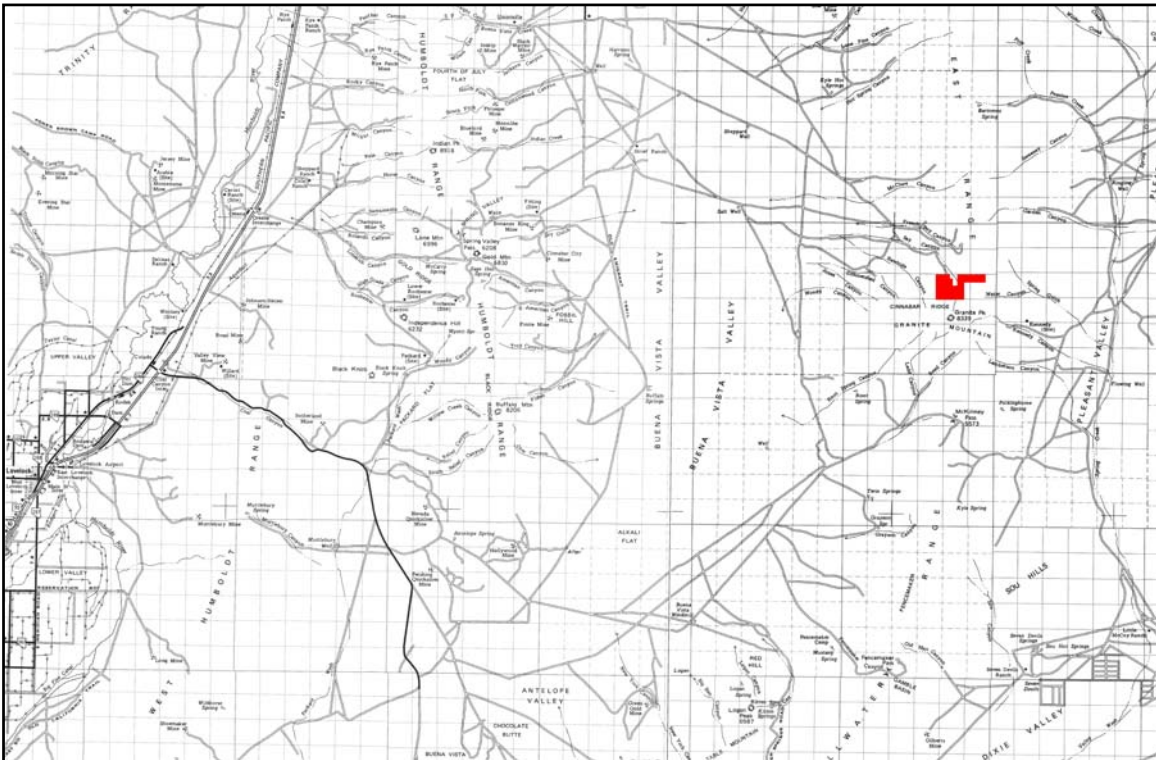




Granite Peak Porphyry Cu-Mo-Au prospect

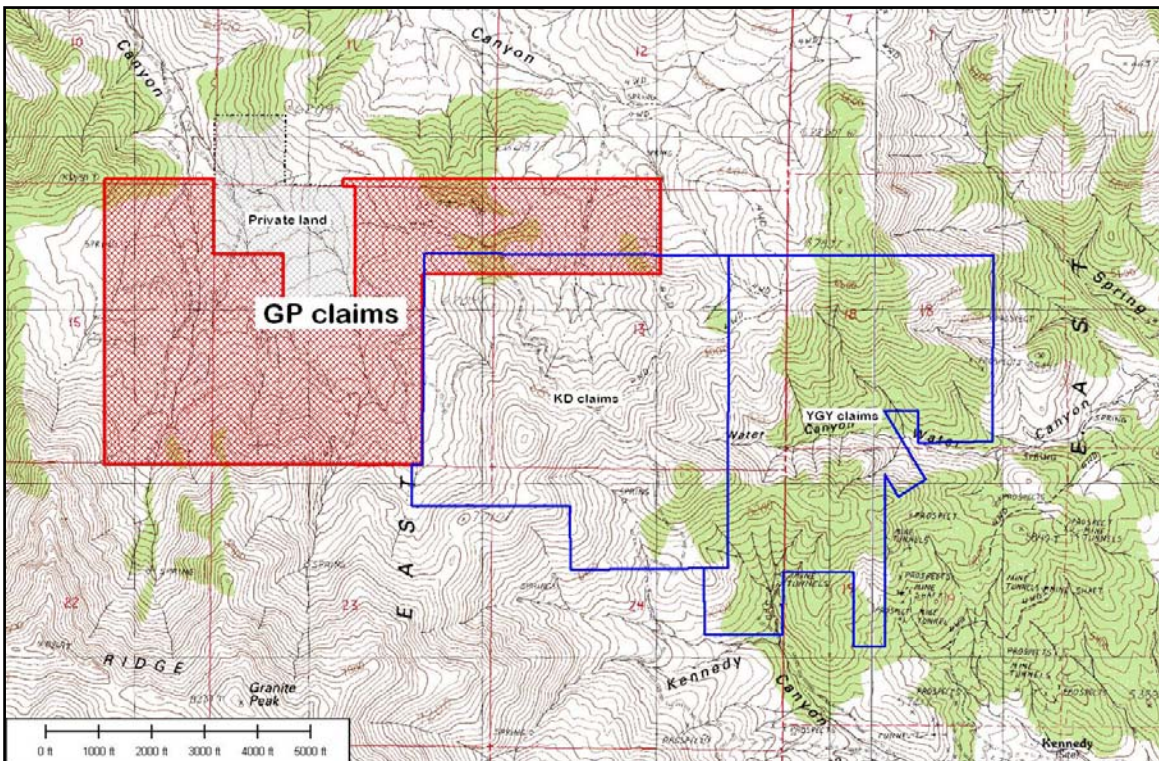
Global Minerals Ltd. holds a mining lease on the Granite Peak (GP) property. It consists of 42 unpatented lode claims (840 acres) that include a porphyry molybdenum-gold target associated with a zoned igneous complex. These claims are located in the East Range of Pershing County Nevada on the northern flank of Granite Mountain, and northwest of the historic Kennedy Mining District. The property is approximately 36 miles northeast of Lovelock. The Rochester silver mine and the recent Spring Valley gold discovery of Midway Gold Corp. are located less than 20 miles across Buena Vista Valley to the west, and the former Goldbanks open pit gold mine is situated in the East Range, about 15 miles to the northeast of the property. Barrick Gold Corp. holds the land to the north, and private parties hold claims covering most of the historic Kennedy Camp.



Location map of GP property

The Kennedy Mining District is an old epithermal silver-gold-copper-lead vein camp, intermittently active from the late 1800's until about 1950. In the late 1970's W.A. Bowes and Associates Inc., financed by the US carpet manufacturer Milliken Corporation, became interested in the geothermal and porphyry copper-molybdenum potential of the area, and ultimately spent more than \$2,500,000 in exploration of the area.

W.A. Bowes drilled 13 diamond drill holes and 43 shallow rotary prospecting holes to test soil geochemical and geophysical (AF-Mag and IP) anomalies. They did not conduct a typical exploration program, instead relying on thin section petrography to characterize the porphyry mineralization. Consequently, there is little analytical information available, and the drill core has been destroyed. Bowes' work led to the discovery of a porphyry molybdenum-gold prospect, similar to some of the porphyry deposits in northern British Columbia.



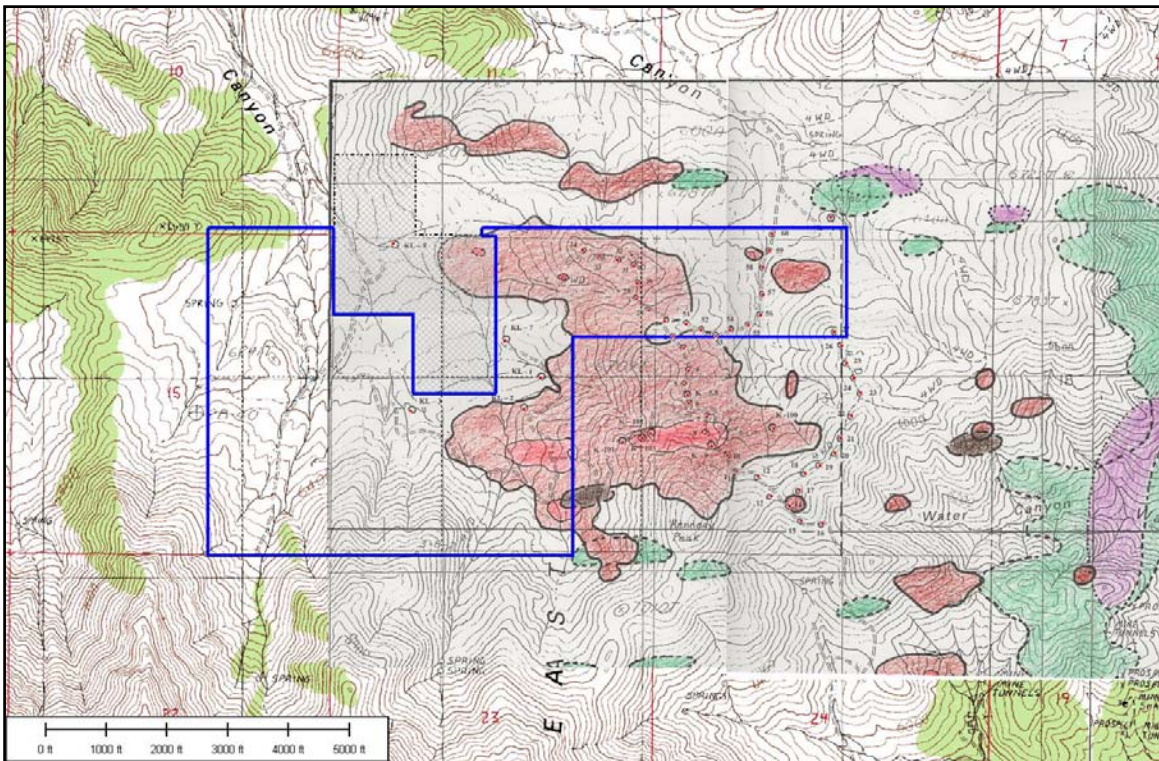
Map of GP claims and adjoining properties

The results were published in the Journal of Global Tectonics and Metallogeny, vol. 1, No. 4, 1982. The abstract of the paper by Bowes, et al.,

“A Porphyry Mo-Cu Discovery at Granite Mountain, Nevada: Predictions Based on Mineralogical and Geochemical Study of Zoning” is reproduced below:

“The mineral potential of an intersection of deep-seated fracture zones in NW-Nevada occurring above a major east - west trending structural boundary in the upper mantle was examined. A discovery of porphyry-type Mo-Cu mineralization was made in the central part of that intersection in the Kennedy District of Granite Mountain in Pershing County...”

... The spatial position of the discovery area is corroborated by major geophysical anomalies as surveyed by Phoenix Geophysics Ltd. (AF-Mag and IP). The mineralized area occurs in and around a stock of a monzogranite to granodiorite composition and is about 2.5 miles (about 4 km) long, the copper and molybdenum concentrations followed outward by zoning with zinc, lead, silver and, locally, gold. The main concentration of molybdenum and copper, so far detected, is associated with an apophysis of monzogranodiorite, which intruded into a complex of dioritic and gabbroic rocks (pyroxene-biotite monzogabbro and hornblende-biotite quartz monzodiorite). Very extensive K – metasomatism was superimposed on the diorite-gabbro stock complex, causing further "monzonitization" of these rocks. Chloritization and argillitization of monzogranodiorite increases with increasing depth and is associated with a higher concentration of molybdenite. The deepest parts of the 870 ft. deep drill hole K -10'1 show a porphyry development of the monzogranodiorite and an increase in the total SiO₂ content. The SiO₂ and K₂O contents of these rocks correlate with the composition of the porphyry rocks from some molybdenum stockwork deposits. The area under study appears favorable for the occurrence of larger concentrations of metals, in particular molybdenum. Deeper drilling is recommended."



Map of GP claims showing Cu soil geochem anomalies and W.A. Bowes' drill holes

In addition to numerous references of visible macroscopic chalcocopyrite and molybdenite, drill hole K-101, referred to by Bowes et al., intersected 30 feet of Mo mineralization near the bottom of the hole, grading 0.15% Mo.



And, in an unpublished report by A. Juhas, there is mention of several significant gold intercepts in two other drill holes: 50 ppm Au at the bottom of K-102, and several intercepts ranging from 0.16 ppm – 15.0 ppm Au in hole K-9.

W.A. Bowes dropped its properties during base metal slump in the mid 1980's. A. Juhas and J. Mueller re-staked the claims covering the porphyry molybdenum and epithermal gold prospects in 1988, and held this ground for a few years. Phelps Dodge staked claims on the porphyry prospect in the mid 1990's, but dropped them within a couple of years without doing any work to advance the property. A.P. Juhas now owns the KD and VGY claim groups, covering part of the porphyry Cu-Mo target and an epithermal Au target, adjoining the GP claims to the east.

The GP porphyry molybdenum-gold target remains an early exploration stage project where the principal targets need to be drilled further, and previously explored areas to be re-drilled in order to obtain meaningful samples.