Faribault in the slate syncline and the potential for disseminated gold were explored by surface prospecting.

Widespread rounded quartz surface float was found but no veins were exposed during the prospecting to date.

Six samples of quartz float were collected for assay and sent to TUNS for gold assay using aqua regia leach, MIBK extraction, AAS finish.
A copy of the results is included with this report and all assays returned gold values to some degree.

The results obtained from this first year of surface prospecting provide sufficient encouragement to continue with the prospect based on the recent discovery of disseminated gold in metasedimentary rocks at many former gold districts.

INTRODUCTION

This report details exploration activities within Exploration Licence 06718 during the period from April 26, 2006 to April 26,2007.

Auriferous quartz veins were reported in the metasiltstones at Moser River within the Goldenville Formation in the Liscomb Harbour Synclinal as reported by E.R.Faribault On Map551(1896).---See Map figure 3---.

Widespread till covers the ground on the east and west side of the Moser River with little outcrop exposure but rounded quartz float is common along with slates that make up 80% of the exposed ground.

Basic exploration prospecting was carried out during the field season as a pontential for new discovery within this claim group for vein and possible disseminated gold in the host rocks.

Six samples were collected and sent for assay from surface float, outcrops were searched for and interviews with landowners conducted.

LOCATION AND ACCESS

The Moser River claims can be reached by highway no. 7 along the Eastern Shore in Halifax County at the village of Moser River.

Two roads run north across strike of the bedding concordant slate belts in this wide synclinal structure from the no. 7 highway that provide good access for prospecting.

A road running north on the west side of Moser River as well as a road running north on the east side of Moser River using 2 wheel drive is possible to gain access.

The Moser River runs south to the sea across strike and at low water levels exposed outcrop of bedding, quartz veins and float can be accessed.

LICENCE TABULATION

This is the first year of issue for licence no. 06718 containing 43 contiguous claims staked by Meguma Resource Enterprises Inc. as follows:

CLAIMS	TRACT	REFERENCE MAP
All claims	85	11D16D
A*B*CD EFGH* JKLM NOPQ	96	11D16C
ABCD FGHJ KPQ	95	11D16C

*Offshore in part.

WORK PERFORMED

In this first year of licence 06718 staked at Moser River basic prospecting was carried out.
Road access and trails were investigated for outcrop, float, quartz veins and any host rock that might contain sulphides.

The auriferous quartz veins noted on map 551(Faribault 1896) were searched for but not found exposed on surface.

Uprooted trees left by hurricane Juan were examined for quartz float, exposed bedrock and till contents.
Chip samples were looked at for sulphides from host rock as well as quartz float and any iron stained areas were investigated.
The quartz float chip samples showed very fine disseminated arsenopyrite along with possible flecks of galena.
80% of the host rock is made up of slates with greywacke concordant bedding containing the balance.
The slates and greywacke chip samples did not show any visible sulphides but quartz and carbonate stringers were noted in greywacke.
Grab samples of till were panned at site to check for gold in till and quartz content if Fe-oxides were observed.
One kg. samples were screened through a ½ inch screen into a standard 14 inch gold pan, panned to a concentrate and checked for vg or quartz content.
All pans contained quartz fragments but no vg was noted.
Quartz panned on the southern area of the claims were rounded but sharp quartz chips were observed in pan concentrate in the northern section of the claims.
The quartz ranged in size from ½ inch to tiny grains and made up to 10% of the panned concentrate.
Six samples of quartz float were collected and sent for assay. See table on page 5 for sample descriptions and analytical results as well as map figure 4 for sample location.

The results of the assays show weakly anomalous gold values ranging from 18 to 28ppb in the Moser River area. Potential for finding a deposit in this area is possible and warrants detailed surface prospecting to continue.

CONCLUSIONS AND RECOMMENDATIONS

Sufficient encouragement from surface prospecting and assays showing some gold content in a wide float trail on this property should be followed up.
When water levels are lower in the Moser River a detailed search of the stratigraphy of the area can be obtained by exposed outcrop in the river bed and should be mapped.
Disseminated gold and sulphides should be searched for in the host rocks along with any quartz veins found on the property.
Grab samples should be taken and panned to check for gold in till along the Moser River along with the search for veins and outcrop.

ANALYTICAL RESULTS

The results of analyses and description of samples collected from this work are shown as follows:

Sample no.	Sample size	Sample type and description	AU (ppm)
MRF-1	1 kg.	Quartz chips from float, white quartz ,slate inclusions, fine grain arsenopyrite noted in quartz.	0.018
MRF-2	1 kg.	Grab sample, white quartz with carbonate, red staining.	0.007
MRF-3	1 kg.	Grab sample, white quartz , fine grain arsenopyrite noted.	0.025
MRF-4	1 kg.	Grab sample, white quartz with slate wall rock , arsenopyrite and two possible sights of galena.	0.018
MRF-5	1 kg,	Grab sample, white quartz , fine grain arsenopyrite.	0.025
MRF-6	1 kg.	Grab sample, white quartz with slate inclusions , arsenopyrite and one sight of possible galena.	0.028

APPENDIX A

DALHOUSIE
University

MINERALS ENGINEERING CENTRE

Dalhousie University
1360 Barrington Street
G.H. Murray Bldg., Rm. G101
Halifax, Nova Scotia
B3J 1Z1

www.minerals.engineering.dal.ca
Tel: 902.494.3955
Fax: 902.494.3506
Email: mec@dal.ca

Gold & Silver Analysis

After multiple stage crushing (minus 4.0 mm) with jaw crushers, samples are riffle split and pulverized with ring and puck (Spex Industries Inc. Shatterbox) to 100% passing 0.15 mm. Equipment is cleaned with jets of air and silica sand between samples.

A 10 g (or 20 g) sample is weighed into 400 ml beaker. The gold and silver is extracted with 120 ml of aqua regia (3 parts HCl and 1 part HNO_3) by heating on a hot plate. The samples are evaporated down to approximately 30 ml. After adding 25 ml water, the samples are filtered into 100 ml flasks. Silver is read directly by atomic absorption while gold is concentrated and separated from any interfering elements by extraction with M.I.B.K. By extracting into an organic phase (MIBK) not only are interfering elements removed and the sample concentrated but the sensitivity in the M.I.B.K. phase is much greater than in aqueous medium. The total sample is transferred to a 125 ml separatory funnel and 10 ml of methyl isobutyl ketone is added. The funnel is shaken for about 2 minutes and the layers allowed to separate. The aqueous layer is run off and discarded. 35 ml of 10% HCl is added and the funnel shaken again for two minutes and the aqueous layer discarded. The M.I.B.K. layer is washed in a similar manner 3 to 5 times. The gold is determined by atomic absorption. For gold and silver the Minerals Engineering Centre uses the D2 background correction method.

Standards are prepared in 25% HCl and extracted into an equal volume of M.I.B.K. Range of standards include 0.0, 0.25, 0.50, 1.0, 2.0, 3.0, 4.0, 5.0 and 10.0 mg/L gold.

For ore samples containing high levels of sulphides or carbonates, the residue from aqua regia extraction is re-leached with aqua regia and analyzed for gold, as above. Total gold in the sample is the sum of the two leaches.

Detection Limits (lowest value reported).

Gold 5 ppb (20g sample)
Silver 0.01 ppm (10g sample)

DALHOUSIE
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Tel: 902.494.3955
Fax: 902.494.3506
Email: mec@dal.ca

19-Mar-07

Meguma Resource Enterprises Inc.
RR3 Saltsprings
Pictou County, NS
B0K 1P0
Attention: Thomas R. Baillie

Re: Results of analysis on submitted samples.
Aqua regia leach, MIBK extraction, AAS finish.

Solids:	mg/Kg
Sample	Au
MRF-1	0.018
MRF-2	0.007
MRF-3	0.025
MRF-4	0.018
MRF-5	0.025
MRF-6	0.028

CANMET Reference Standards	mg/Kg Au
PTM-1	1.77
CCU-1	6.60
MA-1	15.65

Daniel Chevalier
Manager, Minerals Engineering Centre

APPENDIX B

BIBLIOGRAPHY

Gold Deposits in the Meguma Group by: P. K. Smith and D. J. Kontak
DNR Minerals Branch Information Circular 51,1996.

Map 551 (1896) by E.R. Faribault showing surface Geology, Moser River.

Gold, Moser River, Halifax and Guysborough Counties, Nova Scotia.
Report on Prospecting and Soil, Float and Rock Sampling and Chemical Analyses
by Mercator Geological Services for Goldenville Mining.
Assessment Report ME 2004-130, 2004.

Gold,Moser River Area, Halifax County, Nova Scotia.
Report on a spruce bark geochemical survey, a reconnaissance EM survey,
trenching and Rock sampling and Chemical Analyses, by Jensen, LR; Conrod, DP,
Assessment Report ME 1994-006, 1994.

Don Conrod, Berwick N.S. Personal Communication. 2006/2007

Gold, Moser River and Goldenville Areas, Halifax and Guysborough Counties,
Nova Scotia. Report on Rock, Soil, Till and Stream Sediment Geochemical Surveys
and a VLF-EM Survey, by Frotten, G M; Seabright Explorations Incorporated,
Assessment Report ME 1987-217,1987.

William Fleet, Moser River. Landowner and Guide. Personal Communication
2006/2007.

AUTHOR:QUALIFICATIONS AND WORK EXPERIENCE

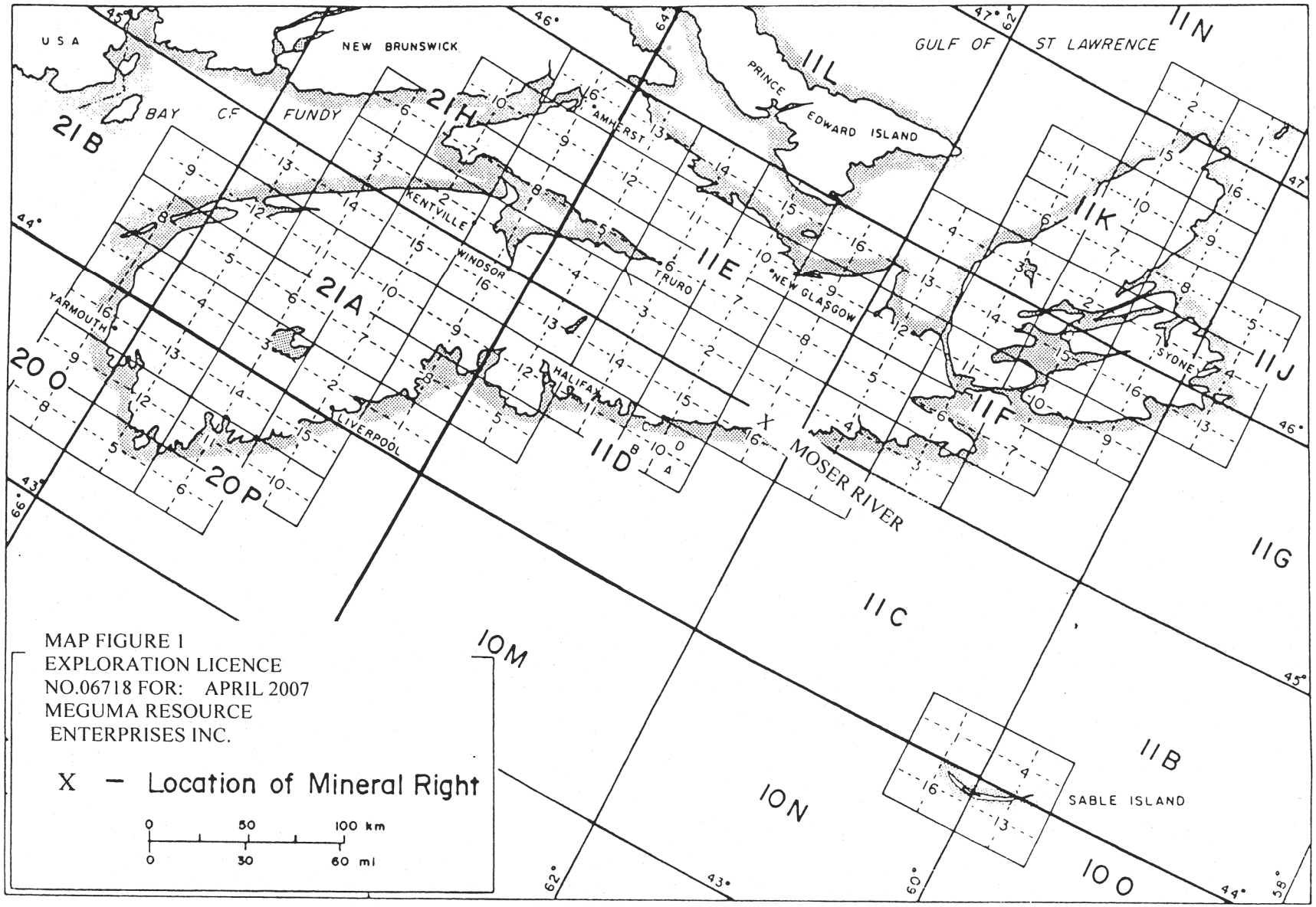
Grade 12 GED Diploma no. 19641 Issued 28 June 1984
Registered as a prospector April 12,1994. ID No. 322.
Basic prospecting course (1995) and advanced prospecting course completed June 9,1999.
Employed with Azure Resources at the start up of the Mooseland Mining Camp May5,2003.
Worked with Geological Dept. under the direction of Michael H. Sanguinetti P.Eng. of Vancouver,B.C.
Worked underground to collect and record samples as decline ramp progressed.
Surface work included cutting of drill core,preservation of core by constructing storage racks and placing core in racks for future viewing in an easy to follow location system.
Moved to Dufferin Mine Site Aug.2003 and employed until Aug.14,2004.
Again worked under the direction of Michael H. Sanguinetti P.Eng.
Worked on surface and underground to collect samples for assay.
I have also worked in the Lab. at the Dufferin Mine Site doing sample prep. under the direction of B.Coffin,Assayer.
During this work I have learned the fire assay method and the smelting of gold ore.
During an option agreement on the Miller Lake property by Azure Resources I was in charge of obtaining all permits and the excavation and reclamation of 12 trenches.
During an option agreement by Jemma Resources for ground at Ecum Secum I was in charge of obtaining all permits, sample collection, obtaining permission from landowner, trenching and reclamation.

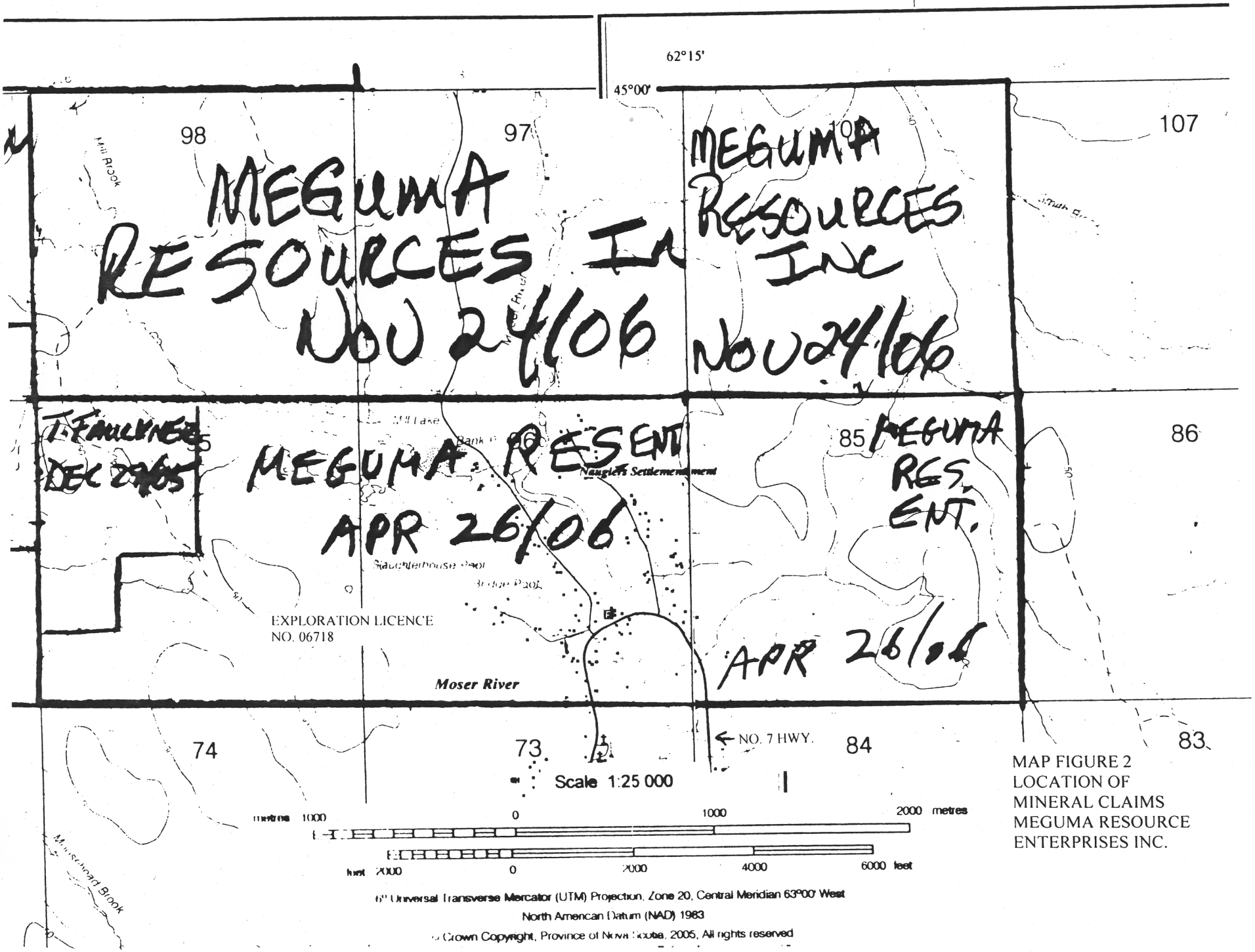
I am the author of this report for the dates noted on behalf of Meguma Resource Enterprises Inc. for Exploration Licence No.06718 situated at Moser River,Halifax County; Nova Scotia.

Thomas R. Baillie

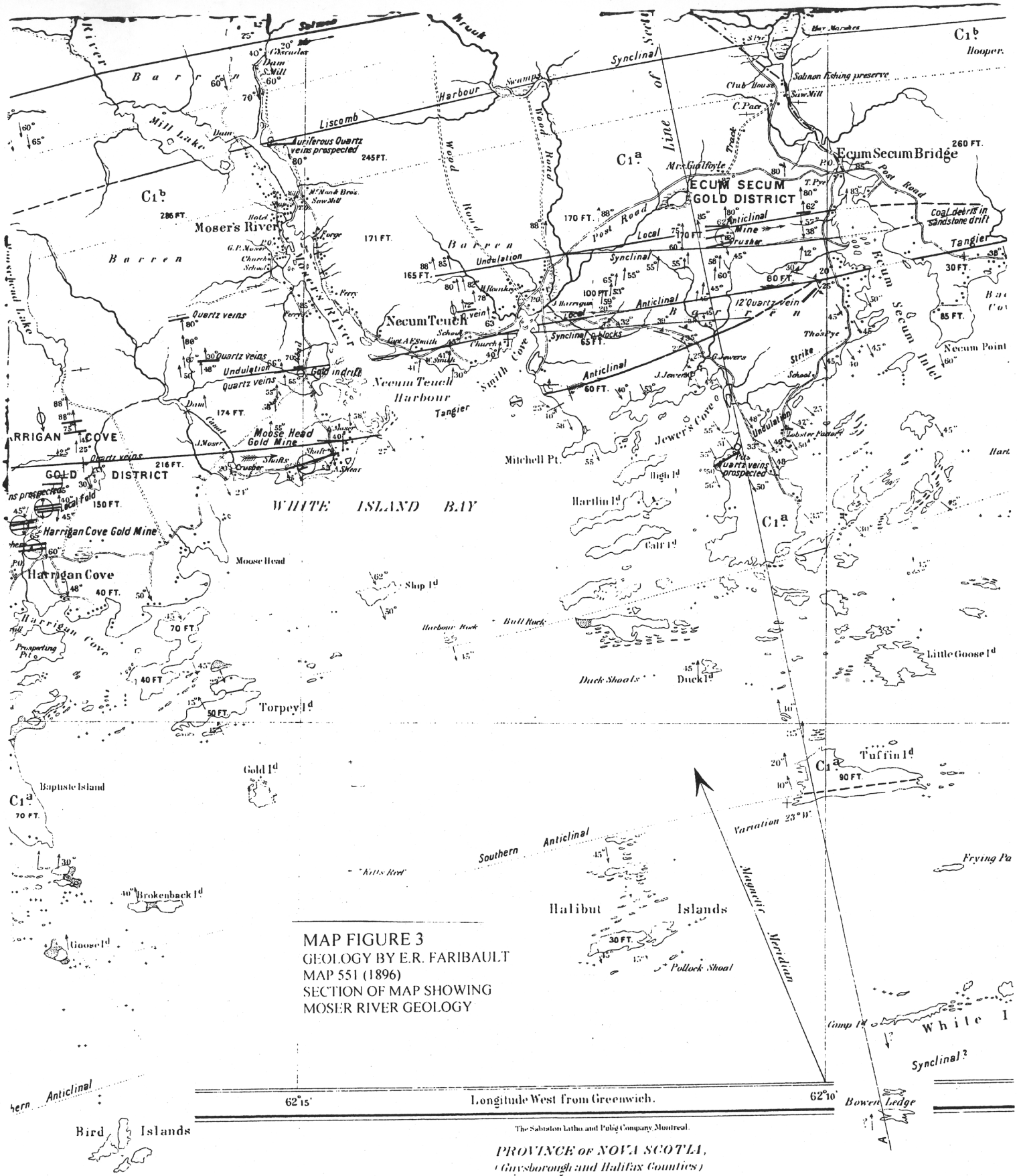
Thomas R. Baillie
President/CEO
Meguma Resource Enterprises Inc.
RR#3,Saltsprings;N.S.
BOK IPO

APPENDIX C

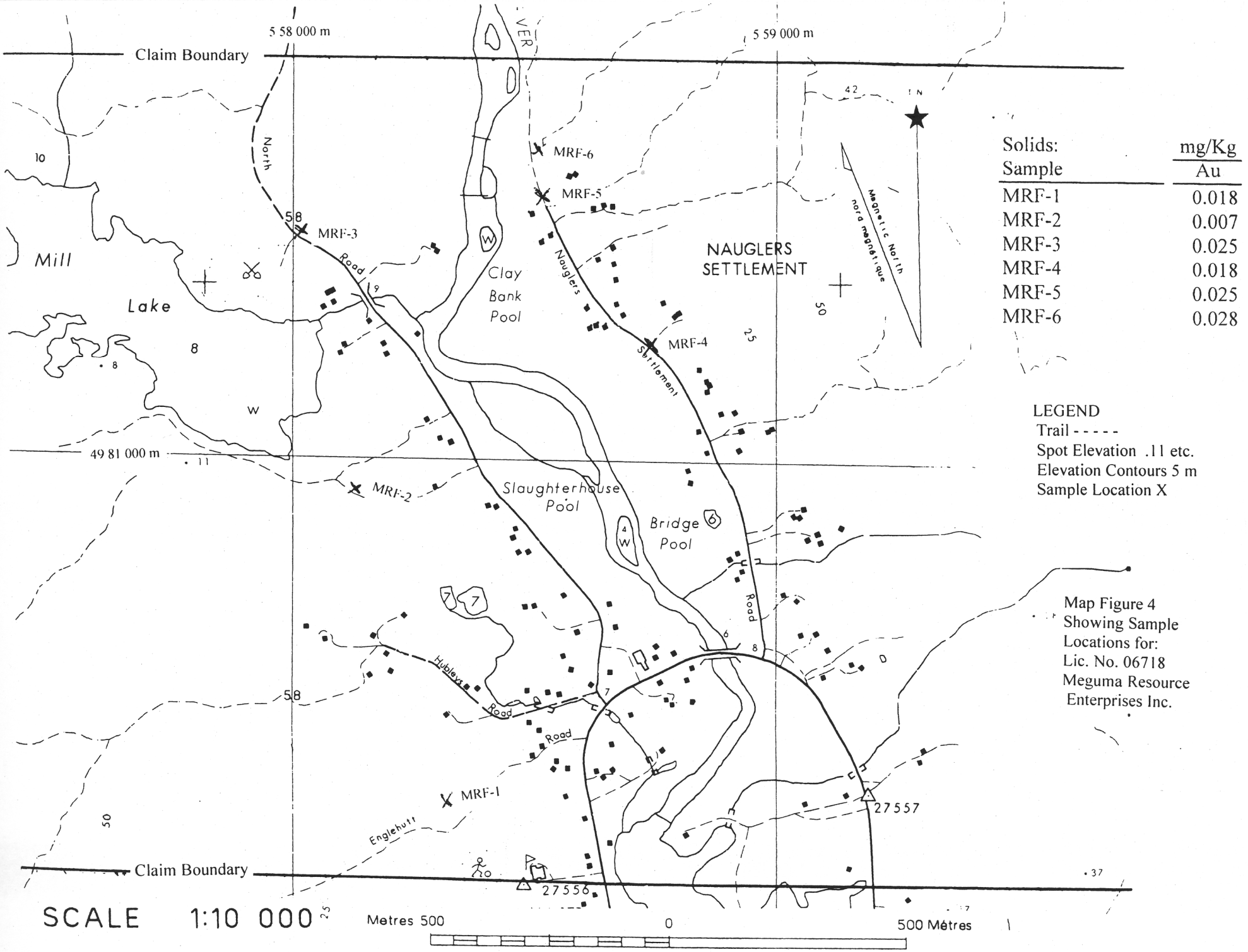

USA
NEW BRUNSWICK
BAY OF FUNDY
GULF OF ST LAWRENCE
PRINCE EDWARD ISLAND
21B
21H
21A
20O
20P
11L
11N
11K
11E
11J
11F
11D
11G
11C
10M
10N
10O
AMHERST
KENTVILLE
WINDSOR
TRURO
NEW GLASGOW
STONEY
YARMOUTH
HALIFAX
LIVERPOOL
MOSER RIVER
SABLE ISLAND
MAP FIGURE 1
EXPLORATION LICENCE
NO.06718 FOR: APRIL 2007
MEGUMA RESOURCE
ENTERPRISES INC.
X — Location of Mineral Right
0 50 100 km
0 30 60 mi



MAP FIGURE 2
LOCATION OF
MINERAL CLAIMS
MEGUMA RESOURCE
ENTERPRISES INC.



MAP FIGURE 3
GEOLOGY BY E.R. FARIBAULT
MAP 551 (1896)
SECTION OF MAP SHOWING
MOSER RIVER GEOLOGY



Solids: Sample	mg/Kg Au
MRF-1	0.018
MRF-2	0.007
MRF-3	0.025
MRF-4	0.018
MRF-5	0.025
MRF-6	0.028

LEGEND
Trail - - - - -
Spot Elevation .11 etc.
Elevation Contours 5 m
Sample Location X

Map Figure 4
Showing Sample Locations for:
Lic. No. 06718
Meguma Resource Enterprises Inc.

NOVA SCOTIA
Natural Resources

Map 11016D, 11016C
Refs. TRACT 85 ON D
TRACT 96, 95 ON C

Form 10 - Statement of Assessment Work Expenditure
(pursuant to the *Mineral Resources Act*, S.N.S. 1990, c. 18, s. 43(1))

(Complete as necessary to substantiate the total claimed.)
Re: Licence No. 06718 Date of issue APRIL 26, 2006

	Type of Work		Amount Spent
1.	Prospecting	12 days	$ 5,022.00
2.	Geological mapping	_____ days	
3.	Trenching/stripping/refilling	____m^2 / ____m^3	
4.	Assaying & whole rock analysis	6 #	99.00
5.	Other laboratory	_____#	
6.	Grid:		
	(a) Line cutting	_____km	
	(b) Picket setting	_____km	
	(c) Flagging	_____km	
7.	Geophysical surveys		
	Airborne:		
	(a) EM/VLF	_____km	
	(b) Mag or Grad	_____km	
	(c) Radiometric	_____km	
	(d) Combination	_____km	
	(e) Other _____	_____km	
8.	Geophysical surveys		
	Ground:		
	(a) EM/VLF	_____km	
	(b) Seismic soundings	_____#	
	(c) Magnetic/telluric	_____km	
	(d) IP/resistivity	_____km	
	(e) Gravity	_____km	
	(f) Other _____	_____km	
9.	Geochemical surveys		
	(a) Lake, stream, spring		
	(i) Water	_____samples	
	(ii) Sediments	_____samples	
	(b) (i) Rock	_____samples	
	(ii) Core	_____samples	
	(iii) Chips	_____samples	
	(c) (i) Soil	_____samples	
	(ii) Overburden	_____samples	
	(d) Gas	_____samples	
	(e) Biogeochemistry	_____samples	
	(f) Sample collection	_____samplee	
	(g) Other _____	_____days	
10.	Drilling:		
	(a) Diamond (# holes/m)	____/____m	
	(b) Percussion (# holes/m)	____/____m	
	(c) Rotary (# holes/m)	____/____m	
	(d) Auger (# holes/m)	____/____m	
	(e) Reverse circulation (# holes/m)	____/____m	
	(f) Logging, supervision, etc.	_____days	
	(g) Sealing (# holes)	_____#	
11.	Other (describe): FUEL (GAS) VAN. 2812.8KM @ .35		984.48
	Subtotal		6,105.48
	Overhead costs		
12.	Secretarial services (REPORT)		
13.	Drafting services (PREP. 2 DAYS)		500.00
14.	Office expenses (rent, heat, light, etc.)		
15.	Field supplies		
16.	Compensation paid to landowners		
17.	Legal fees		
18.	Other (describe)		
	Subtotal		500.00
	Grand total		$6,605.48

List the names of the persons who conducted the work reported in the previous table and the dates during which the work was performed.

Name	Address	Dates Worked
THOMAS R. BAILLIE	RR3, SALTSPRINGS NOVA SCOTIA	MAY 30, 31 JULY 1, 2, 3 AUG 6, 7, 13, 14, NOV 18, 19, 22-06
JOHN T. ROSS	RR2, WESTVILLE NOVA SCOTIA	JULY 1, 2, 3, NOV 18, 19-06
WILLIAM FLEET	MOSER RIVER NOVA SCOTIA	MAY 30, 31, AUG 6, 7, 13, 14-06
LINDSAY ALLEN	TERENCE BAY RIVER NOVA SCOTIA	NOV 22, 06

I hereby certify that the information in this form is true and correct, that it has not before been submitted for assessment work credit and that it is the total of all work conducted on the licence during the past licensed year.

As PRESIDENT/CEO (position in company or licensee) I am duly authorized to make this certification.

Dated at SALTSPRINGS, N.S. in the Province of NOVA SCOTIA on APRIL 5, 2007.

Name and address of licensee: MEGUMA RESOURCE ENTERPRISES INC. RR3, SALTSPRINGS, PICTOU COUNTY, N.S. B0K 1P0

Signature Thomas R. Baillie

For further information, contact the Registrar of Mineral and Petroleum Titles at 1-902-424-4068.