

**NI 43-101 Technical Report on Resources
Socorro Mine Property
for Navoro Mining, LLC,
a subsidiary of
Agau Resources Inc.
Salome, AZ**

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Summary (Item 3)

Introduction

The Socorro Mine Property is located in western Arizona in the southwestern United States. The area lies in the Basin and Range Physiographic Province, (Figure 1). The area is in the gold rich crustal area in southwest Arizona, consisting of numerous old historic gold mines, Figure 2 and Table 2). The Socorro Mine Property is located approximately 100 mile west-northwest of Phoenix, Arizona at the southwest end of the Harquahala Mountains in east central Yuma County, Arizona. The Socorro Mine Property consists of 21 unpatented mining claims or approximately 420 acres, located in Sections 24, 25, 26 and 35 Township 5N, Range 12W and Section 19, Township 5N, Range 11W, (Figure 3). The property can be reached by following the paved Salome Road 9 miles, turn left and follow a dirt road northeast for 3.4 miles.

The Socorro Mine Property was geologically reviewed from May to September 2007 and geologically examined on May 12, 2007 with representative samples taken of outcropping veins and mine dumps. The geological samples were driven to Skyline Laboratories in Tucson, Arizona and submitted for analysis by the author.

Past historic geological data was reviewed at Arizona Department on Mines and Mineral Resources in Phoenix on the Socorro Mine, Socorro Reef gold anomalous area, Bell Henry, Tres Padres and Iron Door on the Socorro Mine Property. For reference the names Socorro Reef area is a anomalous gold area tested by drilling on the southwest side of the unpatented mining claims, while the Socorro Mine and Iron Door are on the north side of the property and the Bolsa, Bell Henry and Tres Padres Areas are on the east side of the property, all called the Socorro Mine Property. Fourteen of the unpatented mining claims were previously owned by Norma Campbell Reynolds, Ed Withey and William and Shelba Johnson who registered a "Transfer of Interest" in favor of Navoro Mining, LLC who holds the claims in trust for 695491 Alberta Ltd. Seven additional claims were staked and recorded at the BLM Offices by 695491 Alberta Ltd. and these are also held in the trust by Navoro Mining, LLC. Agau Resources, Inc. announces Navoro Mining LLC a wholly owned subsidiary of Agau Resources, has entered into an option agreement with 695491 Alberta Ltd, a corporation owned equally by Kenneth Richardson and major shareholder of Agau Resources and five other members of his family for acquisition of an interest in fourteen mineral claims in the Salome, Arizona area, (the Socorro Mine Property). The unpatented mining claims on Bureau of Land Management Lands were reviewed and researched at the BLM Offices in Phoenix with claim notices filed and yearly claim assessment and payments made for the 2007-2008 assessment requirements.

The Socorro Mine Property has potential for disseminated and quartz vein type gold mineralization. The principal ore controlling structure is a low-angle detachment fault, with upper plate gold-silver-copper mineralization in low angle and high angle (steep) veins, similar to other deposits in the southwest Arizona area. The geological setting of the gold mineralization is similar to other nearby historic mining districts such as Bullard Peak, Cunningham Pass, Little Harquahala and Harquahala, (Figure 2 and Table 2). Other gold mining districts active since the 1980's include the Copperstone Mine, Pichacho Mine and Mesquite Mine that have similar geological settings to the Socorro Mine Property.

Historic data was reviewed by the author on 3 separate geological mapping, sampling and drilling programs in 1974, 1984 and 1988 on the Socorro Mine Property. Gold resources were calculated by previous geological and exploration programs, but are not in compliance with current 43-101 standards. Numerous geological concepts on the possible location of gold mineralization were tested by the past historic drilling programs. There exists significant exploration potential at the Socorro Mine Property for the discovery of disseminated and vein-type gold deposits.

All earlier historic geological and drilling data should be acquired and reviewed. A detailed review of the accuracy of all the unpatented mining claims located in the field and paperwork should be reviewed for any potential errors and conflicts with junior claim holders. A geological mapping, sampling, geophysics program and diamond drilling program are recommended along with preliminary metallurgical sampling.

Property, Mining Rights

Agau Resources, Inc. announces Navaro Mining LLC a wholly owned subsidiary of Agau Resources Inc., has entered into an option agreement with 695491 Alberta Ltd, a corporation owned equally by Kenneth Richardson and major shareholder of Agau Resources Inc. and five other members of his family for acquisition of an interest in fourteen mineral claims in the Salome, Arizona area, (the Socorro Mine Property). Each claim contains 20 acres for a total of 280 acres, more or less. Particulars of the option are:

- Navaro Mining, LLC will earn 75% interest by spending \$800,000 on the claims by December 31, 2011
- an additional 15% will be earned by spending a further \$200,000 by December 31, 2012
- 695491 Alberta Ltd will retain a 10% working interest and a 2% net smelter return on the claims and
- Navaro will have the right to purchase one percentage point of the net smelter return, (this being one half of the net smelter return retained by 695491 Alberta Ltd) for \$1,000,000 at any time.

The acquisition and documentation is subject to approval of Agau Resources Inc., its solicitor and any regulatory authorities. This new release was published on SEDAR on August 23, 2007.

Navoro Mining, LLC, a subsidiary of Agau Resources Inc. secured an option with 695491 Alberta Ltd. on 14 unpatented mining claims on the Socorro Mine Property. Documents including "Transfer of Interest", were reviewed with the former claim owners Norma Campbell Reynolds, Ed Withey, William D. Johnson, Shelba Johnson who registered a "Transfer of Interest" for the 14 unpatented mining claims to Navoro Mining, LLC in trust for 695491 Alberta Ltd. The mining claims in the Salome, Arizona area, are named Bell Henry 1, 2 3 4, 6, 7, 8, 9, 10 and Ed Dream 1, 2, 3, 4 and 7, (Figure 3). Mining claims were also located by 695491 Alberta Ltd. (held in trust for 695491 Alberta Ltd by Navoro Mining, LLC) called the Socorro Reef 15, 16, 17, 18, 19, 20 and 21(4 of these mining claims were previously known as Iron Door).

Geology and Mineralization

The geological rock sequence on the surface and sub-surface and in order from oldest to youngest at the Socorro Mine Property includes Precambrian quartz monzonite; the Bolsa Quartzite, Abrigo Formation, Martin Formation, Redwall Limestone, Supai Formation, Coconino Sandstone, Kaibab Limestone, all of Paleozoic age; and lithofeldspathic sandstone of early Cretaceous (?) age. The Cambrian Bolsa Quartzite at the bottom of the Paleozoic section and the Mississippian Redwall Limestone is of special interest because it appears to hosts disseminated and quartz vein gold mineralization in brecciated fault zones at the Socorro Mine area, Socorro Reef area, Henry Bell and Tres Padres areas.

The Precambrian granite is commonly porphyritic, biotite granite with coarse phenocrysts of rapakivi-textured potassium feldspars. A sequence of Tertiary igneous rocks is present at Socorro Peak and consists of volcanic extrusive rocks and northwest- to west-northwest-trending dike swarms. The volcanic rocks consist of southward dipping andesite flows and rhyolitic air-fall tuffs. The dikes are composed of hornblende microdiorite that locally contains accessory biotite. These dikes intrude the thrust fault pile and the northwest-striking high-angle faults.

Conclusions and Recommendations

The Socorro Mine Property is an old historic gold mining area from the early 1900's and has had numerous exploration sampling and drilling programs in the 1970's and 1980's. The Socorro Mine Property consists of 21 unpatented mining claims, approximately 400 acres, on U.S. Bureau of Land Management Lands. The Socorro Reef area, Socorro Mine, Iron Door, Bell Henry area and Tres Padres area has the geological potential for high grade gold-quartz veins and low grade disseminated gold mineralization in brecciated fault vein structures, (Figure 4). A detachment fault model, hosting gold-silver mineralization in low-angle brecciated zones and high-angle feeder epithermal veins and replacements in favorable Paleozoic sediments is envisioned for the principal exploration drilling targets, (Figure 5).

The increase in price of gold from \$175 in the 1970's to over \$700, (U.S) in September 2007 and the new metallurgical recovery methods has made gold properties in the area favorable for increased geological exploration and development. In 1983 and 2000 a historic gold resource was calculated on the Socorro Reef area and Bell Henry area based on surface sampling, underground sampling and reconnaissance drilling.

The Socorro Reef gold anomaly is a 3,500 foot long by 250 foot wide, northeast-southeast trending area on the southwest side of the Socorro property, (Figure 6). A "possible 35.6 million tons of gold enriched rock in the Socorro Reef Gold Anomaly" was calculated by Stanley B. Keith, in 1982. Geologically reasonable modeling by Keith, 1982, of this Socorro Reef Gold Anomaly calculated a possible 35.6 million tons of rock, containing an estimated 760,000 ounces of gold, Figure 6. Where underground drilling was completed in three drill holes, in Blocks B, C and F on Figure 6, a tonnage of 21.43 million tons was calculated by Stan Keith at an average grade of .0152 ounces per ton, (Table 4). These tonnages and gold values are an historical calculated number based on surface samples and a few drill holes at the time and is not considered reliable for any resource calculations. The reader should be cautioned that the

potential quantity and grades are conceptual in nature, and that there has been insufficient exploration to define any mineral resource and that it is uncertain if further exploration will result in the targets in the Socorro Reef Gold Anomaly on the Socorro Mine Property being delineated as a mineral resource.

The Bell Henry area intersected anomalous gold values above .009 ounces per ton gold to .426 ounces per ton gold from rock chip samples from the Bell Henry cross cut, adjacent surface samples and drilling below the Bell Henry workings by Can-Ex Exploration in 1989. A 2000 report calculated 6.995 million tons of mineralized material averaging .035 ounces per ton gold or 246,000 ounces of gold, with 11.818 million tons waste rock for a 1.69/1 waste to ore strip ratio. The 1982 and the 2000 calculated resource on the Socorro Mine Areas are not in compliance with current 43-101 standards and are only reported here for historic purposes. Additionally the extension of the Bell Henry workings to the northeast called the George's Pit, Palo Verde Pit, El Tigre Trenches and Tres Padres have potential for additional gold mineralization. It is recommended that a geological sampling and drilling program begin to outline high grade quartz-gold vein mineralization and disseminated low-grade gold mineralization in brecciated fault structures.

Table 1

A proposed Phase 1 Budget includes:

Review of Unpatented Mining Claims	\$ 10,000
Geological Mapping and Sampling with QA/QC Procedures	\$ 20,000
Acquire accurate past historic drilling locations and data and compile and scan on electronic database	\$ 10,000
Petrographic rock and alteration thin sections and mineralogical polished thin sections	\$ 5,000
Geophysics- Ground Magnetics, IP/Resistivity, EM	\$ 25,000
Drill road and drill pad BLM Permitting	\$ 10,000
Drill road construction	\$ 50,000
Diamond drill holes,	
-10 drill holes at 200 foot/hole =2,000 feet at \$75/foot	\$150,000
-1 deep drill hole at 1,500 feet=1,500 feet at \$75/foot	\$112,500
-Geological logging and gold and trace element assay costs	\$ 50,000
Travel, Board and Lodging	\$ 5,000
Metallurgical Testing	\$ 50,000
Summary Report (43-101 Report)	\$ 20,000
Contingency 6-8%	<u>\$ 32,500</u>
Total Phase 1 Budget	\$600,000

A proposed budget of \$600,000 is recommended for the exploration, geophysics and drilling program of the Socorro Property. Reconnaissance exploration geological sampling, ground magnetics, IP/Resistivity, CSAMT, VLF-EM Survey and drill holes are recommended for the Henry Bell, Socorro Reef, Socorro Mine, Iron Door and Tres Padres Area. If the program is successful a Phase 2 grid drilling program would be recommended, in the future.

1 Introduction and Terms of Reference (Item 4)

1.1 Introduction

The Socorro Mine Property was an historic small scale gold producer and an exploration property that was drilled in the early 1970's and 1980's.

This report is a technical document based on the information available for the Socorro Mine Property. It has been prepared at the request of Einar N. Myrholm, President, CEO and Director, Agau Resources Inc. Agau Resources Inc. has an office at 3912-116 Street, Edmonton, Alberta, Canada, T6J 1R4.

1.2 Terms of Reference

Michael R. Pawlowski (U.S) was commissioned by Agau Resources Inc. to prepare a Canadian National Instrument 43-101 compliant resource estimate, historical resources and recommendations for the Socorro Mine Property, Salome, Arizona.

1.3 Purpose of Report

The purpose of this Technical Report on the Socorro Mine Property is to provide a technical report addressing information made on the property with respect to exploration work including drilling and historic estimation. It is prepared according to Canadian National Instrument NI 43-101 guidelines. Form NI 43-101F1 was used as the format for this report.

The intent of this Technical Report is to provide the reader with a comprehensive review of the historical and current exploration activities conducted at the Socorro Mine Property. The Socorro Mine Property is mainly a historical exploration property that has had limited modern work on the property since the 1980's. This report is prepared using the industry accepted CIM "Best Practices and Reporting Guidelines" for disclosing mineral exploration information, and the Canadian Securities Administrators revised regulations in NI 43-101 (Standards of Disclosure For Mineral Projects), and Companion Policy 43-101CP.

1.4 Sources of Information and Data

The author reviewed historical data provided by Arizona Department of Mines and Mineral Resources, conducted field investigations to confirm the data, and reviewed the project site. Most exploration data for the Socorro Mine Property is historical data dating from the 1970's to 1980's with part of the historical data unavailable or missing. The historical data sources include information at the Arizona Department of Mines and Mineral Resource an Arizona State Office in Phoenix, Arizona. The numerous files reviewed include CD's of historic data and hard copy reports, assay certificates, company memos and correspondence, and hard copy maps and cross-sections. No detailed maps were located of the exact location of the old historic drill holes. Historical drill core is not available for examination; however, surface outcrops and trench exposures of mineralized rock are accessible.

1.5 Field Involvement by Report Authors

1.5.1 Michael R. Pawlowski, R.G., C.P.G.

Michael R. Pawlowski conducted an onsite review of the property on May 12, 2007. A total of 4 rock chip samples were collected and analyzed by Skyline Laboratories and is included in Appendix 1. Historical geological information exists in the files of Arizona Department of Mines and Mineral Resources in Phoenix and at Norma Campbell Reynolds home in Salome but is not complete and missing various previous exploration and drilling program information files. Mr. Michael Pawlowski is a “Qualified Person” as defined by NI 43-101, and is the Qualified Person responsible for all sections of this report.

1.6 Definitions of Terms

English (American) units of measure are used in this report, as these are the commonly used units of measure in the United States. Analytical results are generally reported as ounces per ton for gold values and/or parts per million (ppm) for gold (Au) and other trace elements.

1.6.1 Units of Measure

The following list of conversions is provided for the convenience of readers that are more familiar with the Metric system.

Linear Measure

1 foot (ft) = 0.3048 meters

1 yard (yd) = 3.0 ft = 0.9144 meters

1 mile (mi) = 5,280 ft = 1.6093 kilometers

Area Measure

1 acre = 0.4047 hectares

1 square mile = 640 acres = 259 hectares

Weight

1 short ton (T) = 2000 pounds (lb) = 0.9072 metric tons (tonnes(t))

1 pound (lb) = 16 ounces (oz) = 0.4536 kilograms (kg) = 14.583 troy ounces

Analytical Values

1.0 gram/tonne = 1.0 ppm = 0.02917 oz Troy/short ton = 0.03215 oz Troy/tonne

1.0 oz Troy/tonne (oz/t) = 31.1035 grams/tonne (g/t)

1.0 oz Troy/short ton (oz/T) = 34.2857 grams/tonne (g/t)

All dollar amounts used in this report are US\$.

1.6.2 Acronyms

Frequently used acronyms are listed below:

AAS	Atomic absorption spectroscopy, an analytical procedure
FA	Fire Assay Analytical Method for gold and silver analysis, usually reported in ounces per ton
ICP	Inductively-coupled plasma emission spectroscopy, an analytical procedure
QA/QC	Quality Assurance/Quality Control; procedures used to assure accuracy and consistency of analytical results
Oz/T Au	Ounces per ton gold, Troy ounces per short ton

1.6.3 Glossary of Mining, Geological and Other Technical Terms

Socorro Mine Property and Socorro Mine: Used synonymously and interchangeably in this report for the unpatented mining claims that comprise the property land position and the immediately adjacent geological features, both of which encompass the Socorro Mine Property deposit as defined by historical drilling. The mining claims include the Bell Henry 1, 2 3 4, 6, 7, 8, 9, 10 and Ed Dream 1, 2, 3, 4 and 7, and the Socorro Reef 15, 16, 17, 18, 19, 20 and 21(4 of these mining claims were previously known as Iron Door).

“Resources” and “Reserves”: In this document “resources” and “reserves” are historical terms, as used at the time, for drill defined mineralization. There is insufficient information available to reconcile this terminology, as used in this report, with current CIM categories of resources/reserves. Therefore, the term should not be relied upon, and is not considered a current or NI 43-101 compliant definition of mineralization.

2 Reliance on Other Experts (Item 5)

The author, as Qualified Person, have examined the historical data for the Socorro Mine Property provided by Agau Resources, and has relied upon that basic data to support the statements and opinions presented in this Technical Report. In the opinion of the author, the project information, which was derived independently by several major mining companies of the time, is generally correlative, credible, and verifiable in the field, and is a reasonable representation of the Socorro Mine Property. Mary Pawlowski, geologist, assisted with the formatting of the report. It is suspected that some supporting back up information, such as drill hole maps and historic detailed metallurgical test results, at one time existed and are not part of the project data files and need to be found to properly evaluate the historic geological and metallurgical data. There is no known master file index that existed in the early 1980's of the contents or location of all historical files; however, it is the opinion of the author, that there are material gaps in the information for the Socorro Mine Property. Sufficient information is available to prepare this report, and any statements in this report related to deficiency of information are directed at information, which in the opinion of the author, was not available or gathered by previous workers. This report includes historic technical information, which requires subsequent calculations to derive subtotals, totals, and weighted averages. Such calculations inherently involve a degree of rounding and consequently can introduce a margin of error. Where these rounding errors occur, Mr. Pawlowski does not consider them to be material. The Author has relied upon the work of others to describe the land tenure and land title in Arizona (referring respectively to Sections 3.5 – Legal Surveys, and Section 3.7 – Titles and Obligations/ Agreements). The author, is not qualified with respect to environmental laws in Arizona, as regarding issues addressed in Section 3.10 of this report – Environmental Liabilities. The author is not an insider, associate, or affiliate of Agau Resources. The results of this Technical Report are not dependent upon any prior agreements concerning the conclusions to be reached, nor are there any undisclosed understandings concerning any future business dealings between Agau Resources Inc. and the author.

3 Property Description and Location (Item 6)

3.1 Location

The Socorro Mine Property is located in the western part of the Harquahala Mountains about 10 miles southeast of Salome, Arizona, in Township 5 N, Range 12 W, Sections 24, 25, 26, 35 and Township 5N, Range 11W Section 19. The Socorro Mine Property is located approximately at latitude N 33° 44 min 41 sec and longitude of W 113° 28 min 12 sec on the 15 minute Lone Mountain topo map.

3.2 Property Description

The Socorro Mine Property consists of 21 mining claims, located on U.S. Federal lands administered by the U.S. Bureau of Land Management (BLM). These 21 claims cover approximately 400 to 420 acres of land in Sections 24, 25, 26 and 35 Township 5 North, Range 12West and Section 19 Township 5 North Range 11 West.

3.3 Surface Area of Property

The property land position is approximately 2 miles along a northeast trend by up to 1 mile wide in extent; for approximately 400 to 420 acres in total land area. Each unpatented lode mining claim is approximately 600 feet by 1,500 in size for approximately 20 acres of surface area.

3.4 Mineral Claims

Unpatented lode mining claims in Arizona are located in the field with four corner posts, and a location monument along the centerline of the long axis of the claim. At the time of the field inspection there were 21 unpatented mining claims on the Socorro Mine Property. The author reviewed 4 claim posts in the field and did not seek to verify any additional claim posts in the field, which are typically 2 x 2in x 5ft wooden posts. Lists of the 21 current claims that comprise the Socorro Mine Property are shown in Appendix B. The author has not verified the validity of the mining claims, their ownership, or the history of the land tenure in years past. A simplified version of the claim map is shown in Figure 3.

3.5 Legal Surveys

Claim location notices for each claim are filed with the BLM and at the courthouse in the County in which the claims are located. Copies of the individual claim notices and the detailed map showing their locations are on file with the central BLM office in Phoenix, Arizona, and with the Yuma County Recorder's office in Yuma, Arizona. The map and claim notices on file constitute the legal surveys for the property. The claim map, somewhat simplified for legibility, is shown as Figure 3. The County Recorder's book, page, and document number are listed in Appendix B for the pre-existing claims, as are the BLM serial numbers (NMC numbers).

3.6 Requirements to Maintain the Claims in Good Standing

To maintain mining claims in good standing, a claim holder must make annual maintenance fee payments to the BLM, in lieu of annual assessment work, of \$125.00 per claim, plus the \$10.00 per claim process fee of the annual filings, which currently total to approximately \$135.00 plus minimal per claims costs of approximately \$10.00 to \$15.00 for claim recording fees in the County Courthouse in which the claims are located [Note: Initial BLM claim fees and filing costs for new claims total \$165 per claim; including an initial \$30.00 claim location fee, plus the annual maintenance fee and process fee]. Agau Resources represents that all claim filings are current and claim renewal was completed before August 31, 2007, and that the claims are valid until August 31, 2008, when the next annual maintenance fee payments and filings are due.

3.7 Titles and Obligations/Agreements

Navoro Mining, LLC has secured an option with 695491 Alberta Ltd. on the Socorro Mine Property. Navoro Mining, LLC is a subsidiary of Agau Resources Inc. Documents and a transfer of ownership were reviewed from Norma Campbell Reynolds, Ed Withey, Shelba Johnson to Navoro Mining LLC. for acquisition of 14 mining claims in Salome, Arizona area (Socorro Claims) named Bell Henry 1, 2 3 4, 6, 7, 8, 9, 10 and Ed Dream 1, 2, 3, 4 and 7 ,(Figure 3). Mining claims were also located by Navoro Mining LLC called the Socorro Reef 15, 16, 17, 18, 19, 20, and 21.

Navoro Mining LLC will be entitled to acquire an interest in the Socorro Claims from 695 Alberta Ltd. by 1) spending \$800,000 on the claims by December 31, 2011 to earn 75% interest and 2) spending a further \$200,000 on the claims by December 31, 2012 to earn an additional 15% interest and 3) 695491 Alberta Ltd. will retain a 10% working interest and a 2% NSR in the Socorro Claims with Navoro to have an option to purchase one percentage point (one half) of the NSR for \$1,000,000 at any time.

Additionally, Navoro Mining Ltd. has staked an additional 7 unpatented mining claims on BLM land contiguous with the 14 claims described above, for a total land package of 21 claims.

3.8 Exceptions to Title Opinion

The claims listed in Appendix B are valid unpatented lode mining claims; with no known exceptions to the title as described in Section 3.7.

3.9 Royalties and Other Encumbrances

Contract and Royalty Agreements were reviewed and stated in this report in Section 3.7, above. The author has not seen or identified any other agreements.

3.10 Environmental Liabilities

Existing environmental liabilities are not described in the project files. The author is not a Qualified Person with respect to environmental issues; however, a brief site visit indicates the primary environmental liability that might exist would be related to historical surface disturbance and any related reclamation liability. Drill access roads, drill sites, trenches and bulk sample test pits were largely left un-reclaimed, as was the standard industry practice at the time. Most of the historical trenches exist and some of the drill sites are visible as well, but most of the drill roads and some trenches have not been back-filled or re-contoured. However, most of the historical drill access roads have been partly naturally reclaimed with minor desert vegetation in the rainy monsoon season, during the summer months from July to September. All pre-1981 disturbances are “grandfathered” and do not require further reclamation unless new disturbances occur. In that case, newly disturbed areas require scarifying and reseeding. Restoring the landscape to original contours is unnecessary.

3.11 Permits and Licenses

Permits that are required to conduct exploration activities include either a Notice of Intent or a Plan of Operations through the BLM; depending upon the amount of new surface disturbance that is planned. A Notice of Intent is for planned surface activities that anticipate less than 5 acres of surface disturbance, and usually can be obtained within a 30 to 60 day time-period. A Plan of Operation will be required if there is greater than 5 acres of new surface disturbance involved with the planned exploration work. A Plan of Operations can take several months to be approved, depending upon the nature of the intended work, the level of reclamation bonding required, the need for archeological surveys, and other factors as may be determined by the BLM. Permitting is accomplished in concert with the local BLM office, which for Socorro Mine Property will be in Phoenix, Arizona. Arizona Department of Water Resource Permit is required for all drilling activities in Arizona.

4 Accessibility, Climate, Local Resources, Infrastructure and Physiography (Item 7)

4.1 Access

The Socorro Mine Property can be reached by following the paved Salome Road 9 miles to the southeast, turn left, to the east and follow a dirt road northeast for 3.4 miles. Access to the property is available year round, except when heavy periods of rain may make the roads muddy, but still accessible.

4.2 Physiography

The Socorro Mine Property lies in the Basin and Range physiographic province of Western Arizona. Socorro Mine is located in the western part of the Harquahala Mountains.

4.3 Climate and Operating Seasons

Climate is typical hot and dry for the desert regions of western Arizona, with hot dry summers and moderate winters. Summer high temperatures can peak at 110°F, with winter temperatures typically 65 to 80°F, and winter low temperatures typically at 35 to 40°F. Maximum precipitation of 1 to 10 inches typically in August and sometimes in the winter months provide optimal working conditions year round.

4.4 Vegetation

The area is typical of desert vegetation in western Arizona, with cacti, mesquite trees and various shrubs being dominant. The area is frequently used for open range cattle grazing.

4.5 Local Resources and Infrastructure

Salome is the nearest town, with a population of about 1,700. Services at Salome include a post office, school, railroad siding, restaurants and domestic utility services. Housing for project personnel in Salome is minimal, but is available in the local rural areas, to the west of Phoenix, Arizona.

5 History (Item 8)

The history and development of the Socorro Mine Property is strongly tied to the discovery of bonanza gold ores in 1888 at the Harquahala (Bonanza) Mine in the Little Harquahala Mountains 10 miles to the southwest. By 1905 gold mineralization in the area had been discovered and was being developed into small mining operations. From 1905 to 1938, three mines, the Socorro Mine, Mars and Mescal Mine and Why Not Mine, operated discontinuously. From 1969 to 1979 the Campbell family, in association with nine other parties (the Socorro Reef Association) leased the Reef Group of claims to B and B Mining Co., a member of the Noranda group, then to Jordan Industries inc., a Utah-based company. From 1979 to 1980 Socorro Reef Mining Company formed a joint venture with Jordan Industries to continue developing the property. In 1981 a new lease was signed between Socorro Reef Mining Company and the underlying property owners to bring the property into full production within one year. In 1982, Stanley B. Keith did a detailed geologic assessment of the property, and calculated historic tonnages and grades of a mineralized area with total ounces of gold using the help of Noranda, Phillips, U.S. Borax, St. Joe, Exxon and Asarco. The results of the 1983, 14 drill hole program in the Socorro Reef area is shown in Table 4, for drill hole SR-1 through SR-14. Additional drill holes may exist, but were not available to the author. The historic calculated tons and grade of gold is not in compliance with current reporting procedures and is only mentioned as historical data.

Tri-Con Mining Ltd., and Can-Ex Ltd. both Vancouver based companies in 1988, drilled 10 reverse circulation drill holes on the Socorro Mine Property in the Bell Henry and Bolsa Pit areas to a maximum depth of 223 feet. All of the 10 drill holes were angle drill holes designed to intersect structures on the Bell Henry and Bolsa Pit areas, Table 3. No geological map or plan map has been located of Can-Ex or Tri-Con Mining Ltd. drilling project in 1988. No major work on the ground occurred after 1988 drilling program.

5.1 Ownership

The history and development of the Socorro Mine area is strongly tied to the discovery of bonanza gold ores in 1888. By 1905 gold mineralization had been discovered and was being developed at the old Socorro Mine.

Fourteen of the unpatented mining claims were previously owned by Norma Campbell Reynolds, Ed Withey and William and Shelba Johnson who registered a "Transfer of Interest" in favor of Navoro Mining, LLC who holds the claims in trust for 695491 Alberta Ltd. Seven additional claims were staked and recorded at the BLM Offices by 695491 Alberta Ltd. and these are also held in the trust by Navoro Mining, LLC. The unpatented mining claims on Bureau of Land Management Lands were reviewed and researched at the BLM Offices in Phoenix with claim notices filed and yearly claim assessment and payments made for the 2007-2008 assessment requirements.

5.2 Historical Project Expenditures

The procured historical project data does not have an accounting of the total exploration dollars expended on the Socorro Mine Property by all exploration and development companies. The author calculated a dollar value of \$200,000 to 500,000 dollars for previous exploration and drilling projects.

5.3 Historic Mineral Resource and Reserve Estimates

A summary report written in 1982 Stanley B. Keith outlined exploration targets and called them “potential ore reserves and dollar value”, which is not recognized by current reporting standards. The Socorro Reef Gold Anomaly was calculated by Stanley Keith to contain 6 areas in the Socorro Reef Gold Anomaly. Geological, geochemical and geophysical studies defined a gold rich area 3,300 feet long, 250 feet wide and about 350 foot deep called the Socorro Reef gold anomaly. Continuity on the surface was confirmed by a time domain induced polarization survey, resistivity geophysical survey and by over 350 rock chip surface samples that contained anomalous, greater than .005 oz/T gold values, Keith, 1982. Geologically reasonable modeling of this Socorro Reef Gold Anomaly calculated a possible 35.6 million tons of rock, containing an estimated 760,000 ounces of gold, Figure 6. In April 1983 Socorro Reef Gold Anomaly was tested, along with the Socorro Mine Property by drilling of SR-1 through SR-14 drill holes. The drill holes varied in depth from 120 feet to 500 feet deep. The drill holes assay results showed low gold values of less than 1 ppm gold, but location maps and detailed assay data has not been found and needs to be researched for future recommended data compilation. The GH-1, GH-2 and SAD-1 drill holes, were also unavailable to this author. **These historical resource/reserve numbers should not be relied upon as they have not been classified according to CIM resource categories, and this report is not treating them as current or possible mineral resources. Current and NI 43-101 compliant resources do not exist for the Socorro Property and the past quoted reports are reported as historical information only.**

Additionally Tri-Con Resource and Can-Ex Resources sampled surface outcrops, underground workings and drilled 10 holes called CSR-1 through CSR-10 in 1988 in the Bell Henry and Bolsa Pit areas. Gold values were anomalous on surface outcrops and in steeply dipping veins or structures near the steeply dipping Mississippian Redwall limestone and Devonian Martin dolomite contacts. Gold values in drill hole intercepts average up to 75 feet at .033 ounces per ton gold in CSR-2 from 2 to 65 foot in depth with a 5 foot interval of .426 ounces per ton gold from 55 to 60 foot in depth, (Table 3 and Figure 10). The exploration holes were drilled by reverse circulation methods and are angle drill holes, so the true thickness of the drill hole intercepts are not known at this time. Numerous drill holes with gold intercepts in the Bell Henry open cut and surface samples with gold values are shown in Figures 7, 8 9, 10. Rock chip surface samples with gold values are shown in Figure 7, showing a 50 foot wide zone of gold mineralization in the Bell Henry open cut with erratic gold values to the northeast and southwest. The Bell Henry surface and underground workings are shown in Figure 8, showing gold values in the open cut and continuing to the northeast. The geology of the gold mineralization in the Bell Henry open cut is shown in Figure 9, which shows gold mineralization associated with stockwork quartz veins and mineralized dolomites next to unmineralized marble near the

Redwall Formation/Martin Formation contact. A cross section in the Bell Henry area shows surface channel samples with gold values showing 4 mineralized drill holes CSR-1, CSR-2, CSR-3 and CSR-6. The structural controls of the gold mineralization extending from the surface to the underground drill hole intercepts are interpreted. The continuity of the high grade gold mineralization needs additional testing by the drilling program, proposed in this report. There appears to be numerous future exploration drilling targets that can be drill tested and is the main recommendation of this report.

Considerable geochemical work has shown anomalous Au, Ag, Hg, W values, at the Socorro Mine Property. Anomalous gold values from surface samples has identified a large and well zoned geochemical anomaly in the southwest part of the property in the Socorro Reef Area in fractured and veined Bolsa Quartzite above a potential thrust fault. This anomaly has been drilled in 14 shallow holes by Noranda in 1983-1984. The gold values in drill hole intercepts range up to .08 ounces per ton gold in short intercepts. A conceptualized ore target under the Socorro Reef drilling is a thrust zone below the surface anomaly and was not intersected during the shallow 500 foot drilling program in 1983. A 1,500 foot drill hole is recommended in this report, to test this ore target under the geochemical gold anomaly in the Socorro Reef Area. **Details of the “reserve classification” and historical resources are not able to reconcile with current CIM resource/reserve categories.**

6 Geological Setting (Item 9)

The Socorro Mine deposit is located in the southwestern sector of the Basin and Range Province of Arizona at the western end of the Harquahala Mountains.

Rocks in the Little Harquahala sections that are present at Socorro Mine Property and vicinity include a Precambrian quartz monzonite; the Bolsa Quartzite, Abrigo Formation, Martin Formation, Redwall Limestone, Supai Formation, Coconino Sandstone, Kaibab Limestone, all of Paleozoic age; and lithofeldspathic sandstone of early Cretaceous (?) age. The Cambrian Bolsa Quartzite at the bottom of the Paleozoic section is of special interest because it hosts disseminated gold mineralization at the Socorro Mine. The Precambrian granite is commonly porphyritic, biotite granite with coarse phenocrysts of rapakivi-textured potassium feldspars. A sequence of Tertiary igneous rocks is present at Socorro Peak and consists of volcanic extrusive rocks and northwest- to west-northwest-trending dike swarms. The volcanic rocks consist of southward dipping andesite flows and rhyolitic air-fall tuffs. The igneous dikes are composed of hornblende microdiorite that locally contains accessory biotite. These dikes intrude the thrust faults and the northwest-striking high-angle faults and could be the heat source for mineralization.

6.1 Structural Geology

The structural geology of the Socorro Area has been noted as a vertical package of overturned Paleozoic sediments over Precambrian basement formed by multiple events of folding, low angle thrust and detachment faulting and high angle normal faulting. The youngest folding in the area forms broad warp that deform the low-angle thrust faults and the earlier fold

A fold thrust relationship is present at the Iron Door 3 and 4 claims where Supai Formation has been carried northward over the Redwall and Martin Formations. The thrust structure grades to the south into northward overturned folds that deform the Redwall –Supai contact and, in turn, probably give way to decollement or detachment zones within the basal Supai Formation in the the phyllitic shale unit. Folds along the Redwall-Supai contact form quartz and gold bearing gash veins within the Supai Formation, just above the thrust faults, in the contoured folds. The thrust portion of this structure is important because it controls the location of auriferous quartz veins on the past Iron Door 3 and 4 claims.

6.2 Alteration

Regional amphibolite grade metamorphism is cut by hydrothermal quartz-gold mineralization associated with supergene hematite clay alteration and nearby quartz-sericite pyrite alteration in the Bolsa Quartzite and epidote-chlorite alteration in microdiorite dikes. Rock types exert as strong control on the type of alteration.

The Paleozoic limestones of the Martin and Redwall Formation have been converted to white marble and dolomitic marbles. Clastic-carbonate sections of the Paleozoic units(Martin and Supai Formations) have been converted to calc-silicate and wollastonite-stable assemblages. Portions of the shale units of the Martin and Abrigo have been converted to purple phyllite with the clean quartz of the Bolsa Formations metamorphosed to brittle quartzites.

6.3 Mineralization

At the Socorro Mine Property gold mineralization is associated with high-angle, northwest striking feeder faults, low-angle detachment or thrust faults and favorable units in the Paleozoic units. Gold mineralization with silicification at the Socorro Mine Property occurs in the Cambrian Bolsa Quartzite at the Socorro Reef area and Bolsa Pit and in the lower Redwall-Martin limestone and dolomite contact at the Bell Henry and Tres Padres pit areas. The most economically significant gold mineralization and alteration occurs in the supergene hematite-goethite-jarosite-clay alteration along fractures in the Bolsa quartzite at the Socorro Mine and the sericitization and of the underlying Precambrian porphyritic biotite granites. Highest gold values usually correlate with deep red hematite, possibly after sulfides. Copper mineralization is closely associated with gold mineralization as chrysocolla in the oxidized weathered zone and chalcopyrite and pyrite in the sulfide zone at depth. Pyrite occurs as euhedral cubes 1/8" long and weathers to goethite-clay with native gold present. The oxide and sulfide boundaries have not been consistently recorded in the logged drill holes.

Quartz-filled gash veins are numerous just above the thrust fault, that places Supai Formation over Martin Formation and Redwall Limestone. Jasperoid replacement and silicification of the Paleozoic carbonate rocks are commonly auriferous. The best example occurs on the past Iron Door claims 1 and 2 where hematitic and manganiferous and cupriferous silica lenses replace bedding in the Redwall limestone adjacent to northeast and northwest trending faults.

6.4 Geochemistry

Early geochemical surveys and sample results, elemental zoning and element ratios were summarized by Stan Keith in 1984. The author collected additional rock samples for multi-element analyses and are shown in Appendix C. Anomalous elements in the Socorro Mine property include gold, silver, copper, zinc, lead, iron, arsenic, antimony, tin and barium, calcium, magnesium, manganese in the limestone units. Anomalous tungsten and mercury were noted by Stan Keith to be associated with gold mineralization but their values in ppm were low at 5 to 10 ppm and suffer from lack of reproducibility at different laboratories. The nugget effect of small gold particules increasing or lowering the gold values and other trace element values in small samples has been identified as a sample assay problem at the Socorro Mine Property. The methods to reduce the sample and laboratory variance is to collect a large sample size and crush and pulverize to entire sample and analyze numerous repeat sample with a large fire assay sample of 3 to 5 assay ton size.

6.5 Geophysics

A historical geophysical survey by Noranda Exploration Inc was conducted in an effort to try to define (geophysically) the Socorro Reef Area gold anomaly. Mining Geophysical Survey Inc. conducted a time domain, induced polarization and resistivity survey (IP) for Noranda Exploration Inc. in June 1982. Three north-south IP lines were run in the Socorro Reef Area (Lines 1, 2 and 3) with the results showing a weak to moderate, southward inclined apparent polarization response possibly representing sulfide mineralization.

Additional geophysical surveys including a ground magnetic survey and an Induced Polarization/Resistivity have had success in similar gold deposits in southeast Arizona and are recommended to define anomalous subsurface rock units before drilling. Other geophysical exploration techniques such as VLF-EM and CSAMT techniques have been proposed for similar gold deposit models.

7 Deposit Type (Item 10)

Mineralization Associated With Detachment Faults

The deposit type most sought after in the Socorro Mine Property is gold and silver mineralization associated with Detachment Faults. Surrounding mining districts with recent exploration models on detachment hosted gold and silver mineralization include the Copperstone Mine, owned by Bonanza Gold, (Pawlowski, 2004); and the Bullard Peak District of Canadian Mining Inc., (O'Hare, 2007). Detachment fault mineralization is located within fault structures associated with extensional tectonics associated with mid-late Tertiary core-complex formation in the Basin and Range Province of the southwestern United States. Detachment faults are large, low angle normal faults with greater than ten kilometers of displacement. This large displacement commonly juxtaposes un metamorphosed rock units above the detachment fault (upper plate rocks) over medium to high grade metamorphic rocks (lower plate). In the vicinity of the Bullard Pass area in Arizona, lower plate rocks are Early Proterozoic gneisses intruded by Laramide granites. Upper plate rocks include upper Oligocene to lower Miocene volcanic and associated sedimentary rocks. Upper plate rocks are present in rotated blocks created by listric normal faults. These normal faults are higher angle faults that dip in a similar direction as the detachment fault with dips gradually become shallower and join the detachment fault at depth. Local antithetic faults dip at high angles in the opposite direction to the detachment fault and associated listric normal faults. The detachment fault and the upper plate faults are considered to be the pathways for hydrothermal fluid flow and the predominant sites for mineral deposition, (Figure 5). Minor small, high angle structures in the lower plate are locally mineralized. High angle, post-mineralization faults displace all pre-existing structures plus mineralization in the region. The age of gold mineralization is estimated at approximately 25 million years ago, slightly after the intrusion of dated microdiorite dike swarms dated at 28 million years ago and regional low-angle detachment faulting and tilting is thought to be between 15 and 25 million years ago.

A variety of elemental commodities may be present in detachment-related structures. However, only gold-silver and copper oxide mineralization is of interest in the Socorro Mine Property. Host rocks and shear zones associated with upper plate faults are enriched in copper, lead, zinc, cadmium, gold, silver, tungsten and barium. Standard pathfinder elements such as arsenic, antimony, mercury, and thallium are not known to form intense anomalies relative to mineralization in detachment-type mineralization. The presence of silicified zones may produce resistivity highs and minor sulfide minerals may create conductors detectable in geophysical surveys.

The objective is to discover large tonnage gold mineralization along upper plate structures, or at intersections between these structures using the detachment fault mineralization model. Drill targets will be defined based upon the creation of geological maps and cross-sections identifying the locations of favorable upper plate faults, using geochemical indicator elements, ratios, etc., alteration-associated mineral assemblages, and geophysical techniques to identify potential mineralized zones along these faults.

8 Mineralization (Item 11)

As previously stated in Section 6.3 (Geology – Mineralization), there are two dominant forms of gold mineralization. Gold mineralization occurs associated with quartz veins and also with disseminated replacement deposits in Paleozoic sedimentary and metamorphosed rocks.

9 Exploration (Item 12)

The discussion in this section is related to the historical exploration conducted from 1968 to 1989 by several companies as outlined in Section 5 – History. Modern exploration methods like geochemical sampling and geological mapping were documented by Stan Keith, 1982. Drilling of 14 holes in the Socorro Reef was completed in 1984 and 12 holes in the Bell Henry and Bolsa Pit Area was completed in 1988, (Tables 3 and 4). Anomalous gold values were identified, in drill hole intercepts, but are considered historical and are not in compliance with current 43-101 standards, to calculate a resource.

A recommended program of exploration and costs are outlined in this report, (Table 1). The recommended program includes assembling all previous geological data, geological mapping and sampling, geophysics, drilling and interpretation of results. A proposed budget and recommended exploration program at the Socorro Mine Property is shown in Table 1.

10 Drilling (Item 13)

10.1 Introduction

All discussion in this section is related to historical drilling conducted by the companies that were active on the Socorro Mine Property during the period of 1968-1988.

10.1.1 Historical Drilling

Drilling activities were by standard drilling techniques at the time; reverse circulation rotary, and core drilling. Very little information is present in the project files to document the specifics of the drilling methods used. Daily drill logs from historical drilling programs are not present in the project files.

10.1.2 Drilling Methods

The drilling by Noranda in 1983-1984 and Tri-Con, in 1987-1988 at the Socorro Mine Property are interpreted to be by reverse circulation rotary methods. Reverse circulation rotary drilling produces samples selected from drill chips or cuttings which are air-lifted up the hole from the bit, outside or inside and internal to the drill steel adjacent to the open hole in a dual walled pipe, providing the possibility of contact or contamination/dilution from the wall rocks. The drilling methods can produce acceptable cutting samples for analysis if drilling conditions do not encounter large amounts of groundwater and highly fractured rock.

10.2 Recommendations

It is recommended that rotary reverse circulation drilling methods be used for shallow drilling of less than 500 feet in the Bell Henry and Socorro Reef Areas. Deeper drill holes of up to 1,500 feet should use a diamond drill rig with larger diameter PQ and HQ diameter pipe for better sampling of the rock units. The proposed budget in Table 1, uses the high costs of diamond drilling costs versus the lower cost reverse circulation drilling methods.

10.3 Summary

In summary, the drilling methods used in the historical drilling at Socorro Mine were typical of the industry standard methods at the time, and are considered valid for the most part. Downhole contamination maybe present in some of the earlier drill holes.

11 Sampling Method and Approach (Item 14)

Historical drilling at the Socorro Mine Property used the Reverse circulation drilling method as the best practices for obtaining representative samples for gold and silver assay. Angle drilling provided drill holes that are perpendicular to the shallowly and steeply dipping mineralized stratigraphic rock units, and also cross-cut any near vertical structural controls to mineralization; thus providing a better understanding of true widths to mineralized zones.

Sample intervals for both the Reverse circulation rotary was 5 to 10 foot down-hole sampling intervals at a maximum, and less as might have been dictated by geology in logged chip samples. This 5 foot sample interval was also consistent with numerous gold exploration drill sampling programs. The reverse circulation rotary drill cuttings were typically split at the drill site using a three-tiered Jones riffle splitter, one sample split was archived, and a second sample split was sent for assay. Cuttings were geologically logged.

11.1 Recommendations

Diamond drill holes should be logged for geology and core recovery, photographed, and marked for sampling and submitted to an analytical laboratory. Sampling to 5 or 10 foot intervals can be done if necessary to achieve selective sampling. Diamond core should be split or sawn, and the half-core not sampled should be archived using Quality Controls.

12 Sample Preparation, Analyses and Security (Item 15)

12.1 Analytical Procedures

Analytical methods for gold and silver analyses include fire assay, wet chemical atomic absorption spectroscopy, neutron activation analyses and gravimetric analysis. Fire assay techniques is the industry standard and should be used for accurate analyses. Neutron activation analyses and AAS analyses will typically give good gold and silver analysis but also will give a wide suite of important geochemical pathfinder and mineral zoning elements such as copper, zinc, lead, arsenic, antimony, bismuth and tungsten.

12.2 Sample Preparation

The preparation of samples for analyses was not documented in the various exploration programs on the Socorro Mine Property in the 1970's and 1980's, where rock samples were collected and submitted to laboratories. The drilling and exploration programs were probably completed by industry standards at that time.

12.3 Quality Control Procedures QA/QC

There is no specific documentation that lists any check assays and the results for the various analytical programs at various exploration programs at the Socorro Mine Property. Documentation reviewed indicates that outside lab check assay problems did exist because assays at different laboratories with the same sample did not always correlate, (Ryberg, 1974).

12.4 Sample Security

Sample security procedures are not known for early work by B &B, Stan Keith, Noranda and Tri-Con Exploration Ltd. Many companies in the 1970's and 1980's did have security in place to maintain custody, of reverse circulation drill chip samples, from collection at the drill site to sample splitting in a secure offsite facility. Sample security and Quality Assurance/Quality Control is recommended for any new exploration work at the Socorro Mine Property.

12.5 ISO 9000 Certification

Much of the analytical work by previous workers on rock chip samples and drill samples was done by the AAS and Fire Assay techniques. The assays of 4 check samples collected by the author were sent to Skyline Laboratory in Tucson, Arizona and were sent to a laboratory in British Columbia.

“ISO 9002 is a quality assurance model made up of quality system requirements. This model applies to organizations that produce, install, and service products. ISO expects organizations to apply this model, and to meet these requirements, by developing a quality system.”

The certification process for analytical labs was not common practice in the 1970's and 1980's, and would not have been a consideration for most analytical laboratories.

12.6 Recommendations

Future analytical procedures for gold and silver samples should resolve the gold nugget effect, where rock chip samples and split drill core can be reproduced. In addition, check samples should be done on varying grain sizes and check laboratories. Fire assay with AAS finish analytical method should be used. All QA/QC procedures should be employed. A Project Protocol should be written and approved by outside experts before samples are collected and submitted to Analytical Laboratories.

13 Data Verification (Item 16)

Data verification has been accomplished by the following:

- Visual inspection of past mine workings including old mine dumps, leach pads and alteration, rock types, and structure in outcrop along drill roads, trenches, and bulk-sample test pits;
- Location in the field of historical drill sites that are unmarked with any drill hole identification, and poor to no old drill hole location on any surface topographic maps;
- Data verification assays of rock samples collected by the author from surface samples on the Socorro Property that confirm the presence of gold mineralization, with values of up to 3.98 ppm gold (.116 oz/T Au and 132 ppm silver, (3.85 oz/T Ag) shown in Appendix D;
- Literature review of previous historical geologic and drill hole data of several different companies' geological work on the Socorro Property indicating gold and silver intercepts in drill holes;
- Copies of assay certificates from commercial analytical laboratories that confirm the gold mineralization from surface samples and drill hole assays.
- Database construction and verification from historical records;

13.1 Site Verification

Historical drill core is not available for inspection; however road-cut and trench exposures are still accessible. Visual inspection confirms the geology as described in the past historic summary reports. Surface mineralization of quartz veins with gold mineralization and mine dump assays with gold mineralization was verified.

13.2 Author's Verification Samples

During a field visit to the Socorro Property, the author collected four hand sample of alteration/mineralization exposures in a trench and a former bulk-sample test pit. The samples were collected as grab samples from areas where gold-silver assays are plotted on a map, and Tables 3, 7, 8, 10 and Appendix D, explained below, lists the representative historical assays; noting that the author's samples, (Appendix D) are not exact duplicate samples and should not be correlated precisely as to grade.

The above assays on the Socorro Property indicate the gold and silver values are significant. The author's samples also confirm the general magnitude of historical reported gold values. The reported gold and silver values are chip samples and or grab samples and are used by geologist to follow or locate gold vein structures or areas of disseminated gold mineralization.

The four samples collected during the authors visit to the Socorro Property consisted of 5 to 10 pound grab samples of historic mine/ rock leach and tailings dumps, (samples S-1 and S-2) and chip samples across a quartz-gold vein structure on the Henry Bell Claims, (samples S-3 and S-4). The samples were placed in plastic bags and labeled and sealed and delivered by the author/Michael R. Pawlowski, Registered Geologist to the Skyline Laboratories Assay Office in Tucson, Arizona.

Sample S-1 was collected from a 200 foot long by 150 foot wide by approximately 5 foot thick yellow mill tailings, placed under or spread out under a mine dump consisting of fine grained crushed material to 2 foot boulders, that was probably leached in the past on the Socorro Property. The old mill tailings were collected by scooping or hand grabbing with gloves the fine unconsolidated material at every 20 foot spacings and placing the samples into one bags. The sample of mill tailings (sample S-1), assayed by fire assay was very anomalous and averaged 2.70 ppm gold and 6.6 ppm silver. The measured tonnage by the author was approximately 5,000 tons of yellow tailings material. The color and higher sulfur assayed value indicates pyrite mineralization with gold intergrown in the unoxidized pyrite.

Sample S-2 was collected from a mine dump overlying the yellow mill tailings and is 200 foot by 75 foot at the base of the dump and 150 foot by 50 foot at the top, with the thickness varying from 12 to 18 foot thick. The mine dump consisted of fine grained crushed material to 2 foot boulders with red iron oxide on fractures, that was probably leached in the past on the Socorro Property. The mine dump was sampled by collecting grab samples with gloves by chipping the larger rock samples and collecting the finer grain material and placing them in a plastic bag, on 20 foot spacing. Samples were collected on the sides and top of the mine dump. The sample of the mine dump material collected by the author (sampled S-2), assayed by fire assay was weakly anomalous at 0.205 ppm gold values and 6.6 ppm silver values. The sample collected was more representative of the surface and sides of the mine dump. The measured tonnages by the author was approximately 7,000 tons of fine to coarse mine dump material.

Sample S-3 was collected from the Bell Henry open-cut across 20 foot chip sample of a bench, across the brecciated quartz vein structure. The quartz vein strikes east and west and is in the brecciated mineralized zone below a white marble bed in the Devonian limestone. The sample (S-3) assayed .90 ppm gold and 6.0 ppm silver.

Sample S-4 was collected from the upper part of the Bell Henry open cut in a small 2 foot chip sample of strong iron oxide mineralization with visible copper-bearing chrysocolla. The sample (S-4) assayed 3.98 ppm gold and 132 ppm silver. The sample S-4 represents the high grade zone of the brecciated quartz-gold silver vein that is very narrow and possibly discontinuous along strike and dip, but possibly containing some very high-grade, gold and silver mineralization.

The past historic work on the Bell Henry area by Can-Ex Resources shows numerous exploration holes drilled by reverse circulation methods. Can-Ex believed the crackle breccia and structural controls in the mineralized Paleozoic limestones controlled the gold and silver mineralization. The Paleozoic limestone can be described as a stack of faulted shingle like zones that are northwest striking limestone and quartzite beds dipping to the northeast. The preliminary work indicates that the lower Redwall Limestone appears most favorable for gold and silver mineralization, in the silicified and quartz veined stockwork in the dolomitic host rock.

14 Adjacent Properties (Item 17)

Numerous exploration companies have been active in the Harquahala Mining District, Socorro Mine Area and in the surrounding mining districts including the Harcuvar, Bullard Peak, Cunningham Pass and Little Harquahala Districts. Active exploration and mining companies includes Big Bar Mining, Canadian Mining Company, Terraco Gold Corporation (Bonanza Gold-Harquahala and Golden Eagle Mines and others.

The geology of the Little Harquahala Mountains near the Bonanza-Golden Eagle Property consists of Lower Paleozoic quartzites, calcareous mudstone with interbedded shales, and thick-bedded to massive limestones to dolomites of the Cambrian Bolsa Quartzite, Cambrian Abrigo Formation, and Devonian Martin Formation, respectively. The lower Paleozoic units are in low-angle (reverse and normal) fault contact with underlying Tertiary to Cretaceous granitic intrusives. Detachment contacts are locally mylonitic and extensively sheared and brecciated. The overlying sediments are strongly folded on regional to outcrop scale, cut by high angle normal faulting, and are structurally well-prepared to host precious metals ore-bodies. The ore bodies developed at the Bonanza and Golden Eagle mines were primarily detachment fault-related, sediment and intrusive hosted gold deposits. Mineralizing fluids, following high and low angle structures, are inferred to have migrated up to and across low angle normal faulting where structural preparation and reactive host rock chemistry were conducive to the formation of significant ore-bodies. Historically at the Harquahala Mine, gold and silver ores were extracted from altered structural zones along the detachment (originally described as a thrust) and replacement bodies in lower Paleozoic, calcareous quartzites, muddy limestones, dolomites, and shaley units. The sediment-hosted ores were focused along high angle feeder structures and averaged close to one troy ounce per ton gold and more than one half troy ounce per ton of silver. Underground workings were sampled in the early 1980's revealing a large area (> 250 foot length in workings at the 71 foot level) in altered, calcareous sandstones and quartzites of the Bolsa Quartzite. The properties are currently being explored by Terraco Gold Corporation.

15 Mineral Processing and Metallurgical Testing

(Item 18)

No technical reports were available on mineral processing or metallurgical testing on the Socorro Mine Property. Copper oxide mineralization on the surface outcrops on the Henry Bell open-cut may effect cyanide consumption and adversely effect gold-silver recoveries. Larger sized grains of nugget gold have been described in the past literature and may point to a heavy mineral gravity circuit being practical recovery method, for some of the gold mineralized areas.

16 Mineral Resource and Mineral Reserve Estimates (Item 19)

16.1 Resource Classification

There are no mineral resources on the Socorro Mine Property. Gold-silver mineralization has been explored by surface and underground sampling and by drill holes from the surface. Past historic resource calculations by Stanley Keith in 1984 are not 43-101 compliant. The Mineral Resources are classified under the 43-101 compliant categories of Measured, Indicated and Inferred according to CIM guidelines. Classification of a resource reflects the relative confidence of the grade estimates, primarily as a function of sample spacing relative to geological and geo-statistical observations regarding the continuity of mineralization.

17 Other Relevant Data and Information (Item 20)

There are no identified other relevant data of information that will impact the Socorro Mine Property. Potential changes in the Mining Law of 1872 and any changes in permitting for mine exploration and or development are not known.

18 Interpretation and Conclusions (Item 21)

The Socorro Mine Property is an exploration-stage gold and silver property that has been inactive for over 20 years, due to low gold-silver commodity prices. It had undergone past exploration drilling in 1974, 1982 and 1988 and underground gold mining during the latter of the 1800's and 1905 to 1934. Drilling activities of three exploration companies were mentioned in the literature from the Arizona Department of Mines and Mineral Resources and were completed by B and B Mining Company and subsidiary of Noranda and Tri-Con Resources. Past gold production from 1905 to 1934, on the Socorro Property were 4,786 tons with 683 ounces of gold recovered, 471 ounces of silver recovered, and 50 pounds of lead recovered. Total historical expenditures on the property are estimated at between \$200,000 and \$500,000. Current NI 43-101 compliant resources and/or reserves are not established. The Socorro Mine Property database is poorly documented with partial files of drill logs, assays, and various reports; as well as some hard copy maps and cross-sections. The Socorro Mine property today represents a gold-silver exploration opportunity to expand upon the past historic exploration and drilling projects. A proposed exploration and drilling project may possibly identify a potential gold-silver resource that maybe amenable for underground or open-pit mining.

18.1 Opportunity

A major opportunity at Socorro Mine Property is to identify the continuity of any potential gold and or silver mineralization and possibly identify a potential resource by exploration drilling.

18.2 Project Risks

Project risks are listed below. There can be no guarantee that a economic resource could be outlined at the Socorro Mine Property.

18.2.1 Price Fluctuation

The current price for gold and silver are at record highs for the last three decades, and are currently at US\$600 to \$700 per ounce for gold and \$12 to \$14 per ounce for silver (Kitco, 2007) - nearly triple the commodity price of the early 2000-2002's. Stability of commodity prices for gold and silver and availability of supplies to meet demand are risk factors for the Socorro Mine Property.

18.2.2 Resource Definition

There is no resource or reserves on the Socorro Mine Property. Past calculations completed by Stanley B. Keith, in 1984 are not 43-101 compliant. There is no guarantee that any past historical work is of the quality or sufficient size to be of economic interest.

18.2.3 Metallurgical Characteristics

There are no detailed metallurgical studies on the recovery of gold and silver from the Socorro property rock material. The coarse size of gold as nuggets has had a negative consequence for the assaying of gold in chip bags as noted in George Ryberg's report, dated in 1974. The coarse gold has been or can be recovered by gravity methods.

19 Recommendations (Item 22)

19.1 Summary

To advance the Socorro Mine area to a point where it perhaps was when the project was last active by Tri-Con Resources in the late 1980's, would require the accumulation of all drilling and exploration data from all the earlier drilling and exploration programs. The exploration data could be acquired directly from the exploration companies or geologists in charge. Some land and exploration data exists with the Norma Campbell Renyolds data files in Salome, Arizona.

19.2 Confirmation Drilling

It is recommended that exploration and confirmation drilling be continued at the Socorro Mine area to address several issues. Additional drilling would provide current assay information to add confidence to the higher grade gold mineralization in quartz veins and the low grade disseminated gold mineralization in iron oxide and sulfide zones. Core drilling within the Socorro Reef Area, Henry Bell and Tres Padres areas are recommended.

19.3 Other Geological Work

To further examine the metallurgy of the Socorro gold mineralization, it is recommended that additional petrographic and mineralogical work be done to identify and semi-quantify the amount of gold and silver that is either tied up with iron-oxides or encapsulated within quartz. The large grain size or nugget effect of the gold mineralization should be understood by assaying and petrographic studies. Specific mineralogical studies are not here recommended, but would be determined in concert with the metallurgical scoping study; but would include SEM (scanning electron microprobe), and optical petrography. This could be done from drill core samples to be obtained from throughout the Socorro area, at an estimated cost of \$15,000.

19.4 Scoping Study

Upon completion and during of a recommended exploration program (as outlined in Table 1), a scoping study should be conducted to study the exploration industry standards and future project paths for a compliant resource estimate, and perhaps concurrently with a confirmation grid drilling exploration program. A Scoping Study of all aspects to the property is needed, to identify project deficiencies and the recommendations to rectify same. The goal is to identify and gather all information necessary to determine exploration industry standard and the potential economics of a mining/processing operation and the justification to proceed to a pre-feasibility study of the Socorro Mine Property, if results have been successful.

The Scoping Study will specifically address the following:

- All aspects of the construction of a digital assay database, starting with all past historic drill hole assays, a geological model and possible resource estimate for completeness, and accuracy;
- A complete review of all metallurgical data and reports, with recommendations for additional work that might be required to establish a preliminary mineral processing flow sheet;

- Preliminary scoping of mineability and mining methods; Benchmarking the economics of similar gold mining properties,
- Preliminary examination of the existing access and infrastructure, and required studies to define any alternatives; and
- A Review of permitting and environmental issues.

A scoping study is necessary to evaluate the assay grades of gold and or silver needed on the Socorro Mine Property. One area that deserves particular attention is the Metallurgy. Emphasis should be placed on the metallurgical aspects of the scoping study, as the metallurgy is the single most important factor that will affect tonnage and grade estimation and therefore potential project economics. The estimated cost for the metallurgical review/testwork would be included in the overall Scoping Study.

19.5 Proposed Budget

The proposed budget is shown in Table 1 and outlined below.

19.5.1 Phase I

Some or all of the above programs in Phase I can be done concurrently; geophysics, drilling and assaying providing the limiting time-frame of six to nine months. The above cost estimates do not include owner's costs for project management and supervision. Mining claims should be checked in the field and research should be completed to expand the claims. The recommended proposed budget of \$600,000 is shown in Table 1.

20 References (Item 23)

Hunsaker, Ernest, 2007, Bonanza Gold, Harquahala and Goden Eagle Mines 43-101 report for Terraco Gold Corporation, webpage.

Keith, S., 1982, Gold Deposits in the Salome Region, Yuma County, Arizona: A Potentially New Disseminated Gold Province, Unpublished Report, 111 p.

Niemuth, Nyal, 2007, Arizona Department of Mines and Mineral Resources Personnel Communication on Socorro Mine.

O'Hare, Pat, 2007, Bullard Peak Mine 43-101 Report for Canadian Mineral Resources, webpage of maps and reviews.

Pawlowski, M. R., 2004, Copperstone Mine 43-101 Report for Bonanza Gold Resources, 100 pages.

Ryberg, George, 1974, Socorro Reef Project, for B & B Mining Corporation, 20 pages.

Appendix A

Certificates of Author

Michael R. Pawlowski
Registered Geologist
by Arizona State Board of Technical Registration
1700 E, Lakeside Drive #57
Gilbert, Arizona, U.S.A. 85234
Phone: 480 632-6476
Email: mrpgeo@cox.net
CERTIFICATE of AUTHOR

Michael R. Pawlowski 1700 E. Lakeside Drive #57 Gilbert, Arizona 85234 480 632-6476

1) I, Michael R. Pawlowski, am a Registered Professional Geologist by the State Board of Technical Registration, State of Arizona #24509 and am a Certified Professional Geologist by the American Institute of Professional Geologist, #7681.

2) I am presently employed as a Consulting Geologist at 1700 E. Lakeside Drive #57, Gilbert, Arizona.

3) I am a graduate of the University of Idaho, College of Mines, Moscow, Idaho with a Masters of Science degree in Geology in 1982 with over 25 years of geological exploration, evaluation, resource and reserve estimation experience in copper, silver, gold, cobalt, industrial minerals and geological mine development experience working in North and South America, Africa, Europe and the Southwest Pacific, including Australia, Indonesia and Papua New Guinea.

4) I have membership in the following mineral industry technical societies:

- American Institute of Professional Geologist (AIPG)
- Society of Mining, Metallurgy and Exploration (SME)
- Society of Economic Geologist (SEG)
- Arizona Geological Society (AGS)

5) I have read the definition of “qualified person” set out in National Instrument 43-101 (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purposes of NI 43-101. The Technical Report is based upon my personal review of the information provided by the issuer.

6) I am responsible for the content, compilation, and editing of all sections of the technical report titled NI 43-101 “Technical Report on the Socorro Property, La Paz County, Arizona, and dated September 19, 2007 (the “Technical Report”) relating to the Socorro Property. I have personally visited the Socorro Property in the field on May 12, 2007.

7) I have not had prior involvement with the property that is the subject of this

Technical Report, other than the initial property review and attending previous field trips to the Socorro Property.

8) As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all the scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

9) I am independent of the issuer applying all of the tests in Item 1.4 of National Instrument 43-101.

10) I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

11) I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible to the public, of the Technical Report.

Dated in Gilbert, Arizona, October 15, 2007.

Signature of Qualified Person

Michael R. Pawlowski, Arizona Registered Geologist

Printed name of Qualified Person (Sealed)

Michael R. Pawlowski

MICHAEL R. PAWLOWSKI



Appendix B

Socorro Property List of Claims

Socorro Mine Property Property List of Claims
Claim Name BLM - NMC # Owner

Bell Henry #1	AMC 327303	Navoro Mining LLC
Bell Henry #2	AMC 327304	Navoro Mining LLC
Bell Henry #3	AMC 327305	Navoro Mining LLC
Bell Henry #4	AMC 327306	Navoro Mining LLC
Bell Henry #5	AMC 329313	Navoro Mining LLC
Bell Henry #6	AMC 329314	Navoro Mining LLC
Bell Henry #7	AMC 330954	Navoro Mining LLC
Bell Henry #8	AMC 341558	Navoro Mining LLC
Bell Henry #9	AMC 341559	Navoro Mining LLC
Bell Henry #10	AMC 341560	Navoro Mining LLC

Ed's Dream #1	AMC 341353	Navoro Mining LLC
Ed's Dream #2	AMC 341409	Navoro Mining LLC
Ed's Dream #3	AMC 341410	Navoro Mining LLC
Ed's Dream #4	AMC 341354	Navoro Mining LLC

Socorro Reef #15	AMC 383189	Navoro Mining LLC
Socorro Reef #16	AMC 383190	Navoro Mining LLC
Socorro Reef #17	AMC 383191	Navoro Mining LLC
Socorro Reef #18	AMC 383192	Navoro Mining LLC
Socorro Reef #19	AMC 383193	Navoro Mining LLC
Socorro Reef #20	AMC 383194	Navoro Mining LLC
Socorro Reef #21	AMC 383195	Navoro Mining LLC

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
LIST OF MINING CLAIMS BY SECTION

MTRS: 14 0050N 0120W 025

<u>Serial Number</u>	<u>Quad</u>	<u>Claim Name</u>	<u>Claimant</u>	<u>Lead File</u>	<u>Case Type</u>	<u>Status</u>	<u>Loc Date</u>	<u>Last Assmt</u>
AMC327303	SW	BELL HENRY #1	NAVORO MINING LLC	AMC327303	384101	ACTIVE	09/01/1993	2008
AMC327304	SW	BELL HENRY #2	NAVORO MINING LLC	AMC327303	384101	ACTIVE	09/01/1993	2008
AMC327305	NE NW SW SE	BELL HENRY #3	NAVORO MINING LLC	AMC327303	384101	ACTIVE	09/01/1993	2008
AMC327306	NE NW SW SE	BELL HENRY #4	NAVORO MINING LLC	AMC327303	384101	ACTIVE	09/01/1993	2008
AMC330954	SW	BELL HENRY #7	NAVORO MINING LLC	AMC330954	384101	ACTIVE	04/11/1994	2008
AMC341558	SW	BELL HENRY #8	NAVORO MINING LLC	AMC341558	384101	ACTIVE	09/10/1996	2008
AMC341559	SW	BELL HENRY #9	NAVORO MINING LLC	AMC341558	384101	ACTIVE	09/10/1996	2008
AMC341560	SW	BELL HENRY #10	NAVORO MINING LLC	AMC341558	384101	ACTIVE	09/10/1996	2008
AMC366711	NW	S 9	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/25/2005	2008
	NW		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/25/2005	2008
AMC366712	NW	S 10	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/25/2005	2008
	NW		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/25/2005	2008
AMC383189	NE	SOCORRO REEF #15	NOVORO MINING LLC	AMC383189	384101	ACTIVE	05/21/2007	2008
AMC383190	NE	SOCORRO REEF #16	NOVORO MINING LLC	AMC383189	384101	ACTIVE	05/21/2007	2008

MTRS: 14 0050N 0120W 026

<u>Serial Number</u>	<u>Quad</u>	<u>Claim Name</u>	<u>Claimant</u>	<u>Lead File</u>	<u>Case Type</u>	<u>Status</u>	<u>Loc Date</u>	<u>Last Assmt</u>
AMC341353	SE	ED'S DREAM #1	NAVORO MINING LLC	AMC341353	384101	ACTIVE	09/01/1996	2008
AMC341354	SE	ED'S DREAM #4	NAVORO MINING LLC	AMC341353	384101	ACTIVE	09/01/1996	2008
AMC341409	SE	EDS DREAM #2	NAVORO MINING LLC	AMC341409	384101	ACTIVE	09/01/1996	2008
AMC341410	SE	EDS DREAM #3	NAVORO MINING LLC	AMC341409	384101	ACTIVE	09/01/1996	2008
AMC366705	SE	S 3	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/24/2005	2008
	SE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/24/2005	2008
AMC366706	SE	S 4	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/24/2005	2008
	SE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/24/2005	2008
AMC366707	SE	S 5	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/24/2005	2008
	SE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/24/2005	2008
AMC366708	SE	S 6	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/24/2005	2008
	SE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/24/2005	2008
AMC366709	NE	S 7	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/24/2005	2008
	NE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/24/2005	2008
AMC366710	NE	S 8	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/24/2005	2008
	NE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/24/2005	2008

MTRS: 14 0050N 0120W 035

<u>Serial Number</u>	<u>Quad</u>	<u>Claim Name</u>	<u>Claimant</u>	<u>Lead File</u>	<u>Case Type</u>	<u>Status</u>	<u>Loc Date</u>	<u>Last Assmt</u>
AMC329313	NE	BELL HENRY #5	NAVORO MINING LLC	AMC329313	384101	ACTIVE	01/20/1994	2008

UNITED STATES DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 LIST OF MINING CLAIMS BY SECTION

MTRS: 14 0050N 0120W 035

<u>Serial Number</u>	<u>Quad</u>	<u>Claim Name</u>	<u>Claimant</u>	<u>Lead File</u>	<u>Case Type</u>	<u>Status</u>	<u>Loc Date</u>	<u>Last Assmt</u>
AMC329314	NE	BELL HENRY #6	NAVORO MINING LLC	AMC329313	384101	ACTIVE	01/20/1994	2008
AMC363030	NW	APACHE GOLD #3	NOLEN DARRELL	AMC363030	384201	ACTIVE	09/16/2004	2008
	NW		NOLEN FALBY J	AMC363030	384201	ACTIVE	09/16/2004	2008
AMC366703	NE	S 1	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/24/2005	2008
	NE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/24/2005	2008
AMC366704	NE	S 2	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/24/2005	2008
	NE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/24/2005	2008
AMC366713	SW SE	S 11	BONANZA EXPL INC	AMC366703	384101	ACTIVE	05/25/2005	2008
	SW SE		FRENCH GREGORY M	AMC366703	384101	ACTIVE	05/25/2005	2008

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
LIST OF MINING CLAIMS BY SECTION

MTRS: 14 0050N 0110W 019

<u>Serial Number</u>	<u>Quad</u>	<u>Claim Name</u>	<u>Claimant</u>	<u>Lead File</u>	<u>Case Type</u>	<u>Status</u>	<u>Loc Date</u>	<u>Last Assmt</u>
AMC383193	SW	SOCORRO REEF #19	NOVORO MINING LLC	AMC383189	384101	ACTIVE	05/21/2007	2008
AMC383194	NW	SOCORRO REEF #20	ASHLEY RON	AMC383189	384101	ACTIVE	05/21/2007	2008
	NW		JOHNSON WILLIAM D	AMC383189	384101	ACTIVE	05/21/2007	2008
	NW		NOVORO MINING LLC	AMC383189	384101	ACTIVE	05/21/2007	2008
AMC383195	NW	SOCORRO REEF #21	ASHLEY RON	AMC383189	384101	ACTIVE	05/21/2007	2008
	NW		JOHNSON WILLIAM D	AMC383189	384101	ACTIVE	05/21/2007	2008
	NW		NOVORO MINING LLC	AMC383189	384101	ACTIVE	05/21/2007	2008

Appendix C

Tables and Figures

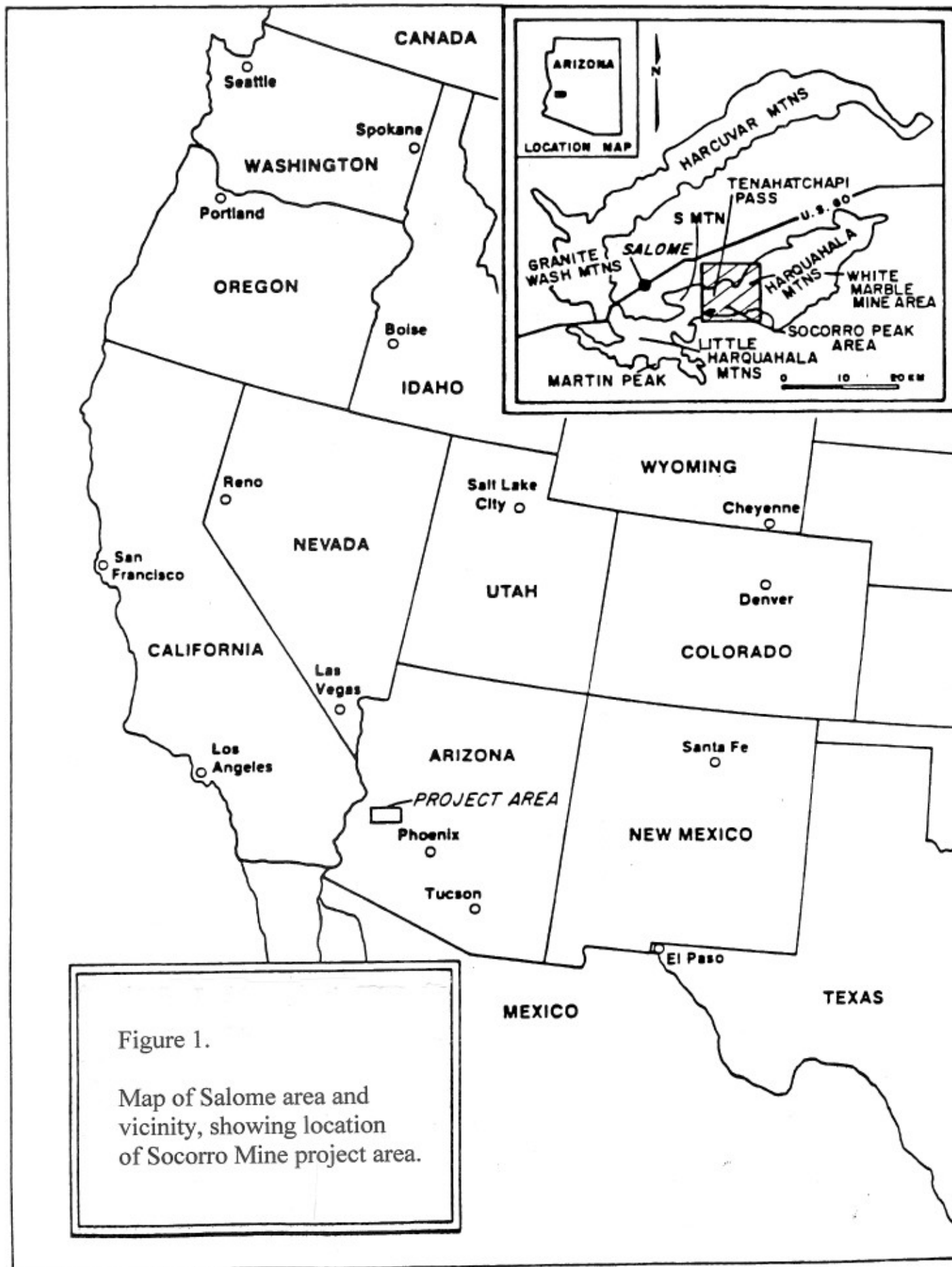


Figure 1.

Map of Salome area and vicinity, showing location of Socorro Mine project area.

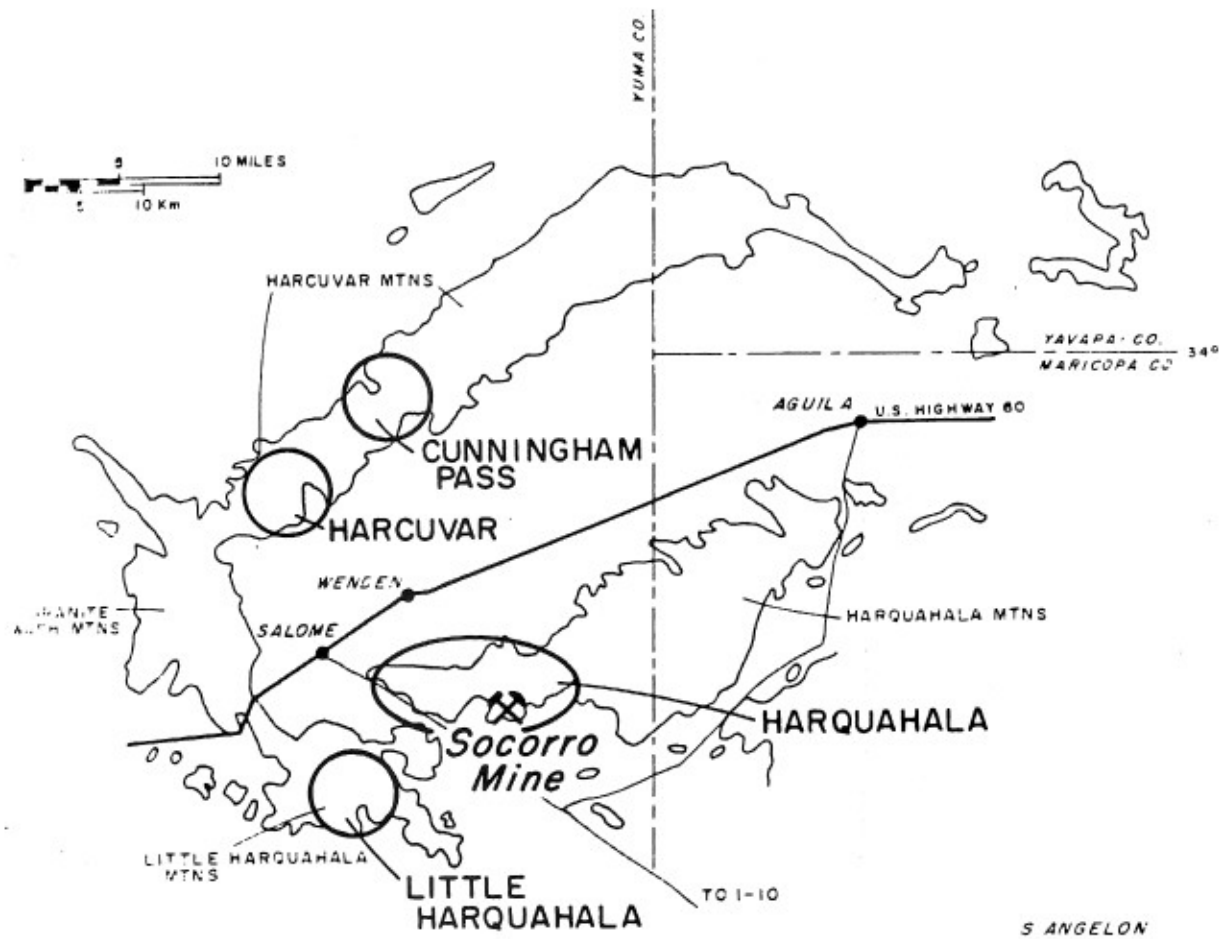


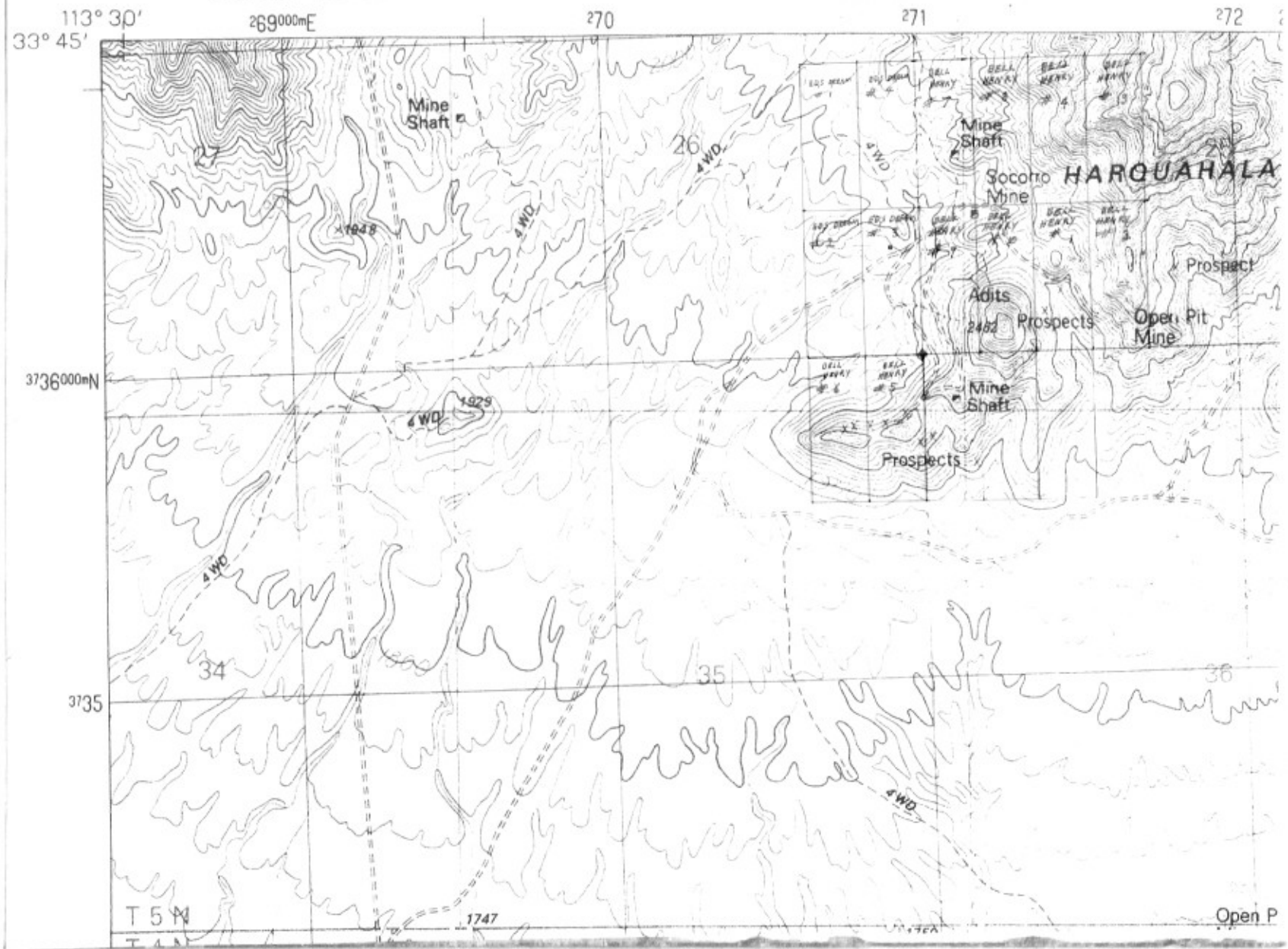
Figure 2. Gold districts in the Salome region

Table 2. Summary of cumulative reported production for mine districts within the Salome Region, Yuma County, Arizona

District	Tons	Au(oz)	Ag(oz)	Cu(lbs)	Pb(lbs)	Au:Ag	Years
Cunningham Pass	8,885	4,110	2,637	1,558,302	7,393	1.56	1901-03, 1905-13, 1915-20, 1922-30, 1933, 1935-44, 1947-49, 1952-54, 1956-60
Harcuvar	282	156	50	26,086	-	3.12	1910-12, 1915-19, 1937-38, 1942, 1956
Harquahala	7,616	2,450	7,043	32,171	1,446	.348	1905-06, 1908, 1911-14, 1916-19, 1930-35, 1937-44, 1948, 1950-56, 1959, 1961, 1965-67
Little Harquahala	159,146	143,406	90,093	50,378	156,009		1888, 1890-91, 1893-9, 1901, 1904, 1907-08, 1913-14, 1916, 1918, 1922-26, 1928-39, 1941-43, 1947-52, 1963
TOTALS	175,929	150,000	100,000	1,666,937	170,848	1.5	

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Figure 3. Topography map of Socorro Mine area



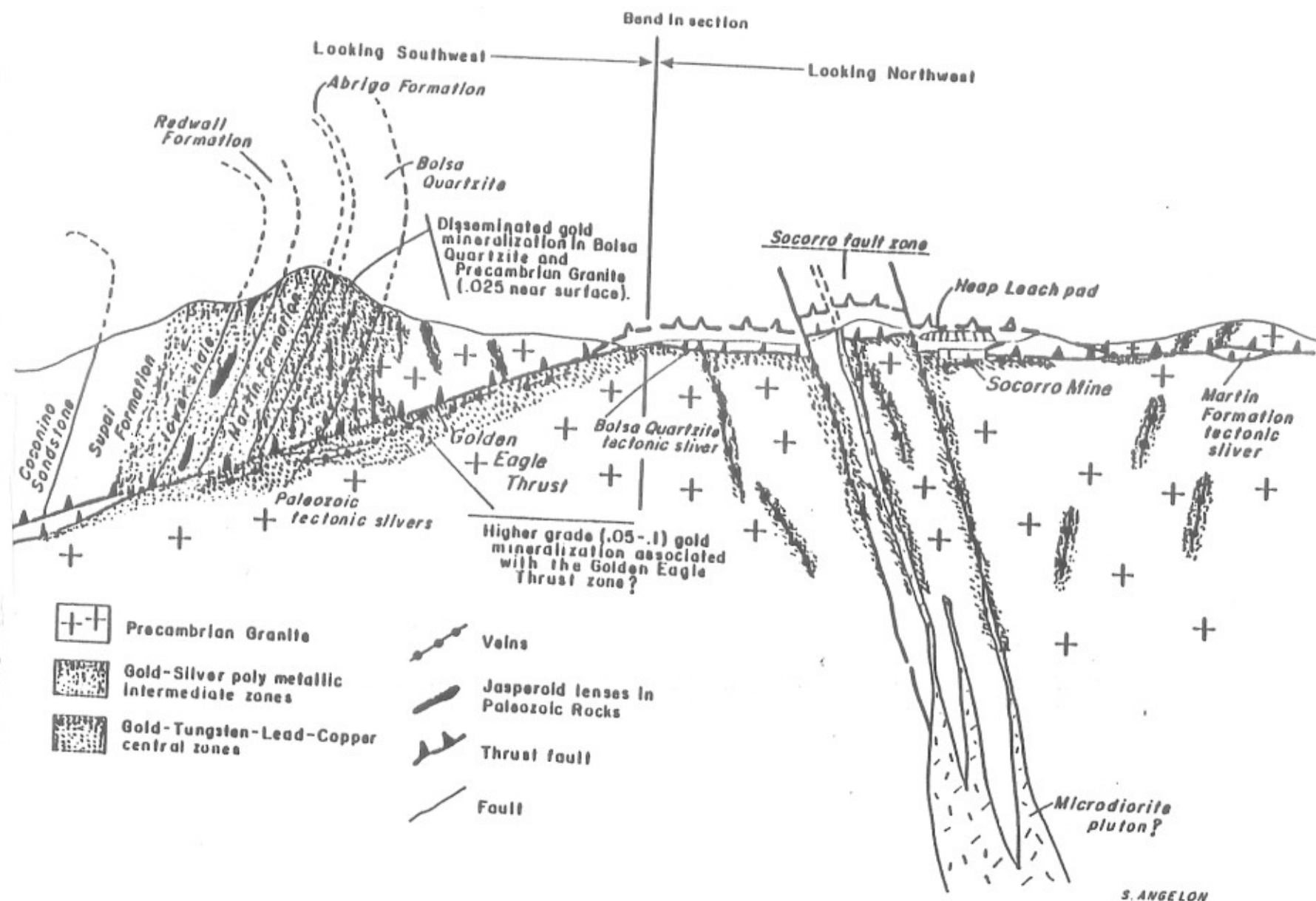


Figure 4. Cross section illustrating exploration model for inferred disseminated gold deposit beneath the Socorro Reef gold anomaly

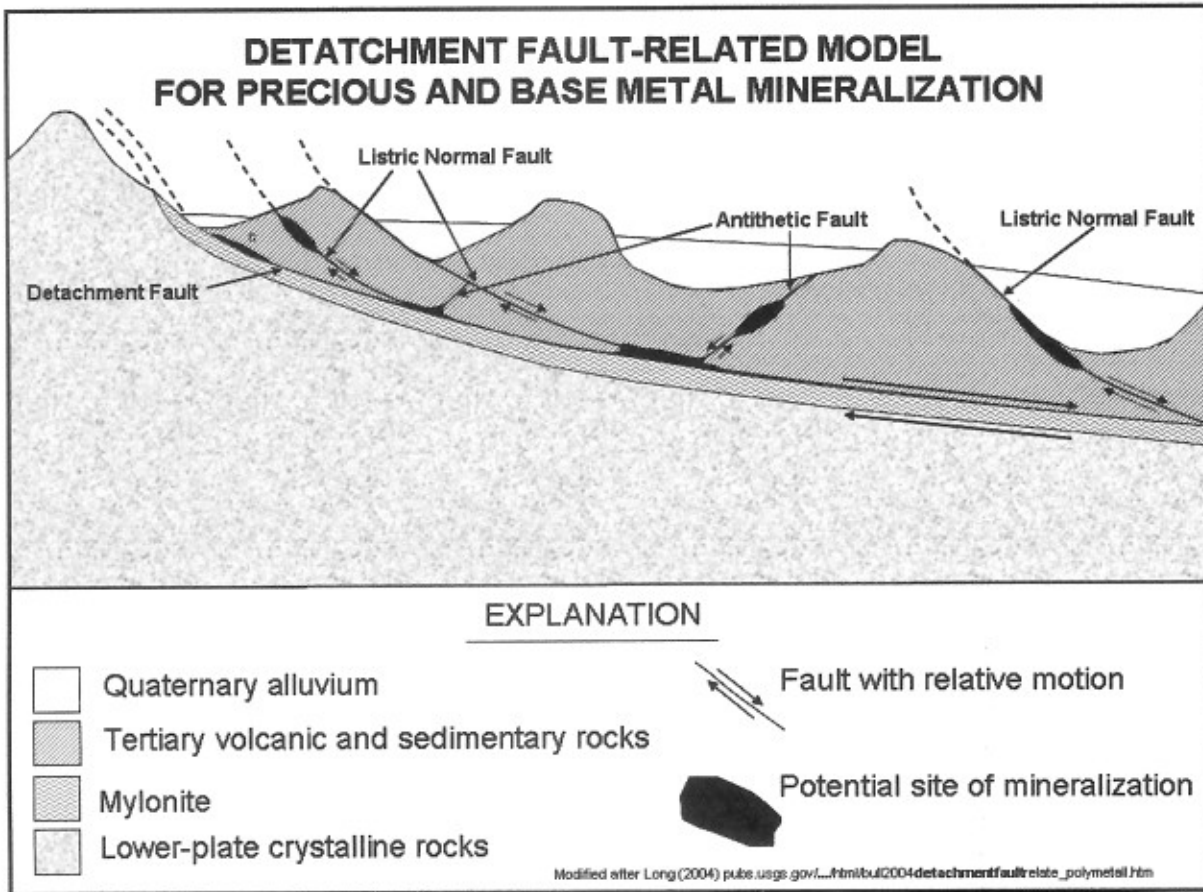


Figure 5. Explanation of detachment fault-related model for precious and base metal mineralization

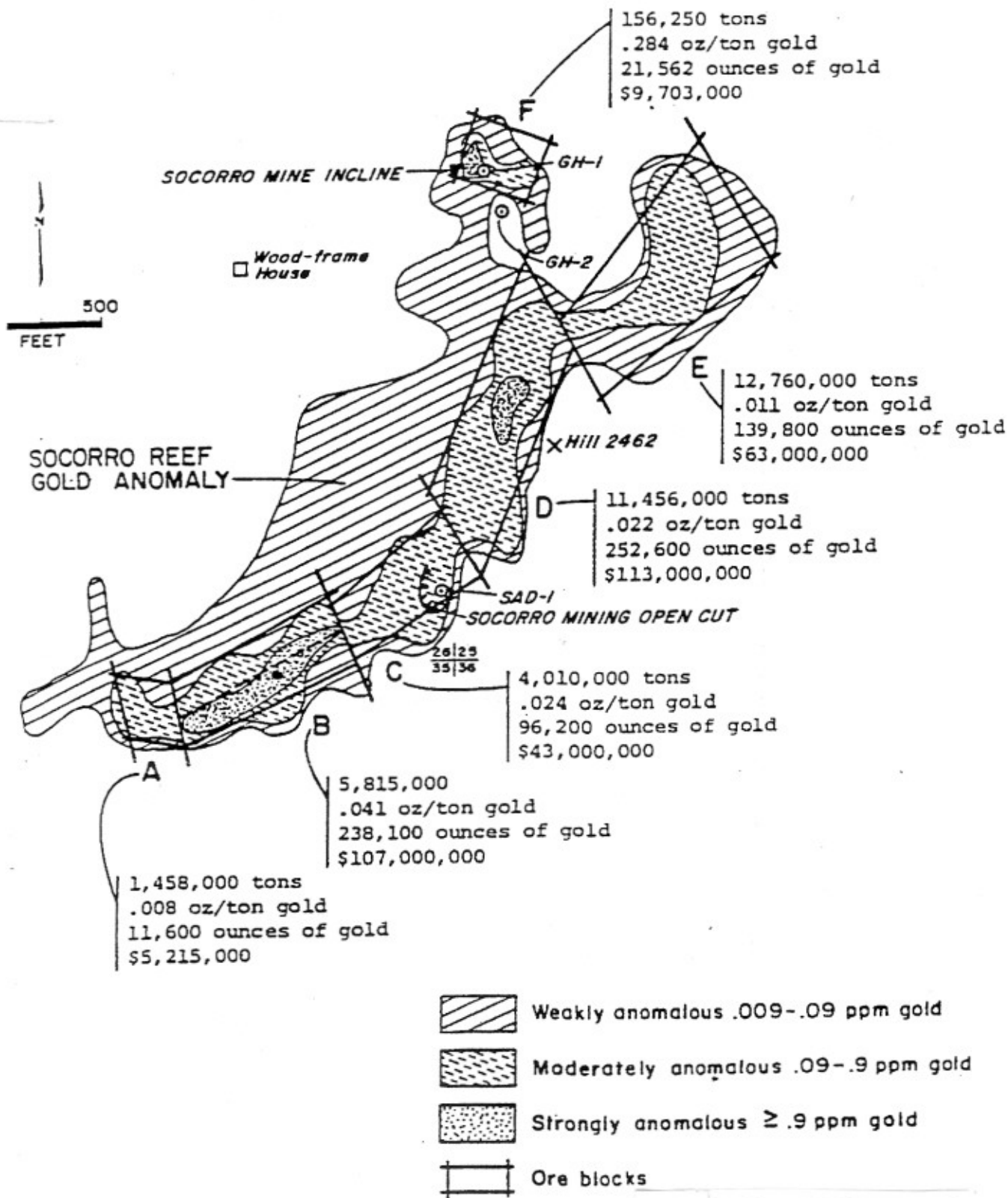


Figure 6. Socorro Property – Map of gold anomaly showing drill hole locations and grade-tonnage blocks

Table 3.

1988 DRILL HOLE ASSAY INTERVALS
 Socorro Reef Property
 La Paz Co., Arizona

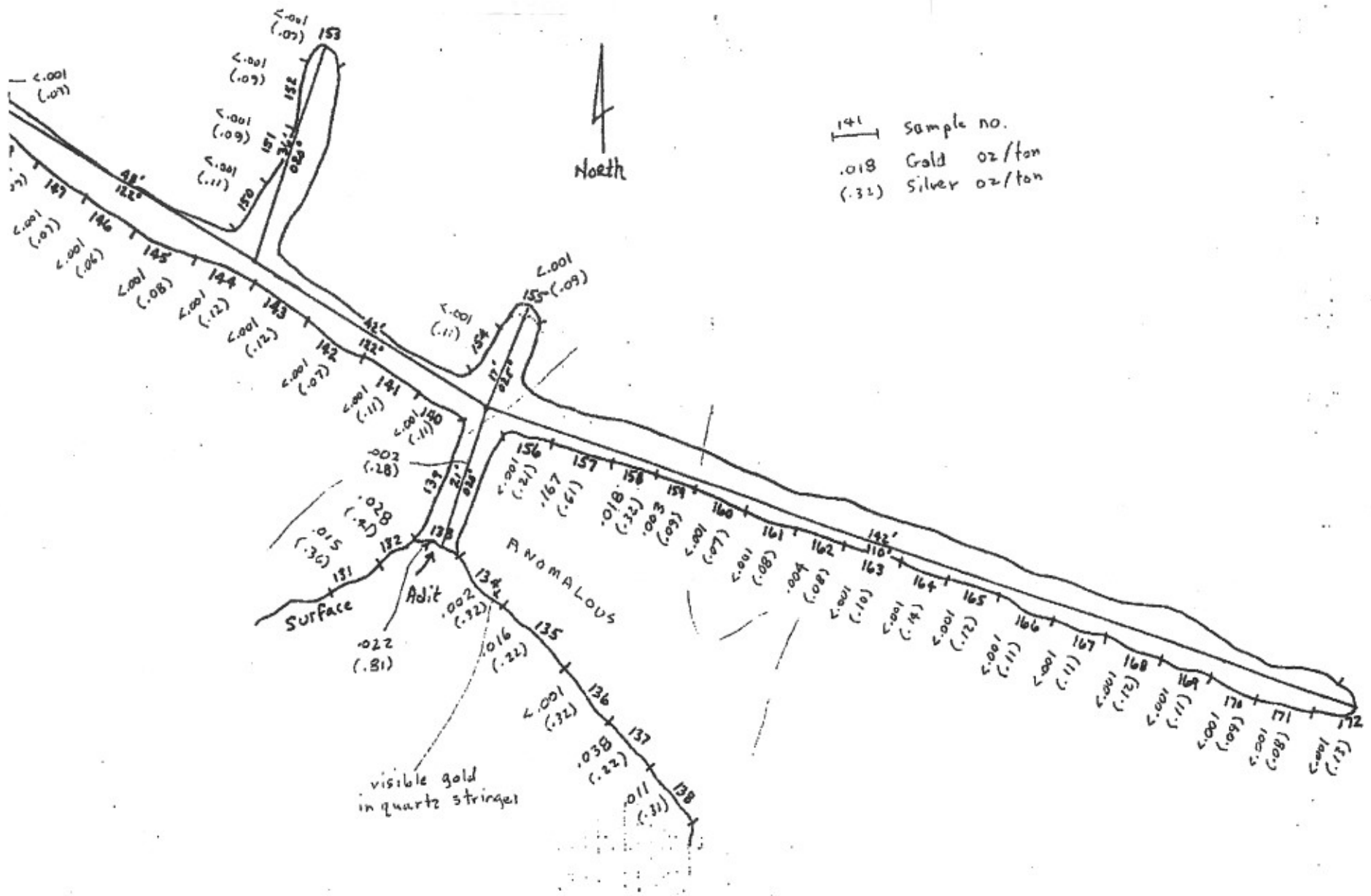
AVERAGE GOLD CONTENT OF SELECTED INTERVALS (Henry Bell Area)			
Hole #	Interval	Average OPT Au - Ag	
CSR-1	25 ft to 85 ft; 60 ft of Redwall dolomite <i>.142 at 80-85'</i>	0.021	0.16
CSR-2	50 ft to 125 ft; 75 ft of Redwall dolomite <i>.426 at 55-60'</i>	0.033	0.10
CSR-4	2 ft to 65 ft; 63 ft of Redwall dolomite & qpd 35 ft to 65 ft; 30 ft of Redwall dolomite <i>.136 at 45-50'</i>	0.015 0.032	0.06 0.11
CSR-5	15 ft to 70 ft; 55 ft of Redwall dolomite & qpd 15 ft to 45 ft; 30 ft of Redwall dolomite	0.014 0.023	0.15 0.23
CSR-6	125 ft to 180 ft; 55 ft of Redwall dolomite 165 ft to 180 ft; 15 ft of Redwall dolomite	0.008 0.017	0.12 0.11
(Bolsa Pit Area)			
CSR-7	0 ft to 60 ft; 60 ft of Bolsa quartzite 10 ft to 50 ft; 40 ft of Bolsa quartzite	0.016 0.020	<0.05 <0.05
CSR-8	15 FT TO 75 ft; 60 ft of Bolsa quartzite 40 ft to 75 ft; 35 ft of Bolsa quartzite	0.011 0.014	<0.05 <0.05
CSR-9	0 ft to 45 ft; 45 ft of Bolsa quartzite	0.014	<0.05
CSR-10	150 ft to 190 ft; 40 ft of Bolsa quartzite	0.020	<0.05

Table 4

AVERAGE GOLD CONTENTS OF SELECTED INTERVALS INCLUDING ALL OF THE BOLSA QUARTZ:
DRILLED IN THE SURFACE ANOMALY

HOLE #	INTERVAL	AVERAGE O.P.T. Au
SR-1	Upper 75'; 65' of Bolsa and 10' of granite	.019
SR-1	133' to 275'; 142' of Bolsa	.005
SR-2	Upper 85' of Bolsa	.011
SR-3	Upper 115' of Bolsa and Abrigo	.002
SR-4	Upper 202' of Bolsa	.016
SR-5	Upper 90' of Bolsa	.011
SR-6	Upper 75' of Bolsa	.012
SR-7	Upper 115' of Bolsa	.008
SR-8	Entire Hole, 260' of Bolsa	.006
SR-9	Entire hole, 430' of Bolsa and Abrigo	.005
SR-13	Upper 330' of Bolsa and Abrigo	.008
SR-14	Entire hole, 280' of Bolsa	.006
Average of all these Intervals		.008

Figure 8. Socorro Property – Henry Bell Mine
 Sample Location Map
 Scale 1" = 20'



Note: Whether higher grade zones shown below are separate or are faulted sections of a single zone is uncertain

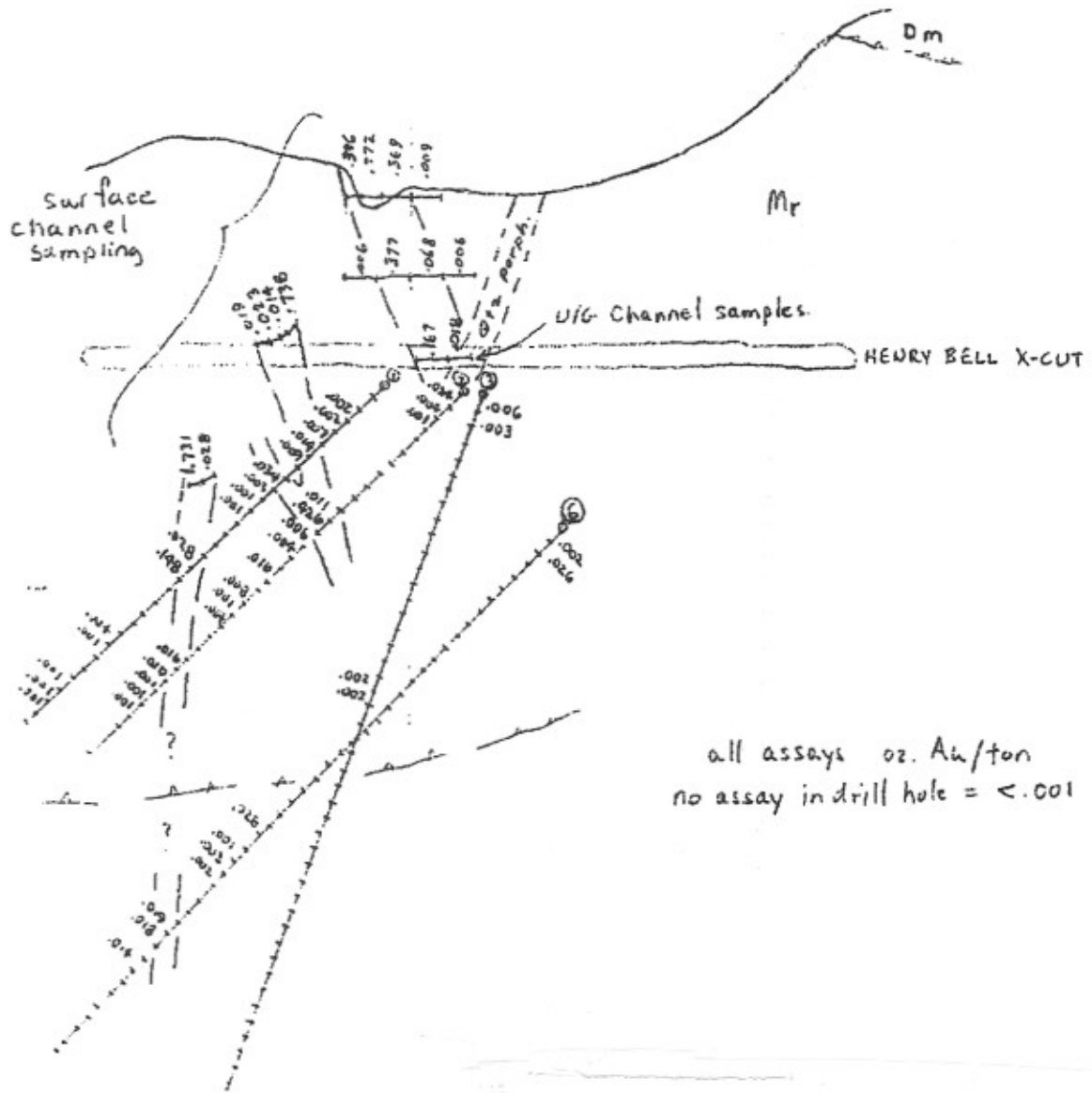
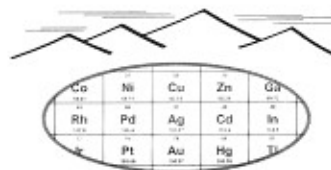


Figure 10. Socorro Property – Henry Bell Mine Composite Cross Section

Appendix D
Skyline Assayers & Laboratories Analysis of 4 Rock
Chip Samples

Skyline

Assayers & Laboratories



JOB NUMBER WYX017
June 12, 2007
N (1-4)
S (1-4)

MR. MICHAEL R. PAWLOWSKI
Geological Consulting
1700 E. Lakeside Drive #57
Gilbert, AZ 85234

CERTIFICATE OF ANALYSIS

Analysis of 8 Rock Chip Samples

The following analytical packages were requested. Please see our current fee schedule for elements and detection limits.

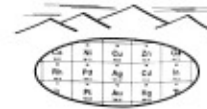
ANALYSIS BY AN AFFILIATED LABORATORY

Au(ppb)	FIRE ASSAY AA FINISH	PAGE 1
TE-2	AQUA REGIA ICP	PAGE 1-3

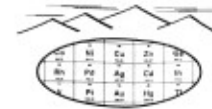
This report may be reproduced without our consent. If only selected portions of the report are reproduced, permission must be obtained. If no instructions were given at time of sample submittal, excess material will be returned, or disposed of, at clients expense within 90 days of this report. Our liability is limited solely to the analytical cost of these analyses. Test results are representative only of material submitted for analysis.



Bernie J. Dunn
Manager

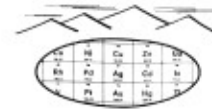


MR. MICHAEL R. PAWLOWSKI Geological Consulting 1700 E. Lakeside Drive #57 Gilbert, AZ 85234										
					TE2 AQUA REGIA ICP					
		FIRE ASSAY	FIRE ASSAY	GRAVIMETRIC FIRE ASSAY						
ITEM NO.	SAMPLE NUMBER	Au* (ppb)	Au* (ppb)	Au (g/mt)	ITEM NO.	SAMPLE NUMBER	Ag ppm	Al %	As ppm	Ba ppm
5	S-1	2700			5	S-1	6.6	0.19	<5	657
6	S-2	205			6	S-2	0.3	0.2	8	202
7	S-3	900			7	S-3	6	0.02	<5	56
8	S-4	3985	3470	4.25	8	S-4	132.3	0.06	357	341
	STANDARDS:									
	1110 CERTIFIED	1427								
	1110 FOUND	1592								



TE2 AQUA REGIA ICP

ITEM NO.	SAMPLE NUMBER	Bi ppm	Ca %	Cd ppm	Co ppm	Cr ppm	Cu ppm	Fe %	Ga ppm	K %	La ppm	Li ppm	Mg %	Mn ppm	Mo ppm	Na %	Nb ppm	Ni ppm	Pb ppm
5	S-1	41	0.56	1	7	2	55	2.12	<5	0.11	<10	1	0.08	137	9	0.01	<10	3	95
6	S-2	<5	0.42	1	3	4	76	1.34	<5	0.11	18	1	0.03	243	3	0.01	<10	6	66
7	S-3	<5	>15.00	15	2	3	112	0.55	<5	0.01	<10	3	11.17	1473	<2	0.01	19	9	819
8	S-4	<5	>15.00	25	17	4	3330	0.87	<5	0.02	<10	4	10.39	2081	<2	0.03	19	24	2049



TE2 AQUA REGIA ICP

ITEM NO.	SAMPLE NUMBER	S %	Sb ppm	Sc ppm	Sn ppm	Sr ppm	Ta ppm	Te ppm	Ti %	V ppm	W ppm	Y ppm	Zn ppm	Zr ppm
5	S-1	0.31	<5	<1	18	19	<5	<10	<0.01	6	20	4	48	2
6	S-2	0.07	<5	1	15	41	<5	<10	0.01	9	<10	3	25	2
7	S-3	<0.01	44	<1	136	125	8	<10	<0.01	5	<10	8	991	1
8	S-4	0.04	918	<1	134	130	9	<10	<0.01	5	<10	8	1607	1