A COPY OF THIS PRELIMINARY PROSPECTUS HAS BEEN FILED WITH THE SECURITIES REGULATORY AUTHORITIES IN BRITISH COLUMBIA AND ALBERTA BUT HAS NOT YET BECOME FINAL FOR THE PURPOSE OF A SALE OF SECURITIES. INFORMATION CONTAINED IN THIS PRELIMINARY PROSPECTUS MAY NOT BE COMPLETE AND MAY HAVE TO BE AMENDED. THESE SECURITIES MAY NOT BE SOLD UNTIL A RECEIPT FOR THE PROSPECTUS IS OBTAINED FROM THE SECURITIES REGULATORY AUTHORITIES.

This prospectus (the "Prospectus") constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or similar authority in Canada has in any way passed upon the merits of, or expressed an opinion about, the securities offered hereunder and any representation to the contrary is an offence. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended or the securities laws of any state of the United States of America, and may not be offered or sold in the United States unless registered under applicable securities laws or unless an exemption from such registration is available.

PRELIMINARY PROSPECTUS

INITIAL PUBLIC OFFERING **DATED: February 21, 2008**

CONFEDERATION MINERALS LTD.
Unit C - 12343 104 Ave
Surrey, BC V3V 3H2

Offering: **4,000,000 common shares (the "Shares") without par value**
Price: **$0.25 per Share**

	No. of Shares	**Price to Public(1)**	**Agent's Commission**	**Net Proceeds to Company(2)**
Per Share	n/a	$0.25	$0.02	$0.23
Total Offering	4,000,000	$1,000,000	$80,000	$920,000

(1) The price of the Shares has been determined by the Company in negotiation with the Agent.
(2) Before deduction of expenses of this issue estimated to be $100,500, which together with the Agent's Commission will be paid by the Company. See item 4 "Use of Proceeds".
(3) The agent for the Offering, Canaccord Capital Corporation (the "**Agent**"), will also receive 320,000 non-transferable share purchase warrants (the "**Agent's Warrants**") equal in number to 8% of the number of Shares sold. Each Agent's Warrant will entitle the Agent to purchase one common share at the price of $0.25 per share, for a period of 24 months from the date the Shares are listed and called for trading on the TSX Venture Exchange (the "**Exchange**"). The Agent will also receive an administration fee in the amount of $10,000. For corporate services provided, the Agent will receive a fee of $20,000 and 50,000 common shares (the "Corporate Finance Shares"). This prospectus qualifies the grant of the Agent's Warrants and the Corporate Finance Shares. See item 15 "Plan of Distribution".

THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD AND PURCHASERS MAY NOT BE ABLE TO RESELL SECURITIES PURCHASED UNDER THE PROSPECTUS. THE COMPANY HAS APPLIED TO LIST ITS SHARES OFFERED UNDER THIS PROSPECTUS ON THE EXCHANGE. LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL OF THE LISTING REQUIREMENTS OF THE EXCHANGE. SEE ITEM 15 "PLAN OF DISTRIBUTION".

AN INVESTMENT IN A NATURAL RESOURCE ISSUER INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE ISSUER'S PROPERTIES ARE IN THE MINERAL EXPLORATION STAGE AS OPPOSED TO THE DEVELOPMENT STAGE, AS IN THE PRESENT INSTANCE. SEE ITEM 16 "RISK FACTORS".

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 THIS ISSUE AND THE SALE OF THE SECURITIES OFFERED BY THE COMPANY.

This Offering is made on a "commercially reasonable efforts" basis by the Agent and is subject to the completion of a minimum subscription of 4,000,000 Shares for gross proceeds to the Company of $1,000,000. All funds received from subscriptions for Shares will be held by the Agent pursuant to the terms of an agency agreement between the Company and the Agent dated ●, 2008 (the "**Agency Agreement**"). If the minimum subscription is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the principal regulator, the Agent and persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

THE AGENT CONDITIONALLY OFFERS THE SHARES FOR SALE ON A COMMERCIALLY REASONABLE EFFORTS BASIS IF, AS AND WHEN ISSUED BY THE COMPANY AND DELIVERED AND ACCEPTED BY THE AGENT IN ACCORDANCE WITH THE TERMS AND CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER ITEM 15 "PLAN OF DISTRIBUTION" AND SUBJECT TO APPROVAL OF CERTAIN LEGAL MATTERS ON BEHALF OF THE COMPANY BY VECTOR CORPORATE FINANCE LAWYERS AND ON BEHALF OF THE AGENT BY MILLER THOMSON LLP.

UPON COMPLETION OF THIS OFFERING, **7,495,000** COMMON SHARES WITHOUT PAR VALUE WILL BE HELD BY THE PUBLIC, REPRESENTING **55.5%** OF THE 13,495,001 THEN ISSUED AND OUTSTANDING COMMON SHARES AS COMPARED TO **6,000,001** COMMON SHARES WITHOUT PAR VALUE THAT WILL THEN BE BENEFICIALLY OWNED BY PROMOTERS, INSIDERS, HOLDERS OF PERFORMANCE SHARES OR ESCROW SECURITIES AND THE AGENT, AS A GROUP, REPRESENTING **44.5%** OF THE 13,495,001 THEN ISSUED AND OUTSTANDING COMMON SHARES. SEE "PRINCIPAL SHAREHOLDERS".

Agent

Canaccord Capital Corporation
2200 - 609 Granville Street
Vancouver, B.C.
V7Y 1H2
Tel: (604) 643-7300

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NOTE REGARDING FORWARD LOOKING STATEMENTS

This Prospectus contains forward-looking statements, which reflects management's expectations regarding the Company's future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "plan", "expect", "intend" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including those listed in the "Risk Factors" section of this Prospectus. Although the forward-looking statements contained in this Prospectus are based upon what management believes to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this Prospectus, and the Company assumes no obligation to update or revise them to reflect new events or circumstances.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Capitalized terms used in this summary are defined elsewhere in the Prospectus.

The Company

Confederation Minerals Ltd. was incorporated on November 3, 2005 under the *Business Corporations Act* (British Columbia) as "Medina Ventures Inc.", changed its name to "Sienna Minerals Ltd." on April 26, 2006 and changed its name to Confederation Minerals Ltd. on April 11, 2007. The Company is engaged primarily in the business of evaluating, acquiring and exploring natural resource properties in the Red Lake mining district of Ontario. See item 3 "Narrative Description of the Business". The natural resources being targeted are gold, zinc, copper and uranium.

Principal Properties

Since incorporation, the Company has obtained options to acquire 100% interests in three exploration properties situated in Ontario, namely the Confederation Lake Property, the Matless Lake Claims and the Gerry Lake Claims. Following completion of the Offering the Company plans to conduct exploration on the Confederation Lake Property. The Confederation Property is the subject of a National Instrument 43-101 *Standards of Disclosure for Mineral Properties* (**"NI 43-101"**) compliant report dated November 28, 2007 prepared by Garry K. Smith, P.Geo. and titled "43-101 Compliant Report on the Confederation Lake Property, Red Lake Mining District, Ontario". See "Description of Mineral Properties" .

All of the Company's presently held mineral properties are situated in the Red Lake mining district of the province of Ontario, Canada. However, the Company may seek to acquire interests in other provinces or countries.

The Offering

Offering: 4,000,000 Shares.

Price: $0.25 per Share. See item 15 "Plan of Distribution".

This Prospectus also qualifies the grant of the Agent's Warrants and the Corporate Finance Shares. See item 15 "Plan of Distribution".

Gross Proceeds: $1,000,000

Available Funds (See item 4 "Use of Proceeds"**):** The estimated net proceeds to be derived from the sale of the securities offered hereunder, before deduction of the expenses of the Offering, will be $920,000, which when added to the Company's working capital as at November 30, 2007 of approximately ($7,000), will total $913,000.

The Funds Available will be allocated as follows:

	Purpose for which funds are raised	**Amount**
1.	Exploration Programs: Phase I on Confederation Lake Property	 $350,000
2.	Annual assessment work to maintain the Company's properties in good standing	$15,200
3.	Administrative expenses of the Company for a period of 12 months	$228,000
4.	Estimated expenses of this issue (including legal, audit, printing, and listing fees)	$85,500*
5.	Second Year Property Option costs	$52,000
6.	Unallocated working capital to fund ongoing operations	$182,300
	Total:	**$913,000**

*Does not include the amount of $15,000 the Company has already paid to the Agent to be applied towards the estimated legal and ancillary costs of the Agent in connection with the Offering.

Agent's Commission

The Company will, at the closing of the Offering (i) pay to the Agent a $80,000 cash commission equal to 8% of the aggregate gross proceeds of the Offering and (ii) issue to the Agent 320,000 Agent's Warrants, being that number of share purchase warrants (the "**Agent's Warrants**") equal in number to 8% of the aggregate number of Shares issued in connection with the Offering, each such Agent's Warrant entitling the holder to acquire one common share at the price of $0.25 per common share for a period of 24 months from the date on which the Company's Shares commence trading on the Exchange. The Company has paid $15,000 to the Agent to be applied towards the estimated legal and ancillary costs of the Agent in connection with the Offering.

Risk Factors

The success of the Company's business is subject to a number of factors, including risks normally encountered in the mining industry such as operating hazards and risks, exploration risks, increasing environmental regulation, competition with companies having greater resources, lack of operating cash flow, foreign currency fluctuations and other factors.

All of the Company's properties are in the exploration phase. If the exploration programs being carried out do not justify further work, the Company may abandon its entire interest in one or more properties and the exploration expenses will be written off.

None of the Company's properties contains a known body of commercial ore and the Company's planned work programs will be exploratory in nature.

The price of base and precious metals has fluctuated widely and therefore the economic viability of any of the Company's properties cannot be accurately predicted. See item 16 for greater detail of these and other risk factors "Risk Factors".

Key Personnel

Management:	Lawrence Dick	President, Chief Executive Officer and Director
	Peter Bryant	Chief Financial officer and Director
	Kenneth Holmes	Director
	Donald Gee	Director

See item 12 "Directors and Officers".

Financial Statements

The audited financial statements for the period from the date of incorporation (November 3, 2005) to June 30, 2006 and for the year ended June 30, 2007, together with the auditor's report thereon, and the unaudited financial statements for the quarter ended September 30, 2007, are attached hereto.

Capitalization

At November 30, 2007 the Company had 9,445,001 shares issued and outstanding. Upon completion of the Offering, there will be 13,495,001 shares issued and outstanding, assuming no exercise of the Agent's Warrants. The authorized capital of the Company is an unlimited number of shares without par value. A total of **850,000** shares are subject to options in favour of the directors, senior officers, consultants and employees of the Company – see item 8 "Options to Purchase Securities".

Selected Financial Information

Prior to this Offering, the Company had raised $441,000 from the sale of its common shares for cash during its stage as a private company. The unaudited balance sheet as at September 30, 2007 shows $283,462 as having been invested in mineral properties as at that date, all of which was paid in connection with the acquisition and exploration of the Company's three Ontario mineral properties.

From the date of incorporation (November 3, 2005) to June 30, 2007, the Company earned no revenue and incurred general and administrative, website, legal, rent, regulatory and related expenses in the amount of $119,469, resulting in a net loss of $119,469 for the period resulting in a basic and diluted loss per common share of $0.04. From July 1, 2007 to September 30, 2007, the Company earned no revenue and incurred general and administrative, website, legal, rent, regulatory and related expenses in the amount of $19,572 and stock based compensation costs of $227,500, resulting in a net loss of $247,072 for the period. At September 30, 2007, the Company had assets recorded at $327,326.

The audited financial statements for the period from the date of incorporation (November 3, 2005) to June 30, 2006 and for the year ended June 30, 2007, together with the auditor’s report thereon, and the unaudited financial statements for the quarter ended September 30, 2007, are attached hereto and form a part hereof. See item 24 “Financial Statements”.

GLOSSARY

Adularia	A moderate to low-temperature mineral of the alkali feldspar group, a common accessory mineral found in low sulphidation quartz veins.
Affiliate	A company that is affiliated with another company as described below. A company is an "Affiliate" of another company if: (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same Person. A company is "controlled" by a Person if: (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company. A Person beneficially owns securities that are beneficially owned by: (a) a company controlled by that Person, or (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.
Ag	Silver.
Agency Agreement	The agency agreement dated ●, 2008 between the Company and the Agent.
Agent	Canaccord Capital Corporation.
Agent's Warrants	The warrants which will be granted to the Agent pursuant to the Agency Agreement to purchase up to 320,000 common shares – being 8% of the number of Shares sold pursuant to this Offering.
Aggregate Pro Group	All Persons who are members of any Pro Group whether or not the Member is involved in a contractual relationship with an issuer to provide financing sponsorship and other advisory services.
Alteration	Changes in the chemical or mineralogical composition of a rock caused by hot aqueous solutions.
Alunite	A hydrated aluminum potassium sulphate formed by the action of sulphuric acid-bearing solutions on potassium-rich volcanic rocks during the oxidation and leaching of metal sulphide deposits.
Aphanitic	An igneous rock texture in which the grain or crystalline structure is too fine to be seen by the unaided eye, generally caused by rapid cooling of extrusive rock.
Argillic	Pertaining to clay or clay minerals. Argillic alteration occurs when certain minerals in a rock are converted to minerals of the clay group.
As	Arsenic.
Assay	An analysis to determine the proportions of metals or other valuable commodities in a sample.
Associate	When used to indicate a relationship with a Person, means (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer, (b) any partner of the Person, (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity, (d) in the case of a Person who is an individual (i) that Person's spouse or child, or

	(ii) any relative of the Person or of his spouse who has the same residence as that Person; but (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Exchange Rule D with respect to that Member firm, Member corporation or holding company.
Au	Gold.
Ba	Barium.
Bedrock	Solid rock exposed at the surface of the earth or overlain by unconsolidated material, weathered rock or soil.
Breccia	A rock composed of angular fragments.
Closing Date	The date the Offering is completed.
Common Shares	Or "common shares" means the common shares of the Company, unless otherwise indicated.
Company	Confederation Minerals Ltd., a company incorporated in British Columbia under the *Business Corporations Act* (British Columbia).
company	unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
Confederation Lake Agreement	The mineral property option agreement dated February 10, 2006, as amended August 31, 2006 and December 14, 2006, between the Company, as optionee, and Perry English and Rubicon Minerals Corporation, collectively as optionor, to acquire 100% interest in the Confederation Lake Property, subject to a 2% NSR payable to the optionor.
Confederation Lake Property	The mineral properties that have been optioned to the Company pursuant to the Confederation Lake Agreement.
Control Person	Any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.
Corporate Finance Shares	The 50,000 common shares of the Company that the Agent will receive, in part, for corporate services provided to the Company.
Epithermal	A hydrothermal, or fluid-borne mineral deposit and associated alteration formed within about 1 km below the earth's surface and in the temperature range of 50° to 200° C, occurring mainly as veins.
Escrow Agent	Computershare Investor Services Inc., Vancouver, British Columbia.
Escrow Agreement.	The escrow agreement to be entered into on closing among the Company, the Escrow Agent and certain shareholders of the Company
Exchange	The TSX Venture Exchange Inc.
Final Receipt	The written confirmation of the acceptance for filing of the final prospectus received from each of the British Columbia Securities Commission and the Alberta Securities Commission.
Float	Isolated or displaced fragments of rock.
Gerry Lake Agreement	The mineral property option agreement dated March 14, 2006, as amended February 2,

	2007 and March 14, 2007, between the Company, as optionee, and Perry English and Rubicon Minerals Corporation, collectively as optionor, to acquire 100% interest in and the Gerry Lake Claims, subject to a 2% NSR payable to the optionor.
Gerry Lake Claims	The mineral properties that have been optioned to the Company pursuant to the Gerry Lake Agreement.
g/t	Grams per tonne, equivalent to parts per million.
GPS	Geographic Positioning System. A relatively accurate method of calculating position on the earth's surface utilizing satellite signals.
ICP	Inductively Coupled Plasma Method. A geochemical analytical method where a sample solution is induced into the core of an inductively coupled argon plasma.
IOCG	Iron oxide-copper-gold, a type of gold deposit.
Igneous rock	A rock solidified from molten or partly molten material (magma), one of the three main classes of earth-forming rocks.
Insider	If used in relation to an issuer, means: (a) a director or senior officer of the issuer; (b) a director or senior officer of a company that is an Insider or subsidiary of the issuer; (c) a Person that beneficially owns or controls, directly or indirectly, voting common shares carrying more than 10% of the voting rights attached to all outstanding voting common shares of the issuer; or (d) the issuer itself if it holds any of its own securities.
IP geophysical survey	Induced Polarization. A type of ground geophysical survey used to explore for sulphide deposits, that can be effective with veins.
Listing Date.	The date of listing of the Common Shares on the Exchange.
Low Sulphidation	A classification of hydrothermal mineral deposits or alteration containing relatively low content of sulphur-rich minerals, often used to describe mineral deposits of quartz-adularia association.
Matless Lake Agreement	The mineral property option agreement dated March 14, 2006, as amended February 2, 2007 and March 14, 2007, between the Company, as optionee, and Perry English and Rubicon Minerals Corporation, collectively as optionor, to acquire 100% interest in the Matless Lake Claims, subject to a 2% NSR payable to the optionor.
Matless Lake Claims	The mineral properties that have been optioned to the Company pursuant to the Matless Lake Agreement.
Member.	A Person who has executed the Members' Agreement (as defined in TSX Venture Exchange Rule A.1.00), as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange Requirements.
Mineralization	The presence of minerals of possible economic value and also the process by which concentration of economic minerals occurs.
mt	Metric tonne.
Non Arm's Length Party	**(a)** in relation to a Company: **(i)** a Promoter, officer, director, other Insider or Control Person of that Company and any Associates or Affiliates of any of such Persons; or **(ii)** another entity or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the Company. **(b)** in relation to an individual, any Associate of the individual or any Company of which the individual is a Promoter, officer, director insider or Control Person.

NSR	Net smelter return.
Offering	The offering of the Shares in accordance with the terms of this Prospectus.
Ore	A mineral or aggregate of minerals that can be commercially mined at a profit.
Outcrop	A geological formation or structure that appears at the surface of the earth; bedrock that is not covered.
Person.	A company or individual
Porphyry	Igneous rock composed of large crystals, called phenocrysts, in a fine grained matrix.
Principal	Means **(a)** a Person who acted as a Promoter of the Issuer within two years before the IPO Prospectus or Exchange Bulletin confirming final acceptance of a transaction ("Final Exchange Bulletin"); **(b)** a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO Prospectus or Final Exchange Bulletin; **(c)** a **20% holder**—a Person that holds securities carrying more than 20% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; **(d)** a **10% holder**—a Person that **(i)** holds securities carrying more than 10% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and **(ii)** has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer or any of its material operating subsidiaries. In calculating these percentages, include securities that may be issued to the holder under outstanding convertible securities in both the holder's securities and the total securities outstanding. A company more than 50% held by one or more principals will be treated as a principal. (In calculating this percentage, include securities of the entity that may be issued to the principals under outstanding convertible securities in both the principals' securities of the entity and the total securities of the entity outstanding.) Any securities of the issuer that this entity holds will be subject to escrow requirements. A principal's spouse and their relatives that live at the same address as the principal will also be treated as principals and any securities of the issuer they hold will be subject to escrow requirements.
Pro Group	Means: (a) Subject to subparagraphs (b), (c) and (d) "Pro Group" shall include, either individually or as a group: (i) the Member; (ii) employees of the Member; (iii) partners, officers and directors of the Member; (iv) Affiliates of the Member; and (v) Associates of any parties referred to in subparagraphs (i) through (iv). (b) The Exchange may, in its discretion, include a Person or party in the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is not acting at arm's length to the Member; (c) The Exchange may, in its discretion, exclude a Person from the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm's length of the Member; (d) The Member may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the

	Member determines that: (i) the Person is an Affiliate or Associate of the Member acting at arm's length of the Member; (ii) the Associate or Affiliate has a separate corporate and reporting structure; (iii) there are sufficient controls on information flowing between the Member and the Associate or Affiliate; and (iv) the Member maintains a list of such excluded Persons.
Promoter	Has the meaning prescribed in section 1(1) of the *Securities Act* (British Columbia).
Propylitic	A low-pressure-temperature alteration around many ore bodies. Generally consists of epidote, chlorite and magnesium-iron-calcium carbonates, involved in the partial replacement of wall-rock minerals.
QFP	Quartz-Feldspar porphyry.
Qualified Person	An individual who (a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these; (b) has experience relevant to the subject matter of the mineral project and the technical report; and (c) is a member in good standing of a professional association as defined in National Instrument 43-101, s. 1.1.
Quartz	A common earth-forming mineral composed of silica and oxygen.
REE	Rare earth elements.
Related Party Transaction	Has the meaning ascribed to that term under Appendix 5B – *OSC Rule 61-501*to the Exchange's Corporate Finance Manual, and includes a related party transaction that is determined by the Exchange, to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non Arms Length Parties, or other circumstances exist which may compromise the independence of the Issuer with respect to the transaction.
Resistivity	Electrical resistivity, one of the readings measured by an IP geophysical technique.
Rhyolite	A type of igneous rock which commonly contains quartz and potassium feldspar crystals.
Sb	Antimony.
SEDAR	System for Electronic Document Analysis and Retrieval.
Sericitic	A fine-grained variety of muscovite mica (aluminum-potassium silicate) often associated as an alteration product related to porphyry copper deposits.
Shares	Means the 4,000,000 common shares of the Company offered under this Prospectus.
Shoreham Option Agreement	The mineral property option agreement dated September 4, 2007 between the Company, as optionor, and Shoreham Resources Ltd. as optionee, that grants Shoreham the right to acquire up to a 70% working interest in the Matless Lake Claims.
Smith Report	The NI 43-101 compliant report dated November 28, 2007 prepared by Garry K. Smith, P.Geo. and titled "43-101 Compliant Report on the Confederation Lake Property, Red Lake Mining District, Ontario".
Stock Options	The options to purchase up to **850,000** Common Shares that will be granted to the directors of the Company and other eligible parties. See "Options to Purchase Securities".
Sulphides	A class of minerals composed of one or more metals and sulphur such as pyrite, sphalerite and galena.
Tuff	A general term for all consolidated pyroclastic volcanic rocks.
UTM	Universal Transverse Mercator, a map projection allowing for the precise location of

	points by coordinates.
Vein	A mineral deposit formed as hot fluids pass through fractures in rock. The hot fluid may contain dissolved minerals which may pass out of solution and are deposited, filling or partly filling the fractures, forming veins.
Volcanic rock	A finely crystalline or glassy igneous rock resulting from volcanic action at or near the earth's surface, either ejected explosively, i.e. pyroclastic, or extruded as lava.

1. CORPORATE STRUCTURE

1.1 Name and Incorporation

Confederation Minerals Ltd. was incorporated on November 3, 2005 under the *Business Corporations Act* (British Columbia) as "Medina Ventures Inc.", changed its name to "Sienna Minerals Ltd." on April 26, 2006 and changed its name to Confederation Minerals Ltd. on April 11, 2007. The Company has no subsidiaries. The head office of the Company is situated at:

Unit C - 12343 104 Ave
Surrey, BC V3V 3H2

and its registered and records office is situated at:

1040-999 West Hastings Street
Vancouver, B.C. V6C 2W2
Canada

2. GENERAL DEVELOPMENT OF BUSINESS

2.1 History

The Company commenced operations in 2005. The principal business of the Company is the acquisition, exploration and, if warranted, development of natural resource properties of merit, with a focus on the Red Lake Mining District of Ontario. The Company has obtained options to acquire 100% interests in three exploration properties situated in Ontario, namely the Confederation Lake Property, the Matless Lake Claims and the Gerry Lake Claims. Following completion of the Offering the Company plans to conduct a Phase 1 exploration program on the Confederation Lake Property. The Confederation Lake Property is the subject of the Smith Report, a NI 43-101 compliant report dated November 28, 2007 prepared by Garry K. Smith, P.Geo. of Devon Corporation and titled "43-101 Compliant Report on the Confederation Lake Property, Red Lake Mining District, Ontario". See item 3.2 "Description of Mineral Properties".

2.2 Significant Acquisitions and Significant Dispositions

Confederation Lake Property

On February 10, 2006, as amended August 31, 2006 and December 14, 2006, the Company signed an option agreement (the "**Confederation Lake Agreement**") with Perry English and Rubicon Minerals Corporation (collectively the "**Optionor**") to acquire a 100% interest in certain mineral claims held by the Optionor, consisting of 26 claims (184 units) and located in the Archean Confederation Lake greenstone belt in the Red Lake Mining Division of Ontario (the "**Confederation Lake Property**").

The Confederation Lake Agreement permits the Company to exercise the option by making the following cash and share issuances to the Optionor:

(i) $12,000 cash and 30,000 shares upon signing of the agreement (completed);
(ii) $15,000 cash and 30,000 shares on or before the first anniversary of the date of the agreement (completed);
(iii) $20,000 cash and 30,000 shares on or before the second anniversary of the date of the agreement (completed);
(iv) $25,000 cash and 30,000 shares on or before the third anniversary of the date of the agreement; and
(v) $40,000 cash on or before the fourth anniversary of the date of the agreement,

provided, however, in the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise its option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30.

The Company was required to, and did, complete a work program of not less than $50,000 on or before the first anniversary date of the agreement. During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

NON-MATERIAL PROPERTIES

The following two properties, the Matless Lake Claims and the Gerry Lake Claims are not currently considered material to the Company at this time and the Company has not prepared NI 43-101 compliant technical reports on these properties. No significant funds from this Offering are expected to be spent on these properties in the next 12 months with the exception of $32,000 due in March 2008 for the second year anniversary property payments and the completion of annual assessment work.

Matless Lake Claims

On March 14, 2006, as amended February 2, 2007 and March 14, 2007 (the "**Matless Lake Agreement**"), the Company signed an option agreement with the Optionor (being Perry English and Rubicon Minerals Corporation, the optionors of the Confederation Lake Property) to acquire a 100% interest in certain mineral claims held by the Optionor, consisting of 19 claims (184 units) and located near Matless Lake in the Red Lake Mining Division of Ontario (the "**Matless Lake Claims**").

The agreement permits the Company to exercise the option by making the following cash and share issuances to the Optionor:

(i) 20,000 shares upon signing of the agreement (completed);
(ii) 150,000 shares on or before the first anniversary of the date of the agreement (completed);
(iii) $16,000 cash and 30,000 shares on or before the second anniversary of the date of the agreement;
(iv) $20,000 cash and 30,000 shares on or before the third anniversary of the date of the agreement; and
(v) $40,000 cash on or before the fourth anniversary of the date of the agreement,

provided, however, in the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise its option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30. The Company is also required to, on or before the second anniversary date, complete a work program of not less than $50,000 of the agreement.

During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

On September 4, 2007, the Company entered into a property option agreement (the "**Shoreham Option Agreement**") with Shoreham Resources Ltd. ("**Shoreham**"), that grants Shoreham the right to acquire up to a 70% working interest in the Matless Lake Claims. Shoreham is an arms length party, trading on the Exchange. Under the terms of the Shoreham Option Agreement, Shoreham can acquire a 70% working interest in consideration for:

(a) cash payments of $80,000 and the issuance of 200,000 shares, as follows:

i. 200,000 shares upon Exchange approval (firm commitment);

ii. $20,000 on or before February 28, 2008;

iii. $20,000 on or before February 28, 2009; and

iv. $40,000 on or before February 28, 2010;

(b) incurring Exploration work of $800,000, as follows:

i. $100,000 to be completed by February 28, 2008 (firm commitment);

ii. an additional $200,000 to be completed by February 28, 2009 (to which Shoreham has committed); and

iii. an additional $500,000 to be completed by February 28, 2010.

Upon the exercise of the option, the parties to the Shoreham Option Agreement shall enter into a joint venture agreement. In the event either Party is diluted to a 10% interest, that party's interest shall convert to a 2% net smelter royalty.

Gerry Lake Claims

On March 14, 2006, as amended February 2, 2007 and March 14, 2007 (the "**Gerry Lake Agreement**"), the Company signed an option agreement with the Optionor to acquire a 100% interest in certain mineral claims held by the Optionor, consisting of 4 claims (38 units) and located near Gerry Lake in the Red Lake Mining Division of Ontario (the "**Gerry Lake Claims**").

The Gerry Lake Agreement permits the Company to exercise the option by making the following cash and share issuances to the Optionor:

(i) $10,000 cash and 30,000 shares upon signing of the agreement (completed);
(ii) $15,000 cash on or before June 30, 2007 and 30,000 shares on or before the first anniversary of the date of the agreement (completed);
(iii) $16,000 cash and 40,000 shares on or before the second anniversary of the date of the agreement;
(iv) $20,000 cash on or before the third anniversary of the date of the agreement; and
(v) $40,000 cash on or before the fourth anniversary of the date of the agreement;

provided, however, in the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise the Option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30. The Company is also required to, on or before the second anniversary date of the agreement, conduct a work program on the Gerry Lake Claims at a cost equal to not less than one year's assessment work and, on or before the third anniversary, conduct a work program of not less than $34,000.

During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

The Company intends to seek and acquire additional properties worthy of exploration and development in Ontario and elsewhere. In addition to its working capital, the mineral properties located in Ontario comprise the only assets held by the Company.

3. NARRATIVE DESCRIPTION OF THE BUSINESS

3.1 General

The Company is a resource exploration company. Using the net proceeds of the Offering, the Company intends to carry out a $350,000 Phase 1 exploration program on the Confederation Lake Property, and to advance its properties through further exploration in order to bring the properties to a more advanced stage.

3.2 Description of Mineral Properties

A. Confederation Lake Property

The Confederation Lake Property is located in the Confederation Lake Area of northwestern Ontario. It is the subject of a NI 43-101 compliant report dated November 28, 2007 prepared by Garry K. Smith, P.Geo. of Devon Corporation and titled "43-101 Compliant Report on the Confederation Lake Property, Red Lake Mining District, Ontario" (the "**Smith Report**"). Mr. Smith has in excess of 20 years experience conducting exploration for base and precious metals in the area and personally visited the property June 13 and August 6, 2006 and June 21, 2007. Devon Corporation and Mr. Smith are at arm's length to the Company and the Company is satisfied that Mr. Smith is a Qualified Person as required under the terms of NI 43-101. Mr. Smith confirms that the discussions set out herein under the headings "Summary", "Property Description and Location", "Accessibility, Climate, Local Resources", "History and Previous Work", "Regional Geology and Mineral Resources", "Local Geology", "Property Geology and Mineralization", Deposit Types and Geological Model", "Mineralization", "Exploration", "Sample Preparation, Assaying and Analytical Procedures", "Drilling", Data Verification", "Adjacent Properties", "Mineral Resources and Mineral Reserve Estimates", "Interpretations and Conclusions", and "Recommendations" are extracted from, or are accurate paraphrasings of, sections of the Smith Report. The Smith Report is available for review under the Company's profile on the SEDAR database at www.sedar.com. The exploration activities carried out by the Company as set out in the report were directly supervised by Mr. Smith.

Summary

The Company (or "CML") optioned a land position of 26 staked claims, comprising 184 staked units and covering 2,979 hectares, over a 18.5km by 4km length of the Archean Confederation Lake greenstone belt in the Red Lake Mining Division of Ontario.

CML's property is situated between the past producing South Bay Mine at the north-eastern boundary, and Tribute Mineral Inc's Garnet Lake Discovery at the south-western boundary. The South Bay Mine was operated by Selco from 1971 to 1981 and mined 1.45 million tonnes of ore grading 2.3% Cu, 14.7% Zn and 120.0g/t Ag (Atkinson et al 1990). Tribute Minerals Inc. has reported a NI 43-101 compliant indicated resource (at a cut-off grade of 5% per cent zinc equivalent) of 2,070,288 tonnes grading 5.92% Zn, 0.75% Cu, 0.58 gpt Au and 21.1 gpt Ag (G.S. Carter, P.Eng. Sept. 4, 2007). This information was not been verified by the author, and is not necessarily indicative of any mineralization on the CML Confederation Lake Property.

Minnova Inc. ("Minnova") previously held most of the CML Confederation Lake Property during the early 1990s. Their exploration objectives were to define the physical volcanology, the limits of hydrothermal alteration, and pinpoint the location of all syn-volcanic structures. The latter was believed to focus hydrothermal alteration associated with the formation of volcanogenic massive sulfide (VMS) deposits.

During Minnova's exploration program, a total of 250 kms of geological mapping was conducted and 1,992 rock samples were collected for litho-geochemical analysis. 25 of these samples were interpreted (by Minnova) as being anomalous. Minnova's work identified major syn-volcanic structures with andalusite and sillimanite hydrothermal alteration minerals. They believed that their results supported the model that a number of potential geological targets at depth capable of hosting massive sulfide deposits existed on the property. Inmet Mining Corp., 1995-6, focused on new VMS potential that could be associated with the unexplored sodium depletion zone adjacent to a postulated West Graben fault located along the Confederation Lake shoreline. Their encouraging drill program resulted in the recommendation to continue following this model southwards where a significant prospective area is hosted within the CML Confederation Lake Property.

According to Public Work Assessment files, previous workers would appear to have conducted thorough exploration over most of the Property using the best exploration methods of the day. They subsequently concluded that the discovery of new, economic massive sulphide deposits within 100 meters of surface had been substantially eliminated from prospective areas.

An integrated 3D computer modeling-based exploration approach is now recommended using tools not available to previous workers. In addition to the computer modeling of the extensive data collected by previous workers, it is further recommended that target vectoring employ a combination of new, deep penetrating, multi-element MMI soil geochemistry, and when appropriate new, deep EM methods like the Titan24 system, to locate high potential drill targets at depth and in areas not previously considered to be prospective.

CML has conducted a minor amount MMI soil geochemistry on the property for the purpose of applying sufficient work credits to maintain their claims in good standing. This preliminary exploration work has generated drill-worthy VMS Zn targets, thus advancing the property above the category of “early stage exploration property”. This report will serve to compile the history of work on the property and make recommendations for a next phase exploration program including diamond drilling.

Property Description and Location

Confederation has optioned a total of 26 claims, comprising 184 units covering approximately 2,979 hectares of the southwestern portion of the Confederation Lake greenstone belt in the Red Lake Mining Division, northwestern Ontario (figure 1). This land position represents a nearly continuous trend measuring 18.5 km by 4 km centered some 50km east-southeast of Red Lake and 10km east of Ear Falls, Ontario. The property extends from the past producing South Bay mine on Confederation Lake in the east, to the Tribute Minerals garnet Lake “Arrow” resource in the south-west. (Figure 2). The centre of this property is located approximately at UTM 5655000N, 519000E (Zone 15 NAD 83) and is within NTS 52N/02SW.

The claims comprising the Property have not been surveyed and, as such, the property boundaries represented on the Government of Ontario Claim Maps (figure 2) are approximations only.

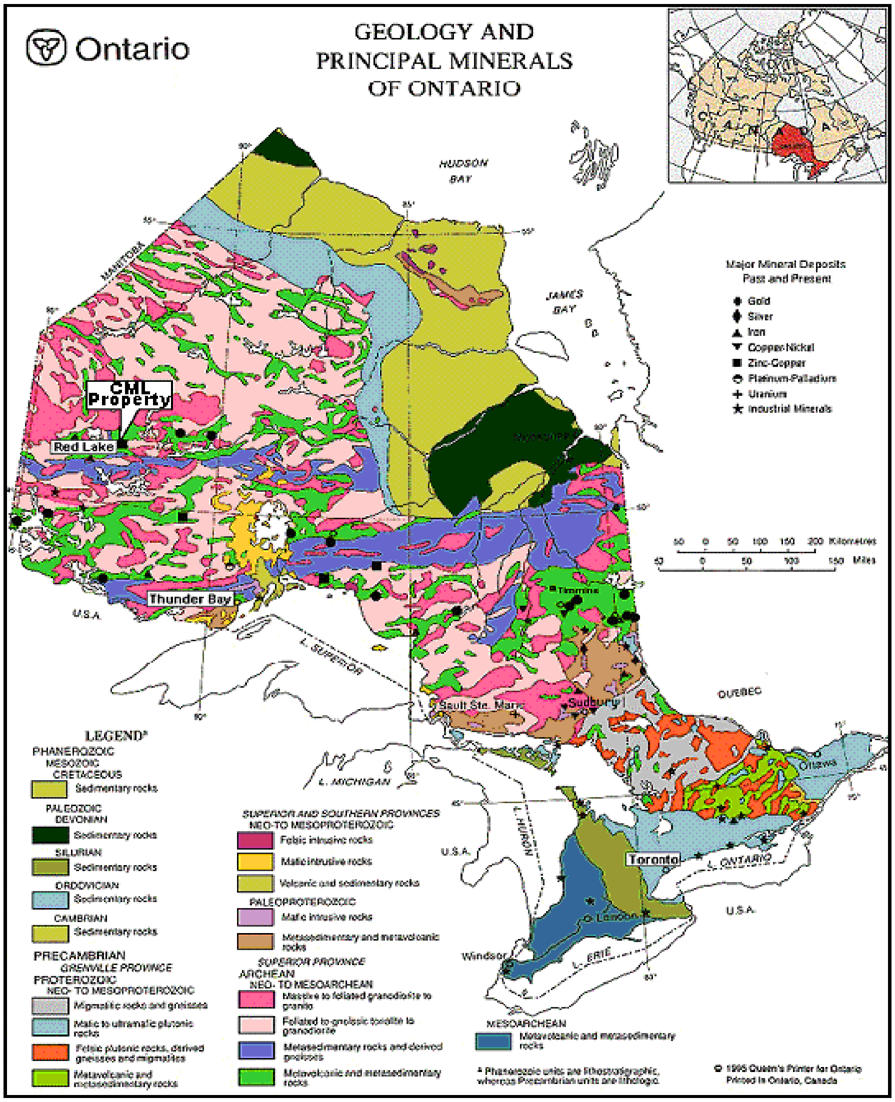


figure 1

To the extent known, there are no environmental liabilities to which the property is subject; and to the extent known, any permits that must be acquired to conduct general exploration work proposed for the property, can be obtained without delay.

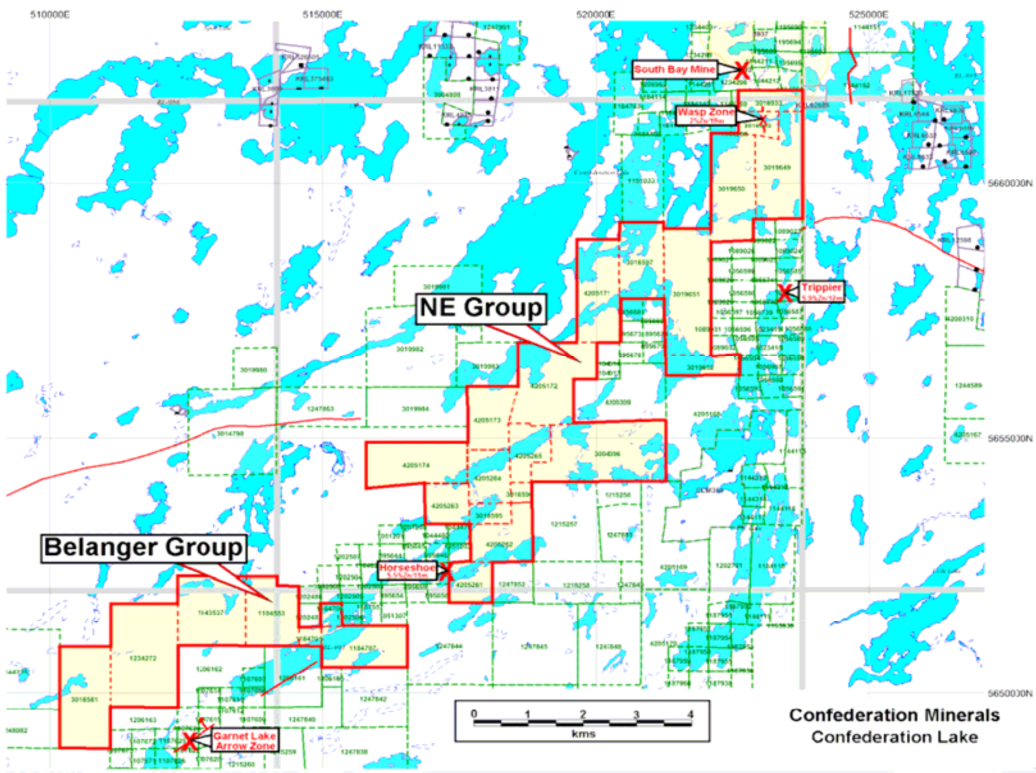


figure 2

The property claims are divided into 2 groups; The Belanger group of 7 claims comprising 52 units (2,080 acres) and the NE Group of 19 claims comprising 132 units (5,280 acres). The groups are not contiguous, therefore separate Reports of Work must be filed for each.

Confederation Lake Property ***table 1***

Group	Township	Claim Number	Recording Date	Claim Due Date	Percent Option	Work Required	Total Applied	Total Reserve	Claim Bank
Belanger	LITTLE BEAR	1143537	1995-Jun-29	2009-Jun-29	100%	$3,600	$43,200	$15,075	$0
Belanger	MITCHELL	1184553	1996-Sep-23	2008-Sep-23	100%	$3,200	$32,000	$6,240	$0
Belanger	BELANGER	1234272	2001-Oct-05	2008-Oct-05	100%	$6,000	$30,000	$0	$0
Belanger	BELANGER	4213355	2006-Dec-14	2008-Dec-14	100%	$4,000	$0	$0	$0
Belanger	BOWERMAN	1184705	1997-Feb-19	2009-Feb-19	100%	$400	$4,000	$2,520	$0
Belanger	BOWERMAN	1184706	1997-Feb-19	2009-Feb-19	100%	$400	$4,000	$0	$0
Belanger	BOWERMAN	1184707	1997-Feb-19	2009-Feb-19	100%	$3,200	$32,000	$250	$0
NE	DENT	3016933	2004-Oct-13	2008-Oct-13	100%	$1,200	$2,400	$0	$0
NE	MITCHELL	3016932	2004-Oct-14	2008-Oct-14	100%	$800	$1,600	$2,700	$0
NE	MITCHELL	3018595	2004-Oct-01	2008-Oct-01	100%	$800	$1,600	$0	$0
NE	MITCHELL	3018596	2004-Oct-01	2008-Oct-01	100%	$400	$800	$0	$0
NE	MITCHELL	3018597	2004-Oct-01	2008-Oct-01	100%	$3,200	$6,400	$0	$0
NE	MITCHELL	3019649	2005-Aug-05	2008-Aug-05	100%	$3,600	$3,600	$16,020	$0
NE	MITCHELL	3019650	2005-Aug-05	2008-Aug-05	100%	$4,400	$4,400	$0	$0
NE	MITCHELL	3019651	2005-Aug-05	2008-Aug-05	100%	$5,200	$5,200	$0	$0
NE	MITCHELL	3019652	2005-Aug-05	2008-Aug-05	100%	$1,200	$1,200	$0	$0
NE	MITCHELL	4200313	2006-Apr-20	2008-Apr-20	100%	$6,400	$0	$0	$0
NE	MITCHELL	4205171	2005-Mar-14	2008-Mar-14	100%	$4,000	$4,000	$0	$0
NE	MITCHELL	4205172	2005-Mar-14	2008-Mar-14	100%	$4,800	$4,800	$0	$0
NE	MITCHELL	4205173	2005-Mar-14	2008-Mar-14	100%	$2,400	$2,400	$0	$0
NE	MITCHELL	4205174	2005-Mar-14	2008-Mar-14	100%	$4,000	$4,000	$0	$0

NE	MITCHELL	4205261	2005-Dec-13	2008-Dec-13	100%	$1,600	$1,600	$1,928	$0
NE	MITCHELL	4205262	2005-Dec-13	2008-Dec-13	100%	$2,800	$2,800	$16,717	$0
NE	MITCHELL	4205263	2005-Dec-13	2008-Dec-13	100%	$1,600	$1,600	$12,436	$0
NE	MITCHELL	4205264	2005-Dec-13	2008-Dec-13	100%	$2,400	$2,400	$0	$0
NE	MITCHELL	4205265	2005-Dec-13	2008-Dec-13	100%	$2,000	$2,000	$0	$0

Claim 4213355 (10 units) replaced claim 3018581 (10 units) which had expired in November 2006. All claims are in good standing until at least March 14, 2008.

The author has reviewed the Mining Claim Abstracts (as of November 28, 2007) for the 26 claims comprising the Confederation Lake Property. These files are maintained by the Ontario Ministry of Northern Development and Mines and are intended to demonstrate that the claims in question have been properly recorded and are, in fact, valid claims. All claims are registered to the Optionor, Perry English, are in good standing. Mr. English is the registered owner of 100% of all claims comprising the Property. The claims are subject to a 2% net smelter return.

Accessibility, Climate and Local Resources

The property is accessible from the 76km South Bay road, an all-weather gravel logging road, from the Red Lake Highway at Ear Falls. A 4-wheel drive road traverses the south-west group from the South Bay road to the Tribute Mineral's drill camp. Much of the remaining portion of the property is accessible from the South Bay road and numerous finger lakes.

The physiography of the region is typical of the Canadian Shield with many lakes and streams, a cover of mixed-hardwood and Spruce forest over low, rolling hills with <70m relief, and lower areas occupied by swamps. Bedrock ridges are common throughout much of the area and form prominent features that greatly affect local drainage.

The relief on the property is gently rolling with numerous low amplitude ridges and valleys. Overburden is typically less than 20m of glacial till. The drainage pattern trends south-west, which is parallel to the direction of the last glacial scouring to affect the area.

The climate is a mid-continent northern environment with -20°C (average) winters. The winter field season for geophysics and drilling may require lake-ice which is available from late November to March. However, ice roads are usually only possible from late January to mid-March. The summer field season begins early May unless aircraft are required to land on the lakes. Float-equipped aircraft can operate from late May to well into October. The weather is typically humid in summer with temperatures in the 20C to high 30C range.

Ridges are generally populated by black spruce, jack pine, poplar and aspen, with sparse spruce, tamarack and sphagnum mosses in the low and marshy areas. Much of the area has been logged, resulting in some clear-cut areas being covered with young, dense tertiary growth. More mature areas are often covered with deadfall and "blow-down".

To the extent relevant, the author believes that 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, heap leach pad areas and potential processing plant sites is adequate. There is a significant power line carrying electricity from a generating station at Ear falls, through most of the property to the South Bay Mine, and on to Pickle Lake.

History and Previous Work

The area has been explored for gold intermittently since the 1928 gold rush at Red Lake. Base metal exploration started in the 1950s with the development of early ground geophysical methods but did not become a main focus until the discovery of the South Bay copper-zinc-silver ("Cu-Zn-Ag") volcanic-hosted massive sulphide ("VMS") deposit by Selco Mining Corp. ("Selco") in 1968. The Selco discovery was aided by a combination of new technologies including airborne geophysics and detail ground EM geophysics plus conventional diamond drilling. The South Bay Mine produced 1.45 million tonnes of ore grading 2.3% Cu, 14.7% Zn and 120.0g/t Ag between 1971 and 1981.

Selco staked a large additional portion of the "belt" and conducted further airborne and ground geophysical surveys until the late 1980s. New, but shallow and uneconomic, high-grade Cu-Zn deposits were found and tested by diamond drilling, all apparently within 100 meters of surface.

Exploration activity in the region generally increased with the commercial development of new technologies like the INPUT Mark IV airborne electromagnetic system. Noranda Inc., Hudson Bay Mining and Smelting Co., Minnova, Rio Algom Ltd., Inco Limited, Teck Cominco Limited and Homestake Mining Company became active explorers through the 1970s and 1980 as these new technologies became available.

Noranda began a systematic exploration program of the belt in 1987 with 1,850 line kilometers of a Questor INPUT Mark VI AEM survey, and started a regional litho-geochemistry sampling and geological mapping program. Noranda acquired a substantial land package covering a number of target horizons proximal to known mineralization. A large regional database of litho-geochemical samples, geophysical and geological data sets were compiled during the course of their work. In 1996, Noranda completed a GEOTEM Deep AEM survey over much of their land holdings in the belt.

Tribute Minerals optioned much of the Noranda ground and publicly reported:

> *"Since 1996, Noranda's exploration in the belt focused on exploring targets between 200m and 400m vertical depths using deep search geophysical techniques (Deep EM and Bore Hole PEM surveying) and lithogeochemical sampling to identify proximal VMS-type hydrothermal alteration. On some properties, particularly in the central to northeast parts of the belt, exploration now has advanced to depths greater than 400m. Properties in the southeast part of the camp however, still have targets above 400m vertical depths."*
> *A new, deeper penetration geophysical technique has recently been developed and field tested at deep mines such as Kidd Creek and Goldcorp. This system, known as Titan-24, has been developed by Quantec Geoscience Inc., and in 2002 Tribute identified deep conductivity targets in the Confederation Lake belt using this technology.*
>
> *Tribute's approach to exploration in this belt is similar in many ways to those who introduced AEM systems in the 1960s. Much of the belt has tested to the limits of conventional geophysical detection of anomalies, and Tribute believes that the use of a new generation of deep penetration techniques may expand the discovery potential of the belt. In that sense it is following in the tracks of both Selco and Noranda, both of whom sought to extend the detection limits of buried sulphides by utilizing new geophysical technologies."*

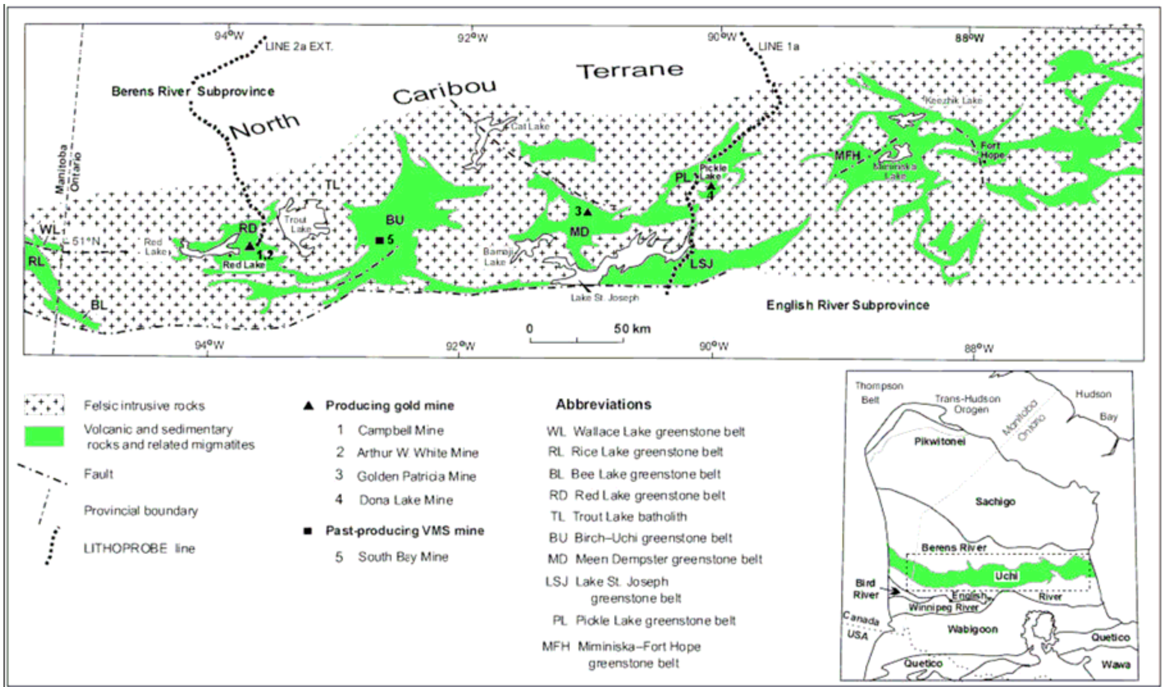
History of Work on the Property
table 2

YEAR	TWP	Company	Work Filed
1967	Belanger, Bowerman, Mitchell, Knott	A. Goodwin	Geological Survey - Defined 3 cycles of volcanism
1968	Mitchell	BP-Selco	Questor Airborne Survey, follow up ground mag survey.
1969	Belanger	Cochenour Expl	Mapping, Ground HLEM and Mag surveys
1969	Mitchell, Bowerman	North Rock Expl	Electromagnetic and Magnetometer Surveys, 1969
1970	Belanger	Conwest Expl	Line-cutting Ground EM and mag. Negative results
1971	Belanger	Muscosho Expl	EM , Mag. Several minor conductors were indicated.
1971	Mitchell	Selco Mining	17 Underground Diamond Drill Holes in Mitchel Twp and one in Dent., 1971
1971	Mitchell	Selco Mining	
1979	Mitchell	Selco Mining	EM, Mag
1979	Mitchell	Selco Mining	Magnetic and Electromagnetic Surveys, 1979
1979	Mitchell	St Joseph Expl	Geological
1979	Mitchell	St Joseph Expl	Airborne Electromagnetic Survey - anomaly found

1980	Bowerman	Selco Mining	DDHs 1980 in Bowerman Twp, and underground DDHs 1971 in Mitchell Twp.
1980	Mitchell	Selco Mining	EM, Mag
1980	Mitchell	St Joseph Expl	Mag
1980	Mitchell	St. Joseph Expl	Ground Geophysics HLEM and mag to delineate the AEM anomaly
1984	Belanger, Bowerman, Mitchell, Knott	Cominco	Airborne Mag , Compilation and Interpretation - Ground Geophysics, Geology
1988	Belanger, Bowerman, Karas L, Fredart L, Gerry L	Noranda Expl	AEM and Mag
1988	Belanger, Bowerman, Mitchell, Knott	Noranda Inc	Airborne Input EM/Mag for base metal conductors and structures for gold
1989	Mitchell	Noranda Expl	Assaying and Analyses , Geological
1989	Mitchell	Noranda Inc	Assaying and Analyses , Geological mapping, HLEM and Gravity Surveys, 1989
1990-91	Belanger, Bowerman, Mitchell, Knott	Minnova Inc	Geology and Lithogeochem, major synvolcanic structures and hydrothermal alteration
1991	Mitchell	Minnova Inc	In-Loop Surface Pulse EM Survey
1991-92	Belanger	J. Williamson	Overburden Stripping , Trenching, Gold expl with some encouraging results.
1992	Mitchell	Metall Mining	1 Diamond Drill hole in Mitchell Twp. 1992
1992	Bowerman, Mitchell	Minnova Inc	EM (TDEM survey)
1992	Mitchell	Minnova Inc	Diamond Drilling in Mitchell Twp, 1992
1993	Mitchell	Metall Mining	Diamond Drilling in Mitchell Twp, 1992, 1993
1993	Mitchell	Metall Mining	
1994-95		Noranda Inc	Geology, Lithogeochem and Geophysics, 1994-95
1995	Belanger	Noranda Inc	Line-cutting, Geophysics (Mag, HLEM, Deep EM) to locate and evaluate historic AEM associated with near surface base metal sulphides
1995-96	Belanger, Bowerman, Mitchell	Noranda Expl	Downhole Geophysics , EM , Geochem , Geology, Mag , Open Cutting , DDHs
1995-96	Mitchell	Inmet Mining	DDHs in Mitchell Twp, 1995, 1996, Borehole PEM detecting in-hole and off hole anomalies possible massive to semi-massive mineralization within 100m
1996	Belanger	Cndn Zeolite	Ground Mag, VLF and IP. Many anomalies detected for massive sulphide or gold
1996	Belanger	J. Williamson	Prospecting, Stripping, Trenching,
1998	Belanger	Noranda Inc	Diamond Drilling in Belanger Twp., 1998
1998	Belanger, Bowerman, Mitchell	Noranda Inc	EM , Mag , Open Cutting
1999	Belanger	J. Williamson	Stripping, trenching, sampling and prospecting.
1999	Belanger, Bowerman	Noranda Expl	Geochemical , Geological
2000	Belanger	Nuinsco Res.	Line cutting,Pulse EM for massive sulphides. Negative results
2002	Belanger	Kings Bay Gold	12 DDHs in Belanger Twp., 2002

Regional Geology Setting

The Northwestern Superior Province (Figure 1) includes the Uchi Subprovince, which is made up of a number of assemblages. These assemblages are in turn made up of local belts. The three belts of the Birch-Uchi portion of the Uchi Subprovince were historically considered to be 3 successive volcanic cycles (Thurston 1985). Recent structural, geochemical, and geochronological research suggests that the assemblages may have been juxtaposed tectonically (Williams *et a1*. 1991).



Greenstone belts and granitic batholiths of the Uchi Subprovince from Stott and Corfu (1991).

figure 3

The Birch-Uchi (BU) greenstone belts located within the Uchi-Subprovince (Figure 2, Stott and Corfu, 1991) consist of metavolcanic and metasedimentary rocks locally intruded by Archean granitoids (Nunes and Thurston 1980; Thurston and Fryer 1983, Fyon & Lane 1986, Good 1988, Beakhouse 1989, Williams *et al.* 1991, Devaney 1997). The BU covers an arcuate, sinuous trend of 84 km by 32 km (Goodwin 1991, Gupta & Wadge 1986). Thurston & Fryer (1983) postulated a total stratigraphic thickness of 8km - 11km, but this may be refined as further research is completed on the complex regional fold patterns. Metasedimentary English River rocks border the belt to the south, whereas granitic rocks surround the belt to the east, west, and north (Ayres *et al.* 1971, Thurston and Breaks 1978, Thurston and Fryer 1983).

Three volcano-sedimentary assemblages have been recognized in the Woman-Confederation Lake area (Goodwin 1967, Pryslak & co-workers 1969, 1971, Thurston 1985). The assemblages are, from oldest to youngest, Balmer, Woman, and Confederation suggesting that younging is to the east. (Figure 4).

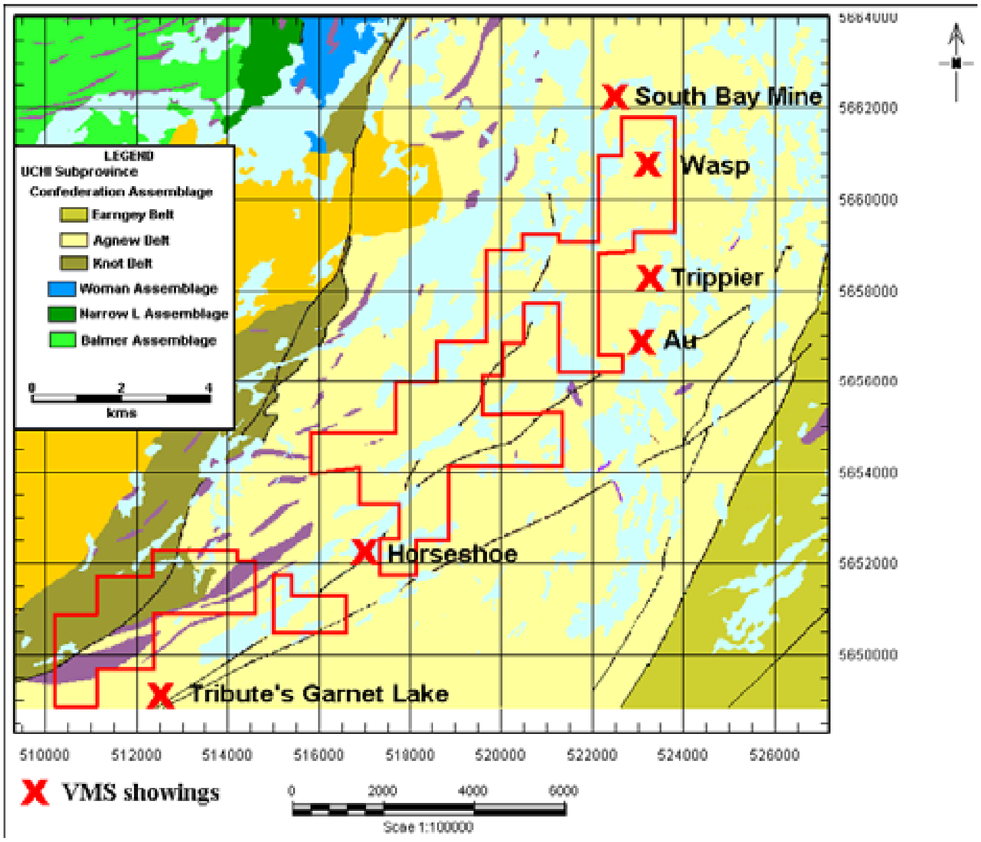


figure 4

An Assemblage represents distinct cycles of volcanism comprising basal tholeiitic pillowed basalts and andesitic flows, overlain by intermediate pyroclastics and volcanic flows, and topped with rhyolitic pyroclastics with minor flows (Thurston 1985, Fyon & O'Donnell I986). All assemblages have been regionally metamorphosed to the greenschist facies with some lower amphibolite facies chlorite and tremolite-actinolite. (Thurston and Breaks 1978).

Confederation Assemblage

The Confederation assemblage underlies the property and hosts the only significant VMS mine and mineral deposits in the area. (South Bay Mine, Tribute's Garnet Lake)

The basal most sequence is mainly tholeiitic basalt and overlies the upper felsic Woman Lake belt to the west. The pillowed and massive basal unit is prominently variolitic/spherulitic with intermixed polymictic conglomerates and siltstones (Thurston 1980, Crews *et al.* 1998).

Pillowed basalts and hyaloclastites with minor andesite flows overlie the massive variolitic flows followed by intermediate tuff, lapilli tuff and quartz-feldspar-phyric flows and minor rhyolitic flows and tuffs. The top of the Confederation assemblage is marked by felsic pyroclastic rocks of lapilli tuff and tuff breccia.

The top of the Confederation assemblage is marked by fault-bounded graben comprised of felsic and intermediate volcanics plus their felsic igneous intrusion equivalent, quartz-feldspar porphyry (QFP). The QFP intrusives often form conspicuous domes (Thurston 1985).

Overlying the graben marker are mafic and felsic flows and pyroclastic rocks derived from collapsed dome material. Thurston postulates that, based on symmetrically distributed ages and opposing stratigraphic top directions, the Confederation assemblage occupies the core of a N-S synclinorium.

The eastern half of the Confederation assemblage is composed of multiple, mafic to felsic, cycles rather than the one large single cycle to the west. (Stott & Corfu 1991). Stott & Corfu (1991) propose that the Confederation assemblage has been thrust northward relative to the underlying (older) Woman assemblage.

Stott & Corfu (1991) believe, from stratigraphic patterns and U-Pb age dating, that the eastern half of the Birch-Uchi greenstone belt and the unit south of the Red Lake greenstone belt to the west, may be composed of tectonically repeated members of a single cycle. Dating obtained by Noble *et al.* (1989) confirm that the eastern half of the assemblage may be composed of rapidly deposited volcanic cycles that could be stacked due to faulting and later folding.

The following references are provided for historical purposes only, and the reader is cautioned that there is no direct indication that any similar mineralization, or deposits, occur on the CML property at this time. Further, the information in the table below is from the public domain and the methods and data used in the generation of this information has not been reviewed by the author, and as such cannot be considered to be reliable.

Zn-Cu DEPOSITS AND PROSPECTS	**TONNAGE**	**GRADE**
South Bay Mine (Inmet)	1.45M tonnes mined	14.7% Zn, 2.3% Cu, 120g/t Ag.
Fredart Lake - Copperlode Main Zone (Westminer)	425,000 tons(386,200 tonnes)	1.56% Cu, 33.6g/t Ag.
Garnet Lake Arrow Zone (Tribute)	1.27M tonnes	8.12% Zn, 0.81% Cu, 22.9 gpt Ag, 0.64 gpt Au
Garnet Lake Arrow Zone (Tribute)	0.57M tonnes inferred	4.34%Zn
Copperlode E-Zone (Noranda)	160,000 tons	8.28% Zn, 1.02% Cu, 13.4g/t Ag.
Copperlode Hornet Zone	145,000 tonnes ddh	4.07% Zn, 1.13% Cu /5.03m
Dixie #3 (Noranda)	91,000 tons(82,600 tonnes)	10.0% Zn, 1.0% Cu
Dixie #17 (Noranda)		DDH 7.34% Zn, 1.4% Cu /9.5m.
Dixie #18 (Noranda)	110,000 tons(99,820 tonnes)	12.5% Zn, 0.5% Cu
Dixie #19 (Noranda)		DDH 6.33% Zn, 1.5% Cu /3.55m.
Ben Lake Stringer Zone		DDH 0.53 % Zn, 0.14% Cu /45.6m

Local Geology

The property is located in the Confederation Lake area, and is underlain by a mixed submarine metavolcanic metasedimentary sequence of the Agnew Belt of the Confederation Assemblage. This Archean-aged belt trends south-westward from Confederation Lake in the east to Gullrock Lake in the west. The area of interest includes an 18km by 4km section of the belt extending from the Tribute's Garnet Lake "Arrow deposit" in the south-west to the past producing South Bay Mine site on Confederation Lake in the north-east.

Thurston (1985) stated that the greenstone belt (old nomenclature) consists of three separate mafic to felsic volcanic cycles, Cycle I (lower sequence), Cycle II (middle sequence) and Cycle III (upper sequence), each representing a different stage of caldera development. Rosenthal (1993) reports that the basalts of the first two cycles are tholeiitic in nature, whereas the base of the third cycle is composed of high-alumina basalts and andesites. This third cycle is capped by a complex succession of quartz and feldspar-phyric flows, tuffs and hypabyssal intrusives which supports the model of a late pyroclastic caldera collapse event. Cycle III is the only sequence with proven economic base metal mineralization, represented by the South Bay Mine. Cycle III also hosts a number of sub-economic Cu-Zn base metal deposits and prospects.

CML's property is believed to be located within the Cycle III (Agnew Belt) of the Confederation Lake assemblage. This sequence hosts a number of significant economic and sub-economic Cu-Zn base metal deposits and prospects (figures 4 and 5). Most of these are VMS-type deposits with Cu-Zn massive sulphide mineralization localized along stratigraphic "time breaks" with intensely altered footwall rocks, and unaltered hanging wall stratigraphy. In many cases, these are the only features that can help to determine the way up of the sequence.

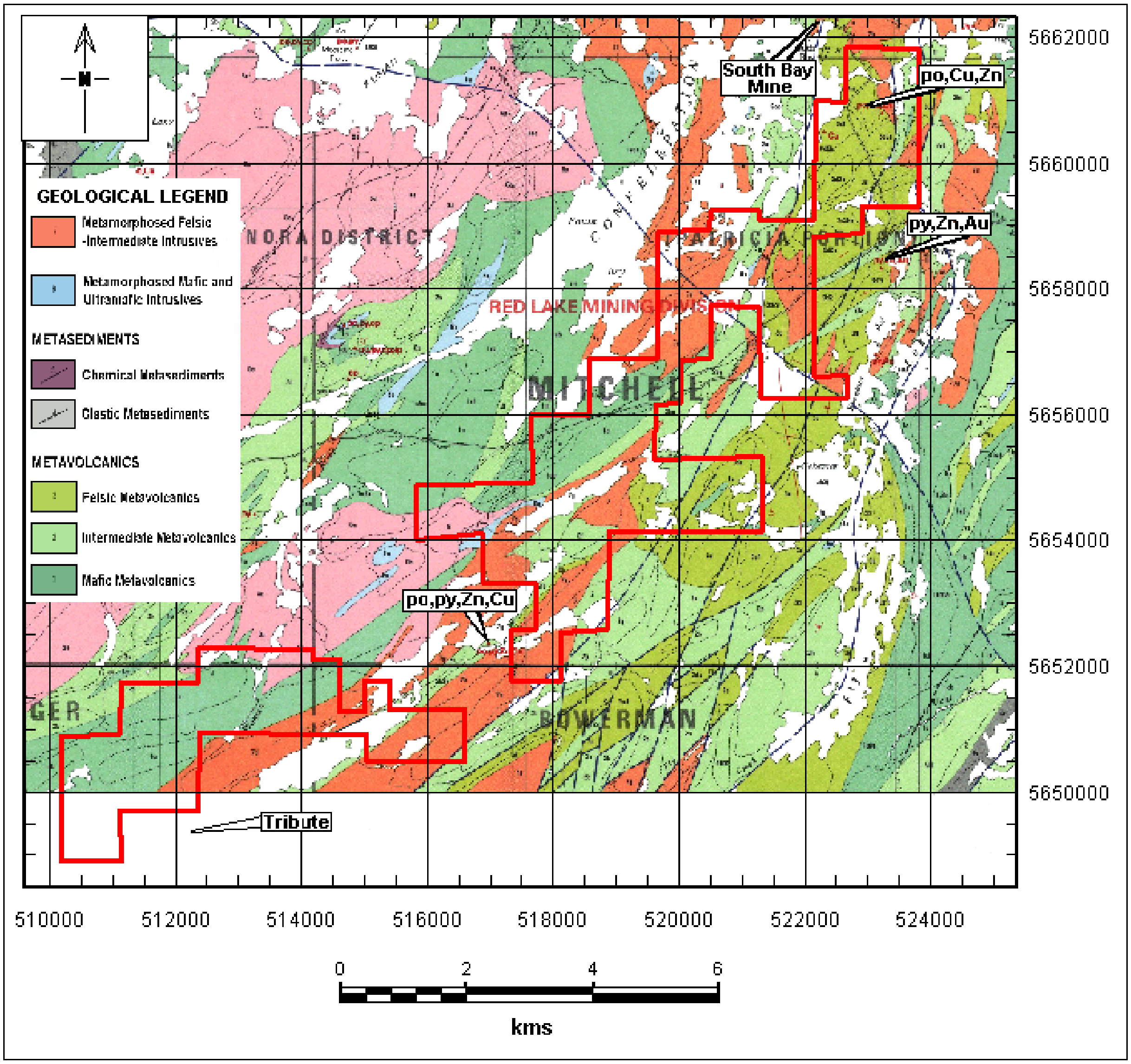


figure 5

Ultramafic and Mafic Metavolcanics

Mafic and ultramafic metavolcanic rocks are dark grey-green in colour and are often marked by dark amphibole phenocrysts and chlorite blebs. They occur at the stratigraphic base of each of the assemblages according to Stott & Corfu (1991).

The ultramafics are comprised of carbonate, talc, magnetite and chlorite, whereas the mafic metavolcanics are comprised of amphibole, plagioclase, carbonate, quartz, chlorite, sericite, epidote, biotite and varying amounts of sulphides. The mafics may also contain varioles which are typically light-grey with a blue-grey core and consist largely of quartz and albite. (Gelinas *et al.* 1976).

Metagabbro

Metagabbroic rocks are found throughout the area. They display an igneous texture comprised of random amphibole, clinozoisite, plagioclase, clinopyroxene, carbonate, chlorite, quartz, and minor sulphide minerals. Outcrops appear greenish-black and have a "spotty" massive texture consisting of mafic and felsic minerals. The opaques may consist of varying amounts of ilmenite, sphene, pyrite, leucoxene, chalcopyrite, sphalerite and pyrrhotite.

Intermediate Metavolcanics

The intermediate igneous rocks are generally light grey to light olive-green and contain both dark-grey and light-green phenocrysts and lapilli. In outcrop, the lapilli, phenocrysts and amygdules are oriented along the dominant regional foliation fabric. Sericite and minor chlorite define a pervasive mineral schistosity which overprints both phenocrysts and groundmass.

Felsic Metavolcanics

The felsic metavolcanics and pyroclastics consist mainly of quartz, plagioclase (feldspars), sericite, epidote, carbonate, muscovite and opaques. In outcrop they may appear blue-grey and layered.

Metasediments

No metasediments are believed to be found on the property. Other workers report a 100 meter thick unit of mylonitic stromatolitic marble (Hofmann *et al.* 1985, van Staal 1998, Rogers *et al* 1999) and another outcrop of a metasediments along the Woman Narrows well to the west of the property. The marble unit mainly contains carbonate, quartz, and minor mica. Bedding can produce alternating dark-grey and white to light-grey layers. The lighter layers consist of coarse-grained carbonate and areas of quartz aggregates, while the darker layers are composed of an altered fine-grained granoblastic carbonate.

Property Geology and Mineralization

In the 2005-2006 Recommendations for Mineral Exploration—Ontario, Andreas Lichtblau, Regional Resident Geologist, Red Lake-Kenora and Carmen Storey, District Geologist, Red Lake report that **FII-type and FIII-type rhyolites** occur throughout the 100 km band extending east from Red Lake to the past-producing South Bay Mine. Deposits, such as the Mattabi and Geco, are associated with FII-type rhyolite; the Kidd Creek deposit is associated with FIII-type rhyolite. In particular, the area mentioned, between Red Lake and South Bay Mine, is of prime exploration potential, but the other areas of Confederation assemblage rocks also deserve attention to locate FII- or FIII-type rhyolites for possible VMS-type mineralization.

The Confederation assemblage volcanics consist of interbedded felsic to intermediate volcanic flows and pyroclastics with minor basalt flows and interflow sediments. The VMS related mineralization reported by previous workers would appear to be largely hosted by altered felsic to intermediate pyroclastics exhibiting chlorite-biotite-garnet-anthophyllite footwall alteration mineral assemblages. Litho-geochemical sampling of altered volcanics in the area have confirmed the classic VMS signature of pervasive, semi-conformable, hydrothermal alteration with Na-depletion and Mg-enrichment. Locally, on adjacent properties, Noranda has previously reported several crosscutting, base-metal enriched hydrothermal alteration cells, which may represent "alteration pipes".

The most predominant iron sulphide reported by previous workers in the area is pyrrhotite rather than pyrite. Pyrite might be expected to be the more typical in similar Archean belts elsewhere in the region.

The past producing South Bay Zn-Cu VMS mine is hosted in high-silica rhyolites of Cycle III volcanism in the host volcanic complex (Thurston, 1980; Thurston and Fryer, 1983). The orebody occurs as irregularly shaped, stacked, massive sulfide lenses on top of an endogenous lava dome (quartz-feldspar porphyry) (Stott and Corfu, 1991). The faulted rhyolite block that hosts the deposit has been described by some workers as a possible colapsed caldera-like structure (Thurston et al., 1978). Trace element and REE geochemistry of these high-silica rhyolites is comparable with the geochemistry of other Archean felsic volcanic rocks hosting VMS deposits in the Superior province and plot in the “within-plate” volcanic zone.

Older volcanic rocks in the area (e.g., 2840 ± 10 Ma Narrow Lake felsic volcanic rocks) plot in the field of “active continental margin” and have high Th/Ta ratios, features typical of arc-related settings. This is consistent with earlier interpretations that parts of the Uchi subprovince developed on the margin of a protocontinent (Thurston and Chivers, 1990; Stott and Corfu, 1991).

Deposit Types and Geological Model

There are two main mineral targets known on the property; gold and VMS-style base metals. Ontario Geological Survey personnel have generated mineral potential models oriented towards the geological environment found in Ontario. These mineral deposit models are mainly intended for use in mineral potential evaluations to classify the mineral deposits within a given area and assist in identifying which deposit types have the potential to occur in a given area. The following is based on these Ontario specific models.

Gold in Quartz veins

This type may also be known as Mother Lode veins, greenstone gold, Archean lode gold, mesothermal gold-quartz veins, shear-hosted lode gold, low-sulphide gold-quartz veins, or just lode gold.

Archean-aged examples are: Hollinger, Dome, McIntyre and Pamour, Timmins camp; Lake Shore, Kirkland Lake camp; Campbell, Madsen, Red Lake camp; Kerr-Addison, Larder Lake camp (Ontario, Canada); Lamaque and Sigma, Val d'Or camp (Quebec, Canada); Granny Smith, Kalgoorlie and Golden Mile (Western Australia); Kolar (Karnataka, India) and Blanket-Vubachikwe (Zimbabwe, Africa).

Gold-bearing quartz veins and veinlets, with minor sulphides, are typically localized along major regional faults and related splays are hosted in granite-greenstone belts - mafic, ultramafic (komaitiitic) and felsic volcanics, intermediate and felsic intrusive rocks, and greywacke and shale. Wallrock alteration includes elevated silica, pyrite or arsenopyrite, and sericite or muscovite within a broader carbonate alteration halo. The veins usually have sharp contacts with wallrocks and exhibit a variety of textures, including massive, ribboned or banded, and stockworks with anastamosing gashes and dilations.

The Deposits form tabular fissure veins in more competent host lithologies, or veinlets and stringer stockworks in less competent lithologies. A system of en-echelon veins with lower grade bulk-tonnage styles often develop marginal to the veins.

Ore mineralogy can include native gold, pyrite, arsenopyrite, galena, sphalerite, chalcopyrite, pyrrhotite, telluride, scheelite, bismuth, cosalite, tetrahedrite, stibnite, molybdenite, gersdorffite, bismuthimite, or tetradymite. Gangue mineralogy can include quartz, carbonates (ferroan-dolomite, ankerite ferroan-magnesite, calcite, siderite), albite, mariposite (fuchsite), sericite, muscovite, chlorite, tourmaline, or graphite.

Alteration mineralogy is typically silicification, pyritization and potassium metasomatism within a metre adjacent to veins. Broader zones of carbonate alteration, with or without ferroan dolomite veinlets, extend up to tens of metres from the veins.

The exploration geochemical suite includes elevated values of Au, Ag, As, Sb, K, Li, Bi, W, Te and B ± (Cd, Cu, Pb, Zn and Hg) in rock and soil, Au in stream sediments.

A magnetic geophysical response might show faults as indicated by linear magnetic features. Associated target areas of alteration, however, would likely be indicated by negative magnetic anomalies due to destruction of magnetite from carbonate alteration.

Gold in Iron Formation

Also known as mesothermal veins, examples are: Lupin and Cullaton Lake B-Zone (Northwest Territories, Canada), Detour Lake, Madsen Red Lake, Pickle Crow, Musselwhite, Dona Lake, (Ontario, Canada), Homestake (South Dakota, USA), Mt. Morgans (Western Australia); Morro Vehlo and Raposos, Mineas Gerais (Brazil); Vubachikwe and Bar 20 (Zimbabwe); Mallappakoda, Kolar District (India).

Gold occurs in crosscutting quartz veins and veinlets, or as fine disseminations associated with pyrite, pyrrhotite and arsenopyrite, hosted in iron-formations and adjacent rocks within volcanic or sedimentary sequences. The iron-formations may vary between carbonate-oxide iron-formation and arsenical sulphide-silicate iron-formation.

These units are believed to form in ancient volcanic arcs and in adjacent submarine troughs. The sequences range from clastic, turbidite-sedimentary environments to distal mafic (and komatiitic) environments with associated felsic tuffaceous and intrusive porphyries.

Deposits are mainly located within various facies of Algoma-type iron-formation and cherts, but the veins may extend into adjacent units. These variolitic, tholeiitic and komatiitic volcanic and clastic- rocks are metamorphic from lowest greenschist to upper amphibolite facies. Rarely are silicate-facies iron-formations found to be gold-bearing.

Gold is found in and near crosscutting structures, such as quartz veins, or stratiform zones within chemical sedimentary rocks. Host strata have generally been folded and deformed to varying degrees, consequently the deposits may have developed in axial plane cleavage area or be thickened and remobilized in fold hinges. Gold mineralization is finely disseminated in sulphide minerals in the stratiform deposits and occurs as native free gold or in sulphides in crosscutting quartz veins.

Ore suites might include native gold (VG), pyrite, arsenopyrite, magnetite, pyrrhotite, chalcopyrite, sphalerite, galena, stibnite, and rarely gold tellurides, while gangue might include vein quartz, chert, carbonates (calcite, dolomite or ankerite), graphite, grunerite, stilpnomelane, tourmaline and feldspar (albite).

The deposits of lower metamorphic rank might display carbonatization (generally ankeritic or ferroan dolomite) with sulphidization (pyritization, arsenopyritization and pyrrhotitization) common in wallrocks adjacent to crosscutting quartz veins. Most deposits occur adjacent to prominent regional structural and stratigraphic “breaks” with mineralization often related to local structures. Contacts between ultramafic (commonly komatiitic) rocks and tholeiitic basalts or sedimentary rocks are important target zones. Facies changes within geologically favourable units are also important focus mechanisms for ore deposition.

A popular model for iron formation-hosted gold suggests that mineralization forms by metamorphic focusing due to large scale deformation, or deep magmatic hydrothermal fluids entering a chemically and structurally (brittle-ductile transition zone) favourable environment, late in the orogenic cycle.

A second model is based on a syngenetic origin within active submarine exhalative systems, and an association with chemical sedimentary units. Replacement features are explained as being normal diagenetic features and contact areas between sulphide-rich ore and carbonate wallrock facies boundaries.

These deposits have a geochemical signature where Si, Fe, S, As, B, Mg, Ca, Au and Ag generally show a strong enrichment, while Cu, Zn, Cd, Pb and Mn generally show a moderate enrichment.

Airborne and ground electromagnetic and magnetic surveys, and induced polarization surveys, can be useful to detect the high sulphide and magnetite content of many deposits.

Gold Exploration Model

Iron formation hosted gold mineralization is known in both the Red Lake and Birch-Uchi greenstone belts. The McFinley Mine in Red Lake and the Newman-Heyson property are located within chert-magnetite iron formations. In addition, numerous gold-bearing, sulphidized chert-magnetite iron formations occur in the north-eastern part of the Birch-Uchi belt.

Areas of high iron-carbonate alteration and veining, with intense potassic metasomatism are prime areas for gold emplacement.

Recent publications (Dubé et al., 2001) have stated the importance of carbonate veining, potassic metasomatism and polyphase deformation in the genesis of highly auriferous, silicic replacement orebodies at the High Grade Zone of the Red Lake Mine. This model is also being applied to areas within the Birch-Uchi and Confederation greenstone belts. (example Gold Canyon’s Springpole Lake deposit)

Massive Sulphide Deposit Types (A2-5)

Base-metal massive sulphide deposits are hosted by various volcanic and/or sedimentary rock types. These have been divided into volcanic-associated (VMS), Cyprus-type, Besshi-type and sedimentary exhalite (Sedex) deposit types, based upon differences in the host rock types, depositional environments, tectonic settings and some deposit characteristics. They also share many aspects in common and may represent a spectrum of deposit types from VMS to Cyprus-type to Besshi-type to Sedex, from volcanic-dominated to sedimentary-dominated host environments.

Volcanic-Associated Massive Sulphide A2 (VMS) (Cu-Zn; Zn-Pb-Cu)

Description: Copper-, zinc- and lead-bearing, stratabound to stratiform lenses of massive sulphide in submarine volcanic rocks of typically intermediate to felsic composition. Noranda-type: Cu-Zn; **Mattabi-type: Zn-Cu-(Ag)**; Kuroko-type: Zn-Pb-Cu.

Geological Environment

District Scale: Submarine volcanic assemblages of tholeiitic and/or calc-alkalic affinities. Various associations including bimodal mafic-felsic and intermediate-felsic volcanic successions, and komatiite-tholeiite assemblages with felsic volcanic centres. Intermediate to felsic volcanic rocks are the principal hosts. Subvolcanic intrusions of mafic to felsic composition are common and may be essential features. Common occurrence of volcaniclastic and epiclastic sedimentary units in the sequence and thin exhalite horizons.

Deposit Scale: Variable; common rock types may include intermediate to felsic flows; fine to coarse, intermediate to felsic pyroclastic rocks; subvolcanic, equigranular and porphyritic intrusions; subordinate mafic flows and flow breccias; volcanic-derived clastic sedimentary rocks and debris flows; exhalites; and geologic features such as felsic domes.

Archean VMS deposits have been subdivided into two general types:

(1) Noranda-type: Volcanic section includes both mafic-intermediate and felsic rocks, although the mafic to intermediate rocks are more abundant; rock types are dominated by mafic to intermediate pillow lavas, hyaloclastites, massive amygdaloidal flows and flow breccia; felsic rocks occur as lava flows or domes and as hyaloclastites; local bedded volcaniclastic units; exhalites; generally a lack or only a minor amount of primary pyroclastic rocks and subaerial rocks.

(2) Mattabi-type: Volcanic section is dominated by felsic volcanic rocks; abundant fragmental rocks; dominant felsic tuff, massive and bedded pyroclastic flows, hyaloclastite, debris flows, and dome and flow breccia; also mafic to intermediate tuff and flow breccia; pillow lava and breccia may or may not be present; lava domes and welded tuff are commonly present; high amygdule content in flows; presence of both submarine and subaerial volcanic rocks is common.

A common local setting may consist of a quartz-feldspar porphyry dome surrounded and overlain by rhyolitic pyroclastic rocks and/or flows. The pyroclastic rocks may contain essential clasts of only rhyolite or they may be of variable composition, possibly displaying zoning from a rhyolitic base to dacite to andesite at the top of individual units.

Mineralization consists of sulphide lenses located stratigraphically above the dome, but below or stratigraphically equivalent to an overlying, finely-bedded tuff to exhalite horizon. Exhalite units may include chert, carbonate, sulphide and oxide facies iron formation, graphitic argillite, barite and a Mn-enriched horizon. Chert exhalites are usually associated with felsic volcanism. Barite is generally only present in Phanerozoic deposits. Mn-enriched exhalites are usually associated with mafic volcanic-dominated footwall environments.

Host Rock Textures

Dome units display massive to ghost-like fragments overlain by a breccia carapace of similar material. Felsic flows have massive to autobreccia textures, commonly with interflow units of tuff, breccia or felsic hyaloclastite. Flow breccia displays textures indicative of in-situ steam fracturing. Pyroclastic rock units consist mainly of coarse fragments indicative of a vent to proximal facies environment; poorly graded and bedded; some may represent debris flows shed from syn-volcanic fault scarps. Fragments commonly display altered rims, usually indicative of a hot emplacement. Fragment shapes are generally angular to subangular with rare amoeboid shapes. Exhalite horizons commonly display laminations or fine bedding.

Exhalitive deposition on or beneath the sea floor from high temperature hydrothermal fluids related to the cooling of an evolved magma pile and subvolcanic porphyritic intrusions. Heated seawater is the principal source of the hydrothermal fluids. Fluid flow is controlled by fault/fracture systems. A common general association with submarine calderas. Greenstone belt geological environment in the Superior Province.

Tectonic Setting

Modern analogues for bimodal mafic-felsic and intermediate-felsic volcanic successions may include rifted island arc and back arc environments and off-axis oceanic rift, back arc or rifted arc settings for komatiite-tholeiite assemblages with felsic volcanic centres.

May be associated with synvolcanic normal faults which may be difficult to identify. The faults may be indicated by abrupt thickness and facies changes in the volcanic units.

Associated Deposit Types

The VMS deposit type may represent one of a spectrum of massive sulphide deposit types with Cyprus-type, Besshi-type and sedimentary exhalitive-type deposits.

Deposit Description

Stratabound and typically stratiform massive zone of pyrite - sphalerite - chalcopyrite - pyrrhotite +/- galena +/- bornite +/-barite +/- magnetite +/- sulphosalts +/- cassiterite. An underlying, discordant, subvertical, stringer-stockwork zone composed mainly of chalcopyrite, pyrite, pyrrhotite +/- magnetite. Concentric zonation of minerals upwards from the stringer zone from Cu-rich to Zn+Pb-rich.

Stratabound sulphides are generally fine-grained if not highly metamorphosed; massive, rubbly, brecciated, layered or laminated, slumped or re-deposited. The underlying discordant zone occurs as stockwork, stringers, disseminations or sulphide-silicate breccia.

Footwall alteration occurs in two forms:

(1) subvertical, discordant, pipe-like alteration mineralogy beneath the deposits may include silica, chlorite, sericite, siderite, chloritoid and clay. Occurs on a local scale; on the order of tens to hundreds of metres. Alteration zonation; Noranda-type: silica (centre) to Mg-chlorite to sericite; Kuroko-type: silica to sericite to chlorite. Mattabi-type:siderite+/-ankerite, Fe-chlorite, +/- andalusite, quartz and sericite; a subtle zonation is present as a compositional change in the carbonate mineralogy.

(2) widespread, semiconcordant alteration which may occur on the scale of kilometres beneath and lateral to the deposits;

Mattabi-type: 2 varieties

(a) sericite-quartz-calcite or dolomite; or
(b) iron-rich chlorite, iron-bearing carbonate and chloritoid.

Noranda-type:

(a) silicification and spilitization (epidote + quartz +/- albite, tremolite-actinolite and Mg-chlorite).

In high grade metamorphic rocks many of the minerals in (1) and (2) will be replaced by cordierite, anthophyllite, biotite, sericite, talc, kyanite, garnet, staurolite, andalusite, sillimanite, and gahnite.

Geological Ore Controls\Guides

Mineralization commonly occurs near, or at the top of, volcanic or volcano-sedimentary sequences; usually near the centre of intermediate to felsic volcanism, sometimes in systems marked by resurgent volcanism - calderas; favourable stratigraphic horizons; clustering of deposits; synvolcanic fault/fracture zones; proximal (up to kms away) to subvolcanic intrusions; pyritic, siliceous exhalites may mark the mineralized units; sulphide clasts and matrix in the volcanic breccias ("mill rock") proximal to some deposits; and the transport of deposits may occur laterally for distances of hundreds of metres to a few km.

Geochemical Signature

Weathering may produce pyritic, or pyrrhotitic gossans with anomalous base metals and Au and Ag values.

Regional Scale: rhyolites having high abundances of rare earth elements (REE) and high field strength (HFS) elements, yielding relatively flat, chondrite-normalized REE profiles with pronounced negative Eu anomalies (FIII rhyolites); related icelandites (andesites with > 16.5% $A1_20_3$ and high P_20_5). VMS deposits can also be associated with FII rhyolites which display some enrichment in light REEs and a weak or no negative Eu anomaly. In some cases the FII and FIII units are intercalated.

Local Scale: metres to several hundreds of metres - generally an enrichment in MgO, FeO, $C0_2$ and Zn; depletion in Na_20; and variable K_20.

Noranda-type pipe-like alteration: +Mg, +Fe, +K, -Na, -Si, -Mn, and -Ca; Si-rich core.
Mattabi-type pipe-like alteration: +Fe, +C02, +K, +Al, +Mn, -Ca, -Na, -Si and -Mg.
Noranda-type semiconcordant alteration: +Na, +Ca, +Si, -Fe, -Mg, and -Mn.
Mattabi-type semiconcordant alteration: +Fe, +CO_2, +K, +Mn, -Na, -Ca, -Mg, and -Si.

Geophysical Signature

Massive sulphides should produce an airborne and ground electromagnetic (EM) anomaly; although some do not (e.g. Winston Lake), especially the sphalerite-rich deposits. Magnetite and pyrrhotite in some deposits would produce an airborne and ground magnetic (mag) anomaly. Ground gravity and induced polarization (IP) surveys may respectively, locate massive and disseminated sulphides. They may also be useful in locating sphalerite-pyrite bodies. Offsets in magnetic patterns, linear EM anomalies, and linear resistivity lows may mark synvolcanic faults.

Exploration Vectoring

A. Regional Vectoring (scale of kilometres)

1. Geological Criteria
Greenstone belts; volcanic terranes;
Calc-alkalic and/or tholeiitic volcanic assemblages;
Submarine bimodal mafic-felsic or intermediate-felsic volcanic sequences;
or komatiite-tholeiite volcanic sequences with isolated felsic centres;
Intermediate to felsic volcanic +/- sedimentary host sequence;
Regional association with intermediate to felsic volcanic calderas; localized volcanic centres; especially marked by coarse pyroclastic breccia, domes and flows;
Noranda-type: flow-dominated environment;
Mattabi-type: pyroclastic-dominated environment;
Regional "synvolcanic" faults, intersections, and lineaments;
Favourable stratigraphic horizon; clustering of deposits; generally at the break between two sequences;
Subvolcanic intrusions; mafic to felsic; especially quartz-feldspar porphyry;
Regional semiconcordant alteration mineralogy (refer above).

2. Geochemical Criteria
Lithogeochemical anomalies associated with the semiconcordant alteration (refer above);
FIII rhyolites and related icelandites;
FII rhyolites (refer above).

3. Geophysical Criteria
Airborne electromagnetic +/- magnetic anomaly; preferably coincident and isolated for sulphide deposits (may not always occur) ;
Airborne EM and mag to detect associated synvolcanic faults (Geophysical Signature).

B. Local Vectoring (scale of tens to hundreds of metres, additional to above)

1.Geological Criteria
Intermediate to felsic volcanic host sequence;
- Volcanic centres - characterized by intermediate to felsic coarse pyroclastics and/or flows; domes; and subvolcanic intrusions;
- Associated rocks may include mafic to intermediate flows and pyroclastics, and volcanic-derived, clastic sedimentary rocks and debris flows;

Exhalite(s) - marks a break in the stratigraphic sequence; period of quiescence (refer above);
Subvertical alteration pipe - alteration mineralogy (refer above); zonations;
"Mill rock" - coarse pyroclastic breccia with some sulphide clasts and sulphide in the matrix.

2.Geochemical Criteria
Lithogeochemical anomalies associated with the alteration pipe;
may include enrichment in MgO, FeO, $C0_2$ and Zn;
depletion in Na_20; and variable K_20 (refer above);
Geochemical (Cu, Zn, Pb, Au, Ag) anomaly in the exhalites;
Cu +/- Zn +/- Pb rock, soil and stream sediment anomalies.

3.Geophysical Criteria
Ground and/or borehole geophysical anomalies - EM, mag, IP, and gravity; preferably coincident; to detect the sulphide deposits (refer above to Geophysical Signature);
Ground mag, EM and resistivity surveys to detect synvolcanic faults (refer above).

Mineralization

The author had the opportunity to conduct a property visit June 13, 2006. The majority of the time was spent at the Belanger Group, which is located immediately north of, and adjacent to, the Tribute Minerals Garnet Lake, Arrow Deposit. This is the only area where any new work has been done on the property since Minnova et al.

Access to the Belanger property was as easily achieved by driving from Ear Falls along the Ear Falls – South Bay all-weather gravel logging road to the trail used by Tribute to access their main Garnet Lake drill camp. This latter trail requires a high clearance vehicle, preferably with 4-wheel drive.

Although the property has been mainly explored for base metals in the past, recent efforts have focused on discovering new gold occurrences. The few gossanous areas sampled by the author returned about 1% Cu, while the gold-bearing quartz vein outcrop returned 0.4 opt Au.

The Belanger Group appears to be underlain by a north-easterly trending sequence of felsic flows and tuffs which have been intruded by mafic and felsic intrusive rocks.

A prominent zone of shearing hosts individually named occurrences A-E. These were visited and samples on a preliminary basis only.

"C" Zone: sample 332901, cpy + py in a shear contact between a feldspar porphyritic Mafic Volcanics and Rhyolite, UTM 513142E, 5651332N
"D" Zone: sample 332902, heavy oxide gossan with cpy + po + py, 0.5%Cu/30' reported previously, UTM 513355E, 5651476N
"D" Zone: sample 332903,along strike from above, similar, UTM 513367E, 5651480N
"E" Zone: sample 332904, gold-bearing (reported) Quartz Vein cutting Intermediate to Felsic Volcanics, UTM 513569E, 5651610N
Intersecting shears produced quartz rolls/rods at the "E" Zone striking 230º/-70º with plunge attitudes of 10º/-50º

In addition, the author visited a base metal showing in trenches close to the South Bay road and further to the north-east on the property. Mr. Williamson reported that he believed Noranda has blasted these pits 15-20 years ago while exploring for zinc.

VMS showing: sample 332905, massive gossan with 10% po + minor sph + cpy, UTM 519898E, 5656270N

Lab results:

sample	Au PPB	Ag PPM	Cu PPM	Zn PPM	Comment
332901	533	26	11,138	279	1.1% Cu
332902	266	3	6,412	50	0.6% Cu
332903	363	7	10,026	93	1.0% Cu
332904	13,677	2	481	62	0.4 opt Au
332905	5	2	1,206	219	0.1% Cu

Sample Preparation, Assaying and Analytical Procedures

Only 5 rock samples were collected by the author during the property visit. These samples are of the "grab" type and are generally representative of the particular vein or gossan visited.

The samples were collected, held secure, and delivered to a bonded Carrier by the author for direct transport to Accurassay Labs in Thunder Bay. At no time did an employee, officer, director, associate of the issuer nor member of the general public handle the samples.

The rock samples are received by Accurassay Labs in Thunder Bay and entered into their Local Information System (LIMS). The samples are dried, if necessary, and then jaw crushed to -8mesh, riffle split, a 250 to 400 gram cut is taken and pulverized to 90%-150 mesh, and then matted to ensure homogeneity. Silica sand is used to clean out the pulverizing dishes between each sample to prevent cross contamination.

The homogeneous sample is then fired in the fire assay lab. The sample is mixed with a lead based flux and fused for an appropriate length of time. The fusing process results is a lead button, which is then placed in a cupelling furnace where all of the lead is absorbed by the cupel and a silver bead, which contains any gold, platinum and palladium, is left in the cupel. The cupel is removed from the furnace and allowed to cool. Once the cupel has cooled sufficiently, the silver bead is placed in an appropriately labeled small test tube and digested using a 1:3 ration of nitric acid to hydrochloric acid. The samples are bulked up with 1.0 mls of distilled deionized water and 1.0 mls of 1% digested lanthanum solution. The total volume is 3.0 mls. The samples cool and are vortexed. The contents are allowed to settle. Once the samples have settled they are analyzed for gold, and platinum and palladium if requested, using atomic absorption spectroscopy. The atomic absorption spectroscopy unit is calibrated for each element using the appropriate ISO 9002 certified standards in an air-acetylene flame. The results for the atomic absorption are checked by the technician and then forwarded to data entry by means of electronic transfer and a certificate is produced.

Base metal samples are prepped in the same way as precious metals but are digested using a multi acid digest (HNO_3, HF, HCl). The samples are bulked up with 2.0 mls of hydrochloric acid and brought to a final volume of 10.0 mls with distilled deionized water. The samples are vortexed and allowed to settle. Once the samples have settled they are analyzed for copper, nickel and cobalt using atomic absorption spectroscopy.

The Laboratory Manager checks the data and validates it if it is error free. The results are then forwarded to the client by email with a hardcopy by mail. This method may be altered according to the client's demands. All changes in the method will be discussed with the client and approved by the laboratory manager.

Quality Control

Accurassay Laboratories employs an internal quality control system that tracks certified reference materials and in-house quality assurance standards. Accurassay Laboratories uses a combination of reference materials, including reference materials purchased from CANMET, standards created in-house by the laboratory, and certified calibration standards. Should any of the standards not fall within an acceptable range, reassays will be performed with a new certified reference material. The number of reassays depends on how far the certified reference material falls outside it's acceptable range.
Additionally, Accurassay Laboratories verifies the accuracy of any measuring or dispensing device (i.e scales, dispensers, pipettes, etc.) on a daily basis and are corrected as required. The author is of the opinion on there was an adequacy of sample preparation, security and analytical procedures for these few samples.

Exploration

The author was commissioned to carry out an orientation MMI soil surveys to address the immediate Assessment requirements for some claims on the Property. The results of the preliminary survey confirmed the presence of a Zn-Cd-Cu anomaly south of, and generally on strike with, the postulated South Bay Mine trend. Although these results are considered preliminary in nature, the anomalies are of sufficient magnitude to warrant drilling.

CML’s management are highly experienced explorationists and have indicated that they intend to contract such additional exploration oriented surveys and investigations as are appropriate once they have considered the recommendations of this technical report and any other guidance they may receive.

MMI Soil Geochemistry Orientation Surveys

The author conducted an on-site preliminary geochemistry field investigation on August 6, 2006. Devon Corporation’s MMI crews subsequently conducted the first Orientation Grid during the period August 10-22, 2006. This grid investigated possible eastward extensions of the Tribute – Garnet Lake VMS discovery in the vicinity of Horseshoe Lake. Operating from a base-camp at Canada North Lodge, geochemistry sample sites were located along newly line-cut and picketed lines at 25 meter sample spacings along 200 meter separated lines.

The MMI crews returned again during May 16-31, 2007 to complete a second Orientation Grid to investigate possible south-westward extensions to the South Bay VMS Mine. Operating from a Motel in Ear Falls, geochemistry sample sites were again located along newly line-cut and picketed lines at 25 meter sample spacings along 200 meter separated lines.

The author has in excess of 20 years experience conducting exploration for base and precious metals in the area and has received direct training in MMI sampling and interpretation procedures. In addition, the author assisted in the development of a module specific to the interpretation and presentation of MMI results in Visidata’s “Interdex” geological software, which was used for this report. As such, the author is a Qualified Person (QP) as defined by NI 43-101.

Sample Preparation, Assaying and Analytical Procedures

Of the 834 sites investigated on both grids, 739 MMI geochem soil samples were collected. 58 sites were rock and 37 were swamp/bog and therefore not suitable for MMI sampling. Observations of soil quality, colour and moisture content were recorded by the crews at each sample site. MMI soil samples were taken at 25 meter intervals along 200 meter spaced cut and picketted lines perpendicular to the interpreted package of favourable sratigraphy striking through the Confederation Lake Property.

Soil Analysis: The application of MMI geochemical exploration is thought to be significantly different to that used in historic, conventional soil surveys. The process removes small amounts of metal ions from the exterior of soil particles whilst leaving the substrate unaffected. The very loosely-attached ions are therefore sourced from in-situ target mineralization and not from other background transported or lithological sources of metals. Metal concentration levels are significantly lower than 'total digestions' methods, but the signal-to-noise ratios are significantly enhanced, resulting in a sharper anomaly contrast to background.

Before taking the soil sample material, equipment is brushed to eliminate residue from previous samples and preferably flushed with the soil from the new sample site. During sample collection and handling, no jewellery (watches, rings, bracelets, and chains) should be worn, as this can be a major source of contamination.

Taking an MMI soil sample requires the surface soil layer to be scraped away, eliminating loose organic matter, debris, and any possible contamination. In cases where there is an extensive organic horizon (O or Ao) at the surface, the sample should be taken 5 to 20cm below the lower interface. An orientation survey designed to test the optimum depth below the organic layer is recommended in most areas. In this survey, it was determined that the ideal depth of sample was between 10-15cm below the lower interface.

A 250-400 gram sample is collected and stored in a plastic bag (a 90 x 150-mm plastic ZIPLOC is recommended). Once sealed in the Ziploc plastic bags, samples should be placed in polyweave sample dispatch bags (maximum 40 per bag). Stored in this manner, samples can be carried during summer without problems and be stored for long periods.

The samples are believed to be representative of the mediums analysed and the quality is believed to be suitable for inclusion in this report.

Sample Collection, Security and Analysis

Soil samples, each weighing between 250 and 400 grams, were collected at 25 meter spaced stations on picketed and cut lines approximately 200 meters apart. The grid is further located by GPS NAD83, Zone 15 and presented against the local Mining Lands Claim Base Map. The material collected for MMI analysis comprised dry to damp, sandy to pebbly soil representing a primary derivative of till or glacial outwash clays. Samples were collected from a consistent depth of between 10 and 15 cm beneath the humus layer. In areas where shallow overburden (<10 cm) was observed, samples were collected from the maximum depth obtainable. In some instances samples were collected from a depth of only 2-5 cm due to shallow overburden.

Samples were collected with a stiff vinyl trowel after the initial sample pit was dug with a clean shovel devoid of paint or rust. Samples were bagged on site, without preparation, except for the occasional removal of rock fragments greater than 2 mm in diameter, and shipped to SGS Laboratories, Toronto, Ont.

The new MMI-M suite was used for the purpose of this orientation survey. MMI-M is a single multi-element leach that now provides an option to measure the concentration of a broad selection of mobile elements in soils.

While some element detection limits are slightly higher than those quoted for the original “expert element suites”, this new leach, like its predecessors, still detaches and holds mobile ions in the extractant solution prior to analysis.

This M suite will analyse for Cu, Pb, Zn, Cd, Au, Ag, Ni, Co, Pd, U (Commodity Group) Cr, Nb, Rb, Y, + Rare Earth elements (Diamond Group) Ti, Zr, Ca, Mg, Sr, Al, Sc, Th, Li, Fe (Lithological Group) As, Sb, Bi, Tl ,W, Sn, Mo, Te, Se, Sb (Pathfinder Group) Of particular interest is the potential to map VMS alteration multi element associations.

Analytical finish is by inductively coupled plasma-mass spectrometry (ICP-MS). Internal analytical lab duplicates were also utilized by SGS to monitor reproducibility.

All samples were taken and “bagged” according to “Best Practice” security procedures. Sample shipping bags were sealed and delivered to Gardewine bonded transport company, for shipment to the SGS Lab in Toronto. The author believes that the security measures taken to ensure the validity and integrity of samples taken are to the highest industry standards.

SGS Labs in Toronto are directly licensed by the owners of the proprietary MMI analytical method to offer analysis and are certified by the appropriate standards association for their procedures.

SGS prepared their own quality control measures and employed check assay soil duplicates and other check analytical and testing procedures according to their respective ISO standards. The results of the check soil duplicates were imbedded in the analysis reports provided by SGS. No corrective actions were deemed by SGS, or the author, to be necessary.

The author is, therefore, of the opinion that the sampling, sample preparation, security and analytical procedures are of the highest quality and adequacy.

Data Treatment and Presentation

Analytical data from the MMI surveys were examined statistically. Data less than the lower detection limit (LDL) were replaced with a value ½ of the LDL for statistical calculations and graphical representation. The background threshold of noise was determined by using the 25th percentile. This data was calculated using the Interdex software program probability plot analysis.

Response ratios will also serve to compare MMI data collected from different grids, areas and environments from year to year. Cumulative frequencies, data ranges, standard deviations and response ratios were also checked manually.

Method and Interpretation of Anomalous Values

Multivariate statistical and graphical techniques were used to interpret the MMI data from the Property. Response ratios were examined for anomalous "highs" or groups of elevated responses for single and/or coincident elements. This orientation survey will set some base line responses for VMS-style alteration and mineralization. Typically, the target Zn ore should have coincident Cu, Ag and Cd. (See **Appendix 2** for significantly anomalous transect lines)

Figure 6 below shows the application of MMI response ratios to a survey line with presentation using a transect of normalized stacked bars. Line 3 (L3) is the first line across the favourable South Bay Mine trend at the northern Property boundary. A sharp, 175 meter wide, high-magnitude Zn anomaly with high Cd and coincident high Cu and Ag can be interpreted from this data. A second high-magnitued Zn plus Cd anomaly to the east of the main anomaly may represent either a second 25 meter wide zone, or a ghost anomaly caused by a low angle structure intesecting the main anomaly at depth.

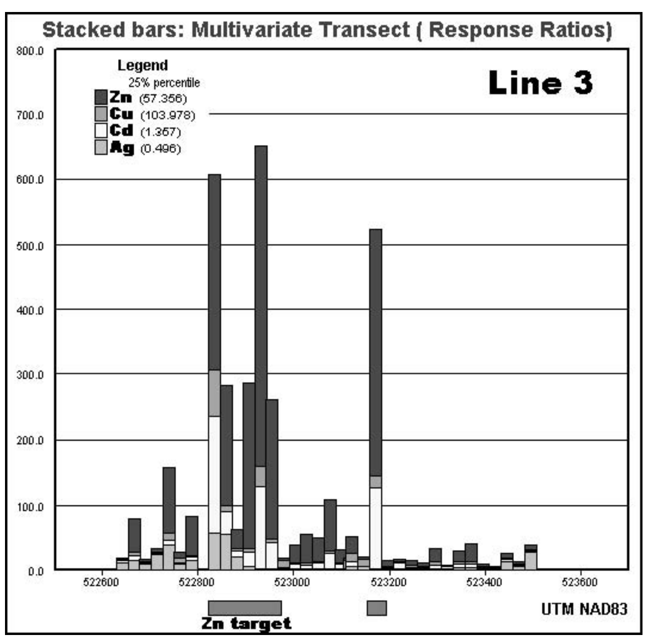


figure 6

The overburden is generally believed to be relatively shallow, less than 10 meters, throughout the survey area. As such, little lateral dispersion of the MMI response is expected. Further ground truthing and modeling is recommended for the first grid to better explain the numerous off-trend, low amplitude anomalies generated by the primary target elements Zn, Cu, Ag, Cd and Au.

However, the second grid investigating the potential for south-westward extensions to the South Bay VMS Mine generated a 1.8 km long, very high amplitude Zn-Cu-Ag-Cd anomaly over widths approaching 150 meters. This anomaly, interpreted from several transects similar to **figure 6** above, is presented on plan **figure 7** below.

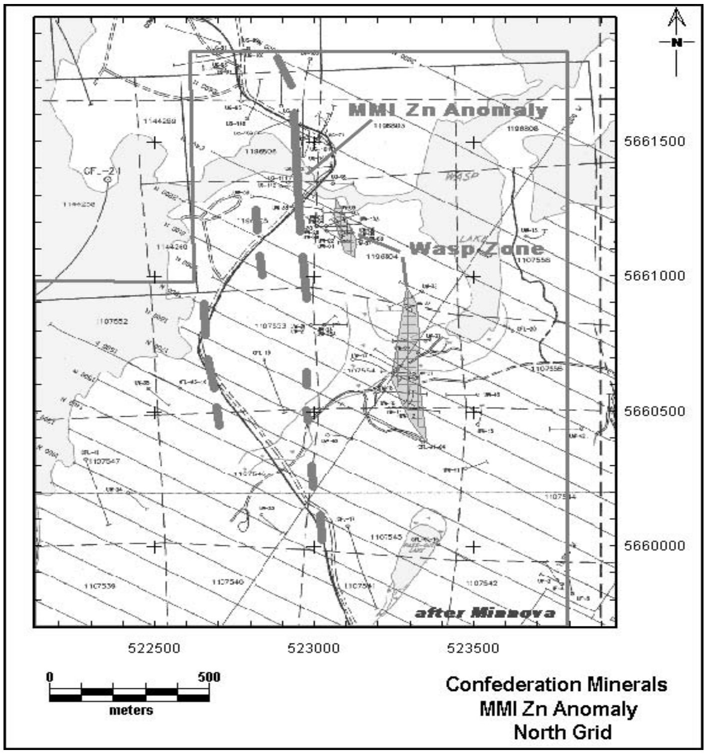


figure 7

Previous workers believed that the Wasp Zone, **figure 7**, was possibly a southern extension to the South Bay Mine trend. Historical records report drill intersections in the Wasp Zone up to 2% Zn over 19 meters. These results cannot be verified, and as such cannot be relied upon. The MMI Line 5 (**Appendix 2**) was intended to cross this zone, but heavy spring flooding rendered the area unsuitable for sampling.

The interpretation of the MMI data, **figure 7**, would suggest that 200 meters west of the Wasp Zone is a strong north-south Zn anomaly striking from the northern property boundary for approximately 1.8 kms to the south.

Drilling

No drilling has been carried out on behalf of the issuer at this time.

Data Verification

The public Assessment data reviewed for this report is of a historical nature, and as such quality control measures and data verification procedures do not generally apply.

The information compiled in this report has been collected from public Assessment archives and reviewed by the author and his agents. Registered Professional Geoscientists or Qualified Persons did not certify a substantial amount of the work performed by these previous workers as defined by NI 43-101 standards. However, in most cases, the historic work was performed and supervised by highly respected industry professionals. None of the findings of this report, nor any recommendations contained herein, rely solely on the findings of previous workers.

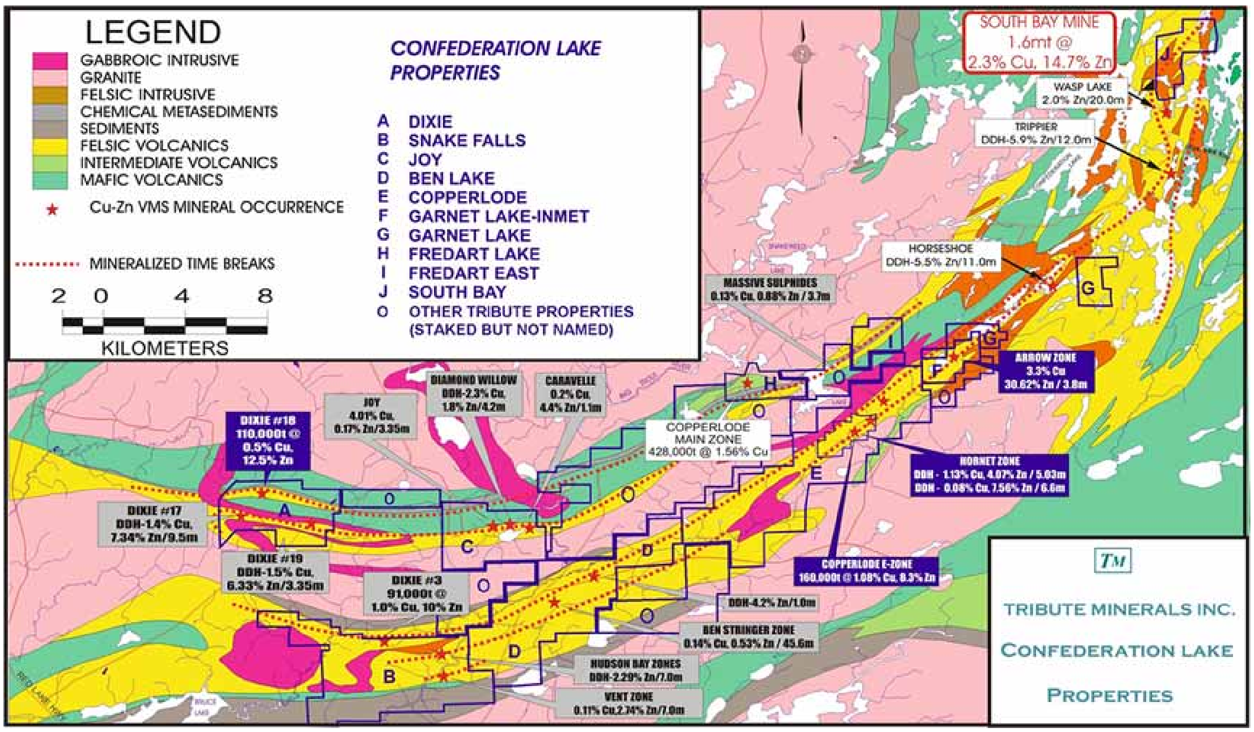
Newly collected analytical data by the author was subject to rigorous quality control measures by the respective labs, and in the case of the MMI soil samples, internal duplicates as well.

Adjacent Properties

The following information is relevant to adjacent properties only and has been publicly disclosed by the appropriate property owners or operators. Although the author has not been able to verify the information, and the information is not necessarily indicative of the mineralization on the CML property, it is believed that this information could be material to the geological model and exploration methodology proposed to CML in this report.

<u>This section of the report refers to mineralization on the adjacent property and not mineralization on the property being reported on.</u>

Tribute Minerals has recently reported the following through their public domain web-site (www.tributeminerals.com):



Fredart Lake

The Fredart Lake property is underlain by southeast-younging amphibolitized mafic flows, andesitic to dacitic flows and pyroclastics, and an upper sequence of chemical metasediments comprising marbles, iron formation and chert of the Cycle III assemblage. The metasediments appear to be overlain to the south by a later cycle of mafic to felsic metavolcanics. Mineralized horizons occur within highly altered intermediate metavolcanics interbedded with chemical metasediments including iron formation and marble.

As noted elsewhere in the Confederation Lake belt, all of the mineralization has been identified with highly altered footwall sequences with temporal and stratigraphic breaks. Mineralized metavolcanics typically exhibit chlorite-biotite-garnet-anthophyllite footwall alteration. Litho-geochemical alteration including Mg-enrichment, Na-depletion, and base metal enrichment have been defined in the footwall of VMS systems throughout the belt.

Work by Rexdale Mines, Copper-Lode Mines and Phelps Dodge in the 1960s defined several mineralized zones on the Fredart Lake property. Between 1964 and 1970, these operators drilled a total of 88 diamond drill holes totaling 42,230 feet (12,875m) in length (Archibald, 1970). The most significant result of this work was the definition of the Copperlode Main Zone.

Copperlode, D-Zone, E-Zone and Hornet Zone

The Copperlode property is underlain by dominantly submarine, arc-related, felsic pyroclastic volcanic rocks of the Confederation sequence (van Stall, 1998) of the Birch-Confederation Lake greenstone belt. The rocks define a NE trending volcanic sequence approximately 850-1000m wide, thickening to the northeast. The sequence has been intruded to the north by a medium grained gabbro to leuco-gabbro and to the south by a re-crystallized medium grained granite. There are three mineralized zones of interest to Tribute on the Copperlode property, the D-Zone, E-Zone and Hornet Zone. Each is discussed below.

The Copperlode Main Zone contains a resource estimated at 425,612 tons (368,200 tonnes) grading 1.56% Cu and 33.6 g/t Ag. This resource was estimated by C.W. Archibald (Archibald, 1970) from 46 drill holes over a strike length of 1,400 feet (425m) to a depth of 400 feet (120m). Archibald's estimates used three different cutoff grades, but the resource figure given above was estimated using a 1.0% Cu cutoff. In the opinion of Tribute's consultants, at the grades given the Copperlode Main Zone is not of economic interest.

Although most of the mineralization discovered to date in the Confederation Lake belt can be classified as VMS-type, Rosenthal (1993) notes that the Copperlode Main Zone (previously known as the Snakeweed deposit) appears to be of a different type. In his opinion, this zone is an unusual porphyry copper-molybdenum deposit developed within the same succession as the more typical VMS deposits of the belt.

The D-Zone is located approximately 350m SE of the B-Zone on L900W at 400S, and has been delineated by diamond drilling for a strike length of 165m, to a depth of 100m. Mineralization is localized within a siliceous rhyolite fragmental, proximal to a quartz feldspar porphyritic rhyolite.

The E-Zone is the most significant sulphide zone defined to date on the property, and has been traced by diamond drilling for a strike length of 300m to a vertical depth of 100m and appears to be plunging to the east. Tonnage estimates by Noranda range up to 300,000 tons (272,200 tonnes) grading 0.60% Cu, 4.36% Zn and 13.7g/t Ag, which includes 160,000 tons (145,200 tonnes) grading 1.02% Cu, 8.28% Zn and 24.0g/t Ag. Mineralization consists of massive to stringer sulphide hosted by a siliceous rhyolite fragmental adjacent to a quartz-feldspar porphyritic ("QFP") rhyolite / sub-volcanic intrusive.

The Hornet Zone is a blind sulphide zone discovered at moderate depths by drilling. The zone is located approximately 250m south of and parallel to the E-Zone, extending from L1000W to L400W at a vertical depth of 330 to 625m. Mineralization consists of massive to stringer sulphide composed of Po-Sp-Cp, hosted in an intensely altered (chlorite-biotite-garnet-andalusite-staurolite) felsic volcanic unit.

The volcanic rocks possess a well-developed pervasive foliation and locally preserved bedding with vertical to steeply north dips. Observed mineral assemblages define metamorphic grades to lower amphibolite facies. The rocks are strongly re-crystallized, possessing granular, sugary textures which tend to destroy primary relict volcanic textures, and as a result detailed stratigraphic interpretation of the felsic volcanic sequence is impossible based on outcrop examination alone.

The felsic volcanic stratigraphy is dominated by a coarser pyroclastic blue quartz-eye ("BQE") crystal tuff to lapilli tuff unit which is interbedded to the NE with a thickening wedge of massive to finely laminated siliceous (cherty) ash tuff. Locally, the felsic volcanics have been intruded by sub-volcanic quartz-feldspar porphyries, thin (<50m) amphibolitized diabase dykes (possibly mafic flows) and minor gabbroic dykes and sills.

Well developed alteration mineral assemblages are observed exclusively in the quartz-eye tuff *I* lapilli tuff pyroclastic unit which also hosts the known mineralization. Alteration mineral assemblages are visually striking in outcrop and consist of fine, pervasive biotite-muscovite, developing to coarser chlorite-biotite-garnet-andalusite±anthophyllite±staurolite mineral assemblages with increasing alteration.

The mineralization and associated alteration are typical of Archean Cu-Zn VMS deposits similar to the Mattabi-type VMS deposits occurring in the Sturgeon Lake Mining Camp, and the observed alteration assemblages on the Copperlode property were interpreted by Noranda to represent a metamorphic overprint of earlier syn-volcanic hydrothermal alteration related to a VMS hydrothermal system. At least two major hydrothermal "cells", occurring as semi-conformable alteration zones, were defined extending along strike for a distance of in excess of 10km over widths ranging from 100 to >400m. The two alteration cells were referred to by Noranda as the North and South cells, of which only the South cell has been found to be directly associated with significant massive sulphide mineralization to date.

Apparent footwall alteration geometry suggests variable stratigraphic topping directions. As at Dixie, however, the lack of good stratigraphic marker horizons does not allow for a conclusive interpretation. Field mapping by Noranda and previous operators has also failed to identify primary volcanic features indicative of a well-defined topping direction.

Garnet Lake

The property hosts a base metal discovery made by Noranda, the Arrow Zone. This zone occurs between 300 to 550m vertical depths at the contact of a QFP syn-volcanic intrusive and a cherty ash tuff. Mineralization is associated with a laterally extensive DeepEM conductivity trend with coincident locally elevated magnetics, has been traced for approximately 1.4 km of strike length and plunges shallowly to the west. Mineralization is cut off at depth by the QFP, but remains open to the west. The zone occurs along a prospective stratigraphic contact characterized by a DeepEM conductivity totaling 4km in length.

Felsic volcanic flows and pyroclastics of Cycle III of the Confederation assemblage of the Confederation Lake - Uchi Lake Greenstone belt underlie the Garnet Lake property. A variably altered felsic pyroclastic sequence comprising BQE tuff and ash tuff occupies the northwestern part of the property, and is separated from a coarser pyroclastic sequence (lapilli tuff and agglomerate) to the southeast by a syn-volcanic QFP intrusion. DeepEM and magnetic high anomalies flank both sides of the QFP and are strike extensive, continuing southwest onto the Copperlode property and northeast onto Inmet's South Bay Mine property.

BP Selco had encountered a moderate grade intercept in a drill hole on the property (0.14% Cu and 3.3% Zn over 4.0m) in their work on the ground. Noranda followed that up with a Bore Hole PEM survey which indicated a good target, and they drilled that in 1977, making a significant base metal discovery. The best intercept was 2.2% Cu, 19.1% Zn, 35.1g/t Ag and 1.6g/t Au over 6.3m. This zone occurs at a vertical depth of between 300 and 550m, below the original mineralization outlined by BP Selco.

Tribute reports that, based upon the continuity of a DeepEM conductor, the Arrow Zone is located within a metamorphosed volcanogenic massive sulphide horizon with a strike potential of approximately 4km. The deposit is hosted within magnetite-rich interflow chloritic sediments enveloped in chlorite-anthophyllite-garnet-andalusite-staurolite altered felsic volcanic tuffs. The massive sulphide horizon immediately overlies a sericitized quartz-feldspar-porphyry believed to be a domal footwall. Stratigraphic "up" has been interpreted by previous workers to be to the northwest.

The target massive sulphide is comprised of medium to coarse grained, massive, semi-massive and stringer sphalerite with lesser chalcopyrite, gold, silver, indium and gallium in a gangue of pyrrhotite with lesser pyrite.

South Bay Mine Area

The South Bay property optioned by Tribute from Noranda is underlain by felsic volcanic pyroclastics, flows and related sub-volcanic intrusives correlative to the mine series volcanic stratigraphy described at the South Bay Mine located immediately west of the property. The volcanic sequence is part of the Cycle III Confederation assemblage which hosts the past-producing South Bay VMS Deposit, and consists of interbedded mafic volcanic flows and intermediate to felsic pyroclastics and flows with lesser interflow sediments.

The South Bay deposit itself was discovered by drill testing of a single line AEM anomaly. The mineralization was not exposed at surface, but did subcrop under about 6m of overburden (Wan et al., 1978). The discovery hole graded 6.26% Cu, 14.69% Zn and 161 .0g/t Ag over 5.73m of core. Follow-up surface drilling allowed the definition of reserves sufficient to place the property into production in July 1971, and to the end of its life the mine produced 1.45 million tonnes grading 2.3% Cu, 14.5% Zn and 120.0g/t Ag (Mineral Deposit File: South Bay; Gallo et al., 1979).

As previously noted, a large proportion of the ore mined at South Bay was not found by surface drilling. According to the Mineral Deposit Files in the MNDM Office in Red Lake, the mine was placed into production with a reserve of 900,000 tons (816,700 tonnes) to a depth of approximately 600 feet (185m). However, a spiral decline deepened from the 600 foot (185m) level discovered the #11 lens at a depth of around 700 feet (215m) in 1973 (P. MacCulloch, pers. comm. 2003) and subsequent underground drilling outlined the largest single lens (#12) at depths in excess of 900 feet (275m) in 1975 (see also Auston, 1977).

According to Gallo, et. al. (1979), South Bay consisted of eight separate but closely spaced lenses of massive sulphide mineralization, of which the largest contained 595,300 tonnes of ore. These ore bodies were hosted by felsic pyroclastic rocks, near the top of the acid phase of the Cycle III sequence. Dacite breccia and tuff (possibly chloritised rhyolite) are overlain by rhyolite flows and pyroclastics. A large body of QFP was interpreted to be an endogenous rhyolite dome.

The volcanic sequence at the mine faces north, and lies a little east of the trace of the axis of a synclinorium. Structural attitudes are sub-vertical. Strong chlorite-dominant alteration envelops and underlies the mineralization and plunges southeast, although the mineralization itself plunges northeast.

Noranda carried out an AEM survey over their South Bay property. The results of this survey indicate the presence of a 400m long, NE trending conductor 800m along strike of the former South Bay deposit. This feature is interpreted to represent the northeast extension of the mine stratigraphy east of the QFP intrusive that cuts off the deposit on its eastern boundary, west of the property. Historical diamond drilling limited to above the -100m level confirms the presence of mine series felsic volcanic pyroclastics hosting disseminated to narrow semi-massive sulphide mineralization with anomalous Zn values.

Noranda followed up this anomaly with a three hole drilling program in 1994-5, and found only anomalous Zn values and no major litho-geochemical indications of the strong hydrothermal alteration typically associated with these VMS deposits (Barr, 1996). They recommended that a re-evaluation of the information available on the South Bay Mine be undertaken before any further work was proposed.

Mineral Resource and Mineral Reserve Estimates

No NI 43-101 compliant mineral resource is currently known on the Confederation Lake Property.

Interpretation and Conclusions

The author conducted a modest exploration program for CML in order to generate sufficient Assessment Work Credits to maintain the Property in good standing. MMI multi-element soil geochemistry was used to produce an orientation survey in order to set some base line responses for VMS-style alteration and mineralization on the Property. Typically, the target Zn ore should present as a coincident Zn-Cd-Cu-Ag anomaly.

Multivariate statistical and graphical techniques were used to interpret the MMI data from the Property. Response ratios were examined for anomalous “highs” or groups of elevated responses for single and/or coincident elements.

The second grid, at the north-eastern end of the Property adjacent to the South Bay VMS Mine, generated a high-magnitude Zn anomaly over considerable width and a 1.8 km strike length. The anomaly displays the classic Zn-Cd-

Cu-Ag associations, and as such warrants drilling.

The first grid, at the south-western end of the property and on-strike with Tribute's discovery, also generated some Zn trends, but not of sufficient magnitude to warrant drilling at this time.

The object of the MMI orientation survey was to determine its suitability as a general exploration tool on this property. The author is of the opinion that the new MMI soil analysis did, indeed, meet the exploration objectives by demonstrating that that it is capable of detecting significant Zn mineralization that may have gone undetected by methods used by previous workers.

The density of soil sampling data was sufficient for the purpose of the orientation surveys. 200 meter spaced lines are adequate for property scale exploration, but 100 meter in-fill lines are recommended for follow-up in all areas of anomalous results.

Recommendations

The Confederation Lake Property has newly defined drill targets and is therefore considered an exploration level property with potential for the discovery of significant VMS base metal mineralization. The property remains under explored by modern geochemical and geophysical methods.

The significant 1.8km long Zn-Cd-Cu-Ag MMI soil anomaly on strike with, and adjacent to, the South Bay VMS Mine warrants diamond drilling.

The author is of the opinion that the next phase of work on the CML Confederation Lake Project should focus on confirming the nature of new MMI soil geochemistry anomalies by diamond drilling. It is also recommended that the large volumes of historic data be integrated into an exploration oriented 3D computer modeling system. Follow-up detailed MMI soil geochemistry should be conducted on 100 meter separated "fill-in" grid lines to better define the target associated with the 1.8 km South Bay Mine extension anomaly. Depending on the results of diamond drilling and fill-in MMI sampling, deep penetrating geophysics may be warranted prior to further diamond drilled

Subsequent phases of work should employ target vectoring based on the regional historic data plus additional new target specific data generated from deep penetrating, multi-element MMI soil geochemistry and, where appropriate, deep EM methods like the Titan24 system to locate high potential drill targets.

Proposed Rolling Phase Budget

Phase 1: $350,000

$50,000	review and compile all historic data, enter relevant data into 3D GIS-based computer system and define VMS-style vectoring and targeting parameters.
$300,000	diamond drilling of new Zn-Cd-Cu and/or gold MMI targets 7-10 diamond drill holes, 2000 meters (all inclusive) 2,000m @ 90 = 180,000 mobe/demobe = 50,000 200 assays @ 25 5,000 Downhole surveys 3,000 Geologist 30@600 18,000 Geotech 30@400 12,000 Truck 30@75 3,000 Room/Board 6,000 Snowmachine 2,000 Contingency 21,000

Phase 2: $500,000

$200,000	additional MMI survey coverage Deep EM Titan 24 style geophysics in prospective areas identification of high-priority follow-up drill targets MMI soil sampling 50,000 1 km strike length Titan 24: 150,000
$300,000	4 diamond drill holes, 2,000 meters (all inclusive) Details as above

The following two properties, the Matless Lake Claims and the Gerry Lake Claims are not currently considered material to the Company at this time and the Company has not, at this time, prepared any NI 43-101 compliant technical reports on these properties. No significant funds from this Offering are expected to be spent on these properties in the next 12 months with the exception of $32,000 due in March 2008 for the second year anniversary property payments and completion of annual assessment work.

B. Matless Lake Claims

The Company has an option to acquire a 100% beneficial interest in the Matless Lake Claims, which consist of 19 claims (3012560-67, 3012569, 3012639-48) comprising 184 units of approximately 7,360 acres.

On September 4, 2007, the Company entered into the Shoreham Option Agreement with Shoreham Resources Ltd. ("Shoreham"), that grants Shoreham the right to acquire up to a 70% working interest in the Matless Lake Claims for consideration that includes cash payments totalling $80,000, the issuance of up to 200,000 shares of Shoreham and exploration expenditures totalling $800,000 over approximately two and a half years. Shoreham is an arms length party, trading on the Exchange. See Item 2.2 Nonmaterial Properties – Matless Lake Claims for further details.

The claims are generally located in three isolated groups trending to the north-west and south-east of Matless Lake in the Setting Net Lake Area of north-western Ontario.

See Item 2.2 - Significant Acquisitions and Significant Dispositions – NON-MATERIAL PROPERTIES for further details

C. Gerry Lake Claims

The Company has an option to acquire a 100% beneficial interest in the Gerry Lake Claims. The Gerry Lake claims consist of 4 contiguous claim blocks (38 units), located approximately 50km east of the municipality of Red Lake in the district of Kenora, northwest Ontario.

See Item 2.2 - Significant Acquisitions and Significant Dispositions – NON-MATERIAL PROPERTIES for further details.

4. USE OF PROCEEDS

4.1 Proceeds

The estimated net proceeds to be derived from the Offering, before deduction of the expenses of the Offering, will be $920,000.

4.2 Funds Available

The Company will receive net proceeds from the Offering of $920,000, which will be combined with its working capital of approximately ($7,000) as of November 30, 2007, for a total of $913,000 in Funds Available.

4.3 Principal Purposes

The Funds Available will be allocated as follows:

	Purpose for which funds are raised	Amount
1.	Exploration Programs: Phase I on Confederation Lake Property	$350,000
2.	Annual assessment work to maintain the Company's properties in good standing	$15,200
3.	Administrative expenses of the Company for a period of 12 months	$228,000
4.	Estimated expenses of this issue (including legal, audit, printing, and listing fees)	$85,500*
5.	Second Year Property Option costs	$52,000
6.	Unallocated working capital to fund ongoing operations	$182,300
	Total:	**$913,000**

*Does not include the amount of $15,000 the Company has already paid to the Agent to be applied towards the estimated legal and ancillary costs of the Agent in connection with the Offering.

The General and Administration expenses for the 12-month period following the completion of the Offering are as follows:

Category	Average Monthly Total	12-Month Total
Salaries and Benefits	$8,000	$96,000
Legal and accounting	2,500	30,000
Corporate expenses	2,500	30,000
Rent, taxes and utilities	3,000	36,000
Telephone and fax	1,000	12,000
Travel, lodging, meals	500	6,000
Computer equipment, software, misc.	500	6,000
Miscellaneous costs	1,000	12,000
TOTAL:	**$19,000**	**$228,000**

The Company will spend the Funds Available on the completion of this Offering to carry out its proposed exploration and development programs set out in item 3.2 (A) "Confederation Lake Property". There may be circumstances where, for sound business reasons, a re-allocation of funds may be necessary. The Company will only redirect the funds to other properties on the basis of a written recommendation from an independent, professional geologist or engineer.

The Company's working capital available to fund ongoing operations will be sufficient to meet its administration costs for at least 12 months.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

5.1 Annual Information

The Company was incorporated on November 3, 2005. Management of the Company sought out suitable mineral properties in Northwestern Ontario and caused the company to enter into the option agreements referred to above to acquire interests in the Confederation Lake Property, the Gerry Lake claims and the Matless Lake claims all as more particularly described above.

5.2 Dividends

No dividends have been paid on any shares of the Company since the date of incorporation nor is it intended to pay a dividend on any of its shares in the immediate future. Dividends will, in all probability, only be paid in the event the Company successfully brings one of its properties into production.

5.3 Management's Discussion and Analysis

A. From Incorporation to September 30, 2007

Overall Performance

The Company was incorporated on November 3, 2005. The principal business of the Company is the acquisition, exploration and, if warranted, development of natural resource properties of merit, with a focus on the Red Lake Mining District of Ontario. The Company has obtained options to acquire 100% interests in three exploration properties situated in Ontario, namely the Confederation Lake Property, the Matless Lake Claims and the Gerry Lake Claims. Following completion of the Offering the Company plans to conduct exploration on the Confederation Lake Property. The Confederation Property is the subject of a NI 43-101 compliant report dated November 28, 2007 prepared by Garry K. Smith, P.Geo. of Devon Corporation and titled "43-101 Compliant Report on the Confederation Lake Property, Red Lake Mining District, Ontario". See "Description of Mineral Properties".

The Company explores for minerals with an emphasis on gold, zinc, copper and uranium, and has no operating property. The Company has no earnings and therefore finances these exploration activities by the sale of shares. The key determinants of the Company's operating results are the following:

(a) the state of capital markets, which affects the ability of the Company to finance its exploration activities;

(b) the write-down and abandonment of mineral properties should exploration results provide further information that does not support the underlying value of such properties; and

(c) market prices for gold, zinc, copper and uranium.

The Company is currently seeking to have its shares of common stock listed on the Exchange, but there is no assurance that such application will be successful. The Company is an exploration stage company and has produced no revenues to date.

During the period ended June 30, 2006, the Company issued 2,600,000 at $0.0001 per share, 1 common share at $1.00 per share and 80,000 common shares at $0.10 per share. During the same period, the Company also received share subscriptions of $82,510 for shares which were issued subsequent to the year ended June 30, 2007. Also subsequent to June 30, 2007, the Company cancelled the 300,000 common shares issued at $0.0001 per share and re-adjusted the issue price of the remaining 2,300,000 shares to $0.01.

During the period ended June 30, 2007, the Company issued 210,000 common shares for mineral properties at deemed value of $0.10 per share. The Company also received share subscription of $262,490 for 6,025,000 common shares (total subscription amounts to $345,000 of which $82,510 was received in 2006). 1,800,000 of these common shares were allotted for at $0.01 per share, 1,850,000 of these common shares were allotted for at $0.05 per share, and 2,375,000 of these common shares were allotted for at $0.10 per share. Subsequent to June 30, 2007, the Company received additional share subscription of $25,000 for 250,000 common shares at $0.10 per share. The allotted shares were issued subsequent to June 30, 2007.

During the period ended September 30, 2007, the Company issued 1,800,000 common shares at $0.01 per share, 1,850,000 common shares at $0.05 per share, and 3,075,000 common shares issued at $0.10 per share. All the shares issued at $0.01 and $0.05 were re-valued to $0.10 per share. As a result, the Company recognized a stock based compensation of $227,500. In addition, 100,000 common shares were issued for claim staking services related to the Company's mineral properties at deemed value of $0.10 per share. 300,000 common shares originally issued at $0.0001 per share and later re-adjusted to $0.01 were cancelled and returned to treasury. $45,000 of share subscription receivables as at September 30, 2007 was subsequently received.

During the period from incorporation to September 30, 2007, the Company expended a total of $283,462 on its mineral properties. This amount was made up of acquisition costs of $122,179 and geological studies of $159,713 and geological surveys of $1,570.

Selected Annual Results

The summary historical financial information presented below has been derived from the date of incorporation to June 30, 2006 and for the year ended June 30, 2007.

STATEMENT OF OPERATIONS AND DEFICIT DATA	From the Date of Incorporation (November 3, 2005) TO June 30, 2006 AUDITED	For the Year Ended June 30, 2007 AUDITED
Revenues	NIL	NIL
Total expenses	$ 9,646	$ 109,823
Net loss	$ (9,646)	$ (109,823)
Basic and diluted net loss per share	$ 0.01	$ 0.04
Weighted average number of shares outstanding	1,428,955	2,680,001
BALANCE SHEET DATA	As at June 30,2006	As at June 30,2007
Current Assets	$ 38,008	$ 68,999
Working capital	$ 10,853	$ 7,070
Total assets	$ 108,280	$ 342,461
Stockholders' equity	$ 81,125	$ 280,532

In the year ended June 30, 2007, the Company was in an early acquisition and exploration stage with regards to its mineral properties. The Company had no revenues and incurred a loss of $109,823. Professional fees of $19,667 were paid for accounting, legal and company start up fees. The Company incurred bank, rent and website expenses of $23,289. As at June 30, 2007, the Company had total assets of $342,461. The assets were made up of cash of $55,741, GST receivable of $13,258 and an amount for mineral properties of $273,462.

In the quarter ending September 30, 2007, the Company had no revenues and incurred a loss of $247,072. Consulting fees of $4,120 were paid. The Company incurred bank, office expense and legal fees totalling $15,452, of which the majority was made up of legal fees of $15,333. As at September 30, 2007, the Company had total assets of $327,326. The assets were made up of cash of $14,695, GST receivable of $14,169, deferred finance charges of $15,000 and an amount for mineral properties of $283,462.

Summary of Quarterly Results

The following table provides selected financial information of the Company for the quarters ending September 30, 2006 and 2007.

	Sept 30, 2006	Sept 30, 2007
Total revenues	Nil	Nil
Net Loss	$(11,019)	$(247,072)
Basic and diluted net loss per share	$(0.01)	$(0.00)

Results of Operations

The Company incurred a net loss of $119,469 from the date of incorporation to June 30, 2007. During this period, there were no revenues as the Company was still in an acquisition and exploration stage. From the date of incorporation to June 30, 2006 the Company had a loss of $9,646 and, for the year ending June 30, 2007, had a loss of $109,823. For the quarter ending September 30, 2007, the Company had a loss of $247,072.

The current focus for the Company is the acquisition and exploration of mineral properties located in Ontario.

The Company does not currently have the required financial resources to complete an exploration and development program on its properties. Accordingly, there is uncertainty whether or not it will be able to procure the required financial resources. Management believes that it will be able to raise the necessary capital to fund its Phase 1 exploration and development program through the prior sales of seed stock and the proceeds from this Offering.

Liquidity

At June 30, 2007, the Company had a deficit of $119,469 and, at September 30, 2007 had a deficit of $366,541. The Company expects to incur losses for at least the next 24 months. There can be no assurance that the Company will ever make a profit. To achieve profitability, the Company must advance one or more of its properties through further exploration in order to bring the properties to a stage where the Company can attract the participation of a major resource company, which has the expertise and financial capability to take such properties to commercial production.

At June 30, 2007, the cash position of the Company was $55,741 which was reduced to $14,695 at September 30, 2007. Additional financing will be required to fund the cost of continued acquisitions and exploration development of the Company's mineral properties located in Ontario.

There are currently no long-term debts, capital lease obligations, operating leases or purchase obligations.

Capital Resources

The Company has no major commitments for capital expenditures. Except as otherwise disclosed in this management discussion and analysis, there are currently no other identified sources of new capital. Additionally, the Company currently has no established credit lines with chartered banks or other financial institutions.

Off Balance Sheet Transactions

There are currently no off balance sheet arrangements which could have a material effect on current or future results of operations, or the financial condition of the Company.

Related Party Transactions

During the periods ended June 30, 2007 and 2006, the Company had the following related party transactions:

a) The Company paid directors and former directors of the Company consulting fees of $50,000 (2006 - $Nil).

b) The Company paid a director of the Company geological consulting fees of $7,500 (2006 - $Nil).

c) As at June 30, 2007, an amount of $26,735 was owed to companies controlled by two directors of the Company.

d) Paid rent of $13,590 to a company controlled by a director of the Company.

For the quarter ending September 30, 2007, there were no related party transactions.

Proposed Transactions

The Company intends to initially raise $1,000,000 (gross funds) through this Offering.

Confidentiality agreements may be entered into from time to time, with independent entities to allow for discussions of the potential acquisition and or development of certain properties.

Critical Accounting 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.

Financial Instruments

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that 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.

Other MD&A Requirements

The Company is primarily engaged in the business of evaluating, acquiring and developing natural resource properties in Ontario. As at September 30, 2007, the Company had Mineral properties with a carrying value of $283,462 on its balance sheet. The following table illustrates the breakdown of this amount:

Acquisition costs incurred	$ 122,179
Deferred exploration costs	161,283
Total mineral properties	$ 283,462

6. DESCRIPTION OF THE SECURITIES DISTRIBUTED

6.1 Shares

The authorized capital of the Company consists of an unlimited number of common shares without par value of which 9,445,001 shares were outstanding as of November 30, 2007. The Offering consists of 4,000,000 Shares at a price of $0.25 per Share.

The holders of Shares are entitled to vote at all meetings of shareholders of the Company, to receive dividends if, as and when declared by the directors and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Shares, to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Company.

The Shares are not subject to any future call or assessments and do not have any pre-emptive rights or redemption rights.

6.2 Agent's Warrants & Corporate Finance Shares

Pursuant to the Agency Agreement, the Agent will receive 320,000 non-transferable share purchase warrants (the "Agent's Warrants") equal in number to 8% of the number of Shares sold. Each Agent's Warrant will entitle the Agent to purchase one common share at the price of $0.25 per share, for a period of 24 months from the date the Shares are listed and called for trading on the Exchange. The Agent's Warrants are non-transferable. Holders of Agent's Warrants do not have any voting right or other right attached to common shares until the Agent's Warrants are properly exercised as provided for in the warrant certificate. The warrant certificate will contain provisions designed to protect the holders of Agent's Warrants against dilution upon the occurrence of certain events. An adjustment in the number of common shares issuable upon exercise of the Agent's Warrants and/or the exercise price per common share will be made in the event of the subdivision or consolidation of the common shares or a stock dividend or other distribution of common shares or securities convertible or exchangeable into common shares, is made to holders of all or substantially all of the common shares. In addition, the warrant certificate also provides for an adjustment in the class and/or number of securities issuable upon exercise of the Agent's Warrants and/or subscription price in the event of: a reclassification or other change in the common shares; a capital reorganization of the Company; or a consolidation, merger or amalgamation of the Company with another corporation or entity; or the transfer of all or substantially all of the assets and undertaking of the Company.

The Agent will also receive as partial payment for corporate services provided, 50,000 Corporate Finance Shares. This prospectus qualifies the grant of the Agent's Warrants and the Corporate Finance Shares.

6.3 Modification of Terms

The rights attached to the Shares of the Company may only be modified according to the *Business Corporations Act* (British Columbia).

7. CONSOLIDATED CAPITALIZATION

The following table sets out the share and loan capital of the Company:

Designation of Security	Amount authorized	Amount outstanding as of September 30, 2007[(1)]	Amount outstanding at date of the prospectus	Amount to be outstanding if all Common Shares being offered are sold
Common Shares	Unlimited	$707,501 (9,415,001 Common Shares)	$710,501 (9,445,001 Common Shares)	$1,710,501 [(2)] [(3)] (13,495,001 Common Shares)
Long Term Debt	Nil	Nil	Nil	Nil

[(1)] As at the date of the Company's most recent balance sheet, the Company had no retained earnings or deficit and has not commenced commercial operations.

[(2)] The figure given does not anticipate the exercise of any of the options or warrants referred to in "Options to Purchase Securities" which will be granted to the Agent (an option to purchase up to 320,000 Common Shares) and to the directors and officers of the Company (options to purchase up to 850,000 Common Shares. The Agent's Warrant will expire 24 months from the Listing Date and the options granted to directors and officers will expire five years from the Listing Date.

[3] The gross proceeds from the sale of the Offering will be $1,000,000 – before deducting the Agent's commission, corporate finance fee and the fees, expenses and other costs of the Offering – estimated at $165,500 (excluding $15,000 already paid to the Agent as a deposit).

8. OPTIONS TO PURCHASE SECURITIES

Options

Agent's Warrant's

Optionee	Number of Common Shares Optioned	Exercise Price	Expiry Date
Canaccord Capital Corporation Suite 2200 – 609 Granville Street Vancouver, British Columbia, V7Y 1H2	320,000	$0.25	24 months from Listing Date

Stock Options

On July 31, 2007, the Company adopted a Stock Option Plan and granted options to purchase an aggregate of 850,000 common shares of the Company at a price of $0.25 per share for a period expiring on the fifth anniversary of the date on which the Shares of the Company are first listed and called for trading on the Exchange (the "Listing Date").

The stock options were granted as follows:

Optionee	Number of Common Shares Optioned	Exercise Price	Expiry Date
Peter Bryant	400,000	$0.25	Five years from Listing Date
Lawrence Dick	200,000	$0.25	Five years from Listing Date
Donald Gee	100,000	$0.25	Five years from Listing Date
Kenneth Holmes	150,000	$0.25	Five years from Listing Date
TOTAL:	**850,000**		

The aforesaid options are non-assignable and have been granted as incentives and not in lieu of any compensation for services.

There was no market for the Company's securities at the time the options were granted and the market value as of that date has been determined at $0.25 per share based upon the proposed Offering price.

Summary of Stock Option Plan

On July 31, 2007, the Company adopted a Stock Option Plan (the "Plan"). The Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company.

The Plan is administered by the board of directors of the Company. The Plan provides that options will be issued to directors, officers, employees and consultants of the Company or a subsidiary of the Company. The Plan provides that the Company may allocate and reserve certain common shares in its capital stock for use under its Plan, which Plan provides for the reservation of a maximum of 10% of the issued shares of the Company at the time of the stock option grant, in accordance with Exchange policy.

The Plan complies with the rules set forth for such plans by the Exchange in that, among other things, at no time will more than 5% of the outstanding issued common shares be reserved for incentive stock options granted to any one individual in a 12-month period, or 2% of the issued and outstanding issued common shares in the case of any one Consultant (as defined in the Exchange Corporate Finance Manual) or person conducting investor relations activities. The Plan provides for the issuance of options to directors, officers and employees, of the Company and its subsidiaries and to consultants, consultant companies and management company employees to purchase common shares of the Company. The stock options would be issued at the discretion of the Board of Directors and would be exercisable during a period not exceeding five years. The exercise price will not be lower than the "Discounted Market Price" of the shares on the Exchange at the time of grant. In the context of the Plan, "Discounted Market Price" means the last closing price of the Company's shares on the day immediately preceding the date on which the directors grant and publicly announce the options, less the applicable discount, and will not otherwise be less than $0.10 per share. In addition to any resale restrictions under the applicable securities laws, a four-month hold period on all shares issued pursuant to stock options is imposed by the Exchange from the date of grant. Disinterested shareholder approval will be obtained for any reduction in the exercise price of options granted to persons who are insiders of the Company at the time of the proposed amendment.

All outstanding incentive stock options are subject to the terms and conditions of the Plan.

Fully Diluted Share Capital

In respect of all of the stock option agreements granted under the Plan, and the Agent's Warrants, such agreements or certificates contains, or will contain, provisions providing for an adjustment of the number of shares available for purchase in the event of any alteration in the capital stock of the Company such that the stock option or Agent Warrants shall, following such alteration, entitle its holder to acquire the same number of shares at any equivalent exercise price as it did before the alteration.

The following table discloses the Company's fully diluted share capital, after giving effect to the Offering hereunder:

Description	No. of Securities	Percent. of Total
(a) Issued as at the date of the Prospectus	9,445,001	64.4%
(b) Offered under the Prospectus	4,000,000	27.3%
(c) Corporate Finance Shares	50,000	.3%
(c) Securities reserved for future issuance as at the date of the Prospectus:		
(i) Incentive Stock Options	850,000	5.8%
(ii) Agent's Warrants	320,000	2.2%
Total:	**134,450,024,665,000**	**100%**

9. PRIOR SALES

The following is a summary of the common shares sold for cash by the Company from its incorporation to the date of this Prospectus:

Date or Period Issued	Number of Shares	Price per Share[2]	Total Commissions Paid	Net Cash Received
January 26, 2006	1	$1	Nil	$1

February 24, 2006	2,300,000[1]	$0.01[2]	Nil	$23,000[2]
July 30, 2007	1,800,000	$0.01	Nil	$18,000
July 31, 2007	1,850,000	$0.05	Nil	$92,500
July 31, 2007	3,075,000	$0.10	Nil	$307,500

[1]This amount does not include 300,000 shares that were subsequently returned to treasury and cancelled.
[2]The price per share paid when initially issued was $0.0001 per share, but was subsequently increased to $0.01 per share on July 30,2007 to comply with the listing requirements of the Exchange.

With respect to stock options granted to insiders and their associates, see item 8 "Options to Purchase Securities" and item 15 "Plan of Distribution".

10. ESCROWED SECURITIES & SEED SHARE RESALE RESTRICTIONS

10.1 Escrowed Securities

In accordance with National Policy 46-201, *Escrow for Initial Public Offerings*, (the "Policy") all shares of an issuer owned or controlled by the Issuer's "principals", as defined in the Policy, will be escrowed at the time of the Issuer's initial public offering (the "IPO"), except where such shares represent less than 1% of the issuer's total issued and outstanding shares after giving effect to the IPO. Pursuant to the Policy, and pursuant to an agreement (the "Escrow Agreement") entered into among those individuals set out in the chart below (the "Principals"), the Company and Computershare Investor Services (the "Trustee"), a total of 5,950,001 shares (the "Escrowed Shares") will be deposited in escrow with the Trustee as escrow agent on the closing of the IPO. The Escrowed Shares will represent approximately 44.1% of the issued shares after giving effect to the Offering.

The Company is classified as an "emerging issuer" under the Policy, and the Escrowed Securities will be released to the Principals under the following schedule:

- 10% of each Principal's holdings will be released on the Listing Date;
- 15% six months following the Listing Date;
- 15% twelve months following the Listing Date;
- 15% eighteen months following the Listing Date;
- 15% twenty-four months following the Listing Date;
- 15% thirty months following the Listing Date; and
- 15% thirty-six months following the Listing Date.

The Policy provides that if the Company becomes an "established issuer" during the currency of the escrow agreement, the release of shares from escrow will be accelerated such that all of the Escrowed Shares will be released at prescribed intervals over a period of 18 months.

As of the date of this Prospectus, set forth below are details of the number of shares held in escrow:

Name of Principal	No. of Shares held in Escrow and deemed issue price per Share	Percentage of Issued Shares prior to the distribution	Percentage of Issued Shares after the distribution
Peter Bryant	1 at $1.00 per share 400,000 at $0.01 per share	4.2%	3.0%
Lawrence Dick	750,000 at $0.01 per share	7.9%	5.6%
Kenneth Holmes	275,000 at $0.01 per share	2.9%	2.0%
Donald Gee (1)	275,000 at $0.01 per share	2.9%	2.0%
R.D. Holmes	200,000 at $0.01 per share	2.1%	1.5%
Anthony Holmes	200,000 at $0.01 per share	2.1%	1.5%

Name of Principal	No. of Shares held in Escrow and deemed issue price per Share	Percentage of Issued Shares prior to the distribution	Percentage of Issued Shares after the distribution
David Eaton	1,000,000 at $0.01 per share	10.6%	7.4%
Rudy de Jonge	1,000,000 at $0.01 per share	10.6%	7.4%
Ben Johnson	680,000 at $0.05 per share	7.2%	5.0%
Doug Casey	70,000 at $0.05 per share	.7%	.5%
Daphne Killas	200,000 at $0.05 per share	2.1%	1.5%
Daryl Yea	450,000 at $0.05 per share	4.8%	3.3%
Michael O'Brian	450,000 at $0.05 per share	4.8%	3.3%
TOTAL	5,950,001 shares	62.9%	44.0%

(1) These common shares are hold by the Gee Family Trust, of which Mr. Gee is the Trustee

The escrow restrictions provide that the Escrowed Securities may be transferred within escrow to an individual who is a director or senior officer of the Company, subject to the approval of the directors of the Company, or to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Company's outstanding securities, or to a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Company's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company.

The complete text of the escrow agreement is available for inspection at the registered and records office of the Company.

10.2 Seed Share Resale Restrictions

Pursuant to section 10 of Exchange Policy 5.4 "Escrow, Vendor Consideration and Resale Restrictions", additional seed share resale restrictions ("SSRR's") will apply to 3,385,000 shares that were issued to non-principals of the Company in 2007 and 2008 (the "Restricted Shares"). The majority of the Restricted Shares (3,355,000 shares) were issued more than three months and less than one year prior to February 21, 2008, being the date of the preliminary Prospectus receipt for this Offering, at prices equal to or greater than $0.0625, being 25% of the price per share of this Offering, and less than $0.125 per share, being 50% of the price per share of this Offering. Under Exchange Policy 5.4, these 3,355,000 Restricted Shares will be subject to the following release provisions:

- A 4 month hold in total, with 20% of these Restricted Shares released on a prorated basis each month with the first release on the Closing Date.

In addition, 30,000 Restricted Shares were issued within 3 months of February 21, 2008 and will be subject to a 12 month hold in total, with 20% of these Restricted Shares released on a prorated basis every three months, with the first release on the Closing Date.

11. PRINCIPAL SHAREHOLDERS

As at the date of this Prospectus, there are no persons or companies who have or are known by the Company to have (a) direct or indirect beneficial ownership of, (b) control or direction over, or (c) a combination of direct or indirect beneficial ownership of and control or direction over, voting securities that will constitute more than 10% of the issued share capital of the Company prior to and after the Offering other than as follows:

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned Before Offering	Percentage Owned After Offering - Undiluted[(1)]	Percentage Owned After Offering – Fully Diluted[(2)]
Rudy de Jonge Vancouver, B.C.	Direct	1,000,000	10.6%	7.4%	6.8%
David Eaton Vancouver, B.C.	Direct	1,000,000	10.6%	7.4%	6.8%
Total		**2,000,000**	21.2%	14.9%	13.6%

(1) The figures given in this column do not anticipate the exercise of any of the options which the Company has granted or proposes to grant as disclosed in "Options to Purchase Securities".

(2) The figures given in this column assume that the Agent's Warrant and the Director and Officer Options have been fully exercised – which would result in the issued and outstanding Common Shares of the Company being increased to 14,665,001 Common Shares.

12. DIRECTORS AND OFFICERS

12.1 Name, Address, Occupation and Security Holding

The following are the full names, municipality of residence, positions with the Company and principal occupations within the preceding five years, the dates of their appointment or election and their holdings of common shares (including those over which they exercise control) of all of the directors and executive officers of the Company:

Name and Municipality of Residence	Current Position with Company	Principal Occupation for the Preceding Five Years	No. of common shares
Lawrence Dick Vancouver, British Columbia	President, Chief Executive Officer and Director. (President from February 2007 to present, Director from November 2006 to present)	President and CEO of Continuum Resources Ltd. from February 2002, President and Director of Evolving Gold Corp. from June, 2003	750,000 (7.9%)[(2)]
Peter Bryant [(1)] Victoria, British Columbia	Chief Financial Officer and Director. (CFO from November 2006 to present, Director from January, 2006 to present, President from January 2006 to February 2007)	VP Legal and Finance Silver Pacific Investments Inc. from July 2004, President and Director from Prospector International Resources Inc., from 1990 to November 2003 and June 2004 respectively.	400,001 (4.2%)[(2)]
Kenneth Holmes [(1)] Surrey, British Columbia	Director, from May 2007 to present	President of Primarius Capital Corporation and 0571155 BC Ltd. (formerly Primarius Law Corporation)	275,000 (2.9%)[(2)]
Donald Gee [(1)] [(3)] Vancouver, British Columbia	Director, from February 2007 to present	President of Cantech Capital Corp. from January 1994 to present, Director and CFO of Eaglehill Exploration Corporation from December 2006 to present, CFO of Great Canadian Gaming Corp. from November 2000 to June 2002.	275,000 (2.9%)[(2)]

Name and Municipality of Residence	Current Position with Company	Principal Occupation for the Preceding Five Years	No. of common shares
		TOTAL SHARES	1,700,001 (17.9%)(2)

(1) Member of Audit Committee
(2) Prior to Offering
(3) These common shares are hold by the Gee Family Trust, of which Mr. Gee is the Trustee

The directors are elected at each annual general meeting to hold office until the next annual general meeting or until their successors are duly elected or appointed, unless such office is earlier vacated in accordance with the Articles of the Company or a director becomes disqualified to act as a director.

Upon completion of the Offering, 1,700,001 shares of the Company will be beneficially owned, directly or indirectly, by all the directors and executive officers, as a group, representing 12.6% of the then issued and outstanding voting securities (13,495,001 shares).

12.2 Corporate Cease Trade Orders or Bankruptcies

Other than as described below, none of the directors, officers or promoters of the Company are, or within the past ten years prior to the date hereof have been, a director, officer, or promoter of any other issuer that, while that person was acting in that capacity:

(a) was subject to 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

(b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the person.

Mr. Peter Bryant, a director of the Company, was a director of Gratiam Resouces Inc. when, following the abandonment by that company of a proposed reverse takeover transaction, it was delisted by the Vancouver Stock Exchange in November 1995 for failure to meet its minimum listing requirements. Gratiam Resources Inc. then ceased filing its financial statements with the British Columbia Securities Commission and on October 16, 2000, it was the subject of a cease trade order under section 164 (1) of the Securities Act RSBC 1996 for failure to file the required financial statements.

12.3 Penalties or Sanctions

None of the directors, officers or promoters of the Company has, within the ten years prior to the date hereof, been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to the trading in securities, promotion or management of a publicly traded issuer, or theft or fraud, or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered to a reasonable investor making an investment decision.

12.4 Individual Bankruptcies

None of the directors, officers or promoters of the Company has, within the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangements, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

12.5 Conflicts of Interest

Certain directors and officers of the Company are and may continue to be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interests of the Company. As required by law, each of the directors of the Company is required to act honestly, in good faith and in the best interests of the Company. Any conflicts which arise shall be disclosed by the directors and officers in accordance with the *Business Corporations Act* (British Columbia) and they will govern themselves in respect thereof to the best of their ability with the obligations imposed on them by law.

12.6 Management of the Company

The following sets out additional biographical information for each member of management of the Company:

Lawrence Dick, 56, director, CEO and President – Mr. Dick has been with the Company since November 2006, is a Professional Geologist, holds a Doctorate in Geology and has over thirty years experience in the mining industry. He also has over ten years experience in the management of public companies. Mr. Dick is engaged by the Company as an independent contractor and expects to commit at least 40% of his time to the Company's business. He has not executed a non-competition or non-disclosure agreement with the Company.

During the past 5 years Mr. Dick has been employed at follows:

Company	**Principal Business**	**Affiliated with Company**	**Position Held**	**Term From**	**To**	**Still in Business**
Continuum Resources Ltd.	Mineral Exploration	No	President and CEO	02/2002	present	Yes
Evolving Gold Corp.	Mineral Exploration	No	President and Director	06/2003	present	Yes

Peter Bryant, 69, director and Chief Financial Officer – Mr. Bryant has been with the Company from its inception, has a Bachelor of Commerce degree and over ten years experience in investments, banking and the management of public companies. Mr. Bryant is engaged by the Company as an independent contractor and expects to commit at least 25% of his time to the Company's business. He has not executed a non-competition or non-disclosure agreement with the Company.

During the past 5 years Mr. Bryant has been employed at follows:

Company	**Principal Business**	**Affiliated with Company**	**Position Held**	**Term From**	**To**	**Still in Business**
Silver Pacific Investments Ltd.	Private Investments	No	VP Legal and Finance	07/2004	present	Yes
Prospector International Resources Inc.	Mineral Exploration	No	President and Director	02/1990 03/1990	11/2003 06/2004	Yes

Kenneth Holmes, 51, director and member of Audit Committee– Mr. Holmes became a director of the Company in May, 2007, has a Bachelor of Law degree, has practiced corporate and securities law since 1983 and has over fifteen years experience in the management of public companies. Mr. Holmes is engaged by the Company as an independent contractor and expects to commit at least 25% of his time to the Company's business. He has not executed a non-competition or non-disclosure agreement with the Company.

During the past 5 years Mr. Holmes has been employed at follows:

Company	Principal Business	Affiliated with Company	Position Held	Term From	Term To	Still in Business
Primarius Capital Corporation	Private Investments & Consulting	No	President and Director	01/1997	present	Yes
0571155 BC Ltd. (formerly Primarius Law Corporation)	Holding Company	No	President and Director	09/1998	present	Yes

Donald Gee, 58, director and member of Audit Committee – Mr. Gee became a director in February, 2007, has a Bachelor of Science (Geology), has been a Chartered Accountant since 1979, been a member of the Canadian Institute of Mining and Metallurgy since 2004 and has over tens years experience in the management of public companies. Mr. Gee is engaged by the Company as an independent contractor and expects to commit at least 20% of his time to the Company's business. He has not executed a non-competition or non-disclosure agreement with the Company.

During the past 5 years Mr. Gee has been employed at follows:

Company	Principal Business	Affiliated with Company	Position Held	Term From	Term To	Still in Business
Cantech Capital Corp,	Private Investments	No	President	01/1994	present	Yes

13. EXECUTIVE COMPENSATION

A. Executive Compensation

During the period from incorporation (November 3, 2005) to June 30, 2007, the Company had four Named Executive Officers (for the purposes of applicable securities legislation), namely Lawrence Dick, the current President and Chief Executive Officer, Peter Bryant, the current Chief Financial Officer, Rudy DeJonge, the former Chief Financial Officer and Robert Bick, the former Chief Executive Officer.

The following table sets forth, for the period indicated, the compensation of the Named Executive Officers:

NEO Name and Principal Position	Year[(1)]	Annual Compensation			Long Term Compensation			All Other Compensation ($)
					Awards		Payouts	
		Salary ($)	Bonus ($)[(2)]	Other Annual Compensation ($)	Securities Under Options/ SARs[(3)] granted ($)	Shares or Units Subject to Resale Restrictions ($)	LTIP[(4)] payouts ($)	
Lawrence Dick, President and Chief Executive Officer[(8)]	2007[(1)]	Nil	N/A	$7,500	250,000	Nil	Nil	Nil
Peter Bryant, Chief Financial Officer [(5)]	2007[(1)]	Nil	N/A	$5,000	400,000	Nil	Nil	Nil
Rudy DeJonge, former Chief Financial Officer [(6)]	2007[(1)]	Nil	N/A	N/A	0	Nil	Nil	Nil
Robert Bick, former Chief Executive Officer [(7)]	2007[(1)]	Nil	N/A	$13,250	0	Nil	Nil	Nil

Notes:
(1) For the period from incorporation (November 3, 2005) to June 30, 2007.
(2) Bonus amounts, if any, are paid in cash in the year following the fiscal year in which they were earned.
(3) Stock appreciation rights.
(4) Long-term incentive plan.
(5) Peter Bryant was the President of the Company from January 2006 to February 2007 and was appointed Chief Financial Officer in November 2006.
(6) Rudy DeJonge was appointed Chief Financial Officer of the Company in February 2006 and resigned as Chief Financial Officer in November 2006.
(7) Robert Bick was appointed Chief Executive Officer of the Company in February 2007 and resigned in May 2007.
(8) Lawrence Dick was appointed President in February 2007 and Chief Executive Officer in November, 2007.

B. ***Options and Stock Appreciation Rights ("SARs")***

No incentive stock options were granted to the Named Executive Officer from incorporation (November 3, 2005) to June 30, 2007.

On July 31, 2007, the following incentive stock options were granted to the Named Executive Officers:

Name	Securities under Options/SARs granted (#)[(1)]	Percentage of Total Options/SARs granted to Employees in Financial Period[(2)]	Exercise or Base Price ($/Security)	Market Value of Securities underlying Options/SARs on the Date of Grant ($/Security)	Expiration Date
Lawrence Dick	200,000	23.5%	$0.25	N/A [(3)]	[(4)]
Peter Bryant	400,000	47.1%	$0.25	N/A [(3)]	[(4)]

(1) On July 31, 2007, a total of 850,000 options to purchase shares were granted to directors of the Company. The options granted to the Named Executive Officers (as to 600,000) were granted to such persons in their capacity as directors and officers of the Company.

(2) Reflected as a percentage of 850,000 options granted to directors, officers, employees and the Named Executive Officers.
(3) There was no market value for the Company's securities at the time the options were granted and the market value as of that date has been determined at $0.25 per share based upon the proposed Offering price.
(4) Fifth anniversary of the Company's Listing Date.

There are no assurances that the incentive stock options described above will be exercised in whole or in part.

C. ***Pension Plan***

The Named Executive Officers do not participate in any defined benefit or actuarial plan.

D. ***Termination of Employment, Change in Responsibilities and Employment Contracts***

There are no employment contracts between the Company and any of its subsidiaries and the Named Executive Officers.

There is no compensatory plan or arrangement, including payments to be received from the Company or any of its subsidiaries, with respect to the Named Executive Officers.

E. ***Compensation of Directors***

During the Financial Period, no compensation was paid or is payable by the Company to the directors of the Company, or the Company's subsidiary, for their services:

(a) in their capacity as directors, including any amounts payable for committee participation or special assignments pursuant to any standard or other arrangements; or

(b) as consultants or experts,

except as set forth above in Item 5.3 under the heading "Related Party Transactions".

The Company has no pension plan or other arrangement for non-cash compensation to the directors other than the Named Executive Officers, except incentive stock options. On July 31, 2007, the directors other than the Named Executive Officers were granted incentive stock options to purchase up to 250,000 shares of the Company exercisable for a term of five years following the Listing Date.

14. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the most recently completed financial year, none of the directors and executive officers of the Company or each of their respective associates or affiliates is or has been indebted to the Company (other than routine indebtedness) in excess of $25,000 at any time for any reason whatsoever, including the purchase of securities of the Company or any of its subsidiaries.

15. PLAN OF DISTRIBUTION

15.1 Name of Agent

Offering

The Company, through its agent, Canaccord Capital Corporation (the "Agent"), hereby offers to the public 4,000,000 Shares at a price of $0.25 per Share. The closing of the Offering (the "Closing") will take place on a day, determined by the Agent in consultation with the Company, which will be no later than 90 days from the date (the

"Effective Date") on which a receipt is issued by the British Columbia Securities Commission (the "Commission") for the final prospectus of the Company, or such later date as may be agreed to by the Agent, the Company and the Commission.

The Company will, at the closing of the Offering :

(i) pay to the Agent a $80,000 cash commission equal to 8% of the aggregate gross proceeds of the Offering;

(ii) issue to the Agent 320,000 Agents Warrants, being that number of share purchase warrants equal in number to 8% of the aggregate number of Shares issued in connection with the Offering, each such Agent's Warrant entitling the holder to acquire one common share at the price of $0.25 per common share for a period of 24 months from the date on which the Company's Shares commence trading on the Exchange;

(iii) pay to the Agent an administration fee of $10,000; and

(iv) for corporate services provided, pay the Agent a fee of $20,000 and issue to the Agent 50,000 Corporate Finance Shares.

The Company has paid $15,000 to the Agent as a deposit to be applied towards the estimated legal and ancillary costs of the Agent in connection with the Offering.

15.2 Disclosure of Market Out

The obligations of the Agent under the Agency Agreement may be terminated at any time prior to the sale of any of the Shares at the Agent's discretion on the basis of its assessment of the state of the financial markets and may also be terminated at any time upon the occurrence of certain stated events.

15.3 Commercially Reasonable Efforts Offering and Minimum Subscription

The Offering is made on a "commercially reasonable efforts" basis by the Agent and is subject to the completion of a minimum subscription of 4,000,000 Shares for gross proceeds to the Company of $1,000,000. All funds received from subscriptions for Shares will be held by the Agent pursuant to the terms of an agency agreement between the Company and the Agent dated ●, 2008. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the principal regulator, the Agent and persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

Selling Group Participation

The Agent reserves the right to offer selling group participation in the normal course of the brokerage business to selling groups of other licensed broker-dealers, brokers and investment dealers, who may or who may not be offered part of the commissions or bonuses derived from this Offering.

Right of First Refusal

The Company has granted the Agent a right of first refusal for any future equity or debt financing to the Company for a period of 12 months from the date on which the Company's Shares commence trading on the Exchange. Upon receipt from the Company of notice of any proposed equity financing, the Agent shall have 15 days to exercise its right of first refusal.

Miscellaneous

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering.

The directors, officers and other insiders of the Company may purchase Shares from the Offering.

Other

The Shares have not been and will not be registered under the U.S. *Securities Act of 1933*, as amended (the "U.S. Securities Act"), and such securities may not be offered or sold to a person in the United States unless an exemption from the registration requirements of the U.S. Securities Act is available.

15.4 Listing Application

The Company has applied to list the Shares being sold under the Offering on the Exchange. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange.

15.5 Determination of Price

The price of the Shares offered under this Prospectus was determined by the Company in consultation with the Agent.

16. RISK FACTORS

AN INVESTMENT IN A NATURAL RESOURCE ISSUER INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE ISSUER'S PROPERTIES ARE IN THE EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE. The Company's exploration activities are subject to the risks normally encountered by companies which develop and mine base and precious metals. All of the Company's properties are in the exploration stage. A number of factors, including metal prices, the further discovery of ore reserves and the grade of newly discovered ore are beyond the Company's control.

These securities are suitable only for those purchasers who are willing to rely upon the ability, judgement and integrity of the management and directors of the Company and who can afford a total loss of their investment. The securities offered hereby are considered speculative due to the nature of the Company's business and the present stage of its development. A prospective investor should consider carefully the following factors:

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations, repatriation of income and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Nature of Mineral Exploration and Mining

There is no known mineral resource on any of the Company's properties. Development of a property will occur only if satisfactory exploration results are obtained. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is, therefore, no assurance that the Company's mineral exploration and development activities will result in any discoveries of bodies of commercial 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 out of the Company's control.

Substantial expenditures are required to establish reserves through drilling and, if warranted, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations, or at all, or that the funds required for development can be obtained on a timely basis. Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge, and careful evaluation may not be able to overcome.

Exploration and Development Risks

Mineral exploration and mining involve considerable financial and technical risk. Substantial expenditures are usually required to establish ore reserves, to evaluate metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to assure that the current exploration programs planned by the Company will result in profitable commercial mining operations, as few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, unstable ground conditions that could result in cave-ins or land slides, floods, environmental pollution, power outages or fuel shortages, labour disruptions, fires, explosions, personal injuries and the inability to obtain suitable or adequate machinery, equipment or labour are risks associated with the conduct of exploration programs and the operation of mines.

Mineral Deposits and Production Costs; Metal Prices

The economics of developing mineral deposits are affected by many factors including variations in the grade of ore mined, the cost of operations, and fluctuations in the sales price of products. The value of the Company's mineral properties is heavily influenced by metal prices. Metal prices can and do change by substantial amounts over short periods of time, and are affected by numerous factors beyond the control of the Company, including changes in the level of supply and demand, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production arising from improved mining and production methods and new discoveries. There can be no assurance that the prices of mineral products will be sufficient to ensure that the Company's properties can be mined profitably. Depending on the price received for minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

The grade of any ore ultimately mined from a mineral deposit may differ from that predicted from drilling results. Production volumes and costs can be affected by such factors as the proximity and capacity of processing facilities, permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short-term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on the results of operations. Moreover, there can be no assurance that any gold or other minerals recovered in small-scale laboratory tests will be achieved under production scale conditions. Although precautions to minimize risks will be taken, processing operations are subject to hazards such as equipment failure or failure of tailings impoundment facilities, which may result in environmental pollution and consequent liability.

Additional Financing

The Company has no source of operating cash flow to fund all of its exploration and development projects and will require additional financing to continue its operations. There can be no assurance that such financing will be available at all or on favourable terms. Failure to obtain such additional financing could result in delay or indefinite postponement of the Company's exploration and development programs, resulting in the possible dilution or loss of mineral property interests. Any such financing will dilute the ownership interest of the Company's shareholders at the time of the financing, and may dilute the value of their shareholdings.

Limited Business History

The Company has only recently commenced operations and has no history of operating earnings. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfil its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Permits and Licenses

The operations of the Company will require licenses and permits from various governmental and non-governmental authorities. The Company has obtained, or will obtain, all necessary licenses and permits required to carry on with activities that it is currently conducting or which it proposes to conduct under applicable laws and regulations. However, such licenses and permits are subject to change in regulations and in various operating circumstances. There can be no assurance that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations at its proposed projects.

Other Regulatory Requirements

The operations of the Company are subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. The Company believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations, particularly environmental permits, will be obtainable on reasonable terms or that compliance with such laws and regulations would not have an adverse effect on the profitability of any mining project that the Company might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

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 non-compliance, 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. Environmental hazards may exist on the Company's properties which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Company, in the search for and the acquisition of attractive mineral properties. The ability of the Company to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competition in acquiring such properties or prospects.

As the prices of gold, zinc, copper or uranium increase the amount of new exploration activity may increase as well as the number of new exploration companies. This will lead to more competition and will make it more difficult for the Company to acquire good quality projects.

No Assurance of Title to Property

The Company has not conducted surveys of the claims in which it holds interests and therefore, the precise area and location of such claims may be in doubt. There is no assurance that the interests of the Company in any of its properties may not be challenged or impugned.

Dependence on Key Individuals

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company. The Company does not maintain key-person insurance on the life of any of its personnel. In addition, while certain of the Company's officers and directors have experience in the exploration of mineral producing properties, the Company will remain highly dependent upon contractors and third parties in the performance of its exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms.

Management

The Company is a relatively new company and has no proven history of performance or earnings and its ability to develop into a viable business enterprise is largely dependent upon its management and the quality of its properties.

Conflicts of Interest

Some of the directors and officers of the Company are directors and officers of other companies, some of which are in the same business as the Company. Some of the Company's directors and officers will continue to pursue the acquisition, exploration and, if warranted, the development of mineral resource properties on their own behalf and on behalf of other companies, and situations may arise where they will be in direct competition with the Company. The Company's directors and officers are required by law to act in the best interests of the Company. They may have the same obligations to the other companies in respect of which they act as directors and officers. Discharge of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

Insurance

The Company does not have comprehensive general liability insurance to adequately protect itself against certain risks commonly associated with mineral exploration. Even with insurance, the Company will remain at risk and will be potentially subject to liability for hazards which it cannot insure against or which it may elect not to insure against because of premium costs or other reasons.

Substantial number of authorized but unissued shares

The Company has an unlimited number of common shares which may be issued by the Board of Directors without further action or approval of the Company's shareholders. While the Board of Directors is required to fulfil its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's shareholders.

Dividends

The Company has not, since the date of its incorporation, declared or paid any dividends on its common shares and does not currently intend to pay dividends. Earnings, if any, will be retained to finance further growth and development of the business of the Company.

Resale of Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues will be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Shares purchased would be diminished.

17. PROMOTERS

Under the definition of "promoter" contained in Section 1 of the *Securities Act* (British Columbia), Rudy DeJonge and David Eaton can be considered the promoters of the Company in that they took the initiative in founding and organizing the Company. For service in connection with the founding or organization of the Company, each received more than 10% of the common stock of the Company.

The promoters have received nothing of value from the Company or any of its subsidiaries, and have no entitlement to receive any such value except as set forth elsewhere in this prospectus, specifically:

- Rudy DeJonge and David Eaton each acquired 1,000,000 shares of the Company being 10.6% of the issued shares of the Company prior to the Offering, at a price of $0.01 per share. All of these shares are held in escrow. See item 10 "Escrowed Securities";
- See items 12.2 "Corporate Cease Trade Orders", 12.3 "Penalties or Sanctions" and 12.4 "Personal Bankruptcies".

18. LEGAL PROCEEDINGS

The Company is not currently subject to any legal proceedings.

19. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Within the three years prior to the date hereof, none of the following persons have had any interest in any material transactions in which the Company is involved, except as otherwise disclosed herein:

(a) any director or senior officer of the Company;

(b) any security holder named in the section captioned "Principal Holders of Securities"; and

(c) any associate or affiliate of any of the foregoing persons.

20. RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is not a "related issuer" or "connected issuer" of the Agent for the purposes of National Instrument 33-105 - Underwriting Conflicts.

21. ELIGIBILITY OF INVESTMENT

The Company has not taken any steps to determine if the Shares offered under the Offering are eligible for investment in a Registered Retirement Savings Plan or any registered plan or similar investment . Investors are urged to contact their own tax counsel or accountant to determine the suitability of the Offering for their own purposes.

22. AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The auditor of the Company is:

Vellmer & Chang
505-815 Hornby Street
Vancouver, BC
V6Z 2E6

Transfer Agent and Registrar

The Registrar and Transfer Agent for the Company is:

Computershare Investor Services
510 Burrard Street
Vancouver, B.C.
V6C 3B9

23. MATERIAL CONTRACTS

Except for contracts made in the ordinary course of the Company's business, the only material contracts entered into by the Company or any of its subsidiaries since its incorporation are as follows:

1. Agency Agreement dated ●, 2008, between the Company and Canaccord Capital Corp. pertaining to the distribution of 4,000,000 Shares at a price of $0.25 per Share. See item 14 "Plan of Distribution".

2. Escrow Agreement dated November 30, 2007, between the Company, Computershare Investor Services (the "Transfer Agent") and certain shareholders of the Company referred to in item 10 "Escrowed Securities" whereunder the Transfer Agent agreed to hold 5,950,001 common shares in escrow.

3. The Confederation Lake Agreement dated February 10, 2006, as amended August 31, 2006 and December 14, 2006, between the Company, as optionee, and Perry English and Rubicon Minerals Corporation, collectively as optionor, to acquire 100% interest in the Confederation Lake Property

4. The Matless Lake Agreement dated March 14, 2006, as amended February 2, 2007 and March 14, 2007, between the Company, as optionee, and Perry English and Rubicon Minerals Corporation, collectively as optionor, to acquire 100% interest in the Matless Lake Claims.

5. The Gerry Lake Agreement dated March 14, 2006, as amended February 2, 2007 and March 14, 2007, between the Company, as optionee, and Perry English and Rubicon Minerals Corporation, collectively as optionor, to acquire 100% interest in and the Gerry Lake Claims.

6. The Shoreham Option Agreement dated September 4, 2007 between the Company and Shoreham Resources Ltd. whereby Shoreham can acquire a 70% interest in the Matless Lake Claims.

7. Stock Option Agreements and related Stock Option Plan, dated July 31, 2007, between the Company and certain individuals. See item 8 "Options to Purchase Securities".

Copies of the foregoing contracts may be inspected at 1040 - 999 West Hastings Street, Vancouver, British Columbia, during normal business hours while primary distribution of the Shares offered hereunder is in progress.

24. EXPERTS

24.1 Interest of Experts

Garry Smith prepared a NI 43-101 compliant technical report on the Confederation Lake Property, the contents of which are referred to under "Description of Mineral Properties". Mr Smith has no direct or indirect interest in the property of the Company, nor does he hold any direct or indirect interest in the Company or its associates or affiliates, and he is not entitled to receive any such interest, other than as set out above.

Certain legal matters relating to this Offering will be passed upon on behalf of the Company by Vector Corporate Finance Lawyers and on behalf of the Agent by Miller Thomson LLP.

Income tax consequences to purchasers are not viewed as a material aspect of the Offering of the Shares hereunder. Purchasers should consult their own tax and legal advisors for advice with respect to the income tax and other consequences associated with their acquisition of securities under this prospectus.

25. OTHER MATERIAL FACTS

A. Other

There are no other material facts relating to the securities offered by this Prospectus which are not previously disclosed under the foregoing captions.

26. PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces 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. The securities legislation in several of the provinces further provides a purchaser with remedies for rescission in some jurisdictions, or 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. The purchaser should refer to any applicable provisions of the purchaser's province for particulars of these rights or consult with a legal adviser.

27. FINANCIAL STATEMENTS

Attached to and forming a part of this Prospectus are the audited financial statements for the period from the date of incorporation (November 3, 2005) to June 30, 2006 and for the year ended June 30, 2007, together with the auditor's report thereon, and the unaudited financial statements for the quarter ended September 30, 2007.

Chang Lee LLP
Chartered Accountants

505 – 815 Hornby Street
Vancouver, B.C, V6Z 2E6
Tel: 604-687-3776
Fax: 604-688-3373
E-mail: info@changleellp.com

CONSENT OF AUDITORS OF THE COMPANY

To: The Directors of Confederation Minerals Ltd.

We have read the Preliminary Prospectus dated February 21, 2008 of Confederation Minerals Ltd. (the "Company") relating to the Offering of 4,000,000 common shares of the Company at $0.25 per common share for gross proceeds of $1,000,000. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned Preliminary Prospectus of our auditors' report to the directors of the Company on the balance sheets of the Company as at June 30, 2007 and 2006 and the statements of operations and deficit and cash flows for the period from November 3, 2005 (date of incorporation) to June 30, 2007. Our report is dated August 14, 2007, except as to Note 7, which is as of February 21, 2008.

CHANG LEE LLP

Vancouver, Canada
February 21, 2008

Chartered Accountants

Confederation Minerals Ltd.
An Exploration Stage Enterprise

FINANCIAL STATEMENTS

June 30, 2007 and 2006

Chang Lee LLP

Chartered Accountants

505 – 815 Hornby Street
Vancouver, B.C, V6Z 2E6
Tel: 604-687-3776
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AUDITORS' REPORT

To the Shareholders of
Confederation Minerals Ltd.

We have audited the balance sheets of Confederation Minerals Ltd. (an Exploration Stage Enterprise) as at June 30, 2006 and 2007 and the statements of operations and deficit and cash flows for the period from November 3, 2005 (date of incorporation) to June 30, 2006 and year ended June 30, 2007. 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 audit 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 June 30, 2006 and 2007 and the results of its operations and its cash flows for the period from November 3, 2005 (date of incorporation) to June 30, 2006 and year ended June 30, 2007 in accordance with Canadian generally accepted accounting principles.

Vancouver, Canada
August 14, 2007 except for Note 7,
which is dated **

"Chang Lee LLP"
Chartered Accountants

CONFEDERATION MINERALS LTD.
An Exploration Stage Enterprise

BALANCE SHEETS
AS AT JUNE 30, 2007 AND 2006

		June 30 2007		June 30 2006
ASSETS				
Current				
Cash and cash equivalents	$	55,741	$	37,046
Cash held in trust		-		962
GST receivable		13,258		-
		68,999		38,008
Mineral properties (Note 3)		273,462		70,272
	$	342,461	$	108,280
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	61,929	$	27,155
Shareholders' Equity				
Share capital (Note 4)		55,001		8,261
Share subscription received (Note 4)		345,000		82,510
Deficit		(119,469)		(9,646)
		280,532		81,125
	$	342,461	$	108,280

Nature of Operations (Note 1)
Subsequent Events (Note 7)

On behalf of the Board:

"Lawrence Dick"	Director	*"Peter Bryant"*	Director
Lawrence Dick		Peter Bryant	

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

CONFEDERATION MINERALS LTD.
An Exploration Stage Enterprise

STATEMENTS OF OPERATIONS AND DEFICIT

		Year Ended June 30 2007		From November 3 2005 (inception) to June 30 2006
EXPENSES				
Accounting fees	$	7,350	$	-
Bank charge and interest		298		48
Consulting fee		67,457		-
Office expenses		2,846		-
Foreign exchange (gain)		(635)		-
Legal fees		12,317		3,888
Rent		13,590		3,210
Travel expenses		-		2,500
Website development cost		6,600		-
Net loss for the period		(109,823)		(9,646)
Deficit, beginning of period		(9,646)		-
Deficit, end of period	$	(119,469)	$	(9,646)
Basic and diluted loss per share	$	(0.04)	$	(0.01)
Weighted average number of common shares - basic and diluted		2,680,001		1,428,955

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

CONFEDERATION MINERALS LTD.
An Exploration Stage Enterprise

STATEMENTS OF CASH FLOWS

		Year Ended June 30 2007		From November 3 2005 (inception) to June 30 2006
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net loss for the period	$	(109,823)	$	(9,646)
Adjustment for item not involving cash:				
Changes in non-cash operating working capital:				
Increase in GST receivable		(13,258)		-
Increase in deferred exploration costs		(141,187)		(20,096)
Increase in accounts payable and accrued liabilities		34,774		27,155
Net cash flows used in operating activities		(229,494)		(2,587)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Mineral property acquisition		(41,003)		(42,176)
Net cash flows from investing activities		(41,003)		(42,176)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Share subscription		262,490		82,510
Shares issued for cash		25,740		261
Net cash flows from financing activities		288,230		82,771
Increase in cash and cash equivalents		17,733		-
Cash and cash equivalents, beginning of period		38,008		-
Cash and cash equivalents, end of period	$	55,741	$	38,008
Supplemental disclosure with respect to cash flows:				
Interest paid in cash	$	-	$	-
Income tax paid in cash	$	-	$	-

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

1. NATURE OF OPERATIONS

The Company was incorporated on November 3, 2005 under the Business Corporations Act (British Columbia) as "Medina Ventures Inc.", changed its name to "Sienna Minerals Ltd." on April 26, 2006 and changed its name to Confederation Minerals Ltd. on April 11, 2007. The Company's principal business activity was the exploration of mineral properties.

The accompanying financial statements have been prepared on the basis of Canadian generally accepted accounting principles ("GAAP") applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital. Specifically, the recovery of the Company's investment in resource properties and related deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop the properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has not earned any revenues to date and is considered to be in the exploration stage.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing.

2. SIGNIFICANT ACCOUNTING POLICIES

Estimates, Assumptions and Measurement Uncertainty

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Areas requiring significant management estimates relate to the determination of impairment of mineral properties, expected tax rates for future income tax recoveries, fair value of stock-based payments and useful lives for amortization of long-lived assets.

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. Management does not believe the Company is exposed to significant credit, currency, market or interest rate risks relating to these financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. There were no cash equivalents at June 30, 2007 and 2006.

Foreign currency translation

Monetary assets and liabilities are translated at the rate of exchange at the balance sheet date. Non-monetary assets and liabilities are translated at exchange rates prevailing at the transaction date. Income and expenses are translated at rates which approximate those in effect on transaction dates. Gains or losses arising on conversion are included in income or expense.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Mineral Properties

All costs related to the acquisition, exploration and development of mineral properties, less option payments received, are capitalized by property. If economically recoverable 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. If the Company transfers its right, title and interest in a property to a third party, a disposition is recorded. The proceeds less the accumulated costs related to the acquisition, exploration and development of the property is recognized as a gain or loss.

The amount 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.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, according to the usual industry standards for the stage of exploration of such properties, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected title defects.

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. The Company currently does not have any significant asset retirement obligations.

Impairment of Long-Lived Assets

The Company follows the recommendations of the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3063, "Impairment of Long-Lived Assets". Section 3063 establishes standards for recognizing, measuring and disclosing impairment of long-lived assets held for use. The Company conducts its impairment test on long-lived assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is recognized when the carrying amount of an asset to be held and used exceeds the undiscounted future net cash flows expected from its use and disposal. If there is an impairment, the impairment amount is measured as the amount by which the carrying amount of the asset exceeds its fair value, calculated using discounted cash flows when quoted market prices are not available.

Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury method. The treasury method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate. Diluted loss per share is equal to the basic loss per share as there were no dilutive securities as at June 30, 2007 and 2006.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Income Taxes

The Company accounts for income taxes using the asset and liability method, whereby future tax assets and liabilities are recognized for the future income tax consequences attributable to differences between the carrying values of the asset and liabilities and their respective income tax bases. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income taxes and liabilities of a change in rates is included in operations in the period that includes the substantive enactment date. To the extent that the Company does not consider it more likely than not that a future income tax asset will be recovered, it provides a valuation allowance against the excess.

Stock-Based Compensation

The Company accounts for stock options granted using CICA Section 3870,"Stock-Based Compensation and Other Stock-Based Payments". Under this Handbook section, the Company is required to expense, over the vesting period, the fair value of the options and awards granted. Accordingly, the fair value of the options at the date of grant is accrued and charged to operations, with a corresponding credit to contributed surplus, on a straight-line basis over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital. There has been no issuance of stock option during the period ended June 30, 2007.

Risk Management

The Company is engaged in mineral exploration and development and is accordingly exposed to environmental risks associated with mineral exploration activity. The Company is currently in the initial exploration stages on its property interests and has not determined whether significant site reclamation costs will be required. The Company would only record liabilities for site reclamation when reasonably determinable and when such costs can be reliably quantified.

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Gerry Lake Claims, Ontario

On March 14, 2006, as amended February 2, 2007 and March 14, 2007, the Company entered into an option agreement to acquire a 100% interest,, in 4 mining claims (38 units) located in Red Lake Mining District of Ontario. All claims will expire on March 14, 2008. To acquire the 100% interest, the Company must make cash payments of $101,000 and issue 100,000 shares to Rubicon Minerals as follows:

Date	Cash	Shares
Upon signing	$ 10,000 (paid)	30,000 (issued at $0.10 per share)
First anniversary of signing	$ 15,000 (paid)	30,000 (issued at $0.10 per share)
Second anniversary of signing	$ 16,000	40,000
Third anniversary of signing	$ 20,000	-
Fourth anniversary of signing	$ 40,000	-
	$101,000	100,000

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (cont'd…)

In the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise the Option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30. The Company is also required to, on or before the second anniversary date of the agreement, conduct a work program on the Gerry Lake Claims at a cost equal to not less than one year's assessment work and, on or before the third anniversary, conduct a work program of not less than $34,000.

During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

Matless Lake South Claims, Ontario

On March 14, 2006, as amended February 2, 2007 and March 14, 2007, the Company entered into an option agreement to acquire a 100% interest, in 19 mining claims (184 units) located in Red Lake Mining District of Ontario. All claims were recorded on March 15, 2006 and will expire on March 15, 2008. To acquire the 100% interest, the Company must make cash payments of $76,000 and issue 230,000 shares to Rubicon Minerals as follows:

Date	Cash	Shares
Upon signing	$ -	20,000 (issued at $0.10 per share)
First anniversary of signing	$ -	150,000 (issued at $0.10 per share)
Second anniversary of signing	$16,000	30,000
Third anniversary of signing	$20,000	30,000
Fourth anniversary of signing	$40,000	-
	$76,000	230,000

In the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise its option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30. The Company is also required to, on or before the second anniversary date, complete a work program of not less than $50,000 of the agreement.

During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

On September 4, 2007, the Company entered into a property option agreement (the "Shoreham Option Agreement") with Shoreham Resources Ltd. ("Shoreham") that grants Shoreham the right to acquire up to a 70% working interest in the Matless Lake Claims. Shoreham is an arms length party, trading on the Exchange. Under the terms of the Shoreham Option Agreement, Shoreham can acquire a 70% working interest in consideration for:

(a) cash payments of $80,000 and the issuance of 200,000 shares, as follows:

i. 200,000 shares upon Exchange approval (firm commitment);

ii. $20,000 on or before February 28, 2008;

iii. $20,000 on or before February 28, 2009; and

iv. $40,000 on or before February 28, 2010;

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (cont'd…)

(b) incurring Exploration work of $800,000, as follows:

i. $100,000 to be completed by February 28, 2008 (firm commitment);

ii. an additional $200,000 to be completed by February 28, 2009 (to which Shoreham has committed); and

iii. an additional $500,000 to be completed by February 28, 2010.

Upon the exercise of the option, the parties to the Shoreham Option Agreement shall enter into a joint venture agreement. In the event either Party is diluted to a 10% interest, that party's interest shall convert to a 2% net smelter royalty.

Confederation Lake (Mitchell & Belanger) Claims, Ontario

On February 10, 2006, as amended August 31, 2006 and December 14, 2006, the Company entered into an option agreement to acquire 100% interest, in 26 mining claims (184 units) located in Red Lake Mining District of Ontario. The claims have a range of expiry date from October 1, 2006 to June 29, 2008. On August 31, 2006 the agreement was amended to reinstate a claim which had lapsed and been re-staked. To acquire the 100% interest, the Company must make cash payments of $112,000 and issue 120,000 shares to Rubicon Minerals as follows:

Date	Cash	Shares
Upon signing	$ 12,000 (paid)	30,000 (issued at $0.10 per share)
First anniversary of signing	$ 15,000 (paid)	30,000 (issued at $0.10 per share)
Second anniversary of signing	$ 20,000 (subsequently paid)	30,000 (subsequently issued at $0.10 per share)
Third anniversary of signing	$ 25,000	30,000
Fourth anniversary of signing	$ 40,000	-
	$112,000	120,000

In the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise its option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30.

The Company was required to, and did, complete a work program of not less than $50,000 on or before the first anniversary date of the agreement. During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

Expenditure related to the properties can be summarized as follows:

As at June 30, 2006	Matless Lake Claim	Confederation Lake Claim	Gerry Lake Claim	Total
Mineral acquisition and staking costs	$ 31,176	$ 16,000	$ 3,000	$ 50,176
Deferred exploration costs				
Geological studies	3,194	13,149	3,753	20,096
Total deferred exploration costs	3,194	13,149	3,753	20,096
Total mineral properties as at June 30, 2006	$ 34,370	$ 29,149	$ 6,753	$ 70,272

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (cont'd…)

	Matless Lake Claim	Confederation Claim	Gerry Lake Claim	Total
Mineral acquisition and staking costs				
Opening balance, June 30, 2006	$ 31,176	$ 16,000	$ 3,000	$ 50,176
Additions during the year	15,000	19,003	28,000	62,003
Ending balance, June 30, 2007	46,176	35,003	31,000	112,179
Deferred exploration costs				
Opening balance, June 30, 2006	3,194	13,149	3,753	20,096
Geological studies	2,500	117,662	19,455	139,617
Geological surveys	-	1,366	204	1,570
Total deferred exploration costs as at June 30, 2007	5,694	132,177	23,412	161,283
Total mineral properties as June 30, 2007	$ 51,870	$ 167,180	$ 54,412	$ 273,462

4. SHARE CAPITAL

a) Authorized: Unlimited common shares with no par value

b) Issued and Outstanding

	Number of Shares	**Share Capital**
Balance, November 3, 2005	-	$ -
Issued during the period:		
Shares issued for cash at $1 per share	1	1
Shares issued for cash at $0.0001 per share	2,600,000	260
Shares issued for mineral properties	80,000	8,000
Balance, June 30, 2006	2,680,001	8,261
Amended the shares issued at $0.0001 to $0.01 per share	-	25,740
Shares issued for mineral properties	210,000	21,000
Balance, June 30, 2007	2,890,001	$ 55,001

During the period ended June 30, 2006, the Company issued 2,600,000 at $0.0001 per share, 1 common share at $1.00 per share and 80,000 common shares at $0.10 per share. The Company also received share subscriptions of $82,510 for shares issued subsequent to the year ended June 30, 2007. Also subsequent to June 30, 2007, the Company cancelled the 300,000 common shares issued at $0.0001 per share and re-adjusted the issue price of the remaining 2,300,000 shares to $0.01.

4. SHARE CAPITAL (cont'd…)

b) Issued and Outstanding (cont'd…)

During the period ended June 30, 2007, the Company issued 210,000 common shares for mineral properties at deemed value of $0.10 per share. See also note 3 for detail. The Company also received share subscription of $262,490 for 6,025,000 common shares (total subscription amounts to $345,000 of which $82,510 was received in 2006). 1,800,000 of these common shares were allotted for at $0.01 per share, 1,850,000 of these common shares were allotted for at $0.05 per share, and 2,375,000 of these common shares were allotted for at $0.10 per share. Subsequent to June 30, 2007, the Company received additional share subscription of $25,000 for 250,000 common shares at $0.10 per share. The allotted shares were issued subsequent to June 30, 2007.

c) Escrow Shares

Subsequent to the year end, the Company signed an escrow agreement for 5,950,001 common shares to be held in escrow at the time of the completion of the Company's initial public offering. All of the common shares in escrow will be released as follows: 10% on the date the Company's securities are listed on a Canadian exchange and 15% every six months thereafter.

d) Stock Options

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. As at June 30, 2007, the Company has not granted any stock options.

5. RELATED PARTY TRANSACTIONS

During the periods ended June 30, 2007and 2006, the Company has the following related party transactions:

a) The Company paid directors and former directors of the Company consulting fees of $50,000 (2006 - $Nil).

b) The Company paid a director of the Company geological consulting fees of $7,500 (2006 - $Nil).

c) As at June 30, 2007, an amount of $26,735 was owed to companies controlled by two directors of the Company.

d) Paid rent of $13,590 to a company of which one of the Company's director is a director and officer.

6. INCOME TAXES

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

	2007	2006
Loss before income taxes	$109,823	$ 9,646
Income tax recovery at statutory rates of 34.12%	37,472	3,291
Unrecognized benefits of non-capital losses	(37,472)	(3,291)
Total income tax recovery	$ -	$ -

Details of future income tax assets are as follows:

	2007	2006
Future income tax assets:		
Non-capital losses available for future periods	$ 37,472	$ 3,291
Mineral properties	59,434	21,247
Valuation allowance	(96,906)	(24,538)
Net future income tax assets	$ -	$ -

The Company has non-capital losses of approximately $9,646 as at year end 2006 and $119,469 as at year end 2007, which may be carried forward and applied against taxable income in future years. If not utilized, the non-capital losses would expire in 2026 and 2027, respectively. The benefits of these losses have not been reflected in these financial statements and have been offset by a valuation allowance.

7. SUBSEQUENT EVENTS

a) In July 2007, the Company issued 1,800,000 common shares at $0.01 per share, 1,850,000 common shares at $0.05 per share and 3,075,000 common shares at $0.10 per share. 300,000 common shares originally issued at $0.0001 per share and later re-adjusted to $0.01 were cancelled and returned to treasury.

b) On August 30, 2007, the Company issued 100,000 common shares to a consultant at $0.10 per share for exploration work done on the Mitchell and Belanger property.

c) On July 31, 2007, the Company adopted a Stock Option Plan and granted options to directors to purchase an aggregate of 850,000 shares of the Company at a price of $0.25 per share for a period expiring on the fifth anniversary of the date on which the Shares of the Company are first listed and called for trading on the Exchange.

d) See Note 3 and 4c.

e) The Company is in the process of filing its prospectus to complete an offering of 4,000,000 common shares at a price of $0.25 per share. The gross proceeds of the offering will be $1,000,000 if the offering is achieved. The proceeds will be used to finance exploration work on the Confederation property in the Red Lake mining district of Ontario. Subsequent to the period, the Company signed an agency agreement with Canaccord Capital Corporation (“Agent”) for the initial public offering. The Company agrees to pay the Agent, at the closing of the Offering, i) a $80,000 cash commission equal to 8% of the aggregate gross proceeds of the Offering and ii) issue to the Agent 320,000 warrants, being that number of share purchase warrants (the “Agent’s Warrants”) equal in number to 8% of the aggregate number of Shares issued in connection with the Offering, each such Agent’s Warrant entitling the holder to acquire one common share at the price of $0.25 per common share for a period 24 months from the date on which the Company’s Shares commence trading on the Exchange. The Company has paid $15,000 to the Agent to be applied towards the estimated legal and ancillary costs of the Agent in connection with the Offering.

Confederation Minerals Ltd.
An Exploration Stage Enterprise

FINANCIAL STATEMENTS
(Unaudited)

September 30, 2007

CONFEDERATION MINERALS LTD.
An Exploration Stage Enterprise

BALANCE SHEETS
AS AT SEPTEMBER 30, 2007
(Unaudited)

		September 30 2007		June 30 2007
ASSETS				
Current				
Cash and cash equivalents	$	14,695	$	55,741
Share subscription receivable		45,000		-
GST receivable		14,169		13,258
		28,864		68,999
Deferred finance charge (Note 4)		15,000		-
Mineral properties (Note 4)		283,462		273,462
	$	327,326	$	342,461
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	31,366	$	61,929
Shareholders' Equity				
Share capital (Note 5)		707,501		55,001
Share subscriptions (Note 5)		-		345,000
Deficit		(366,541)		(119,469)
		295,960		280,532
	$	327,326	$	342,461

Nature of Operations (Note 1)
Subsequent Events (Note 7)

On behalf of the Board:

"Peter Bryant" Director *"Lawrence Dick"* Director
Peter Bryant Lawrence Dick

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

CONFEDERATION MINERALS LTD.
An Exploration Stage Enterprise

STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE MONTHE ENDED SEPTEMBER 30, 2007 AND 2006
(Unaudited)

	2007	2006
EXPENSES		
Accounting fees	$ -	$ -
Bank charge and interest	77	386
Consulting fee	4,120	-
Office expenses	42	-
Foreign exchange (gain)	-	(624)
Legal fees	15,333	1,106
Rent	-	4,590
Stock based compensation	227,500	-
Transfer agent and regulatory fees	-	366
Website development cost	-	5,195
Net loss and comprehensive loss for the period	(247,072)	(11,019)
Deficit, beginning of period	(119,469)	(9,646)
Deficit, end of period	$ (366,541)	$ (20,665)
Basic and diluted loss per share	$ (0.00)	$ (0.01)
Weighted average number of common shares - basic and diluted	7,358,208	2,680,001

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

CONFEDERATION MINERALS LTD.
An Exploration Stage Enterprise

STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2007 AND 2006
(Unaudited)

		2007		2006
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net loss for the period	$	(247,072)	$	(11,019)
Adjustment for items not involving cash:				
Stock based compensation		227,500		-
Changes in non-cash operating working capital:				
Increase in GST receivable		(911)		(3,291)
Increase in deferred exploration costs		-		(62,646)
Decrease in accounts payable and accrued liabilities		(30,563)		(12,834)
Net cash flows used in operating activities		(51,046)		(89,790)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Deferred financing charges		(15,000)		-
Share subscriptions		25,000		90,448
Net cash flows from financing activities		10,000		90,448
(Decrease) increase in cash and cash equivalents		(41,046)		658
Cash and cash equivalents, beginning of period		55,741		38,008
Cash and cash equivalents, end of period	$	14,695	$	38,666
Supplemental disclosure with respect to cash flows:				
Interest paid in cash	$	-	$	-
Income tax paid in cash	$	-	$	-

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

1. NATURE OF OPERATIONS

The Company was incorporated on November 3, 2005 under the Business Corporations Act (British Columbia) as "Medina Ventures Inc.", changed its name to "Sienna Minerals Ltd." on April 26, 2006 and changed its name to Confederation Minerals Ltd. on April 11, 2007. The Company's principal business activity was the exploration of mineral properties.

The accompanying financial statements have been prepared on the basis of Canadian generally accepted accounting principles ("GAAP") applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital. Specifically, the recovery of the Company's investment in resource properties and related deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop the properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has not earned any revenues to date and is considered to be in the exploration stage.

2. BASIS OF PRESENTATION

The unaudited interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial information and have been reviewed by the Company's Audit Committee. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The unaudited interim financial statements have been prepared in accordance with the accounting principles and policies described in the Company's annual financial statements for the year ended June 30, 2007, and should be read in conjunction with those statements. In the opinion of management, all adjustments (consisting of normal and recurring accruals) considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included.

3. CHANGE IN ACCOUNTING POLICIES

Effective July 1, 2007, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) under CICA Handbook Section 1530, Comprehensive Income, Section 3251, Equity, Section 3855, Financial Instruments – Recognition and Measurement and Section 3861 Financial Instruments – Disclosure and Presentation. These new Handbook sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition and measurement of financial instruments. Section 1530 establishes standards for reporting and presenting comprehensive income which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but are excluded from net income calculated in accordance with Canadian generally accepted accounting principles.

The adoption of the above new handbook sections is on a prospective basis without retroactive restatement of prior periods. For the fiscal year ended June 30, 2007, the Company has no other comprehensive income or loss and has a $nil balance on the Accumulated Other Comprehensive Income or loss.

Under Section 3855, all financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available for sale financial assets or other financial liabilities. All financial instruments are measured in the balance sheet at fair value except for loans and receivable, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net income; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired.

3. CHANGE IN ACCOUNTING POLICIES (cont'd…)

As a result of the adoption of these new standards, the Company has classified its cash and cash equivalents as held-for-trading, which is carrying at fair value. Accounts payable and accrued liabilities and loan payable are classified as other financial liabilities, all of which are measured at amortized cost.

The adoption of the financial instrument has no impact on the Company's prior year's financial statements.

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Gerry Lake Claims, Ontario

On March 14, 2006, as amended February 2, 2007 and March 14, 2007, the Company entered into an option agreement to acquire a 100% interest, in 4 mining claims (38 units) located in Red Lake Mining District of Ontario. All claims will expire on March 14, 2008. To acquire the 100% interest, the Company must make cash payments of $101,000 and issue 100,000 shares to Rubicon Minerals as follows:

Date	Cash	Shares
Upon signing	$ 10,000 (paid)	30,000 (issued at $0.10 per share)
First anniversary of signing	$ 15,000 (paid)	30,000 (issued at $0.10 per share)
Second anniversary of signing	$ 16,000	40,000
Third anniversary of signing	$ 20,000	-
Fourth anniversary of signing	$ 40,000	-
	$101,000	100,000

In the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise the Option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30. The Company is also required to, on or before the second anniversary date of the agreement, conduct a work program on the Gerry Lake Claims at a cost equal to not less than one year's assessment work and, on or before the third anniversary, conduct a work program of not less than $34,000.

During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (cont'd…)

Matless Lake South Claims, Ontario

On March 14, 2006, as amended February 2, 2007 and March 14, 2007, the Company entered into an option agreement to acquire a 100% interest, in 19 mining claims (184 units) located in Red Lake Mining District of Ontario. All claims were recorded on March 15, 2006 and will expire on March 15, 2008. To acquire the 100% interest, the Company must make cash payments of $76,000 and issue 230,000 shares to Rubicon Minerals as follows:

Date	Cash	Shares
Upon signing	$ -	20,000 (issued at $0.10 per share)
First anniversary of signing	$ -	150,000 (issued at $0.10 per share)
Second anniversary of signing	$16,000	30,000
Third anniversary of signing	$20,000	30,000
Fourth anniversary of signing	$40,000	-
	$76,000	230,000

In the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise its option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30. The Company is also required to, on or before the second anniversary date, complete a work program of not less than $50,000 of the agreement.

During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

On September 4, 2007, the Company entered into a property option agreement (the "Shoreham Option Agreement") with Shoreham Resources Ltd. ("Shoreham") that grants Shoreham the right to acquire up to a 70% working interest in the Matless Lake Claims. Shoreham is an arms length party, trading on the Exchange. Under the terms of the Shoreham Option Agreement, Shoreham can acquire a 70% working interest in consideration for:

(a) cash payments of $80,000 and the issuance of 200,000 shares, as follows:

i. 200,000 shares upon Exchange approval (firm commitment – received subsequently);

ii. $20,000 on or before February 28, 2008;

iii. $20,000 on or before February 28, 2009; and

iv. $40,000 on or before February 28, 2010;

(b) incurring Exploration work of $800,000, as follows:

i. $100,000 to be completed by February 28, 2008 (firm commitment);

ii. an additional $200,000 to be completed by February 28, 2009 (to which Shoreham has committed); and

iii. an additional $500,000 to be completed by February 28, 2010.

Upon the exercise of the option, the parties to the Shoreham Option Agreement shall enter into a joint venture agreement. In the event either Party is diluted to a 10% interest, that party's interest shall convert to a 2% net smelter royalty.

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (cont'd…)

Confederation Lake (Mitchell & Belanger) Claims, Ontario

On February 10, 2006, as amended August 31, 2006 and December 14, 2006, the Company entered into an option agreement to acquire 100% interest, in 26 mining claims (184 units) located in Red Lake Mining District of Ontario. The claims have a range of expiry date from October 1, 2006 to June 29, 2008. On August 31, 2006 the agreement was amended to reinstate a claim which had lapsed and been re-staked. To acquire the 100% interest, the Company must make cash payments of $112,000 and issue 120,000 shares to Rubicon Minerals as follows:

Date	Cash	Shares
Upon signing	$ 12,000 (paid)	30,000 (issued at $0.10 per share)
First anniversary of signing	$ 15,000 (paid)	30,000 (issued at $0.10 per share)
Second anniversary of signing	$ 20,000 (subsequently paid)	30,000 (subsequently issued at $0.10 per share)
Third anniversary of signing	$ 25,000	30,000
Fourth anniversary of signing	$ 40,000	-
	$112,000	120,000

During the period, the Company issued 100,000 common shares at a deemed value of $0.10 per share to Perry English for re-staking of Confederation lake mining claims.

In the event that on any anniversary date the shares of the Company are not listed for trading on a stock exchange or quotation system and the Company chooses to exercise its option by making a cash payment and issuing shares as provided above, in addition to such cash payment, the Optionor may elect to take further cash in lieu of such shares in an amount equal to the number of shares that would otherwise be issued on that date multiplied by $0.30.

The Company was required to, and did, complete a work program of not less than $50,000 on or before the first anniversary date of the agreement. During the term of the option, the Company is required to keep the claims in good standing. These claims are also subject to a 2% NSR payable to the Optionor, which can be reduced to a 1% NSR for a payment of $1,000,000.

Expenditure related to the properties can be summarized as follows:

	Matless Lake Claim	Confederation Lake Claim	Gerry Lake Claim	Total
Mineral acquisition and staking costs				
Opening balance, June 30, 2007	$ 46,176	$ 35,003	$ 31,000	$ 112,179
Additions during the period	-	10,000	-	10,000
Ending balance, September 30, 2007	46,176	45,003	31,000	122,179
Deferred exploration costs				
As at June 30, 2007 and September 30, 2007	5,694	132,177	23,412	161,283
Total mineral properties as September 30, 2007	$ 51,870	$ 177,180	$ 54,412	$ 283,462

5. SHARE CAPITAL

a) Authorized: Unlimited common shares with no par value

b) Issued and Outstanding

	Number of Shares	Share Capital
Balance, November 3, 2005	-	$ -
Issued during the period:		
Shares issued for cash at $1 per share	1	1
Shares issued for cash at $0.0001 per share	2,600,000	260
Shares issued for mineral properties	80,000	8,000
Balance, June 30, 2006	2,680,001	8,261
Amended the shares issued at $0.0001 to $0.01 per share	-	25,740
Shares issued for mineral properties	210,000	21,000
Balance, June 30, 2007	2,890,001	55,001
Issued during the period:		
Shares issued for cash at $0.01 per share	1,800,000	18,000
Re-valued at $0.10		135,000
Shares returned to treasury at $0.01 per share	(300,000)	(3,000)
Shares issued for cash at $0.05 per share	1,850,000	92,500
Re-valued at $0.10		92,500
Shares issued for cash at $0.10 per share	3,075,000	307,500
Shares issued for mineral properties	100,000	10,000
Balance, September 30, 2007	9,415,001	$ 707,501

During the period ended September 30, 2007, the Company issued 1,800,000 common shares at $0.01 per share, 1,850,000 common shares at $0.05 per share, and 3,075,000 common shares issued at $0.10 per share. All the shares issued at $0.01 and $0.05 were re-valued to $0.10 per share. As a result, the Company recognized a stock based compensation of $227,500. In addition, 100,000 common shares were issued for claim staking services related to the Company's mineral properties at deemed value of $0.10 per share. See also note 4 for detail. 300,000 common shares originally issued at $0.0001 per share and later re-adjusted to $0.01 were cancelled and returned to treasury. $45,000 of share subscriptions receivable as at September 30, 2007 was received subsequently.

c) Escrow Shares

Subsequent to September 30, 2007, the Company signed an escrow agreement for 5,950,001 common shares to be held in escrow at the time of the completion of the Company's initial public offering. All of the common shares in escrow will be released as follows: 10% on the date the Company's securities are listed on a Canadian exchange and 15% every six months thereafter.

5. SHARE CAPITAL (cont'd…)

d) Stock Options

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. During the period ended September 30, 2007, the Company has granted stock options to directors to purchase an aggregate of 850,000 shares of the Company at a price of $0.25 per share for a period expiring on the fifth anniversary of the date on which the Shares of the Company are first listed and called for trading on the Exchange. As the measurement date was based upon the date of listing of the Company's shares on the Exchange, no stock based compensation has been recorded as at September 30, 2007.

6. RELATED PARTY TRANSACTIONS

During the periods ended September 30, 2007 and 2006, the Company has paid rent of $Nil (2006 - $4,590) to a company controlled by a former director of the Company.

7. SUBSEQUENT EVENTS

a) See Note 4 and 5c.

b) The Company is in the process of filing its prospectus to complete an offering of 4,000,000 common shares at a price of $0.25 per share. The gross proceeds of the offering will be $1,000,000 if the offering is achieved. The proceeds will be used to finance exploration work on the Confederation property in the Red Lake mining district of Ontario. Subsequent to the period, the Company signed an agency agreement with Canaccord Capital Corporation ("Agent") for the initial public offering. The Company agrees to pay the Agent, at the closing of the Offering, i) a $80,000 cash commission equal to 8% of the aggregate gross proceeds of the Offering and ii) issue to the Agent 320,000 warrants, being that number of share purchase warrants (the "Agent's Warrants") equal in number to 8% of the aggregate number of Shares issued in connection with the Offering, each such Agent's Warrant entitling the holder to acquire one common share at the price of $0.25 per common share for a period 24 months from the date on which the Company's Shares commence trading on the Exchange. The Company has paid $15,000 to the Agent to be applied towards the estimated legal and ancillary costs of the Agent in connection with the Offering.

CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF THE ISSUER

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 regulations thereunder.

DATED: February 21, 2008

Confederation Minerals Ltd.

"Lawrence Dick"	*"Peter Bryant"*
Lawrence Dick	Peter Bryant
President and Chief Executive Officer	Chief Financial Officer

On behalf of the Board of Directors

"Kenneth Holmes"	*"Donald Gee"*
Kenneth Holmes	Donald Gee
Director	Director

Promoter

"Rudy DeJonge "
Rudy DeJonge
Promoter

<u>CERTIFICATE OF THE AGENT</u>

To the best of our knowledte, information and belief, 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 regulations thereunder.

DATED: February 21, 2008

By: Canaccord Capital Corporation

"Ali Pejman"
Authorized signatory