



IZOK
ANNUAL REPORT

LUP KTL306C019

AND

LUP KTL106C013

Nov 10, 2011

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Project Summary

The Minerals and Metals Group (MMG) is a mining development company that has the mineral rights for the Izok and portions of the Hood River properties.

The Izok property is a VMS style poly-metallic deposit hosted in felsic rocks, the primary interest being its copper and zinc content. The property consists of three mineral leases and three claims. It is located approximately 300 km north of Yellowknife and is situated on both Crown and Inuit Owned Land (see figure 1).

The Izok Lake property has been well documented and explored by various groups over its 40 year history. Although activity in the region is documented since the 1960's, the first significant discovery was made in the mid-1970's by Texas Gulf. Since then, Izok Lake has played host to a number of interested groups, including Minnova and Inmet prior to the involvement of Wolfden and the subsequent series of takeovers that led the property to MMG.

MMG continues to test for extensions of the Izok resource, and follow up geophysical targets with exploration drilling. Although under a series of different companies (Wolfden/Zinifex/Oz) exploration has been continually managed under more or less the same technical team since the acquisition of Wolfden by Zinifex in 2007. During this period there has been several drill campaigns aimed at expanding the resource. The intervening years saw continued surface mapping and geophysical testing of surrounding rock units in the hopes of identifying extensions. Included in this regional work were the adjacent historic showings of Gondor and Hood River, previously explored by Kennecott and Inmet in the 1970s and 80s.

Izok's remote location and the logistical challenges involved have discouraged possible developers over the years and it remains one of the last undeveloped large high grade base metal deposits. The most recent published resource was completed under Zinifex and is estimated at 14.4 million tons of material grading 12.94%Zn, 2.52%Cu, and silver credits of 71 g/ton. MMG intends to continue expanding the resource at Izok with surface exploration and work towards a new resource number which at today's metal prices will push Izok further down the path to eventual production.

2011 Exploration Program:

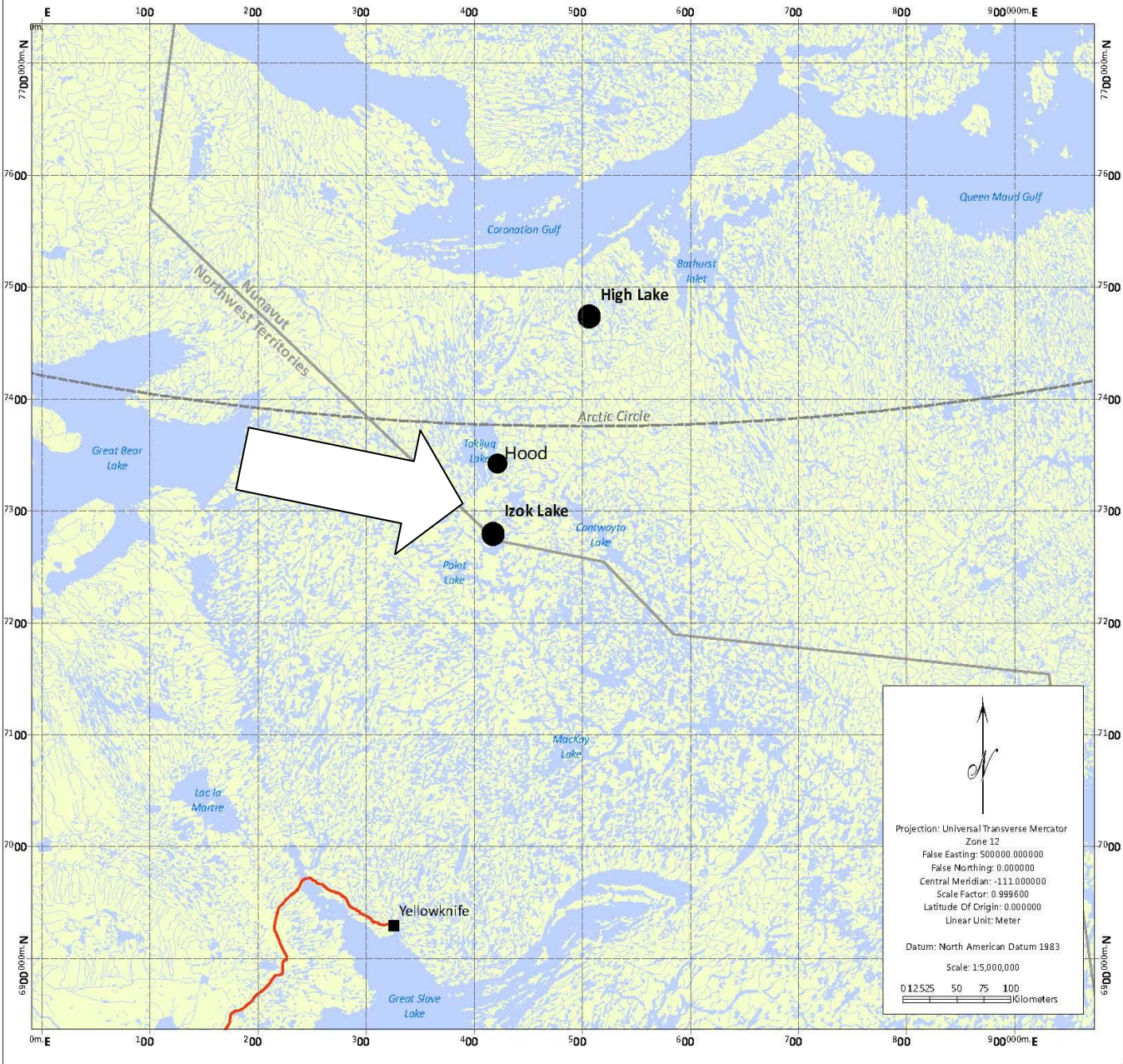
Work completed on the ground permitted under KTL306C019 and KTL106C013 included diamond drilling, surface and downhole geophysical surveys, and mapping and sampling. The Izok site was opened in March and two diamond drills operated on and around Izok Lake until late August. In total 41 holes were completed, representing some 15,000m of drilling, primarily over the known resource. During this same period induced polarization surveys were conducted over a surface area of approximately 18km² and some 6800 gravity stations were recorded regionally. In July and August, some re-logging of old Inmet drill core was completed at the Hood site, some 40km north of Izok, by two graduate students and in preparation for a small drill program anticipated in 2012.

The Izok Camp is located on the shore of Ham Lake, several kilometres to the north of the mineral resource located beneath Izok Lake. It is a site that has seen several periods of expansion under various owners, and presently has accommodations for a maximum of 45 people on site. The camp itself consists of both weatherhaven type insulated tents and corrugated sheet metal structures that serve as shops and storage facilities. The original ATCO trailer camp has been decommissioned and awaits dismantling and removal. A 500m all weather air strip provides access for wheeled aircraft.



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Figure 1.



Inuit Employees

MMG Resources Inc. has been pleased to employ locally wherever possible, and has hired employees from the nearby communities of Cambridge Bay and Kugluktuk. Direct local employment of MMG Resources Inc. staff provided local workers with 313 man days on site during 2011. The Inuit firm, 5136 Nunavut Ltd, was also contracted to provide catering and first aid services for the site. Helicopter support for the project was provided by Kitikmeot Helicopters, and expediting services were provided by Nunavut Expediting Services. MMG Resources Inc. hopes to continue this good relationship with the local communities and offer continued employment opportunities for field personnel in the future.

NAME	MAN DAYS
John Himiak	100
Simon Hala	21
Andy Ohoilak	21
Helen Tologanak	80
Eileen Katiak	91

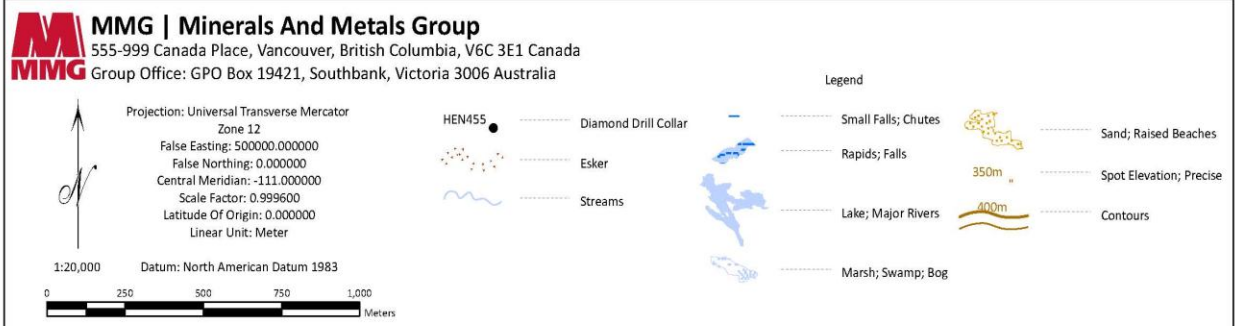
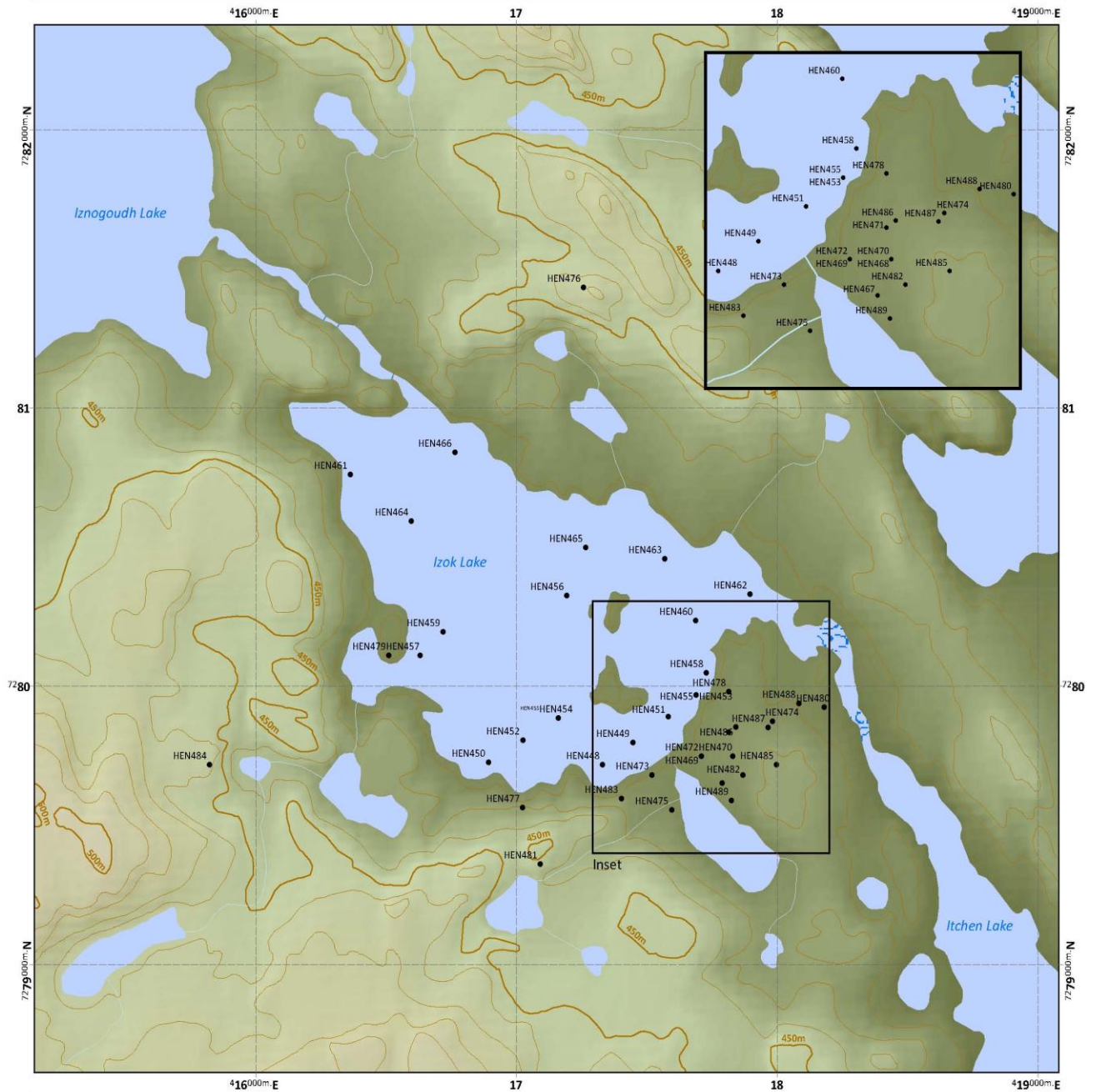
Water Use

Water use on the Izok project is resultant from two activities; diamond drilling and camp operations. Two drills operated on CO-05 in the area of Izok Lake for a total of 150 days (41 holes) from March 15th to August 31st. Water pumped to the drill is calculated by average pumping rates of supply pumps and is 25m³ per drill per day. Of this an estimated 30% is used by the drill for drilling operations, the remainder, which is clean unused water, is allowed to flow back to the water table after filtration. Roughly half of the drilling completed at Izok this season was on lake bottom targets drilled off of the ice. On these drill pads lake water was sampled and analysed prior to and following completion of the drill hole to ensure that no suspended sediments or contaminants entered the water body. Drill collar locations from the 2011 drill campaign are shown in the map labelled figure 2 on the following page.

The Izok Camp utilizes water from Ham Lake where it is measured by flow meter before entering into the storage tanks that are located in the dry. Water is pumped daily using a submersible pump that has a filter screen on its intake to prevent aquatic life from entering the flow. Average monthly usage for the Ham Lake camp during the 2011 field season works out to about 63, 354L or 63.35m³. This usage peaked during the month of May, and again in August when camp population was at its highest and the majority of cutting for drill core sampling was occurring.

The tables on page 7 of this report show water sources used during drilling, and give location data for the drill holes shown in the figure on the next page.

Figure 2: Izok 2011 Drilling



2011 Drilling

HOLE ID #	EASTING	NORTHING	DATUM	UTM ZONE	HOLE DEPTH
HEN448	417329.6	7279718	NAD83	12N	348
HEN449	417446.2	7279798	NAD83	12N	408.72
HEN450	416892.6	7279728	NAD83	12N	453
HEN451	417582.9	7279892	NAD83	12N	408
HEN452	417024.3	7279806	NAD83	12N	441
HEN453	417689.6	7279970	NAD83	12N	303
HEN454	417161.3	7279887	NAD83	12N	240
HEN455	417689.6	7279970	NAD83	12N	369
HEN456	417192.7	7280326	NAD83	12N	261
HEN457	416630.6	7280111	NAD83	12N	282
HEN458	417727.6	7280049	NAD83	12N	351
HEN459	416718.6	7280196	NAD83	12N	336
HEN460	417687.3	7280237	NAD83	12N	273
HEN461	416363.2	7280761	NAD83	12N	380
HEN462	417895.6	7280331	NAD83	12N	300
HEN463	417568.2	7280458	NAD83	12N	498
HEN464	416597.4	7280594	NAD83	12N	278
HEN465	417265.1	7280500	NAD83	12N	525
HEN466	416763.8	7280842	NAD83	12N	321
HEN467	417788.6	7279652	NAD83	12N	360
HEN468	417828.8	7279750	NAD83	12N	423
HEN469	417709.3	7279750	NAD83	12N	330
HEN470	417828.8	7279750	NAD83	12N	9
HEN471	417814.3	7279835	NAD83	12N	327
HEN472	417709.3	7279750	NAD83	12N	45
HEN473	417520	7279681	NAD83	12N	396
HEN474	417980.9	7279875	NAD83	12N	498
HEN475	417595	7279557	NAD83	12N	399
HEN476	417257.2	7281434	NAD83	12N	343.37
HEN477	417023.7	7279564	NAD83	12N	381
HEN478	417814.4	7279981	NAD83	12N	408
HEN479	416510.6	7280112	NAD83	12N	348
HEN480	418180.4	7279925	NAD83	12N	490.25
HEN481	417091.9	7279361	NAD83	12N	294
HEN482	417869	7279681	NAD83	12N	549
HEN483	417402.2	7279597	NAD83	12N	402
HEN484	415823.6	7279719	NAD83	12N	195
HEN485	417996.6	7279718	NAD83	12N	630
HEN486	417841.1	7279854	NAD83	12N	399
HEN487	417964.7	7279852	NAD83	12N	444
HEN488	418082.6	7279939	NAD83	12N	414.15
HEN489	417824	7279590	NAD83	12N	249.41