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PRELIMINARY PROSPECTUS

INITIAL PUBLIC OFFERING

NOVEMBER 4, 2005

**GEO MINERALS LTD.
8561 Commerce Court
Burnaby, BC, V5A 4N5
(the “Company”)**

MINIMUM OFFERING OF 1,500,000 UNITS
MAXIMUM OFFERING OF 2,500,000 UNITS
PRICE: \$0.25 PER UNIT

AND

5,500,000 COMMON SHARES
ISSUABLE UPON THE EXERCISE OF 5,500,000 PREVIOUSLY ISSUED
SPECIAL WARRANTS

This prospectus qualifies the distribution of a minimum of 1,500,000 Units and a maximum of 2,500,000 Units of the Company at a price of \$0.25 per Unit (the “Offering Price”) for a minimum offering of \$375,000 and a maximum offering of \$625,000 (the “Offering”).

Each Unit consists of one common share (a “Share”) and one non-transferable share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to acquire one additional common share (a “Warrant Share”) for a period of two years following the closing of the Offering at a price of \$0.35 per share.

A minimum of 500,000 and a maximum of 1,000,000 of the Units will be offered on a flow-through basis, with the Shares comprising the flow-through unit being a “flow-through share” for Canadian federal income tax purposes. The Warrant comprising the flow-through units will be a non flow-through warrant. See “Certain Canadian Federal Income Tax Considerations”.

	Price to Public (1)	Estimated Agent's Fees or Commissions (2)	Net Proceeds to the Company (3)
Per Common Share	\$0.25	\$0.025	\$0.225
Minimum Offering	\$375,000	\$37,500	\$337,500
Maximum Offering	\$625,000	\$62,500	\$562,500

- (1) The Offering Price was determined by management
- (2) Commissions are estimated at 10%.
- (3) Before the deduction of the legal and administration expenses of this Offering, estimated to be \$10,000. See "Use of Proceeds"

SPECIAL WARRANT OFFERING

This prospectus also qualifies the distribution of a total of 5,500,000 common shares issuable, without the payment of any additional consideration, upon the exercise or deemed exercise of 5,000,000 Series "A" Special Warrants issued to Ialta Industries Ltd. ("Ialta"), and 500,000 Series "B" Special Warrants issued to Michael England, all of which Special Warrants were previously issued by the Company (the "Special Warrant Offering").

Type of Security	Agents Fees or Commissions	Number Issued	Price of Issued	Net Proceeds to the Company
Series "A" Special Warrant	Nil	5,000,000	\$0.01	\$50,000
Series "B" Special Warrant	Nil	500,000	\$0.05	\$25,000

- (1) The Company issued 5,000,000 Series "A" Special Warrants in June, 2005 pursuant to an Option Assignment Agreement and an Agreement for Services. See "Plan of Distribution – Special Warrant Offering".
- (2) The Company issued 500,000 Series "B" Special Warrants in August, 2005 pursuant to an Agreement for Services. See "Plan of Distribution – Special Warrant Offering".

Each Series "A" and Series "B" Special Warrant (collectively, the "Special Warrants") is exercisable into one common share of the Company (a "Special Warrant Share"). The Special Warrants are exercisable at any time at the option of the holder on or before the fifth business day after a receipt is issued by the last of the securities regulatory authorities in each of the Provinces of British Columbia and Alberta (the "Commissions") for the final prospectus qualifying the issuance of the Special Warrant Shares on the exercise of the Special Warrants. Any Special Warrants not exercised on or before the fifth business day after a receipt is issued by the last of the Commissions for the final prospectus qualifying the issuance of the Special Warrant Shares on the exercise of the Special Warrants will be deemed to have been exercised immediately prior to such date (the "Special Warrant Expiry Time"). The Special Warrants were issued pursuant to prospectus exemptions under applicable securities legislation.

ADDITIONAL DISTRIBUTION OF WARRANT SHARES

Of the 5,000,000 Special Warrant Shares to be issued to Ialta on exercise of the Series “A” Special Warrants, Ialta is planning on distributing, on a pro-rate basis, 3,934,324 Special Warrant Shares to shareholders of Ialta. This prospectus qualifies the distribution by Ialta of a total of 3,934,324 Special Warrant Shares.

An application has been made to list the securities offered hereunder on the Canadian Trading and Quotation System Inc. (the “CNQ”). Listing is subject to the Company fulfilling all of the listing requirements of the CNQ, which include becoming a reporting issuer.

There is no market through which these securities may be sold.

No person is authorized by the Company to provide any information or to make any representation other than those contained in this prospectus in connection with the issue and sale of the securities offered pursuant to this prospectus.

An investment in natural resource issuers involves a significant degree of risk. The degree of risk increases substantially where the properties of the company (as is the case with the Company) are in the exploration as opposed to the development stage. An investment in these securities should only be made by persons who can afford the total loss of their investment. There are other risk factors to consider. (See “Risk Factors”).

No underwriter has been involved in the preparation of the prospectus or performed any review of the contents of the prospectus.

In this prospectus, “we”, “us”, “our” and the “Company” refers to GEO Minerals Ltd., a corporation incorporated under the *Business Corporations Act* (British Columbia).

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SUMMARY OF PROSPECTUS

The following is a summary of the principle features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

The Business

GEO Minerals Ltd. is a newly formed mineral exploration company. GEO is focused on the acquisition and exploration of mineral properties in North America. Identifying attractive early-stage development properties is the first step in the Company's strategic plan. Carefully considered option agreements will be the cornerstone of GEO's development. The Company's goal is to advance selected optioned properties to the feasibility stage.

The Offering

The Offering consists of a minimum of 1,500,000 Units and a maximum of 2,500,000 Units (the "Units") being offered to the public at a price of \$0.25 per Unit (the "Offering Price").

Each Unit consists of one common share (a "Share") and one non transferable share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional Share of the Company at a price of \$0.35 per Share for a period of two years following the closing of the Offering.

A minimum of 500,000 Units and a maximum of 1,000,000 Units will be offered on a flow-through basis. The Share comprising each of the flow-through Units will be a "flow-through share" for Canadian federal income tax purposes.

This Prospectus qualifies the distribution of the Units.

See "Plan of Distribution" at page 49 and "Canadian Federal Income Tax considerations" at page 53.

Special Warrant Offering

The Special Warrant Offering consists of the issuance of 5,500,000 of the Company's common shares (the "Special Warrant Shares"), issuable without payment of any additional consideration, upon the exercise of 5,000,000 Series "A" Special Warrants and 500,000 Series "B" Special Warrants. Each Series "A" and Series "B" Special Warrant (collectively, the "Special Warrants") is exercisable into one common share of the Company (a "Special Warrant Share"). The Special Warrants were issued pursuant to prospectus exemptions under applicable securities legislation. The Special Warrants are exercisable at any time at the option of the holder on or before the fifth business day after a receipt is issued by the last of the securities regulatory authorities in each of the Provinces of British Columbia and Alberta for the final prospectus qualifying the issuance of the Special Warrant Shares on the exercise of the Special Warrants (the "Special Warrant Expiry Time"). Any Special Warrants not exercised prior to the Special Warrant Expiry Time will be

deemed to have been exercised immediately prior to the Special Warrant Expiry Time. See “Plan of Distribution” at page 49.

Additional Distribution of Warrant Shares

Of the 5,000,000 Special Warrant Shares to be issued to Ialta on exercise of the Series “A” Special Warrants, Ialta is planning on distributing, on a pro-rate basis, 3,934,324 Special Warrant Shares to shareholders of Ialta. This prospectus qualifies the distribution by Ialta of a total of 3,934,324 Special Warrant Shares.

Use of Proceeds

As at the year ended ended August 31, 2005, we had cash and GST receivables on hand of \$9,169. Accordingly, in the event that the Minimum Offering is sold, we will have \$337,500, being the net proceeds of the Minimum Offering, plus our cash and GST receivables of \$9,169 to expend on our principal purposes.

The Company intends to use the net proceeds available to pay for costs of this Offering, exploration costs at the Scotia Property, repay certain debts of the Company and to provide general working capital. All proceeds allocated to flow-through shares comprised in flow-through units will be used by the Company to incur exploration costs which qualify as Canadian Exploration Expenses. See “Use of Proceeds – Principal Purposes” for a more detailed discussion.

Risk Factors

Exploration of the properties in which the Company has an interest are early stage and exploratory in nature. Resource exploration and development is speculative and involves an element of risk. There is no guarantee that commercial quantities of mineral reserves will be discovered. Furthermore there are no assurances that in the event that commercial quantities of reserves are discovered there will be resulting commercial production.

- See “The Business” at page 1 and “Risk Factors” at page 50.

Summary Financial Information

The information below was taken from the financial statements contained in this prospectus. Please refer to the financial statements attached as an appendix to this Prospectus to put the following summary into context.

Audited for the period from
June 9, 2005 (incorporation)
to August 31, 2005

Revenues	Nil
Gross Profit (loss)	Nil
Net Income (loss)	(\$124,447)
Net Income (loss) per share	(\$0.02)
Net Income (loss) per share, on a fully diluted basis	(\$0.02)
Total assets	\$65,546
Long term debt	Nil
Total liabilities	\$114,982
Share Capital	\$75,010 ⁽¹⁾
Number of Common shares	1,000 ⁽¹⁾
Retained earnings (deficit)	(\$124,446)
Cash dividend declared per share	Nil

(1) As at August 31, 2005, there were a total of 5,000,000 Series “A” and 500,000 Series “B” Special Warrants and 1,000 common shares issued and outstanding.

CORPORATE STRUCTURE

Name and Incorporation

The Company was incorporated under the *Business Corporations Act* (British Columbia) on June 9, 2005 under the name GEO Minerals Ltd.

The Company's head office is located at 8561 Commerce Court, Burnaby, British Columbia, V5A 4N5. The Company's registered and records office is located at Gordon J. Fretwell Law Corporation, Suite 1780 – 400 Burrard Street, Vancouver, British Columbia, V6C 3A6.

Intercompany Relationships

The Company does not have any subsidiaries.

GENERAL DEVELOPMENT OF OUR BUSINESS

Three Year History

Since incorporation the Company has been in the business of identifying and exploring mineral properties.

Significant Acquisitions and Significant Dispositions

GEO Minerals entered into an agreement (the "Option Assignment Agreement") on June 9, 2005 with Ialta Industries Ltd (CNQ-ILTA) ("Ialta") pursuant to which the Company was assigned, an existing option agreement between Ialta and Doublestar Resources Ltd (TSXV-DSR) ("Doublestar") dated April 12, 2005 (the "Doublestar Option Agreement"). The Doublestar Option Agreement is for an exploration joint venture on a zinc-lead-silver property located 42 km south of Prince Rupert, BC. (the "Scotia Property"). The Scotia Property, comprised of two M.T.O. mineral claims totaling 2939.33 hectares, lies approximately 32 km from tidewater. Doublestar will assist the Company in its next program on the Scotia Property and based on the work required for compliance with National Instrument 43-101 and Doublestar's knowledge of the Scotia Property, the goal for the first phase of exploration will be to improve the resource profile and establish direction for a drill program.

Under the terms of the Doublestar Option Agreement as assigned to the Company pursuant to the Option Assignment Agreement, GEO can earn a 50% interest in the Scotia Property by spending \$2,000,000 over five years to October 31, 2010, and paying to Doublestar a total of 350,000 shares over that period.

GEO committed to spend \$50,000 to October 31, 2005 and, in order to keep the Doublestar Option Agreement in good standing, is obligated to make exploration expenditures and issue shares in accordance with the following schedule:

Due Date for Expenditures	Share Payments	Exploration Expenditures (\$)
On signing	50,000 shares ⁽¹⁾	0
By October 31, 2005	50,000 shares	50,000 ⁽²⁾
By October 31, 2006	50,000 shares	200,000
By October 31, 2007	50,000 shares	300,000
By October 31, 2008	50,000 shares	400,000
By October 31, 2009	50,000 shares	500,000
By October 31, 2010	<u>50,000 shares</u>	<u>550,000</u>
TOTAL	350,000 shares	2,000,000

⁽¹⁾ issued by Ialta

⁽²⁾ Doublestar has accepted that the expenditures required to be made by October 31, 2005 have been made

Trends

We do not know of any trends, commitment, events or uncertainty that is expected to have a material effect on our business, financial condition or results of operations other than as disclosed herein under “Risk Factors”.

Qualifying Report

The Company commissioned and received an independent technical report on the Scotia Property, in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“NI 43-101”). The “Summary Report on the Scotia Property” dated June 26, 2005 (the “Report”), was prepared by independent consulting geologist Arne Birkeland, P.Eng. (Arnex Resources Ltd.) Mr. Birkeland is a Qualified Person, as that term is defined in NI 43-101 and visited the Scotia Property in July, 2005.

The following information and figures were taken directly from the Report:

Summary

The Scotia Prospect is located in the Scotia River area, approximately 40 km southeast of Prince Rupert in west central British Columbia. The Scotia group of claims consists of two cell selected mineral claims that total 2,939.4 hectares in area.

Infrastructure in the area is good, with all of the main valleys in the area accessible by logging roads. A rail line is located along the north bank of the Skeena River, and electric power is available on the south bank of the Skeena River.

The property lies within a belt of metavolcanic and metasedimentary rocks trending approximately north-south between the Skeena River to the north and the Ecstall River to the south. The volcanic rocks have been subjected to upper amphibolite grade metamorphism during three periods of folding and are now represented by amphibolites, gneisses and schists. The lithologies underlying the Scotia property belong to a metavolcanic unit which is intruded by the Ecstall granite along the west side of the property, and by several stages of dioritic to pegmatitic dykes.

North and south of the Ecstall River, several occurrences and VMS-type zinc (+/- copper-lead-silver-gold) deposits are known that are hosted within the metavolcanic unit. Eleven occurrences of this type are located within ten kilometers of the southern margin of the Scotia Property.

The Albere Zone at the Scotia Property was discovered by Texas Gulf Sulphur in 1958 during a regional reconnaissance program. The Albere Zone is characterized by coarsely crystalline, massive to semi-massive sphalerite with lesser amounts of pyrite, galena, pyrrhotite, magnetite and chalcopyrite. The mineralized zone is essentially open to the north and west. The mineralized zone lies at the base of a felsic metavolcanic sequence and is underlain by intermediate and mafic metavolcanic rocks. Up to six zones have been intersected by diamond drilling. Evidence suggests that repetition of the mineralization may be due to isoclinal folding which may be present. Mineralization may represent one previously extensive sphalerite lens that has been repeatedly folded and migmatized, or up to three or more lenses that may intersect locally. Alternatively, two main mineralized zones are intersected in many holes. The two bands are commonly mineralogically different and may represent two massive sulphide layers that are discrete from each other, as opposed to being repeated by folding.

In 1960, 10 holes were drilled by Texasgulf Inc of which seven intersected massive sulphide zones. Drill intersections ranged between 2.2 to 7.7 metres in length. The best intersection was from drill hole S-01-60 which assayed 19.9% zinc and 26 g/t silver over 7.7 metres. In 1980, additional diamond drilling by Kidd Creek Mines Ltd expanded the strike length and down-dip dimensions of the massive sulphide mineralization at the Albere Zone. Massive sulphides were intersected in six holes with the best being 9.8% zinc and 14 g/t silver over 18.1 metres.

In 1997, a drill program was conducted by Arnex Resources Ltd for Bishop Resources Inc at the Albere Zone. Disseminated, semi-massive and massive base metal sulphide intersections were encountered in nine of the ten holes drilled. The thickest intersection was in drill hole S-37-97 which encountered 26.7 metres grading 9.0% zinc, 1.2% lead, 21.5 g/t silver, 0.3 g/t gold and 0.2% copper. Mineralized intersections greater than 15 metres in length were also intersected in two additional holes.

The 1997 drill program extended potentially economic grades in the Albere Zone by about 45 meters, to 205 meters north of the outcrop of the main Albere Showing, and it remains open in this direction. The vertical extent of the mineralization encountered is increasing to the north. Results established a vertical range of sub-economic to economic grades of mineralization of 95 meters, and a horizontal range of over 60 meters at the base of the zone. The high grade "core" area widened to about 30 meters about 190 meters north of the main showing. Also, the grade of zinc mineralization encountered in the deeper western zones appears to be gradually increasing to the north.

The Albere Zone on the Scotia Property lies along the western limb of a broad south-plunging anticline. The Albere Zone is characterized in outcrop by a well developed gossan which is readily apparent from the air. A very similar gossan outcrops in cliff faces which lie along the eastern limb of the anticline adjacent to the Albere Zone. The Phase 1 Recommendation for the Property is to position technical climber-geologists on the cliff face (the "East Limb Zone") to prospect and sample the gossan zones. Also included in Phase 1 work is a recommendation to resample the significant drill intersections from the 1997 drill core to confirm results. Once the 1997 drill results

have been confirmed, it is recommended that a resource calculation be carried out that is conformable with NI 43-101 guidelines. A budget of \$48,808.26 is recommended for the 2005 Phase 1A field work. A budget of approximately \$50,000 is recommended for the Phase 1B resource calculation and the preparation of an updated NI 43-101 Technical Report.

An airborne geophysical survey followed by a surface exploration program is recommended for the core claims at the Albere Zone as a 2006 Phase 2 program. After completion and interpretation of the airborne survey, initial field work should include ground grid geological mapping, soil geochemistry and geophysics in the vicinity of the drilled zone to extrapolate drill targets. Geochemical anomalies could possibly be trenched by a helicopter portable backhoe and mapped and sampled. Ground geophysics may include magnetic, UTEM, IP and bore-hole geophysical surveys. Subject to the results of the Phase 1A program on the East Limb Zone, additional mapping and sampling should be conducted. A Phase 2 budget of \$200,000 is recommended.

Subject to the results of the Phase 2 program, Phase 3 diamond drilling may be warranted. A detailed Work Program and Budget should be prepared when the results of the Phase 2 work have been compiled.

INTRODUCTION AND TERMS OF REFERENCE

Terms of Reference

Geo Minerals Ltd. ("Geo Minerals") has authorized Arne O. Birkeland, P.Eng. of Arnex Resources Ltd. to act in the capacity as an independent Qualified Person and to prepare a Technical Report on the Scotia mineral occurrence (the "Property") located in the Skeena Mining Division, Scotia River Area, northern BC. The Technical Report shall conform to the required headings and guidelines as contained in CSA Form 43-101F1.

Sources of information and data used in the preparation of the Technical Report include:

- Ministry of Energy and Mines ("MEM") Assessment Reports,
- Aris Assessment Reports,
- Various company reports on historical programs,
- Ministry of Energy and Mines GIS database,
- MapInfo GIS database compiled by Great Bear Geological Services under the direction of Arnex,
- Gemcom GIS database compiled by Leo Lindinger under the direction of Arnex,

Arne O. Birkeland, P.Eng. has supervised and been involved in the field operations pertaining to the diamond drill exploration program carried out on the on the Property by Arnex during 1997.

Disclaimer

Regarding Section 3.6, Property History, the author has researched Aris Assessment Reports and various company reports and files which have been compiled for the preparation of this Technical Report.

The author has relied on information and statements provided by other authors of Assessment Reports and company reports who may not be Qualified Persons. The author has not verified the field exploration results contained in historical reports except for those carried out by Arnex.

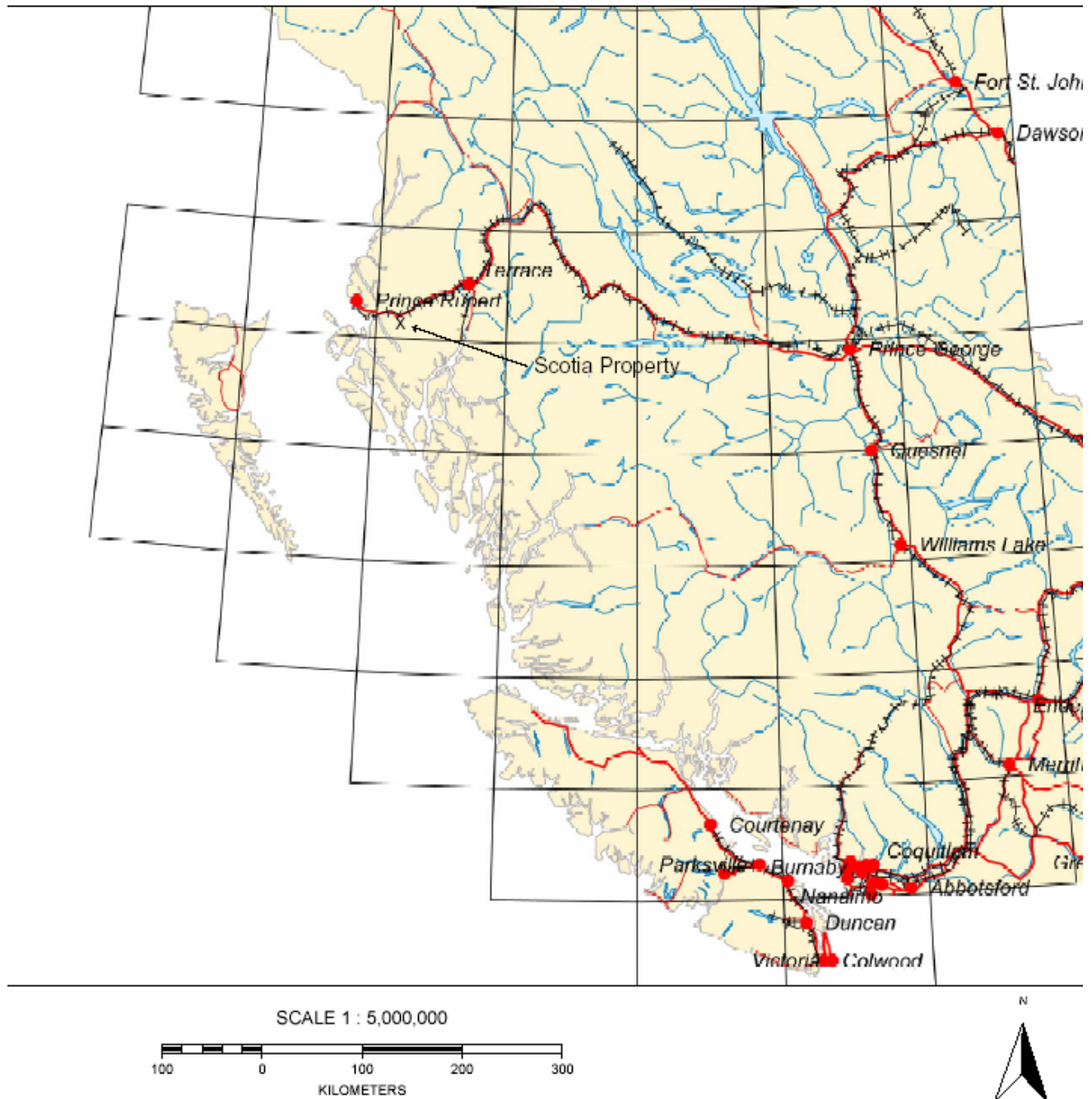
The author has not researched environmental liabilities, nor has the author researched native land claim issues. The author does not satisfy the criteria of acting as a Qualified Person to comment on matters regarding these issues.

The author offers no comment on, and has not determined the relevant extent of, local resource issues dealing with the sufficiency of surface rights for mining operations, the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, or potential processing plant sites. The Scotia Property is at a relatively early stage of exploration. The above noted issues are to be addressed as the development of the Property advances.

PROPERTY DESCRIPTION AND LOCATION***Location and Access***

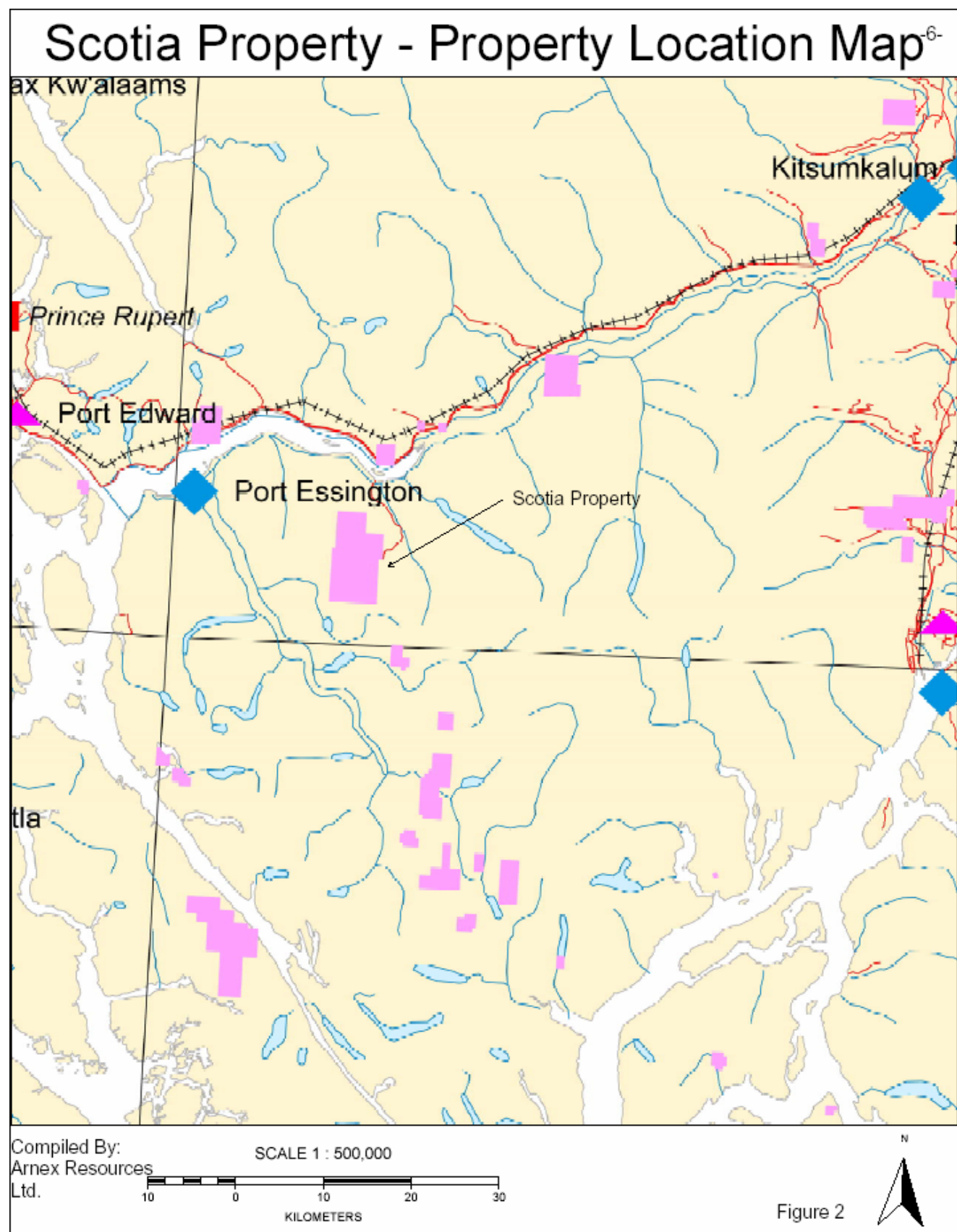
The Scotia Prospect is located in the Scotia River area, approximately 40 km southeast of Prince Rupert in west central British Columbia (Figure 1). The property lies within a belt of metavolcanic and metasedimentary rock trending approximately north-south between the Skeena River to the north and the Ecstall River to the south (Figure 2). Access is by helicopter from Prince Rupert or by barge from Kwinitza on the north shore of the Skeena River to the Scotia River logging camp on the south shore of the Skeena River, owned by Interfor (International Forest Products) and operated by Bear Creek Contracting of Terrace, BC (Figure 2).

Scotia Property - Location Map ⁻⁵⁻



Compiled By:
Amex Resources
Ltd.

Figure 1



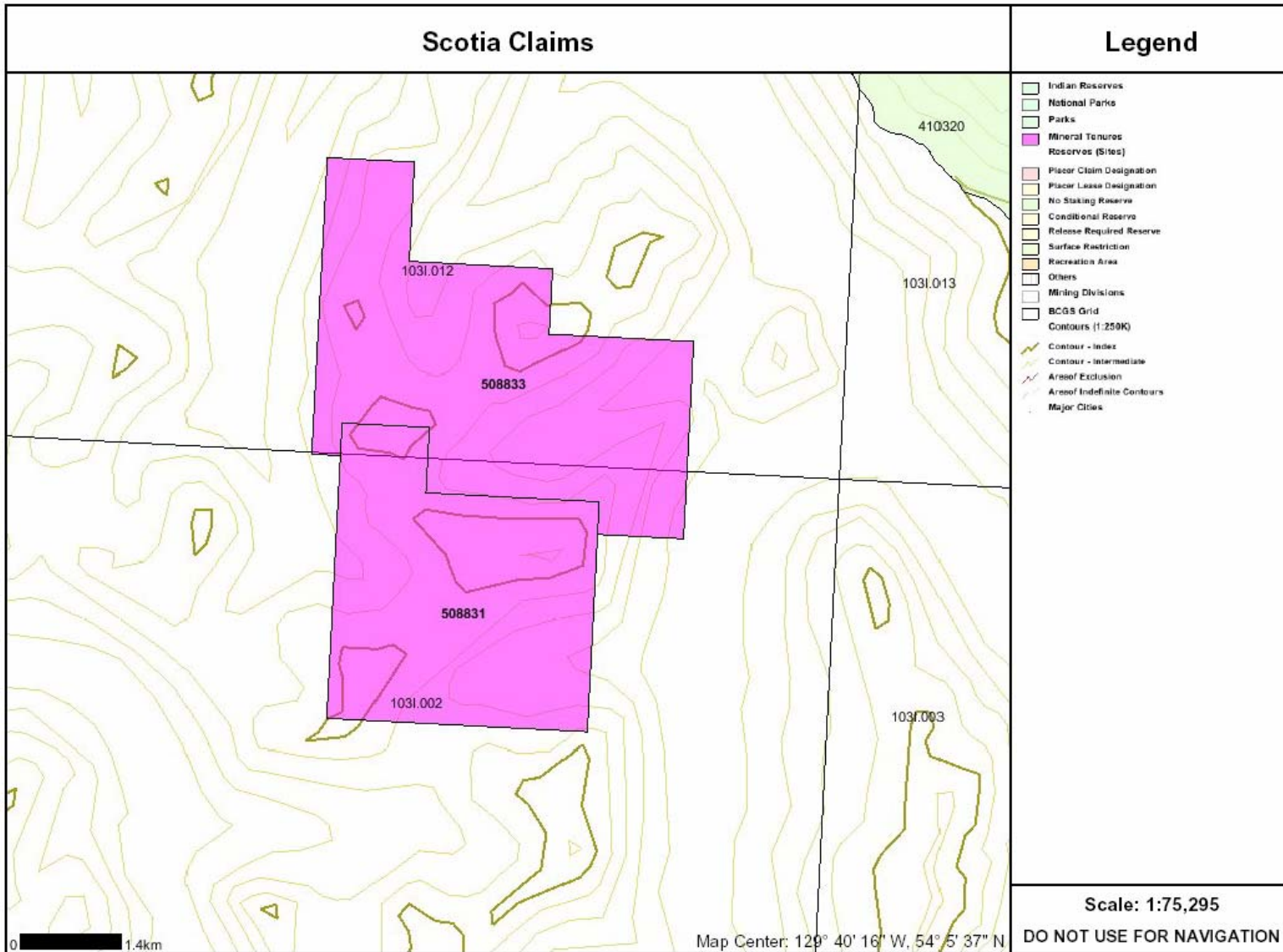
Property Description and Ownership

The Scotia group of claims consists of 2 cell claims totaling 2,939.4 hectares. The former Scotia 1 and Scotia 2 claims, Tenure Numbers 508831 and 508832 are owned by Doublestar Resources Ltd (“Doublestar”) and are subject to the provisions of an agreement between Doublestar and Falconbridge Limited. Subject to the provisions of an option agreement dated April 12, 2005, Ialta Industries Ltd (“Ialta”) has the right to acquire up to a 50% working interest in the Property from Doublestar by issuing staged share issuances totaling 350,000 shares and incurring \$2,000,000 in exploration expenditures by October 31, 2001. Ialta has assigned its option right to Geo Minerals Ltd.

Tenure information is contained in Table 1. The claims are plotted on Figure 3, Scotia Claims.

Table 1

Tenure Number	Owner	Good To Date	Area Ha
508831	139464 (100%)	2005/OCT/31	1309.0
508833	139464 (100%)	2005/OCT/31	1630.4
Totals	2 Claims		2939.4



Compiled By:
Arnex Resources

Figure 3

Physiography

Most of the area covers the Kitimat Ranges of the Coast Mountains at elevations from 25 meters at the Skeena River to peaks up to 1,580 meters. Terrain is mostly mountainous with smooth, steep, bare rock faces to moderate brush and tree-covered slopes and intervening, U-shaped swampy river valleys of the Scotia River, Big Falls Creek and Carthew Creek drainage systems (Figure 2).

Climate and Vegetation

The Prince Rupert area has a coastal climate characterized by high precipitation and moderate temperatures. Winters are mild and wet with precipitation occurring mostly as rain and snowfall generally restricted to higher elevations. Temperatures reach lows of about -10°C. Summer weather is variable, typically with mixed rain and cloud, and temperatures from 10°C to 25°C. Lakes are generally ice-free by early April. Freeze-up typically occurs in mid-November.

Heavy forest cover is restricted to parts of main valley floors, with sparse coniferous growth on hillsides up to about 1,000 meters. Fir, hemlock and willows dominate with lesser poplar, birch and alder. Short brush and lichen dominates above 1,000 meters.

Infrastructure

All of the main valleys in the area are accessible by logging roads maintained by Bear Creek Contracting. The area is intermittently logged and most valleys have been logged from recently to over 30 years ago. More recent, deactivated logging roads are still accessible by four wheel drive vehicles.

A Canadian National rail line is located along the north bank of the Skeena River, which links Prince Rupert with interior British Columbia. Electric power is available on the south bank of the Skeena River near the Scotia River camp (Figure 2). Water is plentiful year round. A year round deep-sea shipping port is located at Prince Rupert.

HISTORY

Regional Exploration

Regionally, most exploration in the area was conducted in the 1950's and 1960's when the Texas Gulf Sulphur Company was developing the Ecstall VMS deposit for its sulphur content. Reserves of approximately six million tons were delineated by extensive diamond drilling and underground development. As cheap sources of sulphur were then developed as a by-product of the petroleum industry, the Ecstall deposit was never mined.

Most regional exploration has historically been centered around the Ecstall area in the southern portion of the Scotia-Quaal belt. Texasgulf and Cominco drilled the Packsack claims and Noranda carried out extensive geophysical surveys and limited drilling at the Horse Fly prospect. Atna drilled the Horse Fly prospect in 1995 with encouraging results.

A regional geochemical stream sediment and water reconnaissance program was carried out by the British Columbia Geological survey on NTS map sheets 103I - Terrace and 103J - Prince Rupert in 1978 and 1979. These samples were reanalyzed in 1991 and published as BC RGS 42 in June 1995.

The release includes previously unreleased data for 26 metals in stream sediments. A total of 2,253 stream sediment and 2,237 stream water samples were collected from 2,128 sites.

A two year geological mapping program was conducted by the BCGSB by D Alldrick. The 1:20,000 scale mapping was released in 2001 as a Geoscience Map titled Geology and Mineral Deposits of the Ecstall Greenstone Belt, North West BC.

The GSB subsequently conducted a Regional Geochemical Survey (Open File 2001-13) reporting the results of stream sediment and water sampling of 228 sites over a 1,800 square kilometre area.

Scotia Property Exploration

The Albere Zone at the Scotia Deposit was discovered by Texas Gulf Sulphur in 1958 during a regional reconnaissance program. There is very limited data available pertaining to the early exploration work carried out at this time.

In 1960, 10 holes were drilled by Texasgulf Inc. for a total of 570 metres. Of the 10 holes drilled, seven holes intersected significant base and precious metal mineralization (Table 2, Texasgulf Inc – Significant 1960 Drill Intersections). Drill intersections ranged between 2.2 to 7.7 metres in length. The best intersection was from drill hole S-01-60 which assayed 19.9% zinc and 26 g/t silver over 7.7 metres.

A report by Delancey, 1977 documents the following observations and interpretations based on geologic and drill data:

1. *The felsic unit is about 60 m thick. It probably pinches out to the northeast and may become thicker down dip to the southwest.*
2. *The sulphides are generally confined to the felsic unit. Where exposed at surface, the Sulphides occur near the “pinch out” of the felsic unit and the footwall (structural) mafic gneiss. To the northwest the Sulphides occur within the felsic unit, structurally above the mafic gneiss-felsic gneiss contact.*
3. *The massive sulphide zone, exposed at surface, is an irregular lensoid body, crudely conformable with the host rocks, and consisting of a massive zone with associated bands and lenses.*
4. *Although several of the massive sulphide sections may be complexly folded portions of the same band or body drilling data to the northwest suggest that there is more than one sulphide lens or horizon.*
5. *Although it is not possible to project individual intersections from one section to another, the sulphide “zone” itself can be projected a distance of 110 metres from the surface exposure to the last drill section to the northwest.*
6. *Sulphides appear to be concentrated in the crests of folds. This may in part be due to sulphide re-mobilization during metamorphism.*
7. *Pyrite bands occur both structurally above and lateral to the massive sphalerite body.*

In 1970, limited mapping and soil geochemistry were performed by Texasgulf. A well defined multi-element soil anomaly was present associated with the massive sulphide outcrop at the Albere zone.

Seven holes with an aggregate length of 960 metres were drilled in 1980 (Table 2, Kidd Creek Mines Ltd, Significant 1980 Drill Intersections). Massive sulphides were intersected in six holes with the best being 9.8% zinc and 14 g/t silver over 18.1 metres. The diamond drilling by Kidd Creek expanded the strike length and down-dip dimensions of the massive sulphide mineralization at the Albere Zone.

Table 2

TEXASGULF INC - SCOTIA PROJECT
SIGNIFICANT 1960 DRILL INTERSECTIONS
WEIGHTED INTERVALS - DRILLED LENGTH IN METERS

HOLE		FROM	TO	WIDTH	Zn %	Pb %	Cu %	Ag g/t	Au g/t
S-01-60		16.1	23.8	7.7	19.89	0.92	0.34	26.2	0.1
S-02-60		3.5	7.0	3.5	14.58	1.28	0.16	30.2	0.0
S-02-60		14.9	17.2	2.3	14.29	0.25	0.61	21.3	0.0
S-06-60		17.1	21.3	4.2	9.15	1.13	0.17	13.7	0.0
S-06-60		29.3	33.1	3.8	28.73	4.44	0.41	68.6	0.7
S-07-60		29.9	34.1	4.2	11.39	1.93	0.16	81.1	1.3
S-09-60		36.9	39.1	2.2	12.33	2.29	0.13	16.4	0.3
S-09-60		44.9	48.3	3.4	11.56	1.18	0.12	13.3	0.0
S-10-60		57.4	61.3	3.9	0.13	2.41	0.13	22.8	0.6

KIDD CREEK MINES LTD - SCOTIA PROJECT
SIGNIFICANT 1980 DRILL INTERSECTIONS
WEIGHTED INTERVALS - DRILLED LENGTH IN METERS

HOLE		FROM	TO	WIDTH	Zn %	Pb %	Cu %	Ag g/t	Au g/t
S-11-80		63.3	81.4	18.1	9.78	1.01	0.08	13.7	0.1
S-11-80	Incl	63.3	65.4	2.1	28.70	1.00		20.6	
S-11-80	Incl	71.4	72.2	0.8	33.50	2.70		30.9	
S-11-80	Incl	76.1	76.6	0.6	24.40	8.10		154.3	
S-11-80	Incl	79.3	81.4	2.2	35.90	3.20		24.0	
S-12-80		64.6	67.2	2.6	4.89	0.23	0.10	18.1	0.3
S-12-80		77.3	77.8	0.5	18.00	0.30		13.7	
S-13-80		59.2	62.0	2.8	7.50	0.99	0.32	29.6	0.5
S-14-80		132.1	135.5	3.4	7.83	0.27	0.06	9.9	0.1
S-15-80		66.5	73.7	7.2	7.10	1.60		27.4	0.6
S-16-80		69.0	73.7	4.7	2.84	1.79	0.26	29.6	0.2

In 1981, 1:5,000 scale mapping of the south central area of the claims was completed. Four broadly spaced step-out holes were drilled with an aggregate length of 1,104.2 metres. Three of the holes were drilled in the vicinity of the main zone at the Albere Showing. Although a substantial section

of the pyrite-sericite host-rock “alteration zone” was cut, no massive sulphides were intersected and the 1980 dimensions of the zone were not increased. The fourth hole that was drilled one kilometre to the northwest to test a gossanous zone did not return encouraging assay results. A down hole pulse EM geophysical survey was also conducted using holes S-11, 14, 16, 17, 19 and 20.

In 1984, Andalex Resources Inc. optioned the property and drilled 11 holes with an aggregate length of 767 m. Drilling confirmed earlier results and demonstrated continuity to the massive sulphides within the drilled zone.

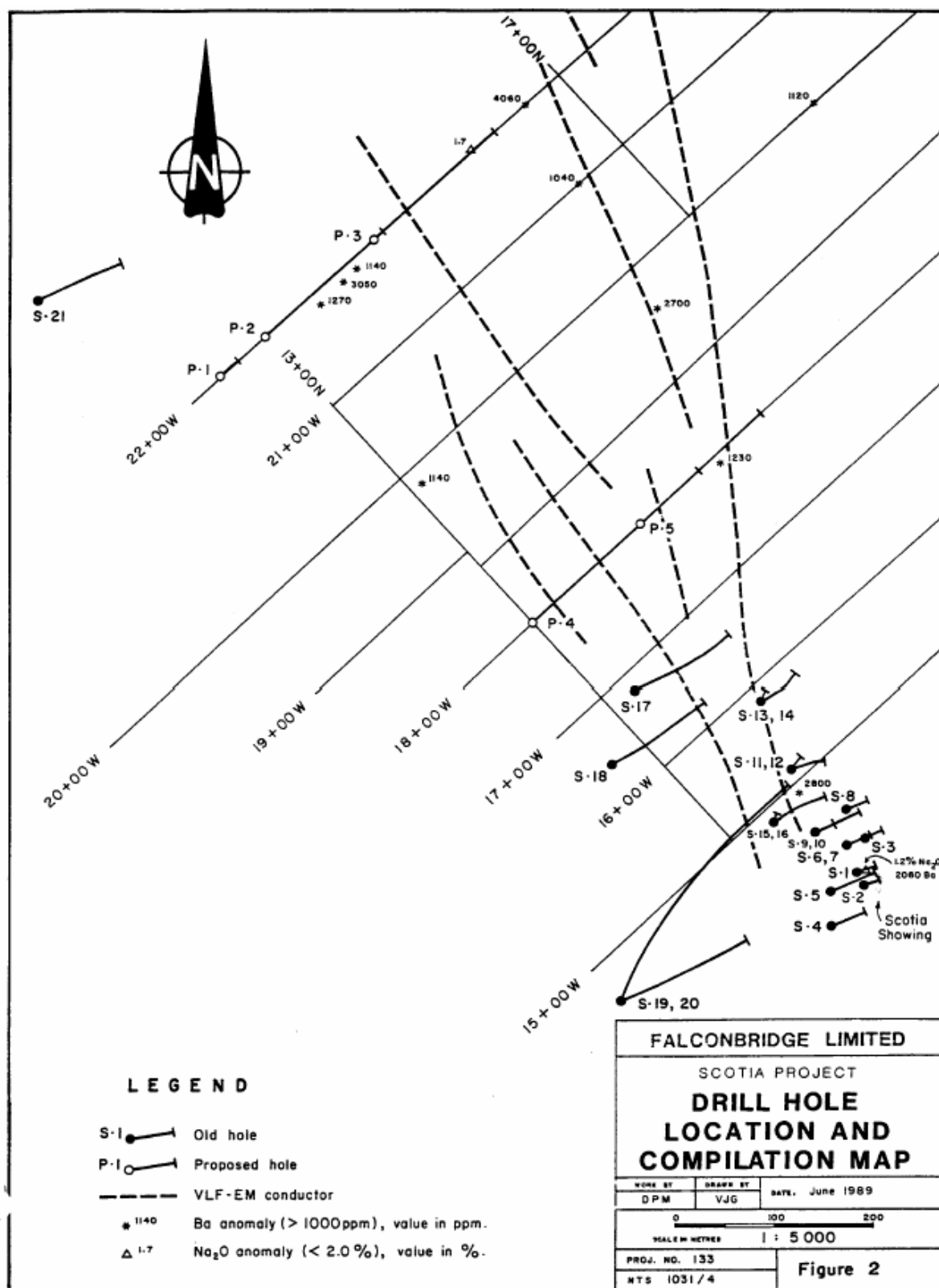
Andalex allowed the option to forfeit and in 1987 Kidd Creek cut 10 kilometres of grid lines and conducted magnetometer, VLF-EM and lithogeochemical surveys. A total of 159 grab samples were studied in order to locate areas of hydrothermal alteration that may be related to massive sulphide occurrences. The geophysical surveys found conductors associated with the massive sulphide mineralized zones. The surveys concluded the following:

1. *The strong north trending V.L.F. responses are encouraging and may represent the trace of the known mineralization and/or new mineralized horizons.*
2. *The magnetic data (magnetic highs) show that a fair amount of erratically disseminated magnetite is present in certain horizons. The higher magnetic susceptibility of these horizons generally indicates that the bedrock is more mafic. The areas of magnetic lows (low magnetic susceptibility) may be due to felsic volcanic horizons or metasediments.*
3. *It is interesting to note that the stronger V.L.F. conductors tend to run along the magnetically inferred contact between mafic and felsic rock.*

A Falconbridge Limited (“Falconbridge”) Memorandum by Money, 1989, states the following:

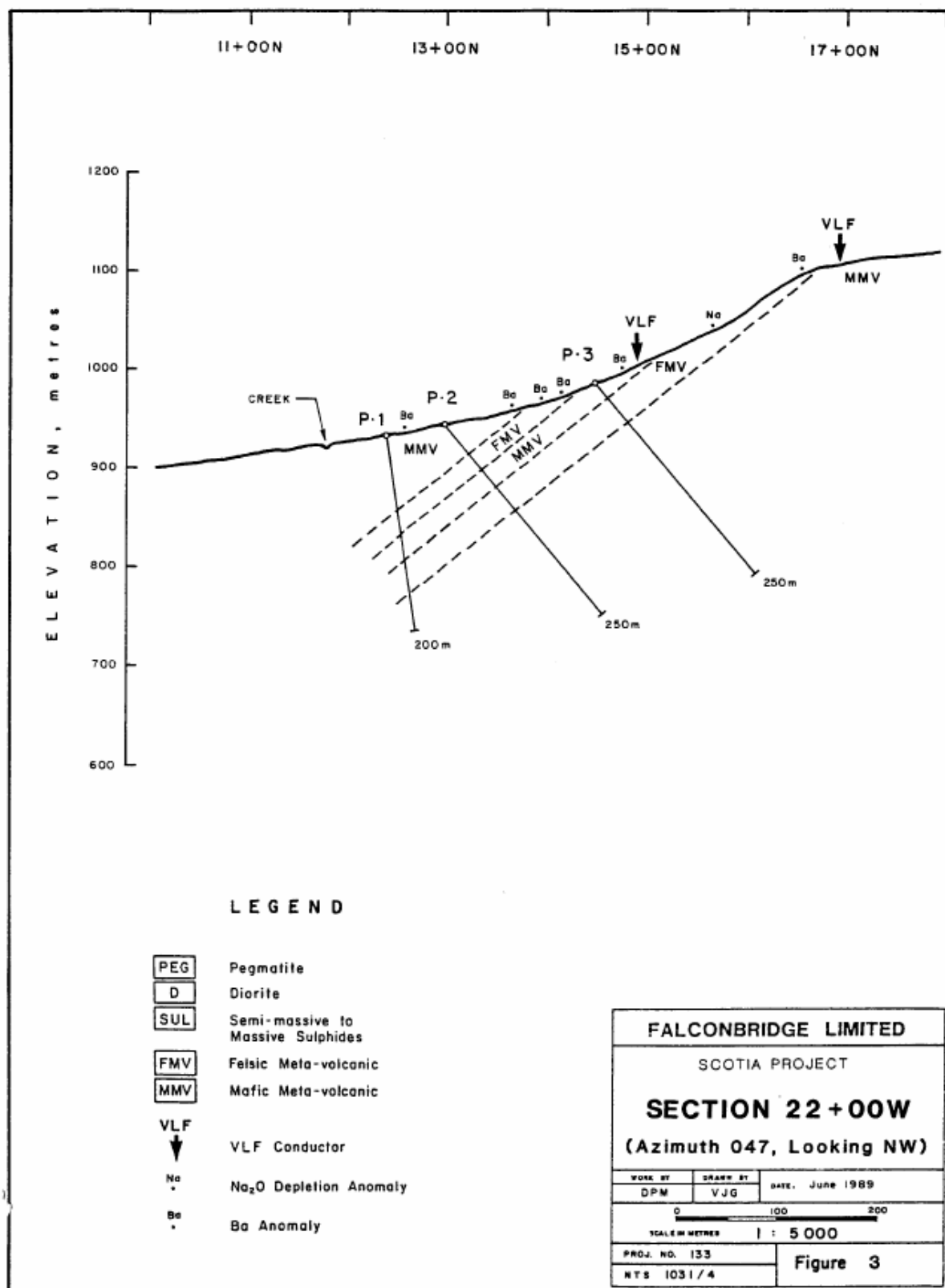
1. *The limited exploration on the Scotia property has indicated that the claims are underlain by favourable geology, which host Zn dominant massive sulphides.*
2. *An evaluation of the available data indicates that a 2,000 metre drill program should be conducted in conjunction with geologic mapping and prospecting. The drilling should consist of 1,300 metres to test favourable stratigraphy with two drill sections 400 and 800 metres along strike from the Scotia deposit.*

Figures 9 to 11 (Falconbridge Figures 2-4) show a plan map and two sections showing the location of VLF-EM conductors and the proposed step-out section drilling. Falconbridge Limited conducted an environmental reclamation program on the property in 1992.



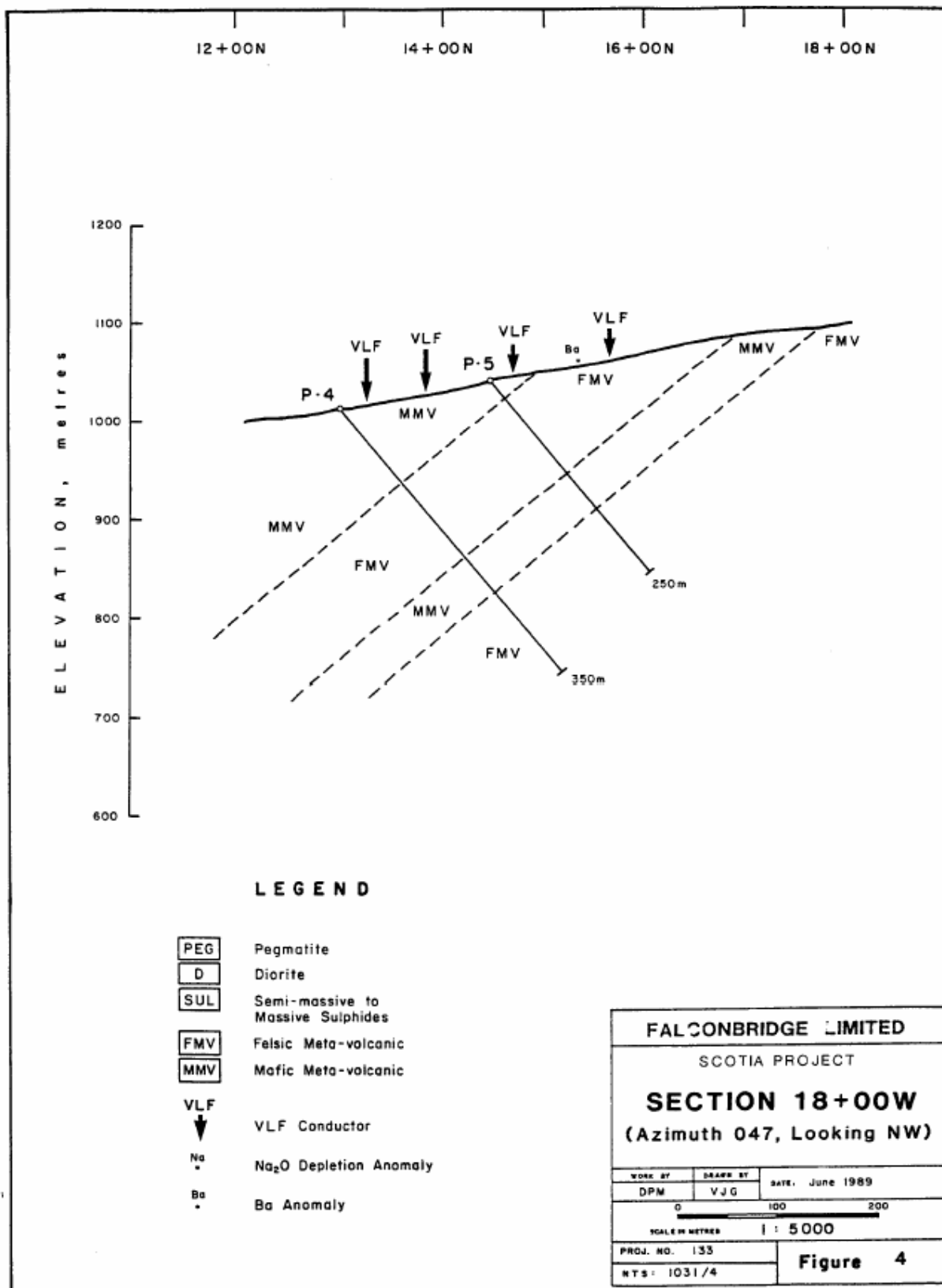
Compiled By:
Amex Resources

Figure 9



Compiled By:
Amex Resources

Figure 10



Compiled By:
Amex Resources

Figure 11

Bishop Resources Inc (“Bishop”) entered into an option agreement in 1996 with Falconbridge to acquire 100% interest in the Scotia Property subject to certain terms and conditions. In 1997, a drill program was conducted by Arnex Resources Ltd (“Arnex”) for Bishop at the Albere Zone. Disseminated, semi-massive and massive base metal sulphide intersections were encountered in nine of the ten holes drilled. The thickest intersection was in drill hole S-37-97 which encountered 26.7 metres grading 9.0% zinc, 1.2% lead, 21.5 g/t silver, 0.3 g/t gold and 0.2% copper. Mineralized intersections greater than 15 metres in length were also intersected in two additional holes.

The 1997 drill program extended potentially economic grades in the Albere Zone by about 45 meters, to 205 meters north of the outcrop of the main Albere Showing, and it remains open in this direction. The vertical extent of the mineralization encountered is increasing to the north. Results established a vertical range of sub-economic to economic grades of mineralization of 95 meters, and a horizontal range of over 60 meters at the base of the zone. The high grade "core" area widened to about 30 meters about 190 meters north of the main showing. Also, the grade of zinc mineralization encountered in the deeper western zones appears to be gradually increasing to the north.

Although the results of the 1997 drill program were encouraging, a poor mining exploration financing environment in BC at the time precluded Bishop from meeting its Work Commitments and the Property reverted to Doublestar Resources Ltd through an agreement with Falconbridge.

A Reclamation Program was completed on the Scotia Property in 2001 by Arnex for Falconbridge and Bishop. All drill sites were de-constructed and all reusable timbers were flown to the core storage area on the Scotia ridgetop. Core logging and processing facilities were reclaimed. All core was cross stacked for permanent storage.

Ialta Industries Ltd (“Ialta”) entered into an option agreement with Doublestar dated April 12, 2005 to acquire a 50% working interest in the Property by issuing 350,000 shares and incurring \$2,000,000 of Exploration Expenditures by October 31, 2001. Ialta subsequently assigned its option right to Geo Minerals.

Scotia Property - Regional Geology Map ⁻¹⁷⁻

BC Administrative Area Layers

Mineral Titles Layers

Topographic Layers

Grid Layers

— Grid 1:250K maps - outline

BCGS Geology Layers 2005

Volcanic rocks by era (<1.5M)

- Cenozoic volcanic rocks
- Mesozoic volcanic rocks
- Paleozoic volcanic rocks
- Proterozoic volcanic rocks
- Unknown

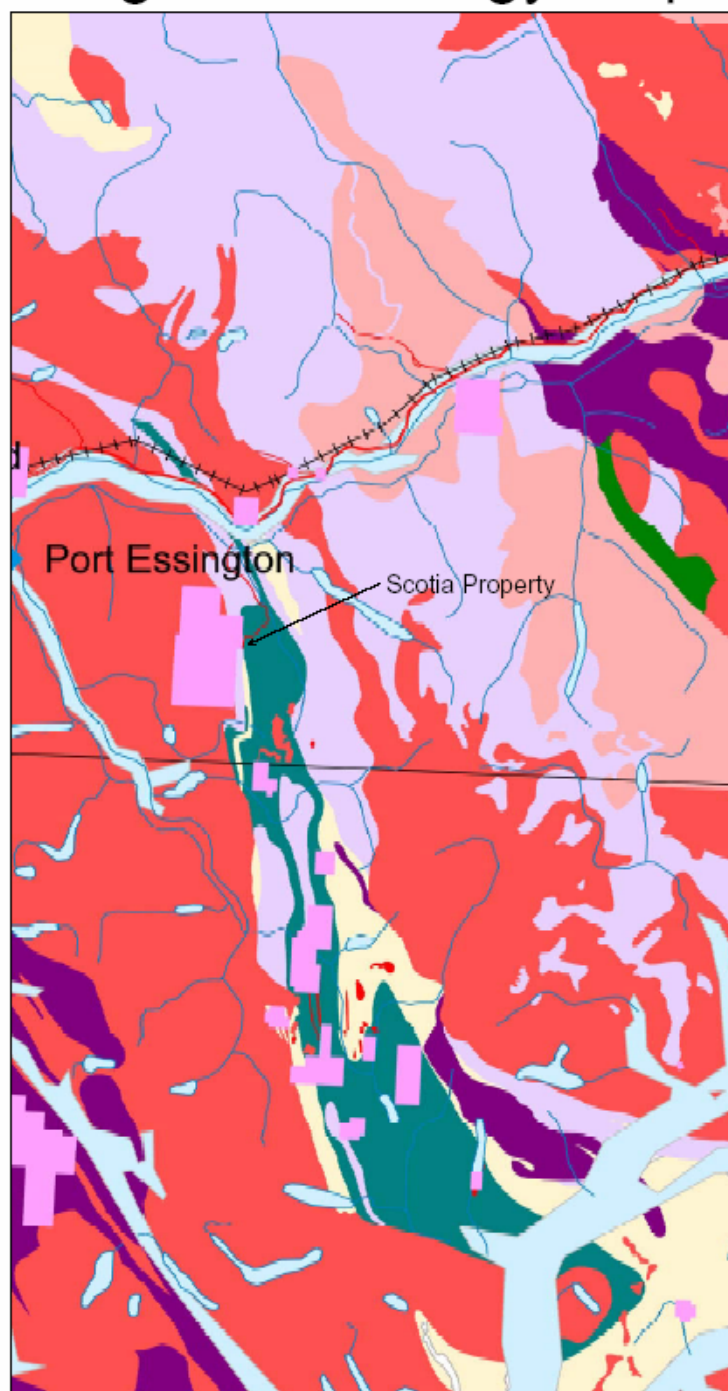
Metamorphic rocks by era (<1.5M)

- Cenozoic metamorphic rocks
- Mesozoic metamorphic rocks
- Paleozoic metamorphic rocks
- Proterozoic metamorphic rocks
- Unknown

Intrusive rocks by era (<1.5M)

- Cenozoic Intrusives
- Mesozoic Intrusives
- Paleozoic Intrusives
- Proterozoic Intrusives
- Ultramafic
- Unknown

BC Border Layers



Compiled By:
Amex Resources
Ltd

SCALE 1 : 500,000

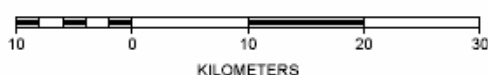


Figure 4



GEOLOGICAL SETTING

Most of the Prince Rupert - Skeena area is underlain by plutonic and metamorphic rocks of the Coast Plutonic Complex (Hutchinson, 1982). The regional distribution of the metavolcanic rocks of the Ecstall Greenstone Belt is illustrated in Figure 4, Scotia Property – Regional Geology. Plutonic rocks consist of major plutons and smaller irregular bodies, mostly of quartz diorite and granodiorite. Diorite and quartz monzonite are less common, and gabbro and granite are rare. Most of the plutonic rocks are probably Mesozoic in age.

A north-northwest-trending belt of metavolcanic and metasedimentary rocks known as the Scotia - Quaal metamorphic complex has been mapped through the area between the Skeena River and Douglas Channel. Both metavolcanic and metasedimentary rocks are present. Map units represent lithologic-metamorphic packages which probably contain strata of variable ages. Because of the strong metamorphic overprint and lack of fossils, the age of these strata is uncertain, however, radiometric dating places them at pre-Early Jurassic age.

With the exception of a small wedge of metasedimentary rocks at the western margin of the belt, the units from west to east, as defined by Gareau (1997) are: the Big Falls orthogneiss, in the southern part only; a metavolcanic unit, a metasedimentary clastic unit, a quartzite unit and a layered gneiss unit. The units of interest are the metavolcanic unit, which hosts the Scotia Deposit and several other VMS-type deposits north and south of the Ecstall River, and the metasedimentary unit, particularly near its contact with the metavolcanic unit.

The region has undergone three phases of deformation. Metamorphism is variable, from low to high grade and generally increasing in grade from west to east. The major structural trend in the area is northwest.

The Ecstall Pluton, which borders the Scotia - Quaal metamorphic belt to the west, is Cretaceous in age while the Quottoon Pluton to the east is Late Paleocene to Early Eocene in age (Gareau, 1997). The Ecstall Pluton appears to have been generated and mobilized from east to west during an intense period of metamorphism of Late Cretaceous age (Hutchinson, 1982).

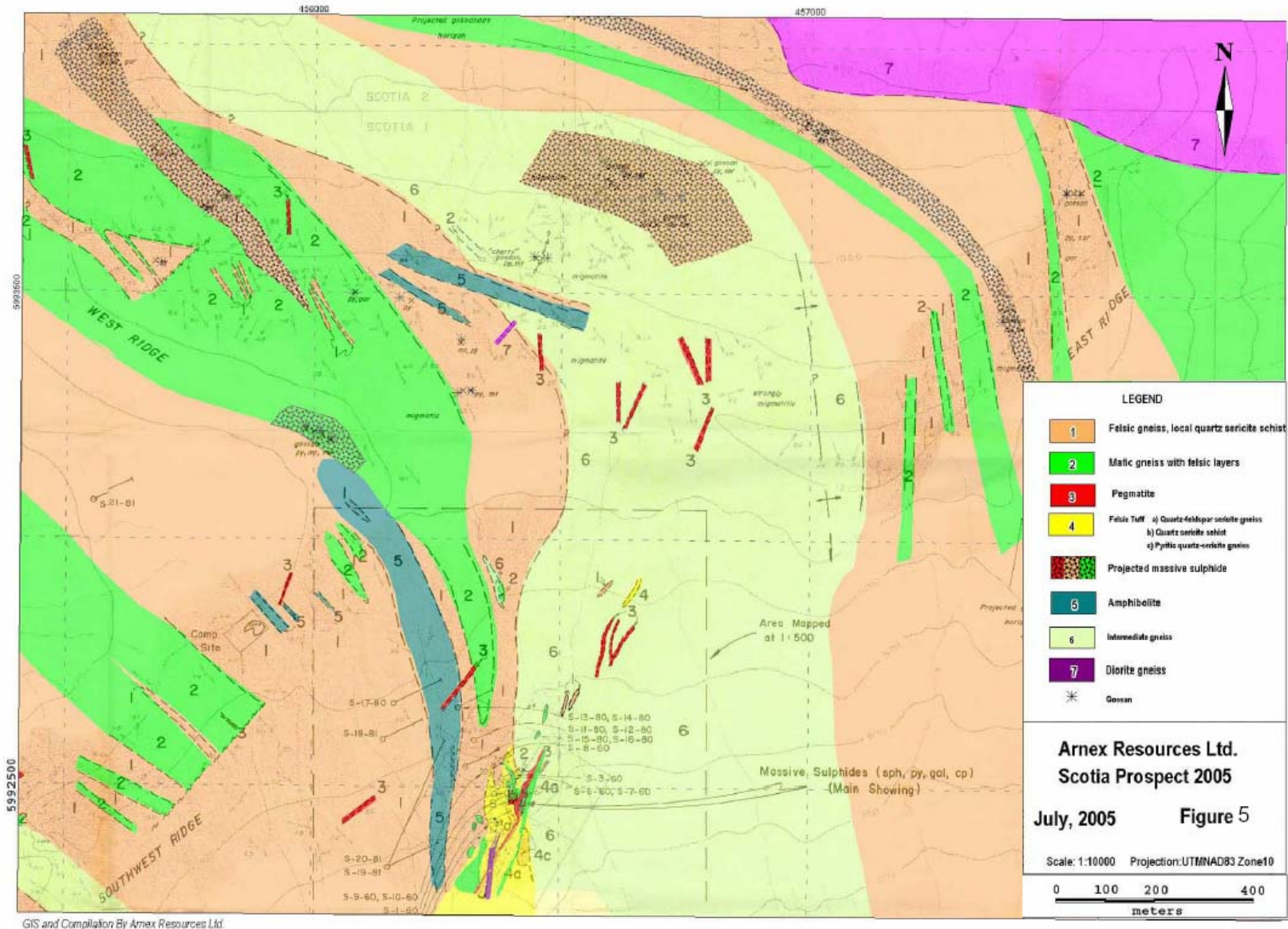
Regional Geology

Local Surficial Geology

The area has been heavily glaciated by alpine and valley glaciers and by at least one ice sheet, although glacial deposits are rare (Hutchinson, 1982). Discontinuous deposits of colluvium till and talus are present on mountain slopes locally, and thick Pleistocene and Recent fluvial deposits occupy river valleys. At higher elevations, outcrop is abundant, and in flatter areas is partly covered by a thin mantle of unconsolidated materials. The area is geologically favorable for development of transportation and utility routes, and many roads have already been constructed in the valleys to facilitate logging.

Local Geology

The lithologies underlying the Scotia property belong to the Devonian(?) metavolcanic unit that have been intruded by the Cretaceous Ecstall granite intrusion to the north of the property, and by several stages of dioritic to pegmatitic dykes of late Cretaceous to Eocene(?) age (Figure 5).



after Kidd Creek
Mines Ltd, 1982

The metavolcanic rocks are tentatively parts of a bimodal (?) suite of tholeiitic basalt and andesite, and calc-alkalic dacite to rhyolite (Manojlovic, et. al. 1987), possibly of Island Arc affinity.

The volcanic rocks have been subjected to upper amphibolite grade metamorphism that slightly post-dated the second of two stages of intense isoclinal folding (Gareau, 1991a, b; Krage, 1984). Gareau (1991a, b) states that metamorphic grade increases to the north and east and is a reflection of increasing levels of uplift and erosion in those directions. At least one megascopic antiform-synform pair has been mapped on the property (Eldridge, 1983). A third stage of folding appears to be post-metamorphic and is characterized by broad "warps" of all pre-intrusion lithologies and is thought to be temporally associated with the intrusion of the Ecstall intrusive rocks (Eldridge, 1983).

On the Scotia Property the volcanic lithologies have been deformed and recrystallized. Units now termed amphibolite are characterized by a melanocratic, gneissic to sub-gneissic hornblende-rich rock. The amphibolite can occur as massive, 20 plus meter to less than 2 cm thick units. The outlines of stretched lapilli-sized fragments are commonly seen in outcrop due to differential weathering. Other mafic metavolcanic rocks are usually black, biotite-rich gneisses and schists, although hornblende and biotite do occur together locally. Myers (1982) thought that these rocks might be meta-andesites. Intermediate metavolcanic rocks contain visually 10 to 30 percent mafic minerals, usually biotite.

These mafic and intermediate rocks are almost invariably non to weakly magnetic. A unit called interbanded gneiss is characterized by numerous interbanded felsic with mafic, intermediate and amphibolite units. These bands range from three to over 10 per meter. The felsic bands are usually moderately magnetic.

Felsic metavolcanic rocks are dominantly feldspar-rich, gneissic and less commonly schistose rocks with up to 10% biotite, and rare hornblende. Quartz is rare. The most common type is commonly moderately to strongly magnetic. Other felsic rocks are found only within and near the Albere zone mineralization. These are chert, chert breccia, "exhalite", and quartz porphyry schist. These highly siliceous rocks display very well preserved textures that suggest both replacement and primary silica deposition, presumably of hydrothermal origin. These units are almost always present in close proximity to sulphide mineralization.

There are several other rock units that are spatially associated with sulphide mineralization. These are brown biotite gneiss and schist, felsic brown biotite gneiss and schist, felsic sericite gneiss and schist, felsic muscovite gneiss and schist, and massive sericite to muscovite gneiss and schist. These rocks are located either with or to the west of the sulphide mineralization. They may represent hydrothermally altered equivalents of the units described above. Units containing brown biotite usually occur between unaltered and sulphide-bearing or muscovite-sericite altered units. This suggests that brown biotite, sericite and muscovite represent increasingly altered equivalents of unaltered hornblende and black biotite-bearing rocks. This appears to be particularly evident for the more mafic units, i.e. black biotite - brown biotite - massive sericite gneiss/schist.

Several episodes of mafic, felsic and pegmatitic dyking have occurred. These appear to be of late deformation age to very late and undeformed. Pegmatite dykes also occur throughout the property. They are quite variable in composition. An unusual white, garnet-bearing plagioclase-rich type is compositionally similar to felsic gneisses and may be a partial melt of felsic units. Other leucocratic, plagioclase-rich pegmatite dykes appear to be confined to hinge zones of folds.

4.4. *Regional Mineralization*

North and south of the Ecstall River, several VMS-type zinc (+/- copper-lead-silver-gold) occurrences and deposits are known within the metavolcanic unit. Eleven deposits of this type are located within ten kilometers of the southern margin of the Bishop claims. Most of these are within claims previously held by Atna Resources Limited or Ecstall Mining Corporation, both of Vancouver, BC.

Horsefly, Third Outcrop, East Plateau, Packsack and Trench are all located north of the Ecstall River. The Ecstall, Phoebe Creek, Mariposite, West Grid, Thirteen Creek Cirque, El Amino, South Creek Grid are located south of the Ecstall River.

4.5 *Mineralization and Structure*

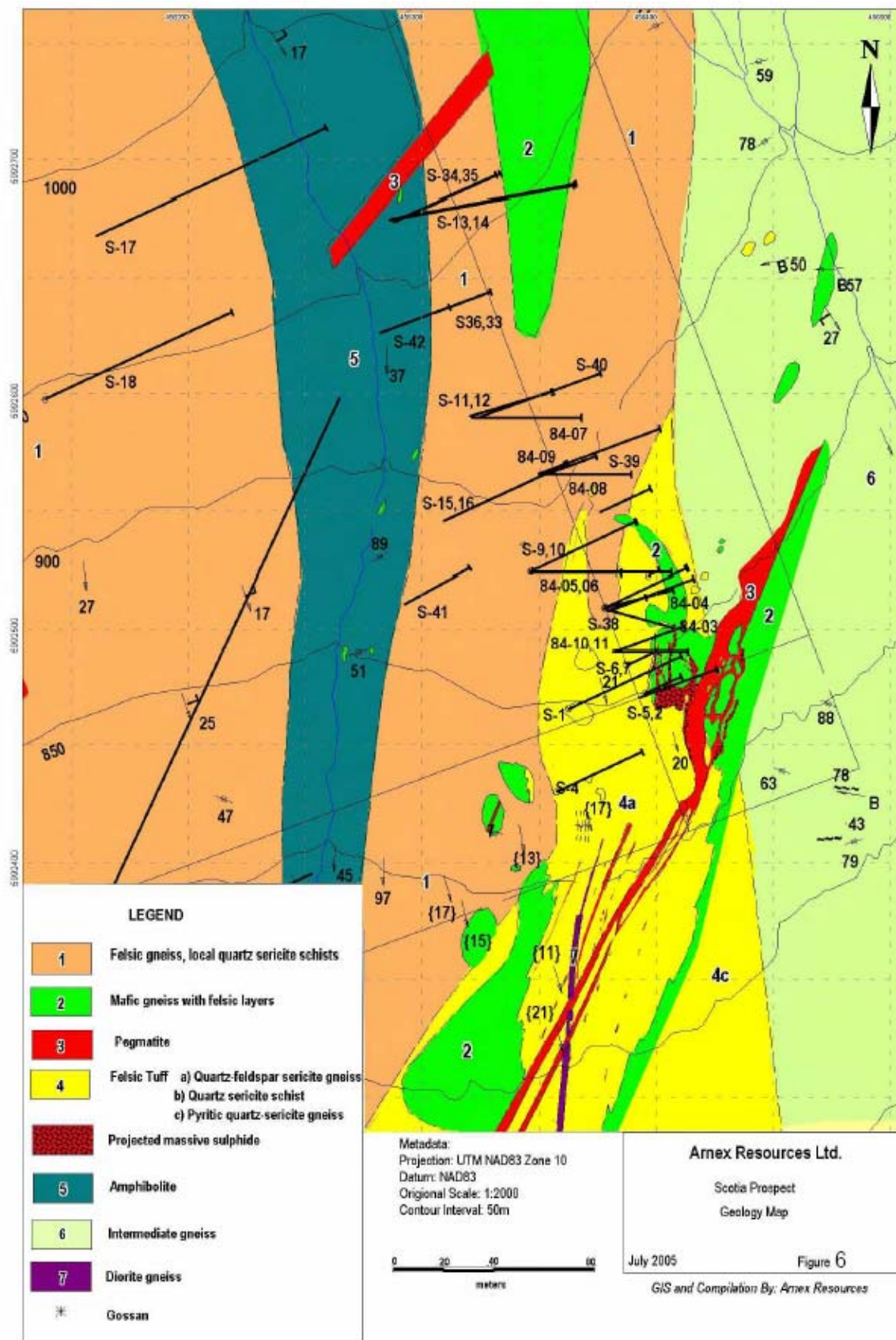
The Albere Zone is characterized by thick, massive to interweaving pods, lenses and stringers of coarsely crystalline massive to semi-massive, very dark brown sphalerite, with lesser amounts of pyrite, galena, pyrrhotite, magnetite and chalcopyrite in decreasing abundance. The Main Showing exposes some of the thickest known mineralization, and outcrops with a pod-like core of massive mineralization almost 10 meters in diameter with bands, pods and stringers striking up-dip to the east and down dip to the west by about 20 to 30 degrees. Drilling indicates that this 'core zone' strikes at 340 degrees and plunges about 8 degrees to the south-southeast. Up to six zones have been intersected. Figure 6, Scotia Prospect - Geology Map illustrates the outcrop of the Massive Sulphide Zone at the contact between the overlying Felsic Tuffs (Unit 4) and underlying Mafic Gneiss (Unit 2) in the vicinity of the cross-cutting late stage Pegmatite Dyke (Unit 3).

The up-dip extensions pinch out completely, or occur as thin but high grade sphalerite sheets up to 30 cm thick that decrease in size and intensity to the east. These often occur at the sharp, abrupt contact between black biotite schist-gneiss and felsic gneiss. The down-dip extensions to the west usually grade into increasingly iron sulphide-rich disseminated mineralization. This mineralization is associated with sericite- and muscovite-rich rocks that may be the hydrothermally altered equivalents of black biotite-bearing rocks. Low grade zinc mineralization has been intersected over 100 meters down dip with approximately an order of magnitude greater pyrite and pyrrhotite mineralization. This suggests that the iron sulphide-rich zone may be the down dip feeder zone. It is this zone that outcrops southwest of the sphalerite outcrop as bright red, rusty rocks.

The mineralized zone is essentially open to the north and west. There is a possibility of high grade pods occurring to the east, especially under known soil anomalies. The nature of the soil anomalies discovered above the Albere Zone in 1977 (DeLancey, 1977), combined with the intersection of steeply east dipping mineralization in hole S-36-97, 185 meters north of the main showing, suggest that steeply dipping mineralization may crop out under a thin veneer of overburden. Visual examination of many of the drill sites above the Main Showing indicate much steeper west to even east dipping geology than has been previously recognized. Evidence suggests that repetition of the mineralization due to isoclinal folding is present, especially in the lower zones. It is possible to interpret the geology so that one previously extensive sphalerite lens is present, that has been repeatedly folded and migmatized to derive the shape of the deposit today. However the increasing spread of mineralization encountered to the north makes this scenario less likely than the possibility of up to three (or more) lenses that may intersect locally.

The single lens scenario is attractive because of the increased tonnage potential; however this was not used in the accompanying interpretations except where the evidence supporting such a scenario was strong.

The mineralization and its characteristic hosting rocks are dipping at about 40 degrees to the west. These rocks are structurally underlain by a thick unit of interbanded to mafic gneisses. To the east, the sequence of thick felsic and mafic gneisses become increasingly steeply dipping based on outcrop and drill information. The zone is structurally overlain by a thick felsic gneiss package, which in turn is overlain by a moderately west dipping amphibolite unit above 875 meters in elevation.



EXPLORATION AND DRILLING

1997 Diamond Drill Program

Introduction and Objectives

The Albere Zone has been drilled by various operators in the past with encouraging results. The objectives of the 1997 program were as follows:

1. To compile all existing historical data in digital format using GIS and PC Explore software programs and to build a database to assist in documenting the 1997 program,
2. To identify drill targets based on past results for both step-out and in-fill drilling to establish a geological resource for the Albere Main Zone,
3. To complete drilling, logging and sampling of the drill core,
4. To report results in assessment report format
5. To calculate a geological resource for the Albere Zone.

5.2 Drill Hole Summaries and Results

Drill hole locations are compiled on Figure 7, Drill Hole Location Map. Drill hole traces are shown as a Longitudinal Section on Figure 8, Drill Hole Section Map. Results are tabulated in Table 3, Arnex Resources Ltd – Significant 1997 Drill Intersections.

Hole S-33-97 was collared at 15185N, 4975E, 939.2 meters elevation at a bearing of 070 degrees and a dip of -66°. It was collared approximately 40 meters north of holes S-11-80, S-12-80 and 84-07, which were the northernmost holes intersecting potentially economic zinc grades, and 190 meters north of the "main showing". The hole succeeded in intersecting four zones of zinc mineralization, two of which contain potentially economic zinc grades. These two zones are: from 68.7 meters to 72.3 meters, grading 22.6% zinc and 2.3% lead; and from 85.75 meters to 90.1 meters grading 18.8% zinc and 2.5% lead. Moderate silver and low gold and copper grades were also encountered. This hole succeeded in extending to the north the potentially economic zinc-lead mineralization encountered in hole 84-07.

Hole S-34-97 was collared approximately 40 meters north of hole S-33-97 at 15227N, 1973E and 964.3 meters elevation at a bearing of 66 degrees, a dip of -66°. The hole was collared at the same location and approximately the same bearing as holes S-13-80 and S-14-80, which dip -55° and -90° east, respectively. The purpose of this hole was to intersect the northern projection of the potentially economic mineralization encountered in hole S-33-97, and thought to project between holes S-13-80 and S-14-80. The hole encountered several weakly mineralized zones. The only potentially economic zone was intersected from 62.2 to 62.6 meters, which graded 18.7% zinc, 1.9% lead and 47 ppm silver with weakly anomalous gold and copper. The nature of the mineralization encountered suggests that the hole was drilled about 10 to 15 meters east of the window projecting the best mineralization encountered in hole S-33-97 and S-36-97, and up-dip and east of the mineralization encountered in hole S-14-80.

Hole S-35-97 was collared from the same site and bearing as hole S-34-97, at a dip of -45° east. The hole was designed to intersect the projection of a shallow lens of zinc mineralization encountered in hole S-13-80 (drilled at -55°), that from 59.2 meters to 62.0 meters reported 7.5% zinc and 1% lead. A weakly altered zone with poor core recovery was encountered from 44 to 47 meters reporting weakly anomalous values, directly above the zone encountered in hole S-13-80. This zone is vertically above the zone encountered in hole S-13-80.

Hole S-36-97 was drilled at the same location and bearing as S-33-97 at a dip of -77° east. This hole was drilled to intersect the western projections of the mineralization encountered in hole S-33-97. The hole was successful in intersecting all the zones intersected in hole S-33-97, but with generally lower grades. Also a new, shallow, very steeply dipping zone was encountered from 11.5 meters to 26.0 meters. This zone apparently dips steeply east, sub-parallelizing the drill hole, as no trace of this zone is encountered in other drill holes on that section. Highlights of this hole are: from 11.0 meters to 26.3 meters grading 7.8% zinc with low, lead, silver and gold values but 0.21%

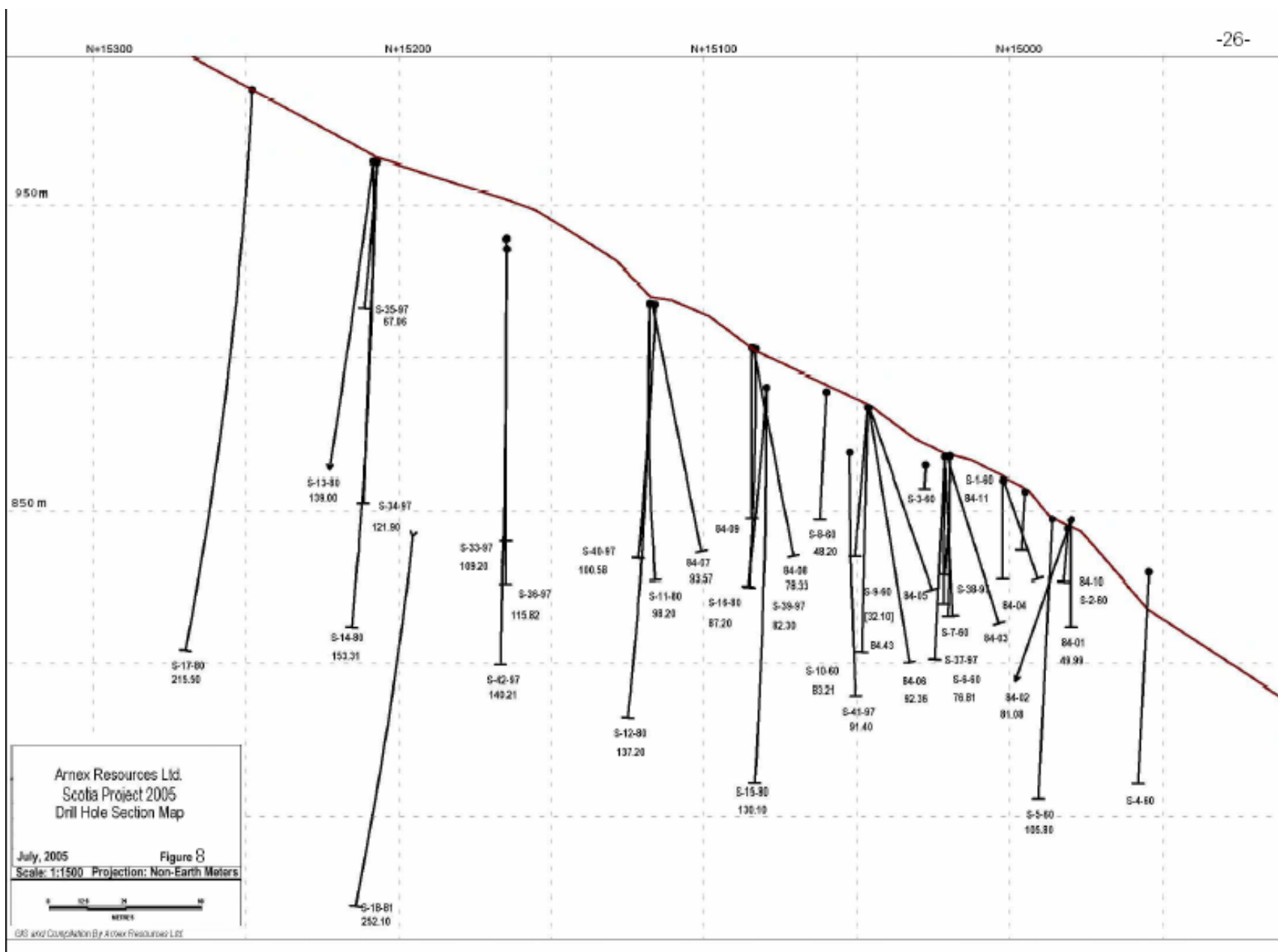


Table 3

ARNEX RESOURCES LTD - SCOTIA PROJECT
SIGNIFICANT 1997 DRILL INTERSECTIONS
WEIGHTED INTERVALS - DRILLED LENGTH IN METERS

HOLE		FROM	TO	WIDTH	%Zn	%Pb	ppm Ag	ppbAu	%Cu
S-33-97		47.4	47.8	0.4	6.8	0.9	26.0	120.0	0.1
S-33-97		68.7	90.1	21.4	6.7	1.1	25.9	559.4	0.1
S-33-97	Incl	68.7	72.3	3.6	22.6	2.3	47.0	1206.4	0.2
S-33-97	Incl	69.2	72.3	3.1	25.5	2.6	53.6	1394.5	0.2
S-33-97	Incl	79.4	80.0	0.6	4.8	1.4	42.0	745.0	0.1
S-33-97	Incl	85.8	90.1	4.3	13.8	2.5	39.3	283.6	0.2
S-33-97	Incl	86.9	90.1	3.2	16.3	2.7	46.0	324.1	0.2
S-33-97	Min-En	85.8	90.1	4.3	13.2	2.6	51.7	298.2	#N/A
S-34-97		62.2	62.6	0.4	18.7	1.9	47.0	90.0	0.2
S-35-97		NO SIGNIFICANT INTERSECTIONS							
S-36-97		11.0	26.2	15.3	7.8	0.1	7.9	90.5	0.2
S-36-97	Incl	11.0	13.5	2.5	14.9	0.3	20.0	114.9	0.5
S-36-97	Incl	18.1	20.7	2.6	4.8	0.0	8.0	183.1	0.3
S-36-97	Incl	22.8	26.2	3.5	19.3	0.1	12.3	133.8	0.3
S-36-97	Incl	24.1	26.2	2.1	29.7	0.1	21.3	345.0	0.3
S-36-97		74.4	76.1	1.8	11.9	0.4	35.6	184.5	0.8
S-36-97	Incl	74.4	75.7	1.3	1.3	0.3	42.8	230.0	1.0
S-36-97	Incl	75.7	76.1	0.5	42.1	0.6	15.0	55.0	0.2
S-36-97		81.1	90.1	8.9	7.2	0.8	18.4	287.5	0.1
S-36-97	Incl	81.1	84.3	3.1	5.2	1.4	19.1	194.1	
S-36-97	Incl	81.1	81.6	0.5	32.0	0.4	17.0	70.0	
S-36-97	Incl	85.9	90.1	4.1	11.5	0.3	9.9	86.9	
S-36-97	Incl	87.0	90.1	3.1	14.7	0.4	10.9	78.7	
S-37-97		15.6	42.3	26.7	9.0	1.2	21.5	297.9	0.2
S-37-97	Incl	15.6	16.4	0.8	3.6	0.8	17.3	114.6	
S-37-97	Incl	15.8	16.4	0.6	4.1	0.9	18.4	85.0	
S-37-97	Incl	21.6	42.3	20.7	11.2	1.4	24.3	339.3	0.2
S-37-97	Incl	21.6	38.1	16.4	11.6	1.4	25.5	380.0	0.2
S-37-97	Incl	21.6	22.1	0.4	8.8	8.6	66.0	130.0	
S-37-97	Incl	25.9	27.7	1.8	32.9	4.7	67.0	425.0	
S-37-97	Incl	30.6	32.1	1.5	7.7	1.0	36.0	1120.0	
S-37-97	Incl	33.0	38.1	5.1	23.0	1.3	28.5	469.6	0.3
S-37-97	Incl	40.6	42.3	1.7	22.6	3.7	45.7	406.9	0.3
S-38-97		17.4	18.0	0.7	46.4	3.5	55.0	450.0	
S-38-97		28.1	30.1	2.0	5.0	0.4	9.8	118.9	
S-38-97	Incl	28.9	30.1	1.2	6.7	0.7	11.7	179.8	
S-38-97		36.8	37.0	0.2	24.9	0.0	12.0	25.0	
S-38-97		47.9	48.5	0.6	3.2	0.3	30.0	30.0	
S-39-97		30.2	33.0	2.8	1.1	0.4	13.6	253.8	0.3

Table 3

ARNEX RESOURCES LTD - SCOTIA PROJECT
SIGNIFICANT 1997 DRILL INTERSECTIONS
WEIGHTED INTERVALS - DRILLED LENGTH IN METERS

HOLE		FROM	TO	WIDTH	%Zn	%Pb	ppm Ag	ppbAu	%Cu
S-39-97	Incl	30.2	31.9	1.7	0.0	0.1	9.4	200.0	0.4
S-39-97	Incl	31.9	32.1	0.2	5.9	1.1	26.0	425.0	0.2
S-39-97		46.5	57.1	10.6	6.0	0.0	11.7	219.6	
S-39-97	Incl	46.5	49.5	3.0	16.5	0.4	14.5	186.7	
S-39-97	Incl	54.7	57.1	2.4	5.2	1.4	29.6	640.0	
S-39-97		62.6	65.9	3.3	3.1	1.1	14.4	103.8	
S-39-97	Incl	65.1	65.9	0.8	6.8	2.2	49.4	625.6	
S-40-97		40.4	43.2	2.8	3.8	0.9	26.1	710.4	0.3
S-40-97	Incl	40.4	42.4	2.0	0.1	0.1	5.5	50.0	0.3
S-40-97	Incl	42.4	44.0	1.7	6.3	1.3	36.9	1123.6	0.2
S-40-97		60.8	62.7	1.9	3.4	1.8	19.0	346.7	
S-40-97	Incl	62.0	62.7	0.8	6.8	2.3	24.0	590.0	
S-40-97		70.3	71.2	0.9	2.2	0.3	24.0	505.0	
S-40-97		77.6	78.3	0.7	3.1	1.7	28.0	330.0	
S-40-97		81.7	82.3	0.6	17.5	5.0	61.0	210.0	0.2
S-41-97		65.0	80.8	15.9	0.8	0.0	5.3	55.5	0.0
S-41-97	Incl	65.0	65.6	0.6	2.7	0.0	7.0	95.0	
S-41-97	Incl	80.0	80.8	0.8	1.8	0.1	13.0	160.0	
S-42-97		67.7	78.0	10.3	2.1	0.1	7.5	172.4	0.2
S-42-97	Incl	67.7	70.9	3.1	0.1	0.1	7.8	78.4	0.3
S-42-97	Incl	71.7	78.0	6.3	3.2	0.1	7.7	231.0	0.2
S-42-97	Incl	71.7	73.6	1.9	8.5	0.1	5.4	78.6	0.4
S-42-97	Incl	77.6	78.0	0.5	7.9	0.1	3.0	40.0	
S-42-97		87.2	104.3	17.2	2.7	0.3	11.8	110.0	0.1
S-42-97	Incl	87.2	100.3	13.1	3.1	0.2	10.7	110.8	0.1
S-42-97	Incl	87.2	94.7	7.6	2.9	0.2	8.6	137.8	0.1
S-42-97	Incl	91.7	94.7	3.0	4.7	0.3	9.1	119.7	0.1
S-42-97	Incl	91.7	92.5	0.7	10.2	0.6	12.0	120.0	0.0
S-42-97	Incl	99.1	100.3	1.2	10.1	0.1	18.6	95.0	0.4
S-42-97	Incl	103.5	104.3	0.8	5.5	2.1	55.0	365.0	0.1

copper; from 74.4 meters to 76.1 meters which graded 11.9% zinc with low lead and moderate silver, and anomalous gold with 0.70% copper; from 81.1 meters to 84.25 meters which graded 5.2% zinc 1.4% lead with anomalous silver and gold values; and from 86. metres to 90.1 meters which graded 13.2% zinc, 2.6% lead, 52 g/t silver and 300 ppb gold.

Hole S-37-97 was collared at 15040N 5000E, 867.8 meters elevation from the same site S-6-60, S-7-60, 84-03 and 84-04, at a bearing of 070° and a dip of -72° east. This hole was designed to intersect the zinc mineralization encountered between holes S-6-60 and S-7-60 (hole 84-04 was essentially a repetition of hole S-6-60 but drilled with larger diameter core and with possibly better recovery). This hole intersected four significant mineralized intersections. These are: from 15.6 meters to 16.4 meters grading 3.6% zinc and 1.0% lead; from 21.6 meters to 22.1 meters grading 8.8% zinc; and a composite of three zones from 25.9 meters to 42.3 meters grading 15.9% zinc.

Hole S-38-97 was collared at the same location and bearing as S-37-97 but at a dip of -45° east. This hole was designed to intercept mineralization east of the zones encountered in holes S-6-60 and 84-04. The same zones were encountered, however only two were significantly mineralized. These are: from 17.4 meters to 18.0 meters which graded 46.5% zinc, 3.5% lead, 55 ppm silver and 450 ppb gold; and from 28.1 meters to 30.1 meters grading 5% zinc with anomalous lead, silver and gold.

Hole S-39-97 was collared at 15103N 4977E, 903.1 meters elevation, at a bearing of 070, and a -72° east dip. The hole was drilled from the same set-up as holes 84-08 and 84-09. This hole was designed to intersect the significant mineralization projected north from S-9-60 and south from hole 84-07, west of the relatively weak mineralization encountered in holes 84-08 and 84-09, and east of the mineralized zones encountered in hole S-16-80. This hole was successful in intersecting five mineralized zones similar to those encountered in the previously mentioned drill holes. Two of these zones returned economically significant mineralization. These are: from 46.5 meters to 49.5 meters grading 16.5% zinc with anomalous lead, silver and gold; and from 62.6 meters to 65.9 meters grading 3.1% zinc, 1.1% lead, 24.8 ppm silver and 626 ppb gold.

Hole S-40-97 was collared at 15136N, 4977E, 917.8 meters elevation at a bearing of 70° and a dip of -56° east. This hole was designed to intersect the east projection of the mineralization encountered in hole S-11-80 which was drilled from the same site. Five mineralized zones were encountered. Three returned sub-economic to potentially economic mineralization. These are: from 42.4 meters to 44.0 meters grading 6.3% zinc 1.3% lead 37 g/t silver 1.1 g/t gold and 0.1% copper; from 60.8 meters to 62.7 meters grading 3.4% zinc 1.8% lead with accompanying silver and gold values; and from 81.7 meters to 82.3 meters grading 17.5% zinc, 5% lead and 61 ppm silver with anomalous gold and copper.

Hole S-41-97 was collared at 15072N, 4026E, 869.2 meters elevation, at a bearing of 70° and a dip of -60° east. This hole was designed to intersect a deep western zone of zinc mineralization encountered in several drill holes. The closest is hole S-16-80, some 30 meters northeast. Hole S-41-97 intersected strongly muscovite altered wall rock with disseminated pyrite mineralization. Several intersections grading up to 2% zinc over one meter were encountered from 60 meters to 80 meters. Upon surveying this hole the location of hole S-16-80 was located and also surveyed. Its location was seven meters east and five meters above of its previously plotted location.

Hole S-42-97 was collared at 15185N 4951E, 935.7 meters elevation at a bearing of 070 and a dip of -77° east. This hole was designed to intersect the western projection of the mineralization encountered in hole S-36-97 some 30 meters to the east, and the projection of mineralization encountered in holes S-12-80 and S-14-80 some 40 meters to the south and north respectively. This hole encountered six zones grading at least 2% zinc over one meter. The best intersections are: from 71.7 meters to 73.6 meters grading 8.5% zinc; from 77.6 meters to 78.0 meters grading 7.9% zinc; from 91.7 meters to 94.7 meters grading 4.7% zinc; from 99.1 meters to 100.3 meters grading 10.1% zinc; and from 103.5 meters to 104.3 meters grading 5.5% zinc, and 2.1% lead.

Results

Prior to the 1997 drill program, potentially economic zinc mineralization extended approximately 160 meters north of the "main showing". This zone generally occupied a 340° striking zone about 20 meters wide and 25 meters high with thinner extensions to the west at depth, and to the east up dip. The zone plunges about 8° to the south. Several zones of discontinuous mineralization were intersected in relatively widely-spaced drill holes north of this location indicating that the mineralized trend probably continued to the north but the higher grade "core" was missed due to the wide drill hole spacing.

The results from S-33-97 confirmed that the zone did continue north. With additional results from holes S-34-97 and S-36-97, the continuation of the trend to the north was extended but still remains open. Potentially economic grades have been extended by about 45 meters to 205 meters north of the main showing, allowing for a 20 meter projection north of the intersections encountered in holes S-33-97, and S-36-97. The vertical extent of the mineralization encountered is increasing to the north as hole S-36-97 intersected several zones zinc mineralization from 11 meters to 95 meters, a drill length of 80 meters and a true vertical extent of 75 meters. These results, taken with the drill results encountered S-14-80, and S-42-97 establish a vertical range of sub-economic to economic grades of mineralization of 95 meters, and a horizontal range of over 60 meters at the base of the zone. The high grade "core" area has widened to about 30 meters about 190 meters north of the main showing. Also, the grade of zinc mineralization encountered in the deeper western zones appears to be gradually increasing to the north. Copper grades appear to increase to the north.

The general south plunge appears to locally flatten and individual zones can plunge northward. These variation can be primary and/or a reflection of folding.

Resource Calculations

Two resource calculations were completed. They are, however, not reported in this Technical Report as they pre-date NI43-101 regulations and guidelines.

RECOMMENDATIONS

Phase 1A – Property Examination, Drill Core Verification Sampling

A Phase 1A program consisting of field exploration work and verification sampling of the 1997 mineralized drill core intersections is recommended. The Budget amount for conducting the recommended work is \$48,808.26 as per the attached Table 4, Budget, Phase 1A 2005 Scotia Field Program.

Field work consisting of prospecting and sampling of the gossanous outcrops on the eastern limb of the south plunging anticlinorium should be conducted as part of the Phase 1A field program. Professional climber-geologists using specialized rock climbing sample techniques should conduct a three day examination of this unexplored portion of the Property. Samples should be analyzed by 36 element ICP and any overlimits should be assayed.

At the same time, sampling and assaying of the selected mineralized drill core intervals from the 1997 drill program should be conducted. If possible, the drill core should be sawed using a 12" trim rock saw and quarter splits sent to analytical lab for preparation and assaying. If it is not practical to saw the core, then the remaining half core intervals should be taken for assay while leaving short specimen pieces from relevant intersections. Weighted intervals from the resampled intersections should be calculated and compared to the original 1997 results to verify the 1997 results according to NI43-101 guidelines.

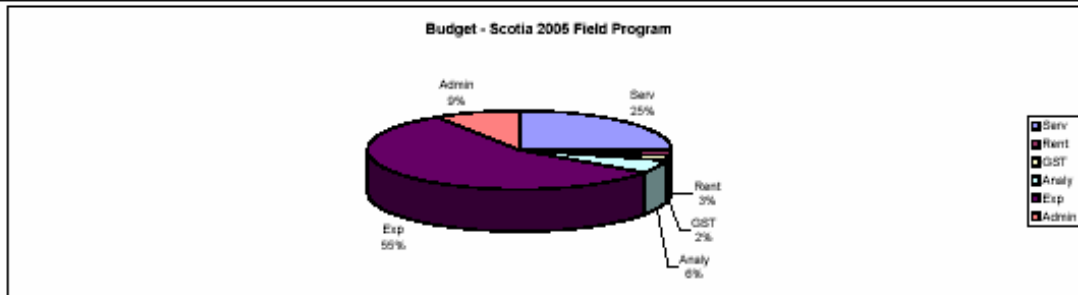
Phase 1B – Resource Calculation, NI 43-101 Updated Technical Report

Once the 1997 drill results have been verified, Phase 1B recommendations include the generation of a block model for the Albere Zone and the calculation of a resource that is consistent with NI43-101 definitions and guidelines. An updated Technical Report should then be prepared to report the results of the Phase 1A field program and to include the resource calculation from the Phase 1B program. Estimated cost of the Phase 1B program is \$50,000 as per Table 4, Phase 1A, 1B and Phase 2 Summary Budget.

Table 4
Budget - Phase 1A - 2005 Scotia Field Program

Prepared By: Arnex Resources Ltd.
Prepared For: Geo Minerals Ltd.
Date: 26-Jun-05

Description	Description	#Units	Cost /Unit	Amount
Services	Professional Engineer	5.0 days	\$625.00 /day	\$5,000.00
	Climber - Samplers (2)	3.5 days	\$2,000.00 /day	\$7,000.00
	Subtotal Services			\$12,000.00
Rentals	Field Equipment	4.0 days	\$125.00 /day	\$500.00
	Rock Saw	4.0 days	\$100.00 /day	\$400.00
	Generator	4.0 days	\$100.00 /day	\$400.00
	Subtotal Rentals			\$1,300.00
	GST - Services, Rentals			\$831.00
Expenses	Room and Board	21.0 man days	\$90.00 / man day	\$1,890.00
	Groceries	21.0 man days	\$15.00 / man day	\$315.00
	Gas			\$100.00
	Helicopter	14.0 hours	\$1,185.13 / hour	\$16,591.82
	Field Supplies	15.0 man days	\$25.00 / man day	\$400.00
	Sat Phone	4.0 days	\$50.00 /day	\$200.00
	Radios	12.0 man days	\$10.00 / man day	\$120.00
	Radios	8.0 man days	\$20.00 / man day	\$160.00
	Analytical	75.0 samples	\$28.41 / sample	\$2,215.86
	Analytical	20.0 samples	\$28.41 / sample	\$568.17
	Zinc Test Kit			\$68.65
	Airfare			\$2,436.78
	Report			\$5,000.00
	Subtotal Expenses			\$30,067.18
	Admin Fee (Expenses @15%)			\$4,510.08
TOTAL				\$48,808.26



Budget
Phase 1A, 1B, 2 - Scotia Project

Description	Amount
Phase 1A 2005 Field Program	\$48,808.26
Phase 1B 2005 Resource Calculation and Technical Report	\$50,000.00
Phase 2 2006 Field Program	\$200,000.00
Total	\$298,808.26

Phase 2 – 2006 Airborne Geophysical Survey, Surface Exploration Program

An airborne geophysical survey followed by a surface exploration program is recommended for the Scotia Property during the period March to July, 2006. After completion and interpretation of the airborne survey, field work during August to October should include ground grid geological mapping, soil geochemistry and geophysics in the vicinity of the drilled zone to extrapolate drill targets. Geochemical anomalies should be trenching by a helicopter portable backhoe and mapped and sampled. Ground geophysics may include magnetic, UTEM, IP and bore-hole geophysical surveys.

Surface work should also include evaluating other visible gossanous outcrop targets as well as exploring the strike extent of the favourable volcanic stratigraphy with the objective being to discover additional massive sulphide lenses associated with the same geological environment as the Albere Zone. Results of the surface program and previous drill results should be compiled and drill targets ranked in order of priority.

Minimum expenditures of \$75,000 for the airborne survey and \$125,000 for the surface as per Table 4 are warranted.

Airborne Geophysical Survey

A low-level helicopter multi-instrument geophysical survey should be conducted over the entire Scotia claim block and surrounding area. Flight lines should be oriented generally east-west to cross the geological trend in a perpendicular manner. Surveys should include magnetic, electromagnetic and possibly radiometric. Tightly spaced orientation lines should be flown over the Albere Zone to “fingerprint” anomalies. A multi-discipline interpretation should be applied to extrapolate the Albere zone for ground follow-up and to identify other targets on the property for additional surface work.

Property Field Programs

The 2006 field program should include the following specific aspects:

- **Scotia property grid work:** Due to the highly deformed geology of the area ground orientation is critical to future interpretation efforts. A GPS surveyed grid system should be established over the prime exploration areas. These grids should be oriented to cross the geological trends at favourable angles. Picketed and flagged stations should be established every 20 meters on lines spaced every 100 to 50 meters apart. Due to the locally high magnetic signature near target areas the baselines and grid lines should be back-sighted and turned to maintain accuracy.
- **Soil and Rock geochemistry:** Soil and rock geochemistry surveys are required throughout the property. Due to the nature of the exploration targets, a soil sample spacing of 20 meters is recommended in target areas and 40 meters for more general surveys with line spacing ranging from 50 to 200 metres. In addition to soils, till sampling should be completed at specific locations to determine mineralization in the till layer(s). Initial rock sampling of outcrop and float mineralization and lithogeochemical rock sampling should be completed at the same time as the soil surveys.
- **Ground geophysics:** Detailed magnetic, electromagnetic, IP and bore-hole geophysical surveys may be useful in following or identifying horizons containing potentially economic mineralization. Orientation surveys should be conducted over the mineralized zone at the Albere Showing and survey areas should be expanded using suitable methods employing optimum line and sample spacing.
- **Geological Mapping:** Geological mapping in past programs was completed with minimal survey control. Due to the highly deformed lithologies in the area, detailed geological mapping is required in the Albere Zone, and over any new targets defined by other exploration activities. Pending the results of the Phase 1A investigation of the gossan areas on the east limb of the anticlimorium, the area should be mapped, prospected and sampled in more detail by professional geotechnical climbers
- **Trenching:** In areas of known mineralized exposures such as the Albere Zone, a detailed trench sampling program should be completed. Helicopter portable backhoe and hand trenches should be

excavated in areas thought to contain near surface mineralization based on results of the grid geophysical and geochemical surveys. Blasting is a possible option for this procedure.

- **Drill Core Preservation:** Some of the drill core from early exploration programs has been lost due to the deterioration of the wooden core boxes. All core in rotting boxes should be reboxed and tagged for preservation.

Contingent on the results of the Phase 2 program, further exploration work consisting of diamond drilling may be warranted.

- **Other possible work:** From the information gathered during the 1997 drill program it is observed that the drill core sampling and logging in the 1960 program only partially defined the complex geology and lower grade zones and extensions to the higher grade zones already delineated. The existing logs mention several sections containing up to 5% sphalerite that were not sampled. The 1960 core should be re-logged and sampled in its entirety to help complete the picture starting to develop for the "main zone" geology. The 1984 core was not sampled for copper and there is some evidence that some low grade mineralized zones were not adequately sampled. In order to more fully quantify the resource the core should be re-logged, and any sections not previously split but containing evidence of mineralization should be sampled. The core that had been split may be 1/4 split and the mineralized sections may be bulk sampled for copper.

The core sampling in the 1980, 1981 and 1997 programs utilized conventional ICP analytical technology. The 1960 program analyzed for zinc, lead, copper and silver only. The 1984 program analyzed for zinc, lead, silver and gold only. These procedures do not fully analyze the potassium, sodium, and barium (among others) content of the submitted sample. In order to more fully understand the geochemistry of the rocks including and surrounding the Albere Zone this situation should be addressed. Kuroko deposits typically contain very pronounced sodium depletion zones below ore bearing mineralization, potassium enrichment proximal to the mineralization, and extensive barium anomalies.

All of the core has either not been analyzed by multi-element procedures and/or been subjected to total absorption analyses. This would be an opportunity to address the situation. The information gained may be very useful in developing models for exploring for other targets. This program can start with the samples from the 1997 drilling.

The existing core storage situation is inadequate to prevent eventual destruction of the core. The wooden boxes are exposed to the elements and will rot in about 10 years. Some type of structure capable of withstanding the heavy winter snow loads should be constructed to provide more permanent core storage.

A suitable Reclamation Program should be done upon the conclusion of the field work. After all results are received, the appropriate final reports should be completed to accurately document the technical data derived from the project.

USE OF PROCEEDS

Proceeds

The Offering hereunder is subject to a minimum subscription of 1,000,000 Units (\$250,000). In the event this minimum subscription is not attained within 90 days of the issuance of the final receipt for this prospectus, all funds raised hereunder will be refunded to investors without interest or deduction.

Funds Available

	Minimum Offering	Maximum Offering
Common Shares Sold	\$10	\$10
Series "A" Special Warrants	\$50,000	\$50,000
Series "B" Special Warrants	\$25,000	\$25,000
Net Proceeds of Offering	\$337,500	\$562,500
TOTAL	\$412,510	\$637,510
Less funds expended	<u>\$75,000</u>	<u>\$75,000</u>
Funds Available	<u>\$337,510</u>	<u>\$562,510</u>

Principal Purposes

The principal purposes for which the funds available are intended to be used, in order of priority, are as follows:

Description	Minimum Offering	Maximum Offering
1. To pay the balance of the legal, audit and administrative costs associated with this listing	\$ 10,000	\$ 10,000
2. To repay the shareholders loans outstanding	\$ 32,000	\$ 32,000
3. To pay outstanding current liabilities	\$ 82,982	\$ 82,982
4. To fund a portion of the 2006 phase 1B & 2 exploration program on the Scotia Property	\$ 100,000	\$250,000
5. Working capital to fund ongoing operations	<u>\$ 112,528</u>	<u>\$187,528</u>
Total:	<u>\$ 337,510</u>	<u>\$562,510</u>

We intend to spend the funds available to us as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

SELECTED CONSOLIDATED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Information

Audited for the period from
June 9, 2005 (incorporation)
to August 31, 2005

Revenues	Nil
Gross Profit (loss)	Nil
Net Income (loss)	(\$124,447)
Net Income (loss) per share	(\$0.02)
Net Income (loss) per share, on a fully diluted basis	(\$0.02)
Total assets	\$65,546
Long term debt	Nil
Total liabilities	\$114,982
Share Capital	\$75,010 ⁽¹⁾
Number of Common shares	1,000 ⁽¹⁾
Retained earnings (deficit)	(\$124,446)
Cash dividend declared per share	Nil

(1) As at August 31, 2005, there were a total of 5,500,000 Series "A" and "B" Special Warrants and 1,000 common shares issued and outstanding.

Dividends

We have not paid dividends in the past and do not anticipate paying dividends in the near future. We expect to retain our earnings to finance future growth and, when appropriate, retire debt.

Management Discussion and Analysis

Results of Operations

From Incorporation to August 31, 2005

During the period from incorporation on June 9, 2005 to the financial year ended August 31, 2005, the Company did not generate any revenue.

Expenses during this period were \$124,447 and include among other things, consulting, legal & accounting fees related to this listing of \$64,313, management fees of \$39,000, and rent and office administration fees of \$6,300.

During the period ended August 31, 2005, the Company incurred expenditures of \$49,877 for the acquisition of the Scotia Property.

Liquidity and Capital Resources

Since incorporation, the Company's capital resources have been limited. The Company has had to rely upon the sale of equity securities for the cash required for capital acquisitions, exploration and development, and administration, among other things.

The Company does not have any commitments for material capital expenditures over either the near or long term and none are presently contemplated other than as disclosed above and/or over normal operating requirements. The Company will continue to require funds in order to fund exploration programs on the Scotia Property and as a result, will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company.

During the period ended August 31, 2005, the Company issued 5,000,000 Series "A" Special Warrants, at a deemed price of \$0.01 per Series "A" Special Warrant, to Ialta, pursuant to the Option Agreement. Each Series "A" Special Warrant is exercisable into one common share of the Company at any time at the option of the holder on or before the fifth business day after a final receipt is issued by the last of the securities regulatory authorities in the Provinces of British Columbia and Alberta for a prospectus qualifying the issuance of the Special Warrant Shares on exercise of the Special Warrants (the "Special Warrant Expiry Time")

During the period ended August 31, 2005, the Company issued 500,000 Series "B" Special Warrants, at a deemed price of \$0.05 per Series "B" Special Warrant, to Mike England, in satisfaction of accrued consulting fees provided to the Company. Each Series "B" Special Warrant is exercisable, without the payment of any additional consideration, into one common share of the Company on the Special Warrant Expiry Time.

On the final receipt of this Prospectus by the British Columbia Securities Commission and the Alberta Securities Commission qualifying the issuance of the Special Warrants Shares, the Company will have a total of 5,501,000 common shares outstanding. Please see "Consolidated Capitalization" and "Plan of Distribution".

DESCRIPTION OF SECURITIES DISTRIBUTED

Shares

The Company has one class of securities outstanding, common shares. Our authorized share capital consists of an unlimited number of common shares without par value. As at the date of this Prospectus, we had a total of one thousand (1,000) common shares issued and outstanding.

All of the common shares of the Company rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and the entitlement to dividends. The holders of the common shares are entitled to receive notice of all meetings of shareholders and to attend and vote the shares at the meetings. Each common share carries with it the right to one vote.

In the event of the liquidation, dissolution or winding-up of the Company or other distribution of its assets, the holders of the common shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Company has paid out its liabilities. Distribution in the form of dividends, if any, will be set by the Board of Directors.

Special Warrants

The Company previously issued 5,500,000 Special Warrants pursuant to prospectus exemptions under applicable securities legislation comprised of the issuance of 5,000,000 Series “A” Special Warrants and 500,000 Series “B” Special Warrants, particulars of which are described below.

Series “A” Special Warrants. The Company issued 5,000,000 Series “A” Special Warrants in June 2005 pursuant to the Option Assignment Agreement with Ialta.

Series “B” Special Warrants. The Company issued 500,000 Series “B” Special Warrants in August, 2005 in satisfaction of outstanding fees owed pursuant to a professional services consulting agreement with Mr. Mike England.

Each Series “A” and Series “B” Special Warrant is exercisable into one Special Warrant Share and will be exercised or be deemed to have been exercised immediately prior to the Special Warrant Expiry Time.

CONSOLIDATED CAPITALIZATION

The following table details changes to the share and loan capital of the Company from the date of incorporation and after giving effect to this Offering.

Designation of Security	Number Authorized	Outstanding as at August 31, 2005		Outstanding after giving effect to the Minimum Offering and Exercise of all the Special Warrants (unaudited)		Outstanding after giving effect to the Maximum Offering and Exercise of all the Special Warrants (unaudited)	
		Amount	Number	Amount	Number	Amount	Number
Common Shares	Unlimited	\$10	1,000	\$375,010	1,501,000	\$625,010	2,501,000
Series “A” Special Warrants	5,000,000	\$50,000	5,000,000	\$50,000	5,000,000	\$50,000	5,000,000
Series “B” Special Warrants	500,000	\$25,000	500,000	\$25,000	500,000	\$25,000	500,000
Total Capitalization		\$75,010	5,501,000	\$450,010	7,001,000	\$700,010	8,001,000

OPTIONS TO PURCHASE SECURITIES

Options

We have not granted any options to purchase our securities to executive officers, directors, employees, consultants or any other persons.

Prior Sales

The following table outlines the number and prices at which our securities have been sold since June 9, 2005, the date of incorporation:

	Number of issued securities	Price per security	Total consideration
Common shares	1,000	\$0.01	\$10
Special Warrants:			
Series “A”	5,000,000 ⁽¹⁾	\$0.01	\$50,000 ⁽¹⁾
Series “B”	500,000 ⁽¹⁾	\$0.05	\$25,000
	5,501,000		\$75,010

⁽¹⁾ To be exchanged for Special Warrant Shares at no additional cost to the holders thereof. See “Plan of Distribution”.

ESCROWED SECURITIES

Securities held by principals of the Company are held in escrow pursuant to National Policy 46-201 *Escrow for Initial Public Offerings* (the “Escrow Policy”) for a period of time following the Company’s offering as an incentive for the principals to devote their time and attention to the Company’s business while they are securityholders. Principals include all persons or companies that, on the completion of the Company’s Offering, fall into one of the following categories:

- a) Directors and senior officers or the directors and senior officers of a material operating subsidiary;
- b) Promoters during the two years preceding the offering;
- c) Those who own and/or control more than 10% of the Company’s voting securities immediately after completion of the Offering if they also have appointed or have the right to appoint one or more of the Company’s directors or senior officers or one or more of the directors or senior officers of a material operating subsidiary;
- d) Those who own and/or control more than 20% of the Company’s voting securities immediately after completion of the Offering; and
- e) Associates and affiliates of any of the above.

The following table sets out the number of securities of the Company which will be held in escrow upon the exercise or deemed exercise of the Special Warrants:

Designation of class held in escrow	Number of securities held in escrow	Percentage of class ⁽¹⁾
Common Shares	1,862,250 ⁽¹⁾	26.6% ⁽²⁾

⁽¹⁾ Assumes that Ialta has distributed 3,934,324 common shares to its shareholders immediately upon exercise of the 5,000,000 Special Warrants held by Ialta. See “Principal Shareholder and Selling Security Holders”.

⁽²⁾ Based on the 7,001,000 common shares that will be issued after the completion if the Minimum Offering and conversion of the Special Warrants.

The common shares will be held in escrow pursuant to an Escrow Agreement to be dated before the Effective Date among the Company, Pacific Corporate Trust Company (the “Escrow Agent”) and the shareholders whose shares are held in escrow (the “Escrow Shareholders”).

As the Company will be considered an ‘emerging issuer’ as that term is defined under the Escrow Policy, a principal’s escrowed securities will be released according to the following schedule:

On the date the Issuer’s securities are listed on a Canadian exchange (the listing date)	1/10 of your escrow securities
6 months after the listing date	1/6 of your remaining escrow securities
12 months after the listing date	1/5 of your remaining escrow securities
18 months after the listing date	1/4 of your remaining escrow securities
24 months after the listing date	1/3 of your remaining escrow securities
30 months after the listing date	1/2 of your remaining escrow securities
36 months after the listing date	your remaining escrow securities

*In the simplest case, where there are no changes to the escrow securities initially deposited and no additional escrow securities, the release schedule outlined above results in the escrow securities being released in equal tranches of 15% after completion of the release on the listing date.

PRINCIPAL SHAREHOLDERS AND SELLING SECURITY HOLDERS

The following table sets out the number of all classes of securities owned by our principal shareholders as at the date of this Prospectus, including the number of common shares to be owned by the principal shareholders after the exercise or deemed exercise of the Special Warrants and the percentages of each class of securities known to the Company to be owned by the principal shareholders before and after the completion of the distribution contemplated hereunder.

Name of Principal Shareholder	Number of class of securities owned before completion of the Offering	Percentage of class before completion of the Offering	Number and class of securities owned after completion of the Offering ⁽¹⁾	Percentage of class after completion of the Offering	Percentage of class after completion of the Offering
				Minimum	Maximum
Ialta Industries Ltd.	5,000,000 Series “A” Special Warrants	100%	5,000,000 ⁽²⁾⁽³⁾	71.42%	62.49%
Michael England	500,000 Series “B” Special Warrants	100%	500,000 ⁽⁴⁾	7.14%	6.25%
Fraser Hindson	1,000 Common Shares	100%	296,575 ⁽⁵⁾	4.24%	3.71%

- (1) Common shares owned beneficially and of record after completion of the Offering and the deemed exercise of all of the Special Warrants.
- (2) 3,934,324 common shares to be issued on exercise of the Series “A” Special Warrants will be distributed to the shareholders of Ialta upon the Company becoming a reporting issuer in the Province of British Columbia and Alberta.
- (3) Upon distribution by Ialta of approximately 3,934,324 common shares to its shareholders, Ialta will hold a total of 1,065,675 common shares, which will be equal to 15.22% of the total issued and outstanding shares after the completion of the Minimum Offering and 13.32% after the completion of the Maximum Offering. 1,065,675 of the common shares to be held by Ialta will be held in escrow pursuant to the Escrow Agreement.

- (4) Mr. Mike England will beneficially own 500,000 common shares representing 7.14% of the total issued and outstanding shares after the completion of the Minimum Offering and 6.25% after the completion of the Maximum Offering. These shares will be held in escrow pursuant to the Escrow Agreement.
- (5) Upon the distribution by Ialta of the 3,934,324 common shares to Ialta shareholders, Mr. Fraser Hindson will beneficially own 296,575 common shares representing 4.24% of the total issued and outstanding shares after the completion of the Minimum Offering and 3.71% after the completion of the Maximum Offering. These shares will also be held in escrow pursuant to the Escrow Agreement.

DIRECTORS AND OFFICERS

Name, Address, Occupation and Security Holding

The following table sets out information regarding each of our directors and officers, including the municipality of residence, the position and office held and the period of time served in this position, their principal occupation for the previous 5 years, and the number of securities beneficially owned, directly or indirectly, or over which control or direction is exercised.

Name and Municipality of Residence and Position with Company	Occupation for past 5 Years	Appointment	Term Expiration	Common Shares Beneficially Owned, Directly or Indirectly at the date of this Prospectus
Michael England ⁽¹⁾ Port Coquitlam, B.C. President, Chief Executive Officer, Director	Mr. England has, for the past 10 years, been an independent business consultant in his capacity of President of England Communications Group	09/13/05	Next AGM	500,000 ⁽²⁾
Fraser Hindson Richmond, B.C. VP Corporate Development, Director	Mr. Hindson has been an independent consultant over the past five years	06/09/05	Next AGM	1,000 ⁽³⁾
Paul Gray ⁽¹⁾ P.Geo Vancouver, B.C. Director	Mr. Gray has been a professional geologist over the past 5 years and holds the Position of VP Exploration for Doublestar Resources Ltd.	09/13/05	Next AGM	Nil
Marvin Mitchell ⁽¹⁾ P.Eng. Vancouver, B.C. Director	Mr. Mitchell, has been a professional engineer for the past 38 years.	09/13/05	Next AGM	Nil

(1) Denotes a member of the Audit Committee of the Company.

(2) Denotes Special Warrants held which, upon determining regulatory approval of this Prospectus from the Securities Commissions, will be converted to Common Shares.

(3) Prior to completion of the Offering, the Company had one thousand (1,000) common shares issued and outstanding which were held by Fraser Hindson.

All of our directors will hold office until the next annual general meeting of our shareholders. The term of office of the officers expires at the discretion of the Company's Board of Directors.

The following is a brief description of the background of the key management and directors of the Company.

Mr. Michael England, President & CEO brings to the Company a diverse and proven track record with public companies dating back to the early 1980s. Having held various corporate directorships, Mr. England has been instrumental in numerous mineral resource property acquisitions and financings. He has provided strategic business consulting, investor relations services and capital financing services to these public companies. Most recently Mr. England held the position of president and director of United Bolero Development Corp. (TSX-V: UNB), a mining, oil and gas company, where he was responsible for raising \$1.5-million. Mr. England will provide guidance and expertise in the execution of Geo's strategic plan of development and exploration.

Mr. Fraser Hindson, VP of Corporate Development and Secretary brings over 30 years experience coordinating and integrating skilled professionals and logistical requirements. Mr. Hindson has held management positions with some of the largest computer companies in the world including director with a partner of IBM. Mr. Hindson has negotiated and managed partnership relations with a variety of organizations. Mr. Hindson has a bachelor of commerce from UBC with specialties in finance and management information systems. Mr. Hindson is the founding shareholder of the Company and has served as an active director of Ialta.

Mr. Paul Gray, Director of the Company holds a Professional Geologist (P.GEO) designation and is an acknowledged Qualified Person (QP). Mr. Gray holds a Bachelor of Science (Honours) degree from Dalhousie University and is currently the Vice President of Exploration for Doublestar Resources Ltd. (DSR – TSX.V). Mr. Gray leads Doublestar's exploration program design, implementation and assessment for the company's assets worldwide. Mr. Gray is also responsible for Doublestar's new property acquisition assessments and business partner relations.

Mr. Marvin Mitchell, Director of the Company has over 38 years experience in the mineral exploration industry including eight years as Exploration Manager for the Minerals Division of Ranger Oil Ltd and is a registered professional engineer in the Province of British Columbia. Mr. Mitchell received his degree from the Montana College of Mineral Science and Technology in 1968 (formerly Montana School of Mines). Mr. Mitchell currently sits on the board of several distinct TSX & CNQ Mining & Exploration companies.

Corporate Cease Trade Orders or Bankruptcies

None of our directors or officers or principal shareholders are, or have been within the last 10 years, directors or officer of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that issuer.

Penalties or Sanctions

None of our directors or officers or principal shareholders are, or have been within the last 10 years, the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

None of our directors or officers or principal shareholders, or personal holding company of such persons, has, within the last 10 years, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Company's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

EXECUTIVE COMPENSATION

Compensation of Directors

Set out below are particulars of the compensation paid to the Named Executive Officers of the Company. Named Executive Officers are:

- (a) the Company's Chief Executive Officer and Chief Financial Officer, despite the amount of compensation of that individual;
- (b) each of the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000 per year; and
- (c) any additional individuals for whom disclosure would have been provided under (b) but for the fact that the individual was not serving as an executive officer of the Issuer at the end of the most recently completed financial year.

As at September 13, 2005 the Company had two Named Executive Officers, Mike England and Fraser Hindson. Their positions within the Company are set out in the summary of compensation table below.

Summary of Compensation

The following table is a summary of compensation paid to the Named Executive Officers for each of the Company's three most recently completed fiscal years.

Name of principal position of Named Executive Officer	Fiscal Year Ending	Annual Compensation			Long Term Compensation			All Other Compensation
		Salary	Bonus	Other Annual Compensation	Awards		Payouts	
					Securities Under Options Granted	Restricted Shares	Long-term Incentive Plans	
Mike England ⁽¹⁾ President & CEO	2003	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2004	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2005	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Fraser Hindson ⁽²⁾⁽³⁾ VP Corporate Development	2003	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2004	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2005	\$9,000	Nil	Nil	Nil	Nil	Nil	Nil

- (1) Mr. Mike England will receive a salary of \$3,000 per month plus GST as stipulated in his management contract signed on September 15, 2005
- (2) Mr. Fraser Hindson has accrued a salary of \$3,000 per month for the three month period ending August 31, 2005 and will receive a salary of \$2,000 plus GST per month as stipulated in his management contract signed September 15, 2005 going forward.
- (3) Mr. Hindson was president of the Company from June 9, 2005 to September 13, 2005.

Long-Term Incentive Plans, Options and SARs Awards in Most Recently Completed Fiscal Year

During the most recently completed fiscal year, there were no incentive stock options and SARs (stock appreciation rights) granted to the Named Executive Officers. The Company has no long-term incentive plans in place and therefore there were no awards made under any long-term incentive plan to the Named Executive Officers during the Company's most recently completed fiscal year. A "Long-Term Incentive Plan" is a plan under which awards are made based on performance over a period longer than one fiscal year, other than a plan for options, SARs (stock appreciation rights) or restricted share compensation.

Name	Securities Under Options Granted	% of Total Options Granted to Employees in Fiscal Year	Exercise of Base Price (\$/Security)	Market Value of Securities underlying Options on the Date of Grant (\$/Security)	Expiration Date
Michael England	Nil	Nil	Nil	Nil	Nil
Fraser Hindson	Nil	Nil	Nil	Nil	Nil

Aggregated Option/SAR Exercises During the Most Recently Completed Fiscal Year and Fiscal Year End Option/SAR Values

During the most recently completed fiscal year, there were no incentive stock options or SARs exercised by the Named Executive Officers.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (#)	Unexercised options at Fiscal Year End Exercisable/Unexercisable (#)	Value of Unexercised in-the-money Options at Fiscal Year End (\$) Exercisable/Unexercisable
Michael England	Nil	Nil	Nil	Nil
Fraser Hindson	Nil	Nil	Nil	Nil

Termination of Employment, Change in Responsibilities and Employment Contracts

There are no other compensatory plans or arrangements with respect to the Named Executive Officers resulting from the resignation, retirement or other termination of employment or from a change of control of the Issuer.

Compensation of Directors

The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors, except that the Company intends, in the future, to grant directors incentive stock options from time to time. During the most recently completed financial year, the Company did not grant any incentive stock options to directors.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our directors and executive officers and their associates are indebted to the Company.

PLAN OF DISTRIBUTION

The Company has applied to quote the securities distributed under this prospectus on the Canadian Trading and Quotation System Inc. (the “CNQ”). Quotation will be subject to fulfilling all of the requirements of the CNQ.

The Offering

We are offering to the public a minimum of 1,500,000 Units and a maximum of 2,500,000 Units, at a price of \$0.25 per Unit, to raise gross proceeds of \$375,000 or \$625,000 respectively. A minimum of 500,000 and a maximum of 1,000,000 of the Units will be offered on a flow-through basis, with the common share comprising the flow-through Units consisting of a ‘flow-through share’ for Canadian federal income tax purposes. See “Certain Canadian Federal Income Tax Consequences” below.

The Units will be offered at a price of \$0.25 per Unit for a period ending on the earlier of 12 months from the date of issuance of a receipt for the preliminary prospectus or 90 days following the date of the receipt issued by the Commissions for the final prospectus.

The price of the Units was established arbitrarily by the Company after reference to the stage of development of the Company and the sale-ability and general market conditions for the Offering.

The Offering will not continue for a period of more than 90 days following the date of the receipt for the final prospectus of the Company if subscriptions representing the minimum amount of funds are not obtained within that period, unless each of the persons or companies who have subscribed within that period have consented to the continuation. Funds received from subscriptions will be held in trust by our solicitor, Gordon J. Fretwell Law Corporation, during that 90 day period and if the minimum amount of funds is not raised, the funds will be returned to the subscribers.

The Special Warrant Offering

This prospectus qualifies the issuance of 5,500,000 common shares which are issuable, without the payment of any additional consideration, upon the exercise of the Series “A” and “B” Special Warrants (the “Special Warrant Offering”), particulars of which are as follows:

Series “A” Special Warrants: The Company issued 5,000,000 Series “A” Special Warrants to Ialta in June 2005 pursuant to the Option Assignment Agreement. Each Series “A” Special Warrant is exercisable into one common share of the Company (a “Special Warrant Share”), at any time at the option of the holder on or before the Special Warrant Expiry Time. Any Series “A” Special Warrants not exercised prior to the Special Warrant Expiry Time will be deemed to have been exercised immediately prior to the Special Warrant Expiry Time. The Company will not receive any additional proceeds with respect to the Series “A” Special Warrant Shares distributed on exercise of the Special Warrants under the Special Warrant Offering. The Series “A” Special Warrants were issued pursuant to prospectus exemptions under applicable securities legislation.

Series “B” Special Warrants: The Company issued 500,000 Series “B” Special Warrants in August, 2005 pursuant to a professional services consulting agreement with Mike England. Each Series “B” Special Warrant is exercisable into one common share of the Company (a “Special Warrant Share”), at any time at the option of the holder, on or before the Special Warrant Expiry Time. Any Series “B” Special Warrants not exercised prior to the Special Warrant Expiry Time will be deemed to have been exercised immediately prior to the Special Warrant Expiry Time. The Company will not receive any additional proceeds with respect to the Series “B” Special Warrant Shares distributed on exercise of the Special Warrants under the Special Warrant Offering. The Series “B” Special Warrants were issued pursuant to prospectus exemptions under applicable securities legislation.

The price for each Special Warrant issuance was established arbitrarily by the Company after reference to the stage of development of the Company and the sale-ability and general market conditions for such issuance.

RISK FACTORS

The securities of the Company should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in this prospectus prior to making an investment in our securities. In addition to the other information presented in this prospectus, the following risk factors should be given special consideration when evaluating an investment in any of our securities.

Exploration and Development: The Scotia Property is in an exploration stage only and is without a known body of commercial ore. Development of the Scotia Property will only follow upon obtaining satisfactory results. Exploration and development of natural resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that the Company’s exploration and development activities will result in any discoveries of commercial bodies of ore. The long term profitability of the Company’s operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Operating Hazards and Risks: Exploration for natural resources involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Although the Company has or will obtain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Fluctuating Prices: The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of base and precious metals such as gold. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of base and precious metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Environmental Factors: All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Aboriginal Rights: Aboriginal rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Company is not aware of any aboriginal land claims having been asserted or any legal actions relating to native issues having been instituted with respect to any of the minerals claims in which the Company has an interest.

Competition: The resource industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition could adversely affect the Company's ability to acquire suitable properties for exploration in the future.

Options and Joint Ventures: The Company may, in the future, be unable to meet its share of costs incurred under option or joint venture agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

Title to Assets: Although the Company has or will receive title options for any concessions in which it has or will acquire a material interest, there is no guarantee that title to such concessions will be not challenged or impugned. In some countries, the system for recording title to the rights to explore, develop and mine natural resources is such that a title opinion provides only minimal comfort that the holder has title. Also,

in many countries, claims have been made and new claims are being made by aboriginal peoples that call into question the rights granted by the governments of those countries.

Political and Economic Instability: The Company may be affected by possible political or economic instability. The risks include, but are not limited to, terrorism, military repression, extreme fluctuations in currency exchange rates and high rates of inflation. Changes in resource development or investment policies or shifts in political attitude in certain countries may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. The effect of these factors cannot be accurately predicted.

Management: The Company is dependent on a relatively small number of key employees, the loss of any of whom could have an adverse effect on the Company.

Exchange Rate Fluctuation: The profitability of the Company may be adversely affected by fluctuations in the rate of exchange of Canadian dollars into U.S. dollars. The Company does not currently take any steps to hedge against currency fluctuations.

Requirement of New Capital: As an exploration company without revenues, the Company typically needs more capital than it has available to it or can expect to generate through the sale of its products. In the past, the Company has had to raise, by way of debt and equity financing, considerable funds to meet its capital needs. There is no guarantee that the Company will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion will limit the Company's growth.

Flow-Through Tax Deduction: The Company will use its best efforts to ensure that expenditures it incurs qualify as CEE and are eligible for deduction by purchasers of the flow-through Shares. The application and interpretation of the *Income Tax Act* (Canada) are, in some instances, uncertain and the expenditures incurred by the Company may not qualify as CEE, and may result in the purchasers of flow-through Shares not been able to deduct those expenditures.

Dividends: The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain its earnings to finance further growth and, when appropriate, retire debt.

Value of Company: The Company's assets are of indeterminate value. For further particulars see the financial statements scheduled hereto.

Liquidity: The common shares of the Company are subject to certain trade restrictions, which may include a hold period restricting the trading of the securities.

PROMOTERS

We do not have any written or verbal contracts or any other arrangement in effect with any person to provide promotional or investor relations services.

LEGAL PROCEEDINGS

There are no legal proceedings or pending legal proceedings to which we are or are likely to be a party to or of which our property is likely to be the subject of.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The following is a description and approximate amount of any transaction between the Company and any director or senior officer of the Company, any principal shareholder, and their associates or affiliates since the date of incorporation of the Company:

1. The Company was assigned an option to earn a 50% interest in the Scotia Property from Ialta Industries Ltd. in accordance with the Option Assignment Agreement pursuant to which the Company issued to Ialta 5,000,000 Special Warrants as consideration for the assignment of the Doublestar Option Agreement and for services rendered by Ialta.
2. Ialta and the Company entered into an Administrative/Management Services Agreement dated June 9, 2005. Pursuant to the Administrative/Management Services Agreement, the Company agreed to pay rent and office services fees of \$2,100 per month to Ialta for a period of 6 months expiring on November 30, 2005. Pursuant to the Administrative/Management Services Agreement Ialta agreed to limit its fees for the preparation and filing of the Prospectus to a further \$10,000 plus PST and GST.
3. Mike England and the Company entered into a letter agreement dated July 1, 2005 regarding professional services. Pursuant to the letter agreement Mike England agreed to accept 500,000 Series "B" Special Warrants as consideration for such fees .
4. Fraser Hindson entered into a verbal agreement with the Company in June, 2005 pursuant to which he provided management services to the Company for \$3,000 per month. The verbal agreement was superseded by a written agreement with the Company dated September 15, 2005 pursuant to which Mr. Hindson receives \$2,000 per month plus GST for providing management services.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a management prepared summary of the principal Canadian federal income tax considerations applicable to purchasers who acquire flow-through shares pursuant to this prospectus, who are individuals or corporations that are resident in Canada, who deal at arm's length with the Company and who hold the flow-through shares as capital property within the meaning of the *Income Tax Act* (Canada) (the "Tax Act"). The shares will generally be considered to be capital property unless the purchaser holds such shares in the course of carrying on a business of trading or dealing in securities or has acquired them in a transaction or transactions considered to be an adventure in the nature of a trade.

This summary does not address purchasers who or which are partnerships, trusts, "principal-business corporations" as that phrase is defined in the Tax Act (being essentially corporations whose main business is the exploitation of natural resources), traders or dealers in natural resource properties, "financial institutions" as that phrase is defined in the Tax Act, persons who deal with the Company on a non-arm's length basis or non-residents of Canada.

This summary is based upon the current provisions of the Tax Act, the regulations thereunder (the “Regulations”), any publicly-announced proposals (the “Proposals”) to amend the Tax Act or Regulations prior to this date and our understanding of the current administrative policies of the Canada Revenue Agency (“CRA”). This summary does not take into account or anticipate any other changes in law (which may, without notice, apply on a retroactive basis) nor does it take into account the tax laws of any province of Canada or any jurisdiction outside Canada. No assurances can be given that any of the Proposals will be enacted into law or that legislation will implement the Proposals in the manner now proposed.

This summary assumes that the Company will make all the necessary tax filings in respect of the issuance of the flow-through shares comprised in the Flow-Through Units and the renunciation of CEE in the manner and within the time required by the Tax Act and the Regulations. This summary assumes that the Company will be a “principal-business corporation” at all material times and that the flow-through shares, when issued, will not be “prescribed shares” within the meaning of the Tax Act.

This summary is of a general nature only and is not exhaustive of all Canadian federal income tax considerations. This summary is not intended to be, and should not be construed to be, legal or tax advice to any prospective purchaser and no representation is made with respect to the tax consequences to any particular purchaser. Accordingly, prospective purchasers should consult their own legal and tax advisors to determine the particular tax consequences to them having regard to their own particular circumstances.

Flow-Through Shares

A “principal-business corporation” as that phrase is defined in the Tax Act, that incurs Canadian exploration expense (“CEE”) with funds received from a purchaser pursuant to an agreement to subscribe for flow-through shares (other than certain prescribed shares described in the Regulations) can renounce such CEE to the purchaser so that the expenses are deemed, for income tax purposes, to have been incurred by the purchaser. Generally, CEE includes any expense incurred by a corporation for the purpose of determining the existence, location, extent, or quality, of a mineral resource in Canada (“Grass Roots Expenses”).

Pursuant to the flow-through Unit subscription agreement to be entered into between the Company and each purchaser obtaining flow-through shares, the Company will represent that it is, and at all material times will be, a principal-business corporation and that the flow-through shares will not be prescribed shares when they are issued. To effectively renounce the CEE to purchasers, the Company must make certain filings with respect to issuance of the flow-through shares and renunciation of CEE in the manner and within the times required by the Tax Act. The Company will represent to purchasers that it will make such filings and provide purchasers with the necessary information with respect to CEE renounced for purposes of each purchaser’s income tax returns. However, the preparation and filing of the income tax returns will be the responsibility of each purchaser.

In general terms, the Company can renounce CEE incurred by it between the date the Agreement is fully executed by the Company and the purchaser and the end of March of the calendar year following the date which is 24 months from the end of the month that includes that date. The Company will be entitled to renounce the amount of CEE otherwise deductible by it, less: (i) any previous renunciations with respect to such CEE; (ii) any portion of such CEE that is prescribed under the Regulations as relating to overhead expenses; (iii) any assistance the Company has received or may reasonably be expected to receive that is reasonably related to such CEE; and (iv) any such CEE that is the cost of, or an expense incurred for the

use of, certain seismic data as more fully described in the Tax Act. The Company may not renounce to purchasers an amount in excess of the consideration paid by the purchasers for the flow-through shares.

Further, the Company will not be entitled to renounce CEE to the extent that such renunciation, if effective, would cause the Company's own cumulative CEE account to be negative. Where an agreement is entered into and the purchaser has paid money for the flow-through Units before the end of a calendar year ("Year 1"), the Tax Act will permit the Company to make a renunciation by March 31 of the next calendar year ("Year 2") in respect of certain CEE which the Company plans to incur or has incurred in Year 2 and such renunciation will be effective December 31 of Year 1. The Company will be required under the Tax Act to pay deductible monthly charges on any balance of CEE renounced but not incurred at the end of each month in Year 2 (other than January) for CEE renounced effective December 31 of Year 1 under the Agreement. The monthly charge is the consideration received by the Company allocated to the flow-through shares comprised in the flow-through Units under the Agreement multiplied by 1/12th of the prescribed rate used for the purpose of determining refund interest under the Tax Act.

In the event that the Company fails to expend the renounced amounts on CEE by the end of Year 2 in connection with the flow-through shares, the Company will be required to adjust renunciations made to purchasers. Purchasers will not be required to pay interest to the government on any increase in income tax payable as a result of such adjustment until April of the calendar year following the renunciation. In addition, the Company must pay a charge under the Tax Act equal to 10% of the balance of any renounced but unexpended CEE at the end of Year 2.

Deduction for CEE

CEE deemed to have been incurred by a purchaser will be added to the purchaser's cumulative CEE account. A purchaser may deduct, in computing income from all sources for a taxation year, such amount as may be claimed not exceeding 100% of the purchaser's cumulative CEE account.

Any such deductions reduce the purchaser's CEE account by a corresponding amount. Also, a purchaser's CEE account is reduced by the amount of any assistance the purchaser receives or becomes entitled to receive in respect of CEE included in that account. CEE incurred by the

Company in conducting grassroots mining exploration activities from or above the surface of the earth for the purpose of determining the existence, location, extent or quality of a base or pressure metal deposit will, upon renunciation to a purchaser who is an individual (other than a trust) give rise to a 15% non-refundable investment tax credit for that purchaser. This tax credit can be applied by a purchaser to offset federal taxes otherwise payable. CEE incurred in connection with digging test pits and preliminary sampling generally will not qualify for the non-refundable federal investment tax credits.

The cumulative CEE pool of a purchaser, at any time in a taxation year, will be reduced by the amount of the 15% non-refundable investment tax credit claimed by the purchaser in the preceding year. If a purchaser's CEE account becomes negative at the end of a taxation year, that amount must be included in the purchaser's income for that year, and the resulting balance in the account is nil until the purchaser incurs or is deemed to incur further CEE. For example, if a purchaser deducts an amount equal to 100% of his CEE account and claims that 15% federal tax credit in Year 1, and the purchaser does not incur and is not deemed to incur any CEE in Year 2, the CEE account will be negative in Year 2. And that negative amount must be included in the purchaser's income for computing his income tax liability for Year 2.

To the extent that a purchaser does not deduct the balance of his or her cumulative CEE account at the end of a taxation year, the balance will be carried forward indefinitely and, generally, the purchaser will be

entitled to claim deductions in respect thereof in subsequent taxation years. A purchaser who disposes of flow-through shares will retain the entitlement to receive renunciations of CEE from the Company as described above as well as the ability to deduct any CEE previously renounced to the purchaser by the Company, and the buyer who purchases such shares from the purchaser will not be entitled to a renunciation of any CEE or to such deductions.

The Company does not propose to engage counsel to verify the expenses incurred or to be incurred, the amounts of renunciation made or to be made by the Company, nor the effective date of any renunciation.

Disposition of Flow-Through Shares

Any disposition or deemed disposition (other than a disposition to the Company) of flow-through shares may result in the realization of a capital gain (or capital loss) in the taxation year of the disposition, equal to the amount by which the proceeds of disposition and any costs of disposition exceed (or are exceeded by) the adjusted cost base of the flow-through shares.

Flow-through shares are deemed by the Tax Act to have been acquired at a cost of nil, notwithstanding the amount actually paid for the shares. However, the “adjusted cost base”, as that phrase is defined in the Tax Act, of a flow-through share to a purchaser at any time will be averaged with the adjusted cost base of any other flow-through or non-flow-through common shares of the Company in the same class of such shares which are held by the purchaser at that time as capital property.

One-half of any capital gain (i.e., a taxable capital gain) from the disposition of flow-through shares or non-flow-through warrants must be included in the purchaser’s income for the taxation year in which the disposition occurs. One-half of any capital loss (i.e., an allowable capital loss) may be deducted by the purchaser from taxable capital gains for the year, and any excess allowable capital losses may generally be carried back three years and forward indefinitely. Allowable capital losses may not generally be used to offset other types of income. In some circumstances, an allowable capital loss will be denied if the loss arises from a disposition to a related person.

A purchaser that is a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay, in addition to the tax otherwise payable under the Tax Act, a refundable tax of $6\frac{2}{3}\%$, determined by reference to its aggregate investment income for the year, which is defined to include an amount in respect of taxable capital gains.

Dividends Received on Flow-Through Shares

Dividends received by an individual on the flow-through shares may be eligible for a dividend tax credit. For purposes of calculating the individual’s income, dividends received by the individual will be increased by one quarter (the “gross-up”) and the total amount is added to the individual’s income. The individual will then be entitled to a credit against federal income tax payable equal to two-thirds of the amount of the gross-up. Dividends received by a corporation on flow-through shares are normally received tax-free under the Tax Act, but may be subject to a special refundable tax under Part IV of the Tax Act.

Alternative Minimum Tax

Under the Tax Act, taxes payable by an individual are the greater of the taxes otherwise determined, and an alternative minimum tax based in part on the amount by which the individual’s “adjusted taxable income” as that phrase is defined in the Tax Act, for the year exceeds \$40,000. In calculating adjusted taxable income,

certain deductions and credits otherwise available are disallowed and certain amounts not otherwise taxable are included in income. The disallowed items include deductions claimed by the individual in respect of CEE, to the extent they gave rise to losses from resource-related activities, and in respect of any carrying charges relating to the acquisition of flow-through shares. For these purposes, 80% of the amount of net capital gains realized by an individual during the year is also added to the individual's adjusted taxable income.

Consequently an individual who deducts CEE or disposes of flow-through shares may be subject to alternative minimum tax. Any additional tax payable by an individual purchaser for a taxation year by virtue of alternative minimum tax may be carried forward and credited against the purchaser's ordinary income tax otherwise payable in the next-following seven taxation years. However, such credits can be applied only in any of those seven years if the purchaser's ordinary income tax liability in that year exceeds what would be the purchaser's minimum tax liability for that year.

Whether alternative minimum tax applies in each particular purchaser's case will depend on the amount of such purchaser's income, the sources from which it is derived, and the nature and amounts of deductions such purchaser claims. Purchasers should consult their tax advisors to determine whether they will be subject to alternative minimum tax.

Interest

Generally, a purchaser will be entitled to deduct a reasonable amount of interest paid or payable on money borrowed to acquire flow-through shares provided the purchaser continues to own the shares or otherwise uses the borrowed funds to earn income from a business or property.

Eligibility for Investment in Deferred Income Plans

If Common shares (including flow-through shares) were listed on a prescribed stock exchange on the date hereof, the flow-through shares would be "qualified investments" for a trust governed by a "registered retirement savings plan", a "deferred profit sharing plan", a "registered education savings plan", or a "registered retirement income fund". Purchasers who wish to contribute all or a portion of their flow-through shares to any such deferred-income plan should consult their own tax advisors as to the tax consequences of such a contribution. Please note that the CNQ is not currently a prescribed stock exchange and as such, the flow-through shares are not "qualified investments".

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditor

The Company's auditors are Davidson & Company, located at Suite 1200, Stock Exchange Tower, 609 Granville Street, P.O. Box 10032 Pacific Centre, Vancouver, B.C., V7Y 1G8

Transfer Agent and Registrar

The transfer agent and registrar of the Company's common shares is Pacific Corporate Trust Company, located at 10th Floor, 625 Howe Street, Vancouver, British Columbia.

MATERIAL CONTRACTS

The following are the material contracts entered into by the Company since incorporation:

1. Administrative/Management Services Agreement dated June 9, 2005 between the Company and Ialta Industries Ltd..
2. Registrar and Transfer Agreement dated September 26, 2005 between the Company and Pacific Corporate Trust Company.
3. Option Assignment Agreement dated June 9, 2005 between the Company and Ialta Industries Ltd. regarding the Scotia Property (see: “General Development of Our Business - Significant Acquisitions and Dispositions”).
4. Letter Agreement regarding professional services dated July 1, 2005 between the Company and Mike England.
5. Escrow Agreement dated September 30, 2005 between the Company, Pacific Corporate Trust Company and certain shareholders (see: “Escrowed Securities”).
6. Management contract dated September 15, 2005 between Mike England and the Company.
7. Management contract dated September 15, 2005 between Fraser Hindson and the Company.
8. Promissory note dated June 27, 2005 issued by the Company to Fraser Hindson evidencing the Company’s debt obligation repayment in the amount of \$32,000.

These material contracts can be inspected at our office, 8561 Commerce Court, Burnaby, British Columbia, during normal business hours during the distribution of the common shares offered hereunder and for a period of thirty days thereafter. These material contracts will also be available on SEDAR upon the issuance of a final receipt for this prospectus.

INTERESTS OF EXPERTS

There are no other interests of experts relating to the securities offered in this Prospectus that have not been disclosed elsewhere in this Prospectus.

TAX ISSUES

Income tax consequences in relation to the Units will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers prior to subscribing for the Units. See “CANADIAN FEDERAL INCOME TAX CONSIDERATIONS”.

OTHER MATERIAL FACTS

There are no other material facts relating to the securities offered in this Prospectus that have not been disclosed elsewhere in this Prospectus.

PURCHASERS' STATUTORY RIGHT OF**WITHDRAWAL AND RESCISSION**

In the event that a holder of a Special Warrant who acquires a common share of the Company upon the exercise of a Special Warrant as provided for in this prospectus, is or becomes entitled under applicable securities legislation to the remedy of rescission by reason of this prospectus or any amendment hereto containing a misrepresentation, such holder shall be entitled to rescission not only of the holder's exercise or deemed exercise of its Special Warrant, but also of the transaction pursuant to which the Special Warrant was initially acquired, and shall be entitled in connection with such rescission to a full refund of all consideration paid to the Company on the acquisition of the Special Warrant. In the event such holder is a permitted assignee of the interest of the original Special Warrant subscriber, such permitted assignee shall be entitled to exercise the rights of rescission and refund granted to the original Special Warrant subscriber hereunder as if such permitted assignee was such original subscriber. The foregoing is in addition to any other right or remedy available to a holder of the Special Warrant under applicable securities legislation.

Securities legislation in certain provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Attached to and forming a part of this prospectus are audited financial statements of the Company for the fiscal year ended August 31, 2005.

GEO MINERALS LTD.

FINANCIAL STATEMENTS

AUGUST 31, 2005

AUDITORS' REPORT

To the Directors of
Geo Minerals Ltd.

We have audited the balance sheet of Geo Minerals Ltd. as at August 31, 2005 and the statements of operations and deficit and cash flows for the period from incorporation on June 9, 2005 to August 31, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2005 and the results of its operations and its cash flows for the period then ended in accordance with Canadian generally accepted accounting principles.

Vancouver, Canada

Chartered Accountants

October 3, 2005
(except as to Note 11, which
is as of _____)

GEO MINERALS LTD.
BALANCE SHEET
AS AT AUGUST 31, 2005

ASSETS

Current

Cash	\$	254
Receivables		<u>8,915</u>
		9,169

Mineral property (Note 3)		<u>56,377</u>
	\$	<u>65,546</u>

LIABILITIES AND SHAREHOLDERS' DEFICIENCY

Current

Accounts payable and accrued liabilities	\$	22,948
Due to related parties (Note 4)		60,034
Note payable to related party (Note 4)		<u>32,000</u>
		<u>114,982</u>

Shareholders' deficiency

Special warrants (Note 5)		75,000
Capital stock (Note 5)		10
Deficit		<u>(124,446)</u>
		<u>(49,436)</u>
	\$	<u>65,546</u>

Nature and continuance of operations (Note 1)

On behalf of the Board:

 "Fraser Hindson"

 Director

 "Michael England"

 Director

The accompanying notes are an integral part of these financial statements.

GEO MINERALS LTD.**STATEMENT OF OPERATIONS AND DEFICIT**

PERIOD FROM INCORPORATION ON JUNE 9, 2005 TO AUGUST 31, 2005

GENERAL AND ADMINISTRATIVE EXPENSES	
Accounting and audit fees	\$ 3,000
Consulting fees	60,580
Legal	733
Management fees	39,000
Office and administration	6,300
Property investigation	<u>14,833</u>
 Loss, being deficit, end of period	 \$ (124,446)
Basic and diluted loss per share	\$ (0.02)
 Weighted average number of shares outstanding	 5,001,000

The accompanying notes are an integral part of these financial statements.

GEO MINERALS LTD.**STATEMENT OF CASH FLOWS**

PERIOD FROM INCORPORATION ON JUNE 9, 2005 TO AUGUST 31, 2005

CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	\$ (124,446)
Items not affecting cash:	
Consulting fees paid with special warrants	60,580
Property investigation costs paid with special warrants	7,920
Change in non-cash working capital items:	
Increase in receivables	(8,915)
Increase in due to related parties	60,034
Increase in accounts payable and accrued liabilities	<u>22,948</u>
Net cash provided by operating activities	<u>18,121</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Note payable to related party	32,000
Proceeds from issuance of capital stock	<u>10</u>
Net cash provided by financing activities	<u>32,010</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Deferred exploration costs	<u>(49,877)</u>
Net cash used in investing activities	<u>(49,877)</u>
Cash, end of period	<u><u>\$ 254</u></u>

Supplemental disclosure with respect to cash flows (Note 6)

The accompanying notes are an integral part of these financial statements.

GEO MINERALS LTD.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated on June 9, 2005 under the British Columbia Company Act. The Company is pursuing opportunities in the exploration of mineral and natural resource properties and is considered to be in the development stage.

The Company is in the process of acquiring and exploring its mineral properties and has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. Continued operations of the Company are dependent on the Company's ability to receive continued financial support, complete public equity financing, or generate profitable operations in the future.

Working capital deficiency	\$ (105,813)
Deficit	\$ (124,446)

2. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

Mineral properties

All costs related to the acquisition, exploration and development of mineral properties are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

GEO MINERALS LTD.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Asset retirement obligations

An asset retirement obligation is a legal obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. This would include obligations related to future removal of property and equipment, and site restoration costs. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability.

Stock-based compensation

Stock options granted to employees and non-employees are recorded at fair value on the date of grant. Any consideration paid by the option holders to purchase shares is credited to capital stock.

Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. There were no dilutive instruments outstanding as of August 31, 2005.

Basic loss per share is calculated using the weighted-average number of common shares outstanding during the period. The Company also includes the weighted-average number of special warrants in the calculation of basic earnings per share if failure to obtain a final prospectus receipt for the special warrants does not result in a cash refund.

Future income taxes

Future income taxes are recorded using the asset and liability method. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

GEO MINERALS LTD.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

3. MINERAL PROPERTY

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

Scotia Property

The Company entered into an option agreement to earn a 50% interest in a mineral property located in the Scotia River area of the Skeena Mining district of British Columbia. The terms of this agreement require the Company to issue 300,000 shares, and incur \$2,000,000 in exploration expenditures over 5 years as follows:

Due Dates	Share Issuances	Exploration Expenditures
By October 31, 2005	50,000 shares	\$ 50,000
By October 31, 2006	50,000 shares	200,000
By October 31, 2007	50,000 shares	300,000
By October 31, 2008	50,000 shares	400,000
By October 31, 2009	50,000 shares	500,000
By October 31, 2010	<u>50,000 shares</u>	<u>550,000</u>
Total	300,000 shares	\$ 2,000,000

The following costs were incurred on the Scotia Property:

	Total
Acquisition of mineral claims	\$ 6,500
Administration	4,510
Assays and lab tests	2,853
Equipment rental	1,300
Field expenses	3,185
Geological consulting	17,000
Staking and maintenance fees	2,000
Travel and transport	<u>19,029</u>
Balance, end of period	\$ 56,377

GEO MINERALS LTD.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

4. RELATED PARTY TRANSACTIONS

Amounts due to related parties were for services rendered and are non-interest bearing, unsecured and have no fixed terms of repayment.

The note payable to related party bears interest at 10% per annum calculated quarterly and is secured by a general security agreement.

During the period ended August 31, 2005, the Company entered into the following transactions with related parties:

- a) Paid or accrued management fees of \$9,000 to a director of the Company.
- b) Paid or accrued management fees of \$30,000 to a company with common directors.
- c) Paid or accrued office and administration costs of \$6,300 to a company with common directors.
- d) Issued 650,000 special warrants with a value of \$6,500 for a mineral property option payment to a company with a common director.
- e) Issued 4,850,000 special warrants with a value of \$68,500 for consulting and property investigation fees to an officer and a company with a common director.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

5. CAPITAL STOCK

	Number of Shares	Amount
Authorized Unlimited common shares without par value		
Issued - Founders shares and balance as at August 31, 2005	<u>1,000</u>	<u>\$ 10</u>
Special Warrants -		
Special warrants issued for mineral property	650,000	\$ 6,500
Special warrants issued for consulting and property investigation fees	<u>4,850,000</u>	<u>68,500</u>
Balance as at August 31, 2005	<u>5,500,000</u>	<u>\$ 75,000</u>

Capital stock

A total of 1,000 shares and 5,500,000 special warrants are subject to an escrow agreement with their release at the discretion or determination of the applicable regulatory authority.

GEO MINERALS LTD.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

5. CAPITAL STOCK (cont'd...)

Stock options

The Company grants stock options in accordance with the policies of the TSX Venture Exchange ("TSX-V") under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. Under the policies, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

There were no options granted during the period.

Special warrants

The Company issued 4,850,000 special warrants with a value of \$68,500 and 650,000 special warrants with a value of \$6,500. These warrants are exercisable at the option of the holder into 5,500,000 common shares on or before the fifth day following the commission issuing a receipt for the Company's prospectus (Note 11). Any special warrants not exercised by the fifth day will be automatically converted into common shares of the Company.

6. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2005
Cash paid during the period for income taxes	\$ -
Cash paid during the period for interest	\$ -

The Company issued 4,850,000 special warrants with a value of \$68,500 in exchange for services rendered and 650,000 special warrants with a value of \$6,500 for a mineral property.

7. SEGMENT INFORMATION

The Company currently conducts substantially all of its operations in one business segment, being the acquisition and exploration of mineral properties in Canada (Note 3). The loss from operations for the period ended August 31, 2005 is attributed to the Company's corporate office in Canada.

GEO MINERALS LTD.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2005
Loss for the period	\$ (124,446)
Expected income tax (recovery)	\$ (44,303)
Non-tax deductible items	5,281
Unrecognized benefits of non-capital losses	<u>39,022</u>
Actual income tax recovery	\$ -

The significant components of the Company's future income tax assets are as follows:

	2005
Future income tax assets	
Non-capital losses available for future periods	\$ 39,022
Resource properties	<u>5,281</u>
	44,303
Less: valuation allowance	<u>(44,303)</u>
	\$ -

The Company has non-capital losses for Canadian income tax purposes of approximately \$110,000 which can be carried forward to reduce taxable income in future years. Unless utilized, these losses will expire through 2015. In addition, the Company has exploration and development expenditures of approximately \$71,000. Future tax benefits, which may arise as a result of these losses and resource expenditures have not been recognized in these financial statements due to the uncertainty of their realization.

9. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, due to related parties and note payable to related party. In management's opinion, the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

GEO MINERALS LTD.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

10. COMMITMENTS

During the period ended August 31, 2005, the Company entered into the following commitments:

- a) An office services agreement to pay \$2,100 per month to a company with common directors for rent and other administrative services, on a month-to-month basis.
- b) A corporate finance agreement to pay \$10,000 per month to a company with common directors for management and consulting services, on a month-to-month basis.

11. SUBSEQUENT EVENT

The Company is in the process of filing a preliminary prospectus with the British Columbia and Alberta Securities Commissions offering of a minimum of 1,500,000 units and a maximum of 2,500,000 units at a price of \$0.25 per unit. Each unit will consist of one common share and one share purchase warrant entitling the holder to purchase one common share of the Company at a price of \$0.35 per share for a period of two years from the date of the closing of the offering. A minimum of 500,000 and a maximum of 1,000,000 of the units will be offered on a flow-through basis. The warrant comprising the flow-through units will be a non flow-through warrant. The proposed transaction is subject to regulatory approval.

The Company is also filing a Listing Statement and applying to be listed on the Canadian Trading and Quotation System Inc. ("CNQ"), subject to approval.

CERTIFICATE OF THE COMPANY

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia) and by Part 9 of the *Securities Act* (Alberta) and the respective regulations made thereunder.

Dated: November 4, 2005

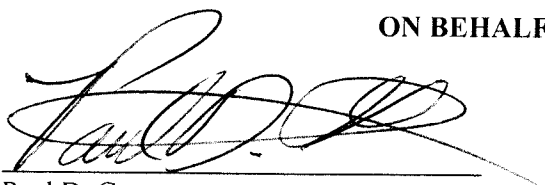


Michael England
President, Chief Executive Officer and
Director



Fraser Hindson
Secretary and Director

ON BEHALF OF THE BOARD



Paul D. Gray
Director



Marvin A. Mitchell
Director