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

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND, IN SUCH JURISDICTIONS, ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES. NO SECURITIES REGULATORY AUTHORITY HAS EXPRESSED AN OPINION ABOUT THESE SECURITIES AND IT IS AN OFFENCE TO CLAIM OTHERWISE.

*THE SECURITIES OFFERED UNDER THIS PROSPECTUS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS, AND EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS THAT TERM IS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT). THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES OFFERED HEREBY WITHIN THE UNITED STATES. SEE "PLAN OF DISTRIBUTION".*

PRELIMINARY PROSPECTUS

Initial Public Offering **June 27, 2008**

WHITE BEAR RESOURCES INC.

Suite 1320 – 885 West Georgia Street
Vancouver, BC V6C 3E8
Telephone: (604) 687-3067; Facsimile: (604) 682-4309

3,000,000 COMMON SHARES
$0.30 per Common Share

Public Offering of $900,000

White Bear Resources Inc. (the "**Company**") is offering (the "**Offering**") to purchasers resident in the provinces of British Columbia, Alberta and Saskatchewan (the "**Offering Jurisdictions**"), and elsewhere permitted by applicable law, through its exclusive agent Blackmont Capital Inc. (the "**Agent**") on a commercially reasonable efforts basis, an aggregate of 3,000,000 common shares (the "**Shares**") in the capital of the Company at a price of $0.30 per Share (the "**Offering Price**") for gross proceeds of $900,000.

	Price to the Public (1)(2)	Agent's Commission(2)(3)(4)(5)	Proceeds to the Company (2)(3)(5)
Per Share	$0.30	$0.03	$0.27
Total Offering	$900,000	$90,000	$810,000

(1) The offering price of the Shares was determined by negotiation between the Company and the Agent.

(2) In addition, the Company has agreed to pay the Agent a corporate finance fee (the "**CF Fee**") of $25,000 plus GST in consideration of corporate finance structuring and administrative services provided by the Agent. The Company has paid $15,000 plus GST of the CF Fee to the Agent and the balance of the CF Fee will be paid to the Agent at Closing.

(3) The Company has agreed to grant to the Agent and its sub-agents, if any, a non-transferable option (the "**Agent's Option**") to purchase up to that number of common shares (the "**Agent's Option Shares**") in the capital of the Company equal to 10% of the number of Shares sold under the Offering, at a price of $0.30 per Agent's Option Share. The Agent's Option is exercisable at anytime and from time to time up to 24 months from the Closing Date (as hereinafter defined). The distribution of the Agent's Option is qualified by this Prospectus.

(4) In addition, the Company will pay the Agent's reasonable fees and expenses pertaining to the Offering and has paid to the Agent a non-refundable retainer of $15,000.

(5) After deducting the Agent's Commission, but before deducting the CF Fee of $25,000 (plus GST) and estimated expenses of the Offering of $80,000 (including legal, accounting, regulatory filing fees and printing), which will be paid from the proceeds from the sale of the Shares pursuant to the Offering.

The Agent or registered sub-agents who assist the Agent in the distribution of the Shares, as exclusive agent for the Company for the purposes of this Offering, conditionally offers on a commercially reasonable efforts basis the Shares, subject to prior sale, if, as and when issued and delivered by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement (as hereinafter defined) and subject to the approval of certain legal matters on behalf of the Company by Clark Wilson LLP and on behalf of the Agent by Heenan Blaikie LLP.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Closing for the Offering will occur on such day, following the Offering Date (as hereinafter defined), as agreed to by the Company and the Agent. The Offering Date is expected to occur on a date to be agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus unless an extension to this date is granted by the applicable regulatory authorities. Certificates representing the Shares will be available for delivery to the Agent at Closing.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "Risk Factors".

Investments in natural resource issuers involve a significant degree of risk. The degree of risk increases substantially where the issuers' properties are in the exploration as opposed to the development stage. All of the properties of the Company are in the exploration or pre-exploration stage and are without a known body of commercial ore. The proposed exploration programs are exploratory searches for ore. Investors should not invest any funds in this Offering unless they can afford to lose their entire investment. See "Risk Factors".

The Offering is subject to the sale of 3,000,000 Shares on or before 90 days from the date a receipt is issued for the final prospectus, unless consent is obtained from the Purchasers and the regulatory authorities to extend such date. See "Plan of Distribution".

The Company has applied to list the Shares distributed under this Prospectus on the TSX Venture Exchange Inc. (the "**Exchange**"). Listing is subject to the Company fulfilling all of the listing requirements of the Exchange.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America. While the Company does not currently intend to apply to list or quote any of its securities on the Alternative Investment Market of the London Stock Exchange or the PLUS Markets operated by PLUS Markets Group plc, the Company may elect to do so in the future should the Company determine it to be in its best interests.

NO PERSON IS AUTHORIZED BY THE COMPANY OR THE AGENT TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND SALE OF THE SECURITIES OFFERED PURSUANT TO THIS PROSPECTUS.

AGENT:

BLACKMONT CAPITAL INC.
440 2nd Avenue SW, Suite 2200
Calgary, AB T2P 5E9
Telephone: (403) 260-8400
Facsimile: (403) 269-7870

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GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Prospectus including the Summary hereof. Terms and abbreviations used in the financial statements of the Company and in the exhibits to this Prospectus may be defined separately and the terms and abbreviations defined below may not be used therein.

Non Technical Terms

"Agent" means Blackmont Capital Inc.;

"Agent's Option" means the non-transferable option to be granted to the Agent or its sub-agents, if any, to purchase up to that number equal to 10% of the number of Shares sold under the Offering at a price of $0.30 per Common Share, exercisable at any time up to the close of business 24 months from the Closing Date;

"**Agent's Option Shares**" means the Common Shares to be issued upon the exercise of the Agent's Option;

"**Agency Agreement**" means the Agency Agreement dated ♦, 2008 between the Agent and the Company relating to the Offering;

"**Angel Wings Project**" means certain property located in Elko County, Nevada, United States of America;

"Author" means R. James Weick M.Sc. P.Geo. of Data Compilation Services, St. John's, Newfoundland;

"BCA" means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder;

"Board" means the board of directors of the Company;

"Business Day" means any day, other than Saturday, Sunday or a statutory holiday in the City of Calgary, in the Province of Alberta;

"CF Fee" means the corporate finance fee charged to the Company by the Agent in consideration of corporate finance structuring and administrative services provided by the Agent;

"Closing" means the closing of the Offering;

"Closing Date" means the date of the Closing;

"Commission" means the commission equal to 10% of the gross proceeds from the sale of the Shares sold pursuant to the Offering, to be paid by the Company to the Agent;

"Common Shares" means the class of voting common shares of the Company;

"Company" means White Bear Resources Inc.;

"Escrow Agent" means Computershare Investor Services Inc. in its capacity as escrow agent under the Escrow Agreement;

"Escrow Agreement" means the agreement dated April 4, 2008 among Byron Coulthard, Cyrus Driver, James Clucas, Sharon Lewis, Arthur Brown, Delong Poultry Farms Limited, Haywood Securities Inc. ITF Darcy Higgs, Dennis Higgs, Robert Montgomery, Skye Capital Corporation Inc. and Haywood Securities Inc. ITF Martin Teiker, the Escrow Agent, and the Company with respect to 2,980,001 Seed Shares, such securities being deposited into escrow in connection with the Offering;

“Exchange” means the TSX Venture Exchange Inc.;

“Executive Officer” means, depending upon the context, in respect of the Company: (a) the chairman or any vice-chairman of the board of directors of the Company, as the case may be, where that person performs the functions of that office on a full-time basis; (b) the president or any vice-president in charge of a principal business unit division or function such as sales, finance or production; or (c) any officer of the Company or any subsidiary of the Company who performs a policy-making function in respect of the Company, as the case may be whether or not that individual is also a director of the Company, as the case may be, or their respective subsidiaries;

“**Expiry Date”** means that day that is 24 months following the Listing Date;

“Insider” means a director or senior officer of the Company; a director or senior officer of a company that is an insider or subsidiary of the Company; a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company; or the Company itself if it holds any of its own securities;

“Iron Point Property” or the “**Property**” means certain property located in Humboldt County, Nevada, United States of America;

“Iron Point Property Option Agreement” means that Exploration Agreement with Option to Form Joint Venture dated November 22, 2006 between the Company (as Optionee) and Miranda U.S.A. Inc. (as Optionor);

“**Listing Date**” means the date on which the Common Shares are listed for trading on the Exchange;

“**Management**” means management of the Company;

“Newfoundland and Labrador Property” means certain property located in the Province of Newfoundland and Labrador, Canada;

“NI 43-101” means National Instrument 43-101 - Standards of Disclosure for Mineral Projects, adopted by the Canadian Securities Administrators;

“Northern Lorena” means Northern Lorena Resources Inc., a Nova Scotia company;

“**Offering**” means the offering of 3,000,000 Shares at a price of $0.30 per Share pursuant to the Prospectus;

“Offering Date” means the date which is not later than the day which is 90 days after a receipt is issued for the Prospectus unless an extension to this date has been granted by the applicable regulatory authorities;

“Offering Jurisdictions” means the provinces of British Columbia, Alberta and Saskatchewan;

“Offering Price” means $0.30 per Share, the price at which Shares are being offered for sale under this Prospectus;

“**Option**” means the option to earn a 60% undivided interest in the Iron Point Property under the Iron Point Property Option Agreement;

“Optionor” means Miranda U.S.A. Inc.;

“P.Geo.” means a P.Geo. designation with a professional licence, allowing you to practice geoscience in the province or territory where it was granted within Canada. Only geoscientists licensed with APEGBC, or those practising under the direct supervision of a P.Geo. licensed with APEGBC, have a legal right to practice geoscience in British Columbia.

“Person” means any individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government, regulatory authority or other entity;

“Principals” means, with respect to the Company:

(a) the directors and senior officers of the Company;

(b) promoters of the Company during the two years preceding this Offering;

(c) those who own or control more than 10% of the Company's voting securities immediately before and immediately after completion of this Offering if they also have elected or appointed or have the right to elect or appoint a director or senior officer of the Company; and

(d) those who own or control more than 20% of the Company's voting securities immediately before and immediately after completion of this Offering;

being in this case each of Byron Coulthard, James Clucas, Cyrus Driver and Sharon Lewis;

“Property Acquisition Agreement” means that Mineral Property Acquisition Agreement dated for reference August 25, 2006 between the Company and Alexander J. Turpin;

“Prospectus” means the preliminary or final prospectus as the case may be;

“Purchaser” means a purchaser of Shares under this Prospectus;

“Qualified Person” means a registered professional engineer or geologist, as defined under NI 43-101;

“Seed Shares” means the Common Shares of the Company issued prior to the Offering;

“Shareholders” means holders of Common Shares, unless the context indicates otherwise;

“Shares” means the Common Shares being offered under this Prospectus;

“Stock Option Plan’ means the 10% rolling stock option plan adopted by the Company;

“Tax Act” means the *Income Tax Act* (Canada), R.S.C 1985, c.1, as amended;

“Technical Report” means the report entitled “Technical Report on the Iron Point Property, Humboldt County, Nevada, USA” dated April 24, 2008 as prepared by R. James Weick M.Sc. P. Geo.;

“Time of Expiry” means 5:00 p.m. (Vancouver time) on the Expiry Date;

“Transfer Agent” means Computershare Investor Services Inc. in its capacity as registrar and transfer agent of the Common Shares; and

“Trough Property Agreement” means the Labrador Trough Claims Agreement dated September 13, 2006 between the Company and Alexander Turpin and R. James Weick.

Words importing the singular number only include the plural and vice versa and words importing any gender include both genders.

Technical Terms and Abbreviations

adit	a type of entrance to an underground mining shaft which is horizontal or nearly horizontal.
Ag	means silver.
alteration	changes in the mineral composition of a rock brought about by physical or chemical means, especially the local action of hydrothermal solutions that can be related to mineralization. Common varieties include silicification, (de)carbonatization, oxidation, potassic and argillic alteration.
anomaly	a geochemical or geophysical character which deviates from regularity.
arsenopyrite	a monoclinic mineral, prismatic, and metallic silver-white to steel gray; the most common arsenic mineral and principal ore of arsenic; occurs in many sulfide ore deposits, particularly those containing lead, silver, and gold.
argillic alteration	pertaining to the local alteration in which the minerals of a rock are converted through alteration to minerals of the clay group.
As	means arsenic.
assay	to analyze the proportions of metals in an ore; to test an ore or mineral for composition, purity, weight, or other properties of commercial interest.
Au	means gold.
breccia	a coarse-grained clastic rock, composed of angular broken rock fragments held together by a mineral cement or in a fine-grained matrix.
(de)carbonatization	replacement by carbonate minerals in rock during alteration. Decarbonatization is the reverse process, the removal of carbonate minerals, especially during hydrothermal alteration.
cleavage	the breaking of a mineral along its crystallographic planes, thus reflecting crystal structure.
claim	the area that confers mineral exploration/exploitation rights to the registered (mineral/mining) holder under the laws of the governing jurisdiction.
clastic	a sedimentary rock composed of fragments from pre-existing rock.
composite	a conceptual whole made up of complicated and related parts; consisting of separate interconnected parts.
Cu	means copper.
deformation	a general term for the process of folding, faulting, shearing, compression, or extension of the rocks as a result of various Earth forces.

diorite	a group of plutonic rocks intermediate in composition between acidic and basic, characteristically composed of dark-colored amphibole, acid plagioclase, pyroxene, and sometimes a small amount of quartz.
disseminated	the distribution of mineralization usually as small grains randomly distributed throughout the rock mass.
fault	a fracture in a rock across which there has been displacement.
felsic	a mnemonic adjective derived from (fe) for feldspar, (l) for lenad or feldspathoid, and (s) for silica, and applied to light-colored rocks containing an abundance of one or all of these constituents.
foliation	a general term for a planar arrangement of textural or structural features in any type of rock; especially the planar structure that results from flattening of the constituent grains of a metamorphic rock.
fracture	a break in a rock, usually along a flat or gently curved surface.
galena	a lead sulphide mineral.
geochemistry	the study of the distribution and amounts of the chemical elements in minerals, ores, rocks, soils, water, and the atmosphere, and their circulation in nature, on the basis of the properties of their atoms and ions.
geophysics survey	a group of techniques that employ instruments to measure electrical, physical, radiological and other characteristics of rocks in the field, usually in the subsurface. Examples include polarization, electro-magnetic's, gravity and many others.
grade	the concentration of an ore metal in a rock sample, given either as weight per cent for base metals (e.g. Cu, Zn, Pb) or in grams per tonne (g/t) or ounces per short ton (oz/t) for gold, silver, and platinum group metals.
granitic	pertaining to or composed of granite.
g/t	grams per tonne.
Hg	means mercury.
hectare	an area of 10,000 square meters.
hydrothermal	adjective applied to hot water, usually from an external source, that interacts with a body of rock, and to the products of that interaction. In some cases hydrothermal fluids interacting with a body of rock produce mineralization.
induced polarization	a geophysical survey that involves the application of an electrical current to a body of rock, via electrodes. The effects of the electrical current are measured and used to make inferences about the mineralogical and physical characteristics of the rock in the subsurface.
lithology	the physical character of a rock.

mafic pertaining to or composed dominantly of the ferromagnesian rock-forming silicates; said of some igneous rocks and their constituent minerals.

magnetometer a sensitive instrument for detecting and measuring changes in the Earth's magnetic field, used in prospecting to detect magnetic anomalies and magnetic gradients in rock formations during geophysical surveys.

metamorphism mineralogical, chemical and structural adjustment of solid rocks to physical and chemical conditions which have generally imposed at depth below the surface zones of weathering and cementation.

metavolcanic said of partly metamorphosed volcanic rock.

mineralization a general term, commonly used to describe minerals of potential value occurring in rocks.

ore a natural occurrence of one or more minerals that may be legally mined and sold at a profit, or from which some part may be profitably separated.

orthogonal at right angles.

outcrop an exposure of bedrock at the earth's surface.

Pb means lead.

ppb parts per billion.

ppm parts per million.

pyrite a mineral composed of iron and sulfur (FeS_2).

pyrrhotite a monoclinic and hexagonal mineral, FeS; invariably deficient in iron; metallic; bronze yellow with iridescent tarnish; found in mafic igneous rocks, contact metamorphic deposits, high-temperature veins, and granite pegmatites.

quartz a common rock-forming mineral ($Si0_2$).

sericite a white fine grained potassium sheet silicate mineral that occurs as small scales and flakes as an alteration product of aluminosilicate minerals related to hydrothermal processes.

Sb means antimony.

shear a deformation resulting from stresses that cause or tend to cause contiguous parts of a body to slide relatively to each other in a direction parallel to their plane of contact. It is the mode of failure of a body or mass whereby the portion of the mass on one side of a plane or surface slides past the portion on the opposite side. In geological literature the term refers almost invariably to strain rather than to stress. It is also used to refer to surfaces and zones of failure by shear, and to surfaces along which differential movement has taken place.

silicification a form of alteration in which quartz or other forms of silicon dioxide are introduced into a rock.

sill applied in mining to flat-bedded strata of sandstone or similar hard rocks.

soil sampling	the systematic collection of soil samples at a series of different locations in order to study the distribution of soil geochemical values.
sphalerite	a zinc sulphide mineral.
stratigraphy	the science of rock strata. It is concerned with all characters and attributes of rocks as strata; and their interpretation in terms of mode of origin and geologic history.
structure	pertains to geological structure, i.e. folds, faults, etc.
structural tectonic	said of or pertaining to the forces involved in, or the resulting structures or features of, tectonics.
tons	dry short tons (2,000 pounds).
Triassic	a geologic period that extends from about 251 to 199.6 million years ago.
vein	a tabular mineral deposit formed in or adjacent to faults or fractures by the deposition of minerals from hydrothermal fluids.
Zn	means zinc.

METRIC EQUIVALENTS

For ease of reference, the following conversion factors are provided:

Imperial Measure	Metric Unit	Metric Unit	Imperial Measure
2.47 acres	1 hectare	0.4047 hectares	1 acre
3.28 feet	1 meter	0.3048 meters	1 foot
0.62 miles	1 kilometer	1.609 kilometers	1 mile
0.032 troy ounces	1 gram	31.1 grams	1 troy ounce
2.205 pounds	1 kilogram	0.454 kilograms	1 pound
1.102 short tons	1 tonne	0.907 tonnes	1 short ton
0.029 troy ounces/ton	1 gram/tonne	34.28 grams/tonne	1 troy ounce/ton

CURRENCY AND EXCHANGE RATE INFORMATION

Unless otherwise indicated, all references to “$” or “dollars” in this Prospectus refer to Canadian dollars. All references to “$” or “dollars” in the Technical Report refer to U.S. dollars. The accounts of the Company are maintained in Canadian dollars.

On June 24, 2008, the noon exchange rate for Canadian dollars in terms of the U.S. dollar, as quoted by the Bank of Canada, was US$1.00 = CAD$1.0136.

FORWARD LOOKING STATEMENTS

Certain statements in this Prospectus may constitute “forward looking” statements that involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievement or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this Prospectus, such statements often use such words as “may”, will”, “expect”, “should”, “believe”, “intend”, “plan”, “anticipate”, “potential” and other similar terminology. These forward looking statements reflect current expectations of management regarding future events and operation performance and speak only as of the date of this Prospectus. Forward looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements, including, but not limited to, the factors discussed under “Risk Factors”. Although the forward looking statements contained in this Prospectus are based upon what management believes to be reasonable assumptions, we cannot assure investors that actual results will be consistent with these forward looking statements.

SUMMARY OF PROSPECTUS

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

Company: White Bear Resources Inc. (the "**Company**").

Business of the Company: The Company is a junior mining exploration company focused on acquiring mineral properties and exploring for and developing economically viable mineral resources. The Company has identified mineral properties in the State of Nevada in the United States of America and in the Provinces of Newfoundland and Labrador in Canada. The Company currently holds an option to earn a 60% undivided interest in the Iron Point Property located in Humboldt County, Nevada. The Company's objective is to explore and, if warranted, develop the Iron Point Property. See "Business of the Company" and "Property of the Company".

Agent: Blackmont Capital Inc. has been appointed pursuant to the Agency Agreement to conduct the Offering on a commercially reasonable efforts basis and will be paid the Commission from the sale of the Shares sold pursuant to Offering. The Agent will also receive the Agent's Option. See "Plan of Distribution".

Offering: The Offering consists of 3,000,000 Shares at a price of $0.30 per Share for gross proceeds of $900,000. See "Plan of Distribution".

Conditions: If the Offering is not met, the Offering will be discontinued and the Agent will return all amounts received pursuant to this Offering to investors without interest or deduction. See "Plan of Distribution".

Use of Proceeds: The gross proceeds to be received by the Company from the Offering will be $900,000. The net proceeds after deducting the Commission of $90,000 will be $810,000. As at May 31, 2008, the Company had approximate working capital of $595,736. The total funds available to the Company after the Offering is estimated to be $1,405,736. The Company intends to use the available funds on completion of the Offering as follows:

	Offering
To pay the balance of the costs of the Offering (1) (2)	$80,000
To pay the balance of the CF Fee (3)	$10,500
To conduct the recommended exploration program on the Iron Point Property (4)	$478,316
General and administrative expenses for the next 12 months (1) (5)	$114,000
Unallocated general working capital	$722,920
TOTAL:	$1,405,736

Notes:

(1) Estimated.
(2) The Company has already paid $15,000 of its expenses of the Offering.
(3) The CF Fee consists of $25,000 (plus GST). The Company has already paid $15,900 (including GST) of the CF Fee.
(4) The recommended exploration program is estimated at US$471,898, and this number has been converted using the Bank of Canada noon rate for Canadian dollars on June 24, 2008 of USD$1.00 = CAD$1.0136. See "Property of the Company – Proposed Drilling Project Cost Estimate" for details.
(5) See "Administration costs" for details.

For a more detailed discussion on the Company's proposed expenditures, see "Use of Proceeds".

Listing: The Company has applied to list the Common Shares distributed under this Prospectus on the Exchange. Listing is subject to the Company fulfilling all of the listing requirements of the Exchange. See "Plan of Distribution".

Risk Factors: The Company is in the business of acquiring and exploring mineral properties, which is a highly speculative endeavor. A purchase of Shares involves a high degree of risk. Management of the Company has limited technical experience in operating a company in the resource exploration business and contractors will be utilized in technical areas. The Property is in the exploration stage and is without a known body of commercial ore. Assuming completion of the Offering, the Company will have sufficient funds to complete its proposed work program on its principal property however, the Company will require additional funds to significantly advance its principal property and its additional properties. There is no certainty that the Company will be able to access these funds. The purchase price of the Shares exceeds the net tangible book value per Common Share and accordingly investors will suffer immediate and substantial dilution of their investment. The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resource are discovered, a profitable market will exist for the sale of same or that mineral prices will be such that the Company's properties can be mined at a profit. The Company does not yet have insurance coverage in conformity to industry standards. There is no guarantee that the Company's interest in the Iron Point Property or the Newfoundland and Labrador Property is 100% certain or that it cannot be challenged by claims from unknown third parties claiming an interest in its Iron Point Property or the Newfoundland and Labrador Property. The Company's properties may be subject to prior unregistered agreements, transfers or claims and title may be affected by undetected defects. All phases of the Company's operations are subject to environmental regulation, enforcement, fines and penalties. Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. Certain directors and officers of the Company are also, or may become, directors, officers, or shareholders of other companies that are similarly engaged in the business of acquiring, developing, and exploiting natural resource properties. The Company's development to date has depended, and in the future will continue to depend, on the efforts of key management employees, namely Byron K. Coulthard (President, Chief Executive Officer and Secretary) and Cyrus Driver (Chief Financial Officer). Competition in the mineral exploration and development business could have an adverse effect on the Company's ability to acquire suitable properties or prospects for mineral exploration in the future. If the Company fails to satisfy any requirement under the Property Option Agreement, it will lose all of its interest in the Property. The value of the securities distributed hereunder will be affected by price and volume volatility. See the section entitled "Risk Factors" for details of these and other risks relating to the Company and its business.

Summary of
Financial Information:

	Three Months Ended January 31, 2008 (Unaudited) ($)	Three Months Ended January 31, 2007 (Unaudited) ($)	Year Ended October 31, 2007 (Audited) ($)	Period from Inception on May 25, 2006 to October 31, 2006 (Audited) ($)
Total revenues	Nil	Nil	Nil	Nil
General and administrative expenses	(33,943)	(22,026)	(107,275)	(27,074)
Future income tax provision	Nil	Nil	7,900	Nil
Net (loss) income for the period	(30,687)	(22,026)	198,039	(27,063)
(Loss) income per share – basic and diluted	(0.00)	(0.01)	0.04	(0.02)
Total assets	1,577,998	413,351	1,419,511	348,980
Total liabilities	57,708	25,689	54,034	39,292
Shareholder’s equity	1,500,290	387,662	1,365,477	309,688

CORPORATE STRUCTURE

Name and Incorporation

White Bear Resources Inc. was incorporated on May 25, 2006 under the *Business Corporations Act* (British Columbia). The Company's registered office is 800 – 885 West Georgia Street, Vancouver, BC V6C 3H1 and its head office is Suite 1320 – 885 West Georgia Street, Vancouver, BC V6C 3E8. As of the date of this Prospectus, the Company has no subsidiaries. The Company was extra-provincially registered on June 9th, 2008 in Newfoundland and Labrador under the *Corporations Act*, R.S.N.L. 1990, C-36.

BUSINESS OF THE COMPANY

General Development of the Business

The Company is a junior mining resource company focused on acquiring mineral properties and exploring for and developing economically viable mineral resources. Since incorporation, the Company has undertaken to recruit directors and officers with the skills required to operate a public junior mineral exploration company. The Company has also identified mineral properties in the State of Nevada in the United States of America and in the Province of Newfoundland and Labrador in Canada. The Company intends to seek and acquire additional mineral resource properties in North America, if and when the opportunities arise. The Company's principal project is the Iron Point Property, a mineral property in Nevada with sufficient merit to warrant exploration and the Company has entered into an option agreement, wherein the Company acquired the right to earn an undivided sixty percent (60%) interest in the Iron Point Property. The Company has also raised approximately $400,000 in public financing to undertake an initial exploration program on the Iron Point Property, commission a technical report in compliance with NI 43-101 and general working capital. The Company had a working capital of $595,736 as at May 31, 2008. See also "Significant Acquisitions and Significant Dispositions" below.

Significant Acquisitions and Significant Dispositions

The Company has made several acquisitions and dispositions in its history.

Iron Point Property

Pursuant to an agreement dated November 22, 2006 (the "**Iron Point Property Option Agreement**") between the Company and Miranda U.S.A. Inc. (the "**Optionor**"), the Company acquired the right to earn an undivided sixty percent (60%) interest in 178 unpatented lode mining claims owned or controlled by the Optionor, known as the Iron Point Property located in the Humbolt County of Nevada upon completion of the following:

1. making a cash payment of a total of US$20,000 to the Optionor (paid);
2. issuing 100,000 Common Shares to the Optionor on or before December 1, 2006 (issued);
3. issuing 100,000 Common Shares to the Optionor on or before November 22, 2007 (issued);
4. incurring a minimum of US$100,000 in exploration work on the Iron Point Property on or before November 22, 2007 (incurred);
5. incurring a minimum of US$200,000 in exploration work on the Iron Point Property on or before November 22, 2008;
6. thereafter, the Company may elect to continue the funding of the exploration work on the Iron Point Property as follows:
   (a) US$500,000 on or before November 22, 2009;
   (b) US$700,000 on or before November 22, 2010; and

(c) US$1,000,000 on or before November 22, 2011.

At such time as the Company has expended, in aggregate, US$2,500,000 in exploration expenditures on the Iron Point Property the Company will have earned an undivided 60% interest in the Iron Point Property. The Company then shall elect within 90 days to either (a) to earn an additional 10% interest in the Iron Point Property by completing a positive feasibility study with respect to the Iron Point Property within five (5) years from the date of election or (b) to enter into a joint venture for further exploration and development of the Iron Point Property with the Optionor. Of these claims, 28 are subject to a mining lease with option to purchase (the "**McCusker Lease**"), as more particularly described in the Iron Point Property Option Agreement and the Technical Report. See "Property of the Company".

Newfoundland and Labrador Property

Pursuant to an agreement dated August 25, 2006 between the Company and Alexander J. Turpin ("**Turpin**"), the Company acquired a one hundred percent (100%) interest in and to mineral interests and rights located in the Province of Newfoundland and Labrador. Under the terms of the agreement, the Company acquired the interests and rights subject to a 0.5% net smelter royalty payable to Turpin for $15,000. Pursuant to a finders fee agreement (the "Newfoundland and Labrador Finders Fee Agreement") dated August 31, 2006 between the Company, Darcy Higgs ("Higgs") and Skye Capital Corporation Inc., ("Skye"), as consideration for introducing the Company to the opportunity to acquire the Newfoundland and Labrador Property, the Company granted to both Higgs and Skye a net smelter royalty of 0.75%, as more particularly described in the Newfoundland and Labrador Finders Fee Agreement. Additionally, the Company paid Higgs $60,000 as compensation in connection with the staking and recording the claims comprising the Newfoundland and Labrador Property.

Labrador Trough Claims Option Agreement

Pursuant to an agreement dated September 13, 2006 between the Company, Turpin and R. James Weick ("**Weick**"), which was later amended on May 13, 2008, the Company acquired the right to earn a one hundred percent (100%) interest in 478 claims and their respective mineral licenses located in the Province of Newfoundland and Labrador upon completion of the following:

1. making cash payments of a total of $150,000 to Turpin and Weick (over a four year period) as follows:
   - (a) $40,000 on September 13, 2006 (paid);
   - (b) $30,000 on or before September 13, 2007 (paid);
   - (c) $40,000 on or before September 13, 2008; and
   - (d) $40,000 on or before September 13, 2009;
2. issuing a total of 200,000 Common Shares to Turpin over a designated four year period:
   - (a) 50,000 on September 13, 2006 (issued);
   - (b) 50,000 on or before September 13, 2007 (issued);
   - (c) 50,000 on or before September 13, 2008; and
   - (d) 50,000 on or before September 13, 2009.

This option is subject to a 2% net smelter return royalty, which converts to a 1.5% net smelter return royalty upon the first anniversary of this agreement. Upon the second anniversary of this agreement, the Company has the right to purchase 0.5% of the net smelter return royalty for $1,000,000. Pursuant to a finders fee agreement (the "Labrador Trough Claims Finders Fee Agreement") dated October 13, 2006 between the Company, Darcy Higgs ("Higgs") and Skye Capital Corporation Inc., ("Skye"), as consideration for introducing the Company to the opportunity to acquire the Newfoundland and Labrador Property, the Company granted to both Higgs and Skye a net smelter royalty of 0.75%, as more particularly described in the Labrador Trough Claims Finders Fee Agreement. Additionally, the Company paid Higgs $20,000 as compensation in connection with the staking and recording the claims comprising the Labrador Trough Claims Property.

Angel Wings Project

Pursuant to an agreement dated May 15, 2007 and as amended on June 5, 2008 (the "**Angel Wings Agreement**") between the Company and the Optionor, the Company acquired the right to earn an undivided sixty percent (60%) interest in 87 unpatented lode mining claims (the "**Angel Wings Project**") located in the Elko County of Nevada upon completion of the following:

1. making a cash payment of a total of US$30,000 to the Optionor on May 23, 2007 (paid);
2. issuing 100,000 Common Shares to the Optionor on or before May 25, 2007 (issued);
3. incurring a minimum of US$300,000 in exploration work on the Angel Wings Project on or before October 15, 2008;
4. Thereafter, the Company may elect to continue the funding of the exploration work on the Angel Wings Project as follows:
   (a) US$300,000 on or before May 15, 2009;
   (b) US$400,000 on or before May 15, 2010;
   (c) US$500,000 on or before May 15, 2011; and
   (d) US$500,000 on or before May 15, 2012.

At such time as the Company has expended US$2,000,000 in exploration expenditures on the Angel Wings Project the Company will have earned an undivided 60% interest in the Angel Wings Project. The Company then shall elect within 90 days to either (a) to earn an additional 10% interest in the Angel Wings Project by completing a positive feasibility study with respect to the Angel Wings Project within five (5) years from the date of election or (b) to enter into a joint venture for further exploration and development of the Angel Wings Project with the Optionor. These claims are subject to a mining lease as more particularly described in the Angel Wings Agreement.

Northern Lorena

The Company entered into several exploration agreements with option to form joint ventures with Northern Lorena Resources Inc. ("**Northern Lorena**") whereby Northern Lorena agreed to acquire a 60% interest in and to a total of 2,869 claims of the Company's Newfoundland and Labrador Property. Subsequent to the execution of the exploration agreements with option to form joint ventures with Northern Lorena, Northern Lorena was acquired by Mega Uranium Ltd. ("**Mega**") pursuant to a share purchase agreement dated September 4, 2007 (the "**Northern Lorena Share Purchase Agreement**"). Mega acquired all the issued and outstanding shares of Northern Lorena from the shareholders of Northern Lorena pursuant to the Northern Lorena Share Purchase Agreement. The Company entered into amending agreements with Northern Lorena, as more particularly described below, with regards to the conversion of the payment of common shares of Northern Lorena to Mega.

Trough Project

Pursuant to the Trough Project agreement dated May 23, 2007 between the Company and Northern Lorena and as amended by the Trough Project amending agreement dated July 30, 2007 and the second amending agreement dated June 12, 2008, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 329 claims owned or controlled by the Company, known as the Trough Project located in the Province of Newfoundland and Labrador upon completion of the following:

1. issuing common shares as follows:
   (a) 100,000 common shares of Northern Lorena to the Company on May 23, 2007 (received, which were later converted to 11,665 shares of Mega);
   (b) 3,000 common shares of Mega to the Company on or before May 23, 2010;
   (c) 3,000 common shares of Mega to the Company on or before May 23, 2011; and

(d) 3,000 common shares of Mega to the Company on or before May 23, 2012;

2. incurring $1,500,000 in exploration work on the Trough Project, as follows :
   (a) a minimum of $75,000 on or before May 23, 2008 (incurred);
   (b) $250,000 on or before May 23, 2009;
   (c) $400,000 on or before May 23, 2010; and
   (d) $775,000 on or before May 23, 2011.

Upon Northern Lorena earning its 60% interest in the Trough Project, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the Trough Project.

Double Mer Property

Pursuant to the Double Mer agreement dated April 5, 2007 between the Company and Northern Lorena and as amended by the Double Mer amending agreement dated July 30, 2007 and the second amending agreement dated June 12, 2008, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 670 claims, known as the Double Mer Property and another property located in the Province of Newfoundland and Labrador upon completion of the following:

1. making a cash payment of a total of $30,000 to the Company on April 5, 2007 (paid):
2. issuing common shares as follows:
   (a) 200,000 common shares of Northern Lorena to the Company on or before May 5, 2007 (received, which were later converted to 23,330 shares of Mega);
   (b) 3,000 common shares of Mega to the Company on or before April 5, 2010;
   (c) 3,000 common shares of Mega to the Company on or before April 5, 2011; and
   (d) 3,000 common shares of Mega to the Company on or before April 5, 2012;
3. incurring $3,000,000 in exploration work on the Double Mer Project, as follows :
   (a) a minimum of $300,000 on or before April 5, 2008 (incurred);
   (b) $300,000 on or before April 5, 2009;
   (c) $500,000 on or before April 5, 2010;
   (d) $500,000 on or before April 5, 2011; and
   (e) $1,400,000 on or before April 5, 2012.

Upon Northern Lorena earning its 60% interest in the Double Mer, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the Double Mer.

CMB West Project

Pursuant to the CMB West Project agreement dated May 23, 2007 between the Company and Northern Lorena and as amended by the CMB West Project amending agreement dated July 30, 2007 and the second amending agreement dated June 12, 2008, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 1140 claims owned or controlled by the Company, known as the CMB West Project located in the Province of Newfoundland and Labrador upon completion of the following:

1. issuing common shares as follows:
   (a) 100,000 common shares of Northern Lorena to the Company on May 23, 2007 (received, which were later converted to 11,665 shares of Mega);
   (b) 3,000 common shares of Mega to the Company on or before May 23, 2010;
   (c) 3,000 common shares of Mega to the Company on or before May 23, 2011; and

(d) 3,000 common shares of Mega to the Company on or before May 23, 2012;

2. incurring $2,500,000 in exploration work on the CMB West Project, as follows :
   (a) a minimum of $250,000 on or before May 23, 2008 (incurred);
   (b) $450,000 on or before May 23, 2009;
   (c) $750,000 on or before May 23, 2010; and
   (d) $1,050,000 on or before May 23, 2011.

Upon Northern Lorena earning its 60% interest in the CMB West Project, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the CMB West Project.

Straits Project

Pursuant to the Straits Project agreement dated May 23, 2007 between the Company and Northern Lorena and as amended by the Straits Project amending agreement dated July 30, 2007 and the second amending agreement dated June 12, 2008, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 430 claims owned or controlled by the Company, known as the Straits Project located in the Province of Newfoundland and Labrador upon completion of the following:

1. issuing common shares as follows:
   (a) 100,000 common shares of Northern Lorena to the Company on May 23, 2007 (received, which were later converted to 11,665 shares of Mega);
   (b) 3,000 common shares of Mega to the Company on or before May 23, 2010;
   (c) 3,000 common shares of Mega to the Company on or before May 23, 2011; and
   (d) 3,000 common shares of Mega to the Company on or before May 23, 2012;
2. incurring $1,500,000 in exploration work on the Straits Project, as follows :
   (a) a minimum of $100,000 on or before May 23, 2008 (incurred);
   (b) $250,000 on or before May 23, 2009;
   (c) $400,000 on or before May 23, 2010; and
   (d) $750,000 on or before May 23, 2011.

Upon Northern Lorena earning its 60% interest in the Straits Project, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the Straits Project.

Hunt River Project

Pursuant to the Hunt River Project agreement dated May 23, 2007 between the Company and Northern Lorena and as amended by the Hunt River Project amending agreement dated July 30, 2007 and the second amending agreement dated June 12, 2008, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 300 claims owned or controlled by the Company, known as the Hunt River Project located in the Province of Newfoundland and Labrador upon completion of the following:

1. issuing common shares as follows:
   (a) 100,000 common shares of Northern Lorena to the Company on May 23, 2007 (received, which were later converted to 11,665 shares of Mega);
   (b) 3,000 common shares of Mega to the Company on or before May 23, 2010;
   (c) 3,000 common shares of Mega to the Company on or before May 23, 2011; and
   (d) 3,000 common shares of Mega to the Company on or before May 23, 2012;

2. incurring $1,500,000 in exploration work on the Hunt River Project, as follows :
   (a) a minimum of $65,000 on or before May 23, 2008 (incurred);
   (b) $250,000 on or before May 23, 2009;
   (c) $400,000 on or before May 23, 2010; and
   (d) $785,000 on or before May 23, 2011.

Upon Northern Lorena earning its 60% interest in the Hunt River Project, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the Hunt River Project.

56289 Purchase and Sale Agreement

Pursuant to the purchase and sale agreement dated June 19, 2008 between the Company, 56289 Newfoundland and Labrador Limited ("56289"), and Darcy Higgs, the Company acquired from 56289 an undivided one hundred percent (100%) interest in 831 claims, located in the province of Newfoundland and Labrador. In consideration for the interest in the claims, the Company paid the sum of $4,155 to 56289 as consideration for the transfer of the claims and $57,918 to Darcy Higgs for reimbursement for staking and recording the claims and for the legal fees incurred by Darcy Higgs in connection with the claims. In addition, the Company granted to both Higgs and 56289 a net smelter return royalty of 1.0%, as more particularly described in the purchase and sale agreement

Other than as described herein, the Company has not completed any acquisitions or dispositions since its date of incorporation, and is not currently in negotiations with respect to any potential material acquisitions or dispositions.

Trends

There are significant uncertainties regarding the prices of precious and base metals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the price of gold and other minerals has fluctuated widely in recent years and wide fluctuations may continue. Apart from the risk factors noted under the heading "Risk Factors", Management is not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on the Company's business or financial condition.

Stated Business Objectives and Milestones

The Company's primary objective following completion of the Offering is to finance the recommended exploration program described in the section of this Prospectus entitled "Property of the Company – Recommendations". Assuming completion of the Offering, it is expected that the exploration program will be completed in or about September of 2008. The Company will require additional capital to complete any later phases of exploration work on the Iron Point Property. The additional capital may come from future equity financings. There can be no assurance that the Company will be able to raise such additional capital and to source the qualified geological personnel, equipment and supplies required to carry out the exploration programs, if and when required. See "Use of Proceeds" and "Risk Factors - Requirement for Further Financing".

PROPERTY OF THE COMPANY

R. James Weick M.Sc. P.Geo. of Data Compilation Services, St. John's, Newfoundland was retained to complete a report which has been prepared in conformity with guidelines presented in NI 43-101 and companion documents. Mr. Weick visited Miranda's offices in Elko, Nevada from August 7 to 15th, 2007. Mr. Weick is an independent Qualified Person as defined in NI 43-101. The Technical Report is dated April 24, 2008 and is the source of all of the technical disclosure contained in this Prospectus relating to the Iron Point Property. The following disclosure is derived from the Technical Report. Readers are encouraged to read the full Technical Report which can be found with the Company's filing on the SEDAR website at www.sedar.com.

Property Description and Location

The Company has an option to earn a 60% interest in the Iron Point Property. The Iron Point Property consists of 178 unpatented lode mining claims located in Humboldt County, Nevada, United States of America, comprising of 3,635 acres (see Table 1). Miranda U.S.A. Inc. (the "**Optionor**") owns and/or controls 178 unpatented lode mining claims situated in the Iron Point area of Nevada (see Figures 1 and 2). Iron Point Property claims that were not acquired through the McCusker Lease (defined below) were located by the Optionor's personnel in accordance with US federal staking regulations and are registered with the federal Bureau of Land Management ("**BLM**"). The claims were located in accordance with all federal and state laws and are in good standing. Under the terms of the Iron Point Property Option Agreement it is understood that mineral rights to the Iron Point Property include all claim and leasehold interests including all ores, minerals, surface and mineral rights, and the right to explore for, mine, and remove the same, and all water rights and improvements, easements, licenses, rights-of-way and other appurtenant interests currently held by the Optionor. The individual mining claims that comprise the Iron Point Property are 600 feet by 1,500 feet and were located by ground staking according to Federal Statutes within the County, Township, Range and Section system of public land allocation within the United States Public Land System. See "Business of the Company – Significant Acquisitions and Dispositions".

Table 1: Iron Point Property Mining Claims

Claim Name	BLM_NMC#	Loc. Date	Book	Page	Count
IP 1	921955	12.14.2005	2006	1663	1
IP 2	921956	12.14.2005	2006	1664	2
IP 3	921957	12.14.2005	2006	1665	3
IP 4	921958	12.14.2005	2006	1666	4
IP 5	921959	12.14.2005	2006	1667	5
IP 6	921960	12.14.2005	2006	1668	6
IP 7	921961	12.14.2005	2006	1669	7
IP 8	921962	12.14.2005	2006	1670	8
IP 9	921963	12.14.2005	2006	1671	9
IP 10	921964	12.14.2005	2006	1672	10
IP 11	921965	12.14.2005	2006	1673	11
IP 12	921966	12.14.2005	2006	1674	12
IP 13	921967	12.14.2005	2006	1675	13
IP 14	921968	12.14.2005	2006	1676	14
IP 15	921969	12.14.2005	2006	1677	15
IP 16	921970	12.14.2005	2006	1678	16
IP 17	921971	12.14.2005	2006	1679	17
IP 18	921972	12.14.2005	2006	1680	18
IP 19	921973	12.14.2005	2006	1681	19
IP 20	921974	12.14.2005	2006	1682	20
IP 21	921975	12.14.2005	2006	1683	21
IP 22	921976	12.14.2005	2006	1684	22
IP 23	921977	12.14.2005	2006	1685	23
IP 24	921978	12.14.2005	2006	1686	24
IP 25	921979	12.14.2005	2006	1687	25
IP 26	921980	12.14.2005	2006	1688	26
IP 27	921981	12.14.2005	2006	1689	27
IP 28	921982	12.14.2005	2006	1690	28
IP 29	921983	12.14.2005	2006	1691	29
IP 30	921984	12.14.2005	2006	1692	30
IP 31	921985	12.14.2005	2006	1693	31
IP 32	921986	12.14.2005	2006	1694	32
IP 33	921987	12.14.2005	2006	1695	33
IP 34	921988	12.14.2005	2006	1696	34
JTK 1	908688	9.14.2005	2005	8952	35
JTK 2	908689	9.14.2005	2005	8953	36
JTK 3	908690	9.14.2005	2005	8954	37
JTK 4	908691	9.14.2005	2005	8955	38

Claim Name	BLM_NMC#	Loc. Date	Book	Page	Count
JTK 5	908692	9.14.2005	2005	8956	39
JTK 6	908693	9.14.2005	2005	8957	40
JTK 7	908694	9.14.2005	2005	8958	41
JTK 8	908695	9.14.2005	2005	8959	42
JTK 9	908696	9.14.2005	2005	8960	43
JTK 10	908697	9.14.2005	2005	8961	44
JTK 11	908698	9.14.2005	2005	8962	45
JTK 12	908699	9.14.2005	2005	8963	46
JTK 13	908700	9.14.2005	2005	8964	47
JTK 14	908701	9.14.2005	2005	8965	48
JTK 15	908702	9.14.2005	2005	8966	49
JTK 16	908703	9.14.2005	2005	8967	50
JTK 17	908704	9.14.2005	2005	8968	51
JTK 18	908705	9.14.2005	2005	8969	52
JTK 19	908706	9.14.2005	2005	8970	53
JTK 20	908707	9.14.2005	2005	8971	54
JTK 21	908708	9.14.2005	2005	8972	55
JTK 22	908709	9.14.2005	2005	8973	56
JTK 23	908710	9.14.2005	2005	8974	57
JTK 24	908711	9.14.2005	2005	8975	58
JTK 25	908712	9.14.2005	2005	8976	59
JTK 26	908713	9.14.2005	2005	8977	60
JTK 27	908714	9.14.2005	2005	8978	61
JTK 28	908715	9.14.2005	2005	8979	62
JTK 29	908716	9.14.2005	2005	8980	63
JTK 30	908717	9.14.2005	2005	8981	64
JTK 31	908718	9.14.2005	2005	8982	65
JTK 32	908719	9.14.2005	2005	8983	66
JTK 33	908720	9.14.2005	2005	8984	67
JTK 34	908721	9.14.2005	2005	8985	68
JTK 35	908722	9.14.2005	2005	8986	69
JTK 36	908723	9.14.2005	2005	8987	70
MIP 1	860188	11.11.2004	2004	12	71
MIP 2	860189	11.11.2004	2004	13	72
MIP 3	860190	11.11.2004	2004	14	73
MIP 4	860191	11.11.2004	2004	15	74
MIP 5	860192	11.11.2004	2004	16	75
MIP 6	860193	11.11.2004	2004	17	76
MIP 7	860194	11.11.2004	2004	18	77
MIP 8	860195	11.11.2004	2004	19	78
MIP 9	860196	11.11.2004	2004	20	79
MIP 10	860197	11.11.2004	2004	21	80
MIP 11	860198	11.11.2004	2004	22	81
MIP 12	860199	11.11.2004	2004	23	82
MIP 13	860200	11.11.2004	2004	24	83
MIP 14	860201	11.11.2004	2004	25	84
MIP 15	860202	11.11.2004	2004	26	85
MIP 16	860203	11.11.2004	2004	27	86
MIP 17	860204	11.11.2004	2004	28	87
MIP 18	860205	11.11.2004	2004	29	88
MIP 19	860206	11.11.2004	2004	30	89
MIP 20	860207	11.11.2004	2004	31	90
MIP 21	860208	11.11.2004	2004	32	91
MIP 22	860209	11.11.2004	2004	33	92
MIP 23	860210	11.11.2004	2004	34	93
MIP 24	860211	11.11.2004	2004	35	94
MIP 25	860212	11.11.2004	2004	36	95
MIP 26	860213	11.11.2004	2004	37	96
MIP 27	860214	11.11.2004	2004	38	97
MIP 28	860215	11.11.2004	2004	39	98

Claim Name	BLM_NMC#	Loc. Date	Book	Page	Count
Ab Ovo 37	893361	1.7.2005	2005	1768	99
Ab Ovo 38	893362	1.7.2005	2005	1769	100
Ab Ovo 39	893363	1.7.2005	2005	5054	101
Ab Ovo 40	893364	1.7.2005	2005	1771	102
Ab Ovo 41	893365	1.7.2005	2005	5055	103
Ab Ovo 42	893366	1.7.2005	2005	1773	104
Ab Ovo 43	893367	1.7.2005	2005	1774	105
Ab Ovo 44	893368	1.7.2005	2005	1775	106
Ab Ovo 45	893369	1.7.2005	2005	1776	107
Ab Ovo 46	893370	1.7.2005	2005	5056	108
Ab Ovo 47	893371	1.7.2005	2005	1778	109
Ab Ovo 48	893372	1.7.2005	2005	1779	110
Ab Ovo 49	893373	1.7.2005	2005	1780	111
Ab Ovo 50	893374	1.8.2005	2005	1781	112
Ab Ovo 51	893375	1.8.2005	2005	1782	113
Ab Ovo 52	893376	1.8.2005	2005	1783	114
Ab Ovo 53	893377	1.8.2005	2005	5057	115
Ab Ovo 54	893378	1.8.2005	2005	1785	116
Ab Ovo 55	893379	1.8.2005	2005	5058	117
Ab Ovo 56	893380	1.8.2005	2005	1787	118
Ab Ovo 57	893381	1.8.2005	2005	5059	119
Ab Ovo 58	893382	1.8.2005	2005	1789	120
Ab Ovo 59	893383	1.8.2005	2005	5060	121
Ab Ovo 60	893384	1.8.2005	2005	1791	122
Ab Ovo 61	893385	1.8.2005	2005	5061	123
Ab Ovo 62	893386	1.8.2005	2005	5062	124
Ab Ovo 103	897397	05/03/2005	2005	1834	125
Ab Ovo 104	897398	05/03/2005	2005	1835	126
Ab Ovo 105	897399	05/03/2005	2005	1836	127
Ab Ovo 106	897400	05/03/2005	2005	1837	128
Ab Ovo 107	897401	05/03/2005	2005	1838	129
Ab Ovo 108	897402	05/03/2005	2005	1839	130
Ab Ovo 109	897403	05/03/2005	2005	1840	131
Ab Ovo 110	897404	05/03/2005	2005	1841	132
Ab Ovo 111	897405	05/03/2005	2005	1842	133
Ab Ovo 112	897406	05/03/2005	2005	1843	134
Ab Ovo 113	897407	05/03/2005	2005	1844	135
Ab Ovo 114	897408	05/03/2005	2005	1845	136
Ab Ovo 115	897409	05/03/2005	2005	1846	137
Ab Ovo 116	897410	05/03/2005	2005	1847	138
Ab Ovo 117	897411	05/03/2005	2005	5074	139
Ab Ovo 118	897412	05/03/2005	2005	1849	140
Ab Ovo 119	897413	05/03/2005	2005	1850	141
Ab Ovo 120	897414	05/03/2005	2005	1851	142
Ab Ovo 121	897415	05/03/2005	2005	1852	143
Ab Ovo 122	897416	05/03/2005	2005	1853	144
Ab Ovo 123	897417	05/03/2005	2005	1854	145
Ab Ovo 124	897418	05/03/2005	2005	1855	146
Ab Ovo 125	897419	05/03/2005	2005	1856	147
Ab Ovo 126	897420	05/03/2005	2005	1857	148
Ab Ovo 127	897421	05/03/2005	2005	1858	149
Ab Ovo 128	897422	05/03/2005	2005	1859	150
Ab Ovo 129	897423	05/03/2005	2005	1860	151
Ab Ovo 130	897424	05/03/2005	2005	1861	152
Ab Ovo 131	897425	05/03/2005	2005	1862	153
Ab Ovo 132	897426	05/03/2005	2005	1863	154
Ab Ovo 133	897427	05/03/2005	2005	1864	155
Ab Ovo 134	897428	05/03/2005	2005	1865	156
Ab Ovo 135	897429	05/03/2005	2005	1866	157
Ab Ovo 136	897430	05/03/2005	2005	1867	158

Claim Name	BLM_NMC#	Loc. Date	Book	Page	Count
Ab Ovo 137	897431	05/03/2005	2005	1868	159
Ab Ovo 138	897432	05/03/2005	2005	1869	160
Ab Ovo 139	897433	06/03/2005	2005	1870	161
Ab Ovo 140	897434	06/03/2005	2005	1871	162
Ab Ovo 141	897435	06/03/2005	2005	1872	163
Ab Ovo 142	897436	06/03/2005	2005	1873	164
Ab Ovo 143	897437	06/03/2005	2005	1874	165
Ab Ovo 144	897438	06/03/2005	2005	1875	166
Ab Ovo 145	897439	06/03/2005	2005	1876	167
Ab Ovo 146	897440	06/03/2005	2005	1877	168
Ab Ovo 147	897441	06/03/2005	2005	1878	169
Ab Ovo 148	897442	06/03/2005	2005	1879	170
Ab Ovo 149	897443	06/03/2005	2005	1880	171
Ab Ovo 150	897444	06/03/2005	2005	1881	172
Ab Ovo 151	897445	06/03/2005	2005	1882	173
Ab Ovo 152	897446	06/03/2005	2005	1883	174
Ab Ovo 153	897447	06/03/2005	2005	1884	175
Ab Ovo 154	897448	06/03/2005	2005	1885	176
Ab Ovo 155	897449	06/03/2005	2005	1886	177
Ab Ovo 156	897450	06/03/2005	2005	1887	178

The mining claims are situated within the former Santa Fe (now Western Pacific) railroad “checkerboard” concession, where federally owned land alternates with fee concession sections.

Figure 1: Iron Point Property Location

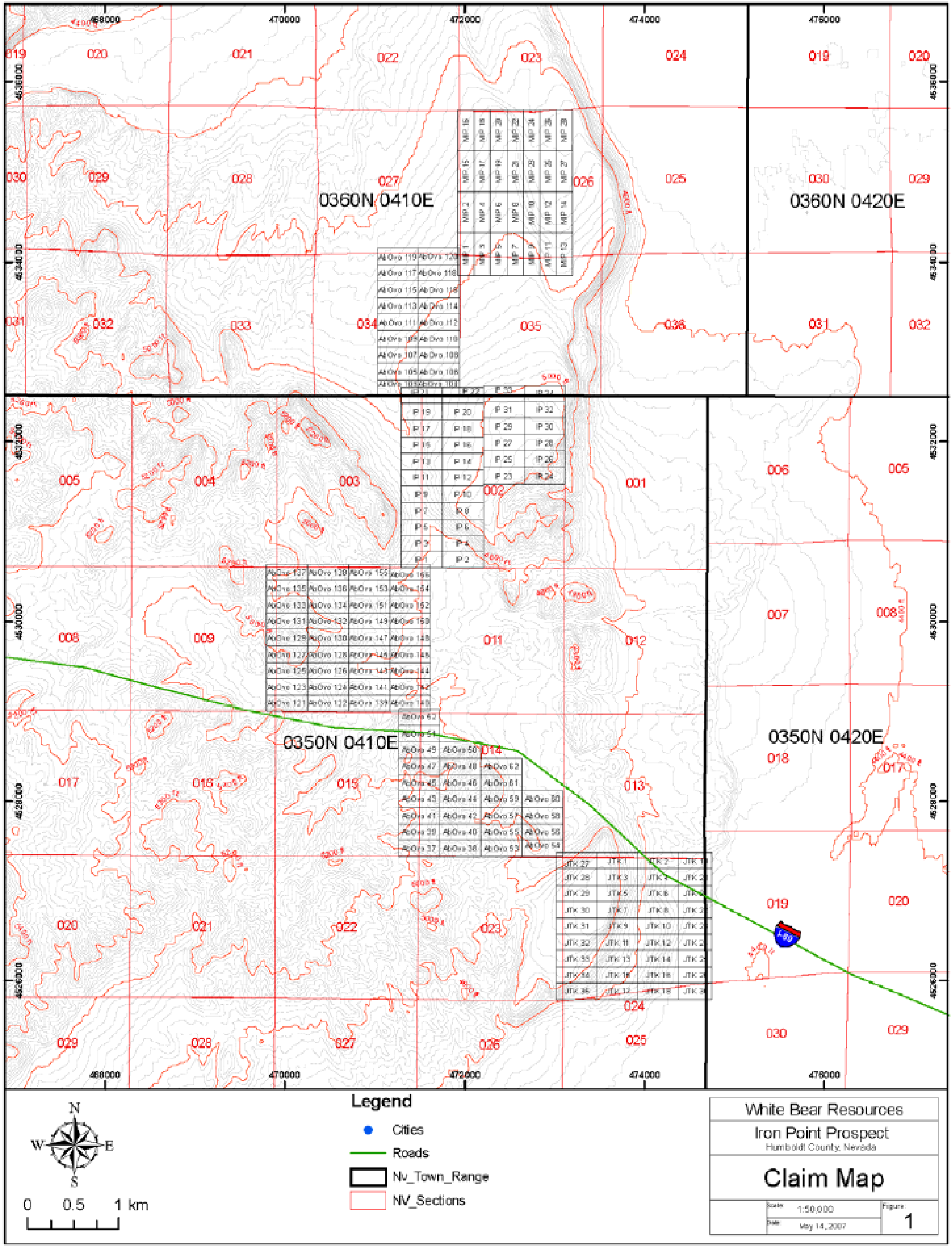

Figure 2: Property Mining Claims

A portion of the Iron Point Property is currently held by the Optionor as the "McCusker Lease". The McCusker Lease includes the 28 claims designated MIP 1-28 located in Section 26 [T. 36 N, R. 41 E] and are described in document numbers 2004/12-39, corresponding to the federal BLM numbers 860188-860215 which are owned by Robert McCusker and Martha T. Gnam, holders of the McCusker Lease. The McCusker Lease property is defined in the agreement as all ores, minerals, surface and mineral rights, including the right to explore for, mine, and remove the same. The McCusker Lease also includes all water rights and improvements, easements, licenses, rights-of-way and other appurtenant interests. The McCusker Lease allows the Optionor the exclusive right to explore, develop, and mine, and grants an exclusive right to the Optionor to purchase the Iron Point Property. A term of 20 years is set to endure as long as the Optionor is engaged in mineral development, mining, or reclamation and or closure activities.

The McCusker Lease agreement went into effect in June 2005. Advance minimum royalty payments included a payment of US$7,000 on signing. Further payments of US$10,000 were made on the first and second anniversary dates. As specified by the McCusker Lease agreement, these are to be followed by payments of US$15,000 and US$20,000 on the third and fourth anniversaries in June 2008 and June 2009, respectively. Thereafter all minimum advance royalties are US$25,000 on the remaining anniversary dates. The advance minimum royalty payments are to be made in the absence of production royalties. Production payments are to be equal to or greater than the set amounts of the advance minimum royalties. Royalties paid on production as net smelter royalties ("**NSR**") vary according to the price of gold. See Table 2. Under the terms of the Iron Point Property Option Agreement, the Company will assume and discharge all payments required under the McCusker Lease agreement.

Table 2: Iron Point Property: McCusker Lease Net Smelter Royalty (NSR) regime.

Price of Gold (US Dollars)	**Net Smelter Royalty** (% of profit – production cost)
$450.00 or less	2.5%
$450.01 to $500.00	3.0%
$500.01 or greater	3.5%*

* At the time of the Technical Report, the price of gold is currently in excess of $700 per ounce and therefore NSR payments under the McCusker Lease are currently set at 3.5%.

The term of the Iron Point Property Option Agreement is five (5) years. Pursuant to the Iron Point Property Option Agreement, the Company agreed to spend a minimum of US$100,000 on exploration expenditures on the Iron Point Property on or before November 22, 2007 (which has been expended). The expenditures are to include all monies expended on geological and geophysical surveys on the Property; sampling, trenching, and drilling; federal claim maintenance payable to the Nevada Bureau of Land Management; recording fees payable to Humboldt County in connection with the recording of Affidavits and Notices of Intent to Hold; payments made to Robert T. McCusker and Martha G. Gnam pursuant to the McCusker Lease; and related exploration costs but excludes the value of any cash payments made to the Optionor.

Within two (2) years of the date of entering into the Iron Point Property Option Agreement, the Company is required to spend a further US$200,000 minimum on exploration expenditures. It is mutually agreed that the terms, conditions and expenditures in subsequent years (years three, four and five up to the end of the Iron Point Property Option Agreement) are subject to the election of the Company. Under the terms of the Iron Point Property Option Agreement, the payments for the first two years of the Iron Point Property Option Agreement (US$200,000) are binding commitments that cannot be cancelled through termination of the Iron Point Property Option Agreement and it is required that any expenditure shortfall must be paid to the Optionor at the end of each contract year.

Preliminary assessment and exploration of the Iron Point Property area by the Optionor's personnel resulted in the discovery of favorable alteration and a gold occurrence in an exposure of altered silicified limestone that returned a gold value of 1.175 ppb (1.2 g/t) in silicified carbonates. In consultation with the Optionor's personnel, six drill target areas have been tentatively selected. Reverse Circulation ("**RC**") or Reverse Air Blast ("**RAB**") drilling is recommended to check for anomalous gold. All Iron Point Property claims are in good standing with all required exploration expenditures met in accordance with Federal guidelines. A recent property review verified that the BLM maintenance fees of US$125/claim for the 2007 rental year were paid and a "Notice of Intent to Hold" the claims was filed with the County. Future BLM maintenance fees related to the proposed exploration are to be paid from funds raised once the Company's Exchange listing has been completed. No delay is currently anticipated in getting approval from the BLM for the proposed drilling exploration project.

Access, Physiography, Climate, Environment, Local Resources and Infrastructure

Access

The Iron Point Property is connected through Interstate 80 (I-80) to several incorporated communities including Battle Mountain, Carlin and Elko. Access to the Iron Point Property can be gained directly by exit ramp from Interstate 80 at Iron Point. There are several dirt roads and trails that lead north and south from the highway that allow access to most areas of the Iron Point Property. Minor amounts of grading may have to be completed to upgrade some of the roads which can be a bit rough in places. An exception is the northeastern part of the northern claim block located along the range front that extends along the east side of the Property where the terrain is steeper. Road construction may be required if drilling is to be completed at that location.

Physiography

Elevations in the Iron Point Property region typically vary from 1,460 to 1,590 meters. Local topography consists of a series of low rolling hills that run along the top of the local range front which is punctuated by relatively steep cliffs along the eastern margin of the Property. The terrain in places is rugged where periodic outcroppings of flood basalt that form cliff edges along the tops of local hills. Most of the Iron Point Property is accessible from a series of desert roads and dirt tracks that cut through the Iron Point Property leading to the abandoned Silver Coin and Silver King mines located immediately to the east. Vegetation is dominantly sage, rabbit brush, cheat grass and various other desert flora.

Climate

Local climate is arid and typical of the Great Basin. The Iron Point Property is located in the middle of the desert. The sun shines more than 300 days per year. Average annual temperatures in the Great Basin vary from the mid 40's Fahrenheit (4°C) in the northeast to about 50 Fahrenheit (10°C) in the west and central areas to the mid 60's Fahrenheit (16°C) in the south. Day time temperatures during the summer months of 100 Fahrenheit (38°C) are common. Average precipitation is about 25 centimeters, mostly in the form of snow in the winter and occasionally rain in the spring and fall. Exploration can be curtailed for about 4 to 5 months during the winter due to snow and muddy road conditions. The "best" time to conducted exploration activities is spring through fall from the end of May through to October or November.

Environment

At the present time, the author of the Technical Report is not aware of any environmental liabilities associated with the Iron Point Property. With the exception of the mines and related workings which are located to the east of the Iron Point Property, there are no workings in the Iron Point Property claims area. All necessary environmental permits have recently been filed and approved by the Nevada Bureau of Land Management and exploration and drilling permits are in place.

Local Resources and Infrastructure

The nearest towns with commercial infrastructure are Battle Mountain located about 40 km east and Winnemucca 40 kilometers west from the Iron Point turnoff along I-80. Elko, another major regional center, is serviced by a municipal airport with regularly scheduled flights is located 210 km east. Mining is a regional industrial activity and all of the towns are exploration and mining centers that provide the trained personnel and specialized equipment and services that can be used in mineral exploration. Electrical power and ore processing facilities are readily available to the Iron Point Property. Electricity is available from power lines that run northeast and parallel to I-80 approximately 3 km south of the Iron Point Property. The mine to the Iron Point Property with mining infrastructure is the Marigold Mine, 15 km southeast. Ore processing services are readily available throughout the region. Autoclave and refractory gold-processing facilities owned by Newmont Mines Limited are located near Carlin approximately 134 km east of the Iron Point Property along I-80. Gold ore mined and milled at other mines in the region is frequently trucked to these facilities for processing. Access to water in the Iron Point Property region is a problem. The Humboldt River located to the north of Iron Point Property is situated too far away from the planned drill sites to be used during an exploratory drilling program. However, as a matter of necessity it is customary to purchase and haul water by truck during exploration to individual drill sites. Items included in the exploration budget to accommodate related costs currently is estimated at approximately US$3,000.

History and Previous Work

Nevada mining history is extensive. Silver was first discovered in 1863 and copper in 1864 in the Battle Mountain Mining District east of the Iron Point Property. Placer gold was discovered in the region in 1909 and lode gold in 1910 (Stager, H. K., 1977). Antimony ore was shipped out of the Battle Mountain region in 1870, arsenic ore in 1920 and turquoise in 1937. Barite exploration has been conducted in the Iron Point area (Sookochoff, 1988).

Over the past 35 years, exploration in the Iron Point Property region has focused on gold. Numerous company exploration initiatives on the Iron Point Property and adjacent township and range sections have included programs of geological mapping, surface geochemical sampling, airborne and ground geophysical surveys. A diversity of gold occurrences in the region has led to the testing of a number of alternate and different technical methods during exploration. The knowledge accumulated during this exploration has resulted in further underground development at the Getchell Mine and Turquoise Ridge and expanded open-pit developments at the Twin Creeks, Lone Tree, and the Marigold Mines. During the course of this exploration, 250+ drill holes have been completed in the area by various companies at an estimated aggregate expenditure of US$5 to US$10 million dollars.

Regional Exploration History

Recent gold exploration in the Iron Point area began in the mid-60's following the discovery and development of Carlin by Newmont Mining Corporation ("**Newmont**"). At the time, Newmont recognized the economic potential for low-grade sediment-hosted gold deposits elsewhere in this region of Nevada. Newmont sponsored reconnaissance exploration programs had successfully detected sporadic low-grade gold mineralization with values of 0.010+ oz/t Au in Ordovician (Valmy) outcrops near the range front of the Edna Mountains. Newmont later drilled a number of rotary holes (est. 30) in Sections 11, 12, and 13 encountering low grade gold mineralization with values reported at 0.010+ oz/t.

In the early 1970's, the United States Geological Survey ("**USGS**") completed a mapping and sampling program in the Golconda-Iron Point region approximately 16 km east of Iron Point along I-80. Results were published in a series of geological / geochemical maps that revealed the presence of multiple gold, base metal, and trace element anomalies near Iron Point that attracted the interest of several companies. Among them, Molycorp conducted an exploration program for porphyry Cu-Mo deposits in the mid-70's east of the Edna Range near a prominent Cretaceous (100 Ma) granodiorite stock that included several drill holes and one deep (3,000 feet, or approximately 914.4 meters) hole (exact location unknown). Conoco later explored this same area for porphyry deposits and also drilled several holes. At this time the Hughes Tool Company was exploring several oxide copper occurrences in Sections 17, 18, and 19.

Following an increase in gold prices in the early 1980's, Southern Pacific Land (division of Southern Pacific Railroad) began a large gold exploration program on their extensive railroad land holdings including sections that they held at Iron Point. After an extensive trenching program in Sections 2, 11, 12, and 13 approximately 30 shallow rotary holes were drilled. Results of the survey were similar to those obtained earlier by Newmont that revealed anomalous but sub-economic Au mineralization. Cordex later drilled the same area with negative results and Homestake also explored Sections 1, 2, 12. During this time, Amselco staked and explored Sections 22, 23, 26, and 27 in the same Township. Cominco later explored the range front in this area with a Controlled Source Audio Frequency Magneto-Telluric ("**CSAMT**") survey but no follow-up drilling was completed.

In the mid-80's, Intermountain Resources, a private company began exploring the alluvial-covered range front in Section 12 with geochemical sampling and IP surveys. The Property was later drilled by Chevron and then Kennecott who completed an estimated 10 reverse circulation holes. Some of the holes reached depths of 1,000 feet intersecting erratic Au values in the siliceous Ordovician Valmy Formation. Coastal and later Freeport began exploring the copper prospects which also contain anomalous Au concentrations in Sections 17, 18, 19, and 20. The same area was later drilled by Cordex targeting Au - Cu mineralization along the silicified / jasperoidal contact margins of altered greenstones surrounded by Pumpernickel-Havallah metasediments.

In the late 80's, BHP Billiton drilled several holes (results unknown) in Section 10 located east of the Cretaceous stock located in Section 9. At the same time on the west side of the Edna Range, Resource Associates of Alaska (later NERCO) discovered gold values of 0.500+ oz/t in Pumpernickel-Havallah outcrops in Section 6 in the same Township resulting in the staking of a large part of the Edna Range including Sections 4, 6, 8, 10, 14, 16, 20, 22, and 26 during a project designated "Deep Thrust". Trenching and drilling (~30 holes) that began on gold showings in the southeast ¼ of Section 6 was later extended to other sections in the Township. During the program sub-economic gold mineralization was found to occur along narrow discontinuous shear zones along greenstone / diorite and metasediment / diorite dyke contacts. Later deep drilling of the area by Cordex tested underlying Permo-Pennsylvanian (Antler) and Cambrian (Preble) formations also with negative results. Cordex also conducted extensive soil sampling over most of the NERCO property and drilled a number of different targets including some Havallah-hosted anomalous Au-barite occurrences in Section 20.

In the early 1990's, Cameco optioned the NERCO properties and conducted an extensive regional exploration program that included both airborne (Mag-EM) and ground (IP-R) geophysical surveys, geochemical sampling, and extensive drilling on Sections 23 and 28. During this period Santa Fe, a company attracted by the NERCO discovery joined Cameco to finance airborne geophysical surveys. Santa Fe also proceeded explore railroad Sections 3, 5, 7, 9, 11, 13, 15, and 17 in the same Township drilling an estimated 40+ reverse circulation holes on a number of targets. Many of the holes were completed to depths in excess of 1,000 feet (300 meters). Santa Fe also drilled Section 24 obtaining results that justified further drilling.

Later in the 90's, the Euro-Nevada Mining Corporation acquired a royalty interest in NERCO claim holding obtaining ownership when NERCO chose to withdraw from gold exploration and divest related assets. The claims dropped by NERCO were relocated and additional claims were added. Euro-Nevada also acquired extensive drilling and other data from previous exploration in the Iron Point region and began a re-evaluation of this information. The Euro-Nevada land position included all (or parts of) Sections 2, 4, 6, 8, 10, 14, 15, 16, 18, 20, 22, 23, 26, 28, 34, and 36 and also Sections 14 and 24 in the Township to the east. Related exploration included a re-sampling and mapping of select target areas and anomalies with follow-up drilling including 3 reverse circulation holes in Sections 14 and 24, and 2 in Section 2 completed in 1996 and 1999, respectively.

Also, in the late 1990's during the Euro-Nevada exploration program, Aur Resources was exploring Sections 2, 11, and 12 of Township 35 and Barrick was exploring Sections 28, 32, and 34 of Township 36. Other companies included Newcrest in joint venture with Newmont Mines as operator to explore Sections 1, 13, 24 as well as Sections 26, 35, and 36. During the exploration program, Newcrest managed to obtain encouraging results beneath the Tertiary basalt in Section 26 and also along the eastern front of the Edna Range. Following the abandonment of these claims by Newcrest and Newmont in early 2000 during dissolution of the joint venture, Euro Nevada as Franco-Nevada relocated most of the claims and proceeded to review the Newcrest and other data as part of a regional study.

In 2000, Franco-Nevada conducted a limited geophysical program (gravity) in Section 24 and proceeded to drill 7 reverse circulation holes. The primary target was the Cambrian / Ordovician fault contact that occurs beneath

Tertiary basalt and alluvium. The drilling encountered thick sections of anomalous Au mineralization (Au 30-100+ ppb) in black Ordovician (Valmy) chert-shale. The last drill hole in the program intersected the favorable Antler (Edna Mountain) sequence known to be an ore host at the nearby Lone Tree Mine located 6 miles east. Franco-Nevada later merged with Newmont in early 2002 and all of Franco's claim holdings at Iron Point were abandoned. In 2002, Victoria Resources acquired an interest in most of the railroad mineral rights only sections owned by Newmont at Iron Point and also certain sections in the area south of Pinson. In the Iron Point area to the south of the Humboldt River, these properties include Sections 1, 3, 5, 9, 11, 13, and 15 in Township 35 and Sections 23, 25, 27, 29, and 31 in Township 36. No additional sections are believed to have been staked by Victoria and the activities and data and information of their recent and current exploration programs are currently held as confidential.

Previous Exploration

The Iron Point Property is located on land sections in township 35 and 36 and range 41 in the United States Public Land Survey that have been explored by several companies. Aside from the United States Geological Study (the "**USGS**"), surveys completed in several of the sections, companies and corporate entities that have previously completed exploration in the Iron Point Property region include Kennecott, Newmont / Southern Pacific, Santa Fe, Newcrest / Newmont, Franco-Nevada, Barrick, Cameco, and Cordex.

In the absence of a compiled public historical record the information in this section of the current report was provided by the Optionor as a historical summary of the previous exploration completed on the Iron Point Property. The information is considered relevant to content and was obtained from a summary written by Mike Hamilton, a geologist with considerable experience working in the region. Under current Nevada state law, the information on past exploration activities is not compiled, not publicly available and as such must be assembled from available historic sources. R. James Weick M.Sc. P.Geo. is not aware of the exact source(s) of this information and, as a result, it does not conform to NI 43-101 standards. At present, R. James Weick M.Sc. P.Geo. has no reason to question or refute the reliability or accuracy of the information. The Company and the Optionor do not consider this information as being NI 43-101 compliant and, until such time as it is verified, it is considered to be supporting historic information only and as such, should not be relied upon.

JTK Claims: Section 24 [T. 35N, R. 41 E]

Section 24 includes the JTK claims at the south end of the Iron Point Property held to the south of I-80. Past exploration indicates that the section is situated along a north-south trending Cambro-Ordovician fault contact, which is obscured by Tertiary basalt and alluvium.

The Ordovician Valmy Formation is poorly exposed in the northern part of Section 24 but prominent outcrops can be found in road cuts along I-80. The Cambrian Preble Formation and Antler (Edna Mountain) sequence exposed northwest in Section 14 were known through previous work to extend southeast into Section 24. The Preble to Valmy fault contact was traced by drilling to the center of Section 24 where it was interpreted to be a high-angle (near vertical) normal fault (east side down) with an estimated displacement of 1,000 to 2,000+ feet (304.8 to 609.6+meters). It is suggested that it continues through the south half of Section 24 into adjacent Section 25. A series of northtrending normal faults parallel to the range front on Sections 12 and 13 to the north were interpreted as possible conduits for gold mineralization based on previous drilling completed by Kennecott and Newmont / Southern Pacific.

By the mid-1990's, Santa Fe had drilled a number of shallow 800 foot (243.8 meter) reverse circulation (RC) drill holes with a track rig in the northeast 1/4 of Section 24 and in the southeast 1/4 of Section 13 adjacent and immediately to the north. The RC drilling was completed on three east-west trending fences, at 3 to 4 holes per fence with dips oriented west. Most of the Santa Fe holes were spotted on inferred range-front faults located more than 1,000 feet (304.8 meters) east of the Cambrian to Ordovician fault contact rather than directly on, or targeting the contact. One vertical RC hole was also completed in the southwest 1/4 of Section 24 that intersected the Preble

Formation and although the Cambrian/Ordovician contact was interpreted to occur northeast the area was not drilled.

Many of the Santa Fe RC holes intersected thick sections from 50 feet (15.2 meters) to 300+ feet (91.4+ meters) of black carbonaceous shale, argillite, chert, and siltstone that contained gold concentrations that varied from 30 to 100+ ppb. The same sections also contain trace element concentrations including relatively high concentrations of arsenic, antimony, and mercury (data not available). A number of narrower intervals with gold values that varied from 500 ppb to 1,000+ ppb were also intersected. Drill results were described as encouraging but Santa Fe's large land holdings and higher priority targets attracted subsequent exploration funding and no further work was completed in the area.

In the mid-1990's, following the completion of Santa Fe's drilling program, Newcrest formed a joint venture with Newmont to combine land positions held in the Iron Point area that included Section 24. The objective of the joint venture was to continue exploration at Iron Point described as the New Point project with Newcrest as operator. All subsequent drilling under the joint venture was completed north of I-80. Section 24 as the south Iron Point Property claim block area was not explored or drilled at the time.

In early 2000, following the dissolution of the New Point Joint Venture and Newcrest's abandonment of related mining claims, Franco-Nevada acquired Section 24 through staking. Previous drill and other data were studied, and a limited gravity survey was completed in an attempt to trace the Cambro - Ordovician fault beneath the basalt mesa. Seven vertical RC holes were subsequently completed by Franco targeting areas in close proximity to the fault. The drilling was done in three phases by a truck or track mounted rig to hole depths of 700 feet (213.4 meters) to 900 feet (274.3 meters).

The first two Franco-Nevada holes, designated IRN-3 and IRN-4, were drilled on top of the basalt mesa in the northwest 1/4 of Section 24. IRN-3 was lost at a depth of approximately 800 feet (243.8 meters) but an interval of Valmy was reportedly intersected beneath the Tertiary basalt and alluvium. IRN-4, located approximately 400 feet (121.9 meters) west of IRN-3, intersected gray phyllitic shale (Preble) at the bottom of the hole. No significant gold values were obtained but the location of the Cambro-Ordovician contact was established between the two holes.

The next three holes designated IRN-5, IRN-6, and IRN-7 were located on the eastern slopes below the top of the basalt mesa southeast of IRN-3 where basalt blocks are down-faulted along several sub-parallel north-trending normal faults. All of the holes intersected thick intervals of Valmy beneath the Tertiary basalt and alluvium. Assays (data not available) are described as consistent with those reported during the earlier Santa Fe drilling program. The holes intersected thick sections of rock with gold and trace element arsenic, antimony and mercury concentrations described as anomalous in interbedded black carbonaceous shale, argillite, chert, and siltstone.

The last two Franco-Nevada drill holes IRN-8 and IRN-9 located near the center of Section 24 intersected the Preble Formation beneath Tertiary basalt and alluvium, and a thick section of the Edna Mountain Formation. IRN-9 located several hundred feet east of IRN-8 was terminated in Preble gray phyllitic shale. No significant gold values were reported (data not available) but favorable units of the Edna Mountain Formation were intersected as part of the Antler sequence, the primary host to the gold mineralization at the Lone Tree Mine and Marigold deposits located 10 km and 15 km southeast, respectively, and in the Twin Creeks mine located approximately 30 km to the north along the Getchell Trend.

AbOvo Claims: Section 14 [T. 35N, R. 41 E]

The AbOvo mining claims on Section 14 are located immediately northwest of Section 24 to the south of I-80. Previous exploration completed by Cameco, Cordex, and Franco-Nevada on this section has included soil and outcrop sampling.

During the exploration work, a gold occurrence was discovered by Franco-Nevada in the southeast ¼ of this section on the northeast side of Edna Mountain Formation outcrops. Consisting of abundant light brown silicified (jasperoidal) carbonate float, the occurrence returned several gold assays that varied from 0.050 oz/t to 0.100 oz/t Au. Related float was traced to an exposure of Highway Limestone below the Edna Mountain Formation. A poorly-exposed one foot (0.30 meter) wide altered diorite dike cuts the limestone near the jasperoidal outcrops near the occurrence. Several hundred feet southeast of the location lower gold values were also found in outcrops near this dike.

Elsewhere in the section numerous elevated gold concentrations are found in association with quartz diorite dikes but specific drill targets have never been identified. Geochemical results near a prominent north-trending quartz porphyry dike along the western edge of the section were disappointing (no data available). A vertical RC hole completed by Cameco on a soil anomaly near an altered quartz diorite dike was collared in the Preble. Situated 1,000 feet (304.8 meters) west of the south exit ramp on I-80 and a few hundred feet south of the old highway, it was completed to an estimated depth of 500 feet (152.4 m). It reportedly returned no significant gold assays.

<u>AbOvo Claims: Section 10 [T. 35N, R. 41 E]</u>

The AbOvo mining claims on Section 10 immediately north of I-80 are characterized by extensive outcrops of the Permian to Pennsylvanian (Antler) formations that include the Edna Mountain, Antler Peak Limestone, Highway Limestone, and Battle formations. These formations are situated approximately one mile east of the prominent Cretaceous granodiorite stock that intrudes these units and the overlying Pumpernickel-Havallah formation.

Anomalous gold and trace element values were reportedly detected by USGS sampling in the early 1970's. BHP-Utah subsequently drilled an unknown number of holes in the late 80's and more drilling was completed by Santa Fe in the early 1990's that tested for gold mineralization in Antler carbonate-hosted calc-silicate altered skarns peripheral to the stock. During this exploration the company also completed approximately 10 holes in the western side of Section 10 and on railway lands around the stock. The drilling successfully intersecting thick sections of altered Antler carbonates but no significant gold assays were reported.

Franco-Nevada re-examined the Santa Fe Fortitude-type gold skarn exploration model, but available Fe_2O_3:FeO data indicated the alteration was not chemically reduced and the 100 Ma Tertiary age for the intrusion did not fit the more favorable 39 Ma Eocene ages related to the formation of other gold skarns along the Battle Mountain Trend to the east. At the time the surface geochemistry completed by Franco confirmed the USGS Au anomalies but no follow-up drilling was completed.

<u>AbOvo Claims: East 1/2 Section 34 [T. 36N, R. 41 E]</u>

The east half of Section 34 is underlain by Tertiary basalt that covers the underlying Preble Formation. Barrick has explored the area and is believed to have completed drilling on Sections 28, 32, and possibly 34. The Cambro-Ordovician fault contact is located approximately 2,500 feet (762 meters) east of Section 34 on adjacent Section 25. Important gold mineralization was identified by drilling (Newcrest) in the southeast ¼ of Section 25 to the east-northeast near the Cambro-Ordovician fault contact. Specific drill targets were not identified on Section 34.

Aeromagnetic Survey (Non – 43-101 Compliant)

An aeromagnetic survey was completed over an area including the Iron Point Property prior to the initiation of the Iron Point Property Option Agreement. The exact date of the survey and type of aircraft used are not known. Existing information on the survey parameters and results was provided to the Optionor as part of an information package by Placer Dome Limited. According to available information the survey consisted of 14,115 flight line km flown by an American geological / geophysical services contractor [EDCON-PRJ]. During the survey flight lines were oriented east-west and the survey was flown at a draped elevation of approximately 500 feet (152.4 meters) with flight lines at 1/8 mile (~200 meter) spacings. Tie lines were run north-south on 1 mile (1.61 km) spacings.

The exact date and circumstances of the aeromagnetic survey are not known and raw data for the survey is not available. As such, the related information is not 43-101 compliant. Nevertheless the survey information is relevant and interpretations of related data plots have proved useful to the identification of structural trends and the location of alteration on Iron Point Property claims. Neither the Company nor the Optionor are treating this information as 43-101 compliant. Until such time as the Company and the Optionor are able to verify the data it is considered to be supporting historic information only and as such should not be relied upon. R. James Weick M.Sc. P.Geo. accepts no liability for the use of this information.

A cursory examination of the false color information indicates the presence of several north-south to northeast trending magnetic lows that could represent fault structures along the range front along the east margin of the Iron Point Property. A complex patterning of low and high anomalies in the northern three claim blocks is suggestive of structural complexity. The prominent low and high magnetic anomalies in the southeast Iron Point Property claim block is consistent with the presence of the Cambro-Ordovician contact. The prominent high to the west of the Iron Point Property may be related to the presence of a Cretaceous stock known to occur at that location.

Previous Drilling (Non 43-101 Compliant)

Numerous drill programs have been completed in the Iron Point area, on adjacent properties to the east and within Sections covered by the claims currently held as the Iron Point Property. The drill data and information presented were received by the Optionor on an informal basis as part of a package of information made available by other exploration companies that completed previous work in the Iron Point region.

This section attempts to provide a summary of the drill information and data including descriptions of intervals of significant gold mineralization, assays and geochemical analyses from the available drill information. Much of the data and information in this section is not complete. Hole locations and orientations, initiation and completion times, geological setting, and drill targets are not known for many of the holes. Complete drill logs are missing as basic descriptive information, many of the drill logs do not include geochemical or assay data, and the data that is present is not supported by analytical certificate. All of the drill data and information that was made available to R. James Weick M.Sc. P.Geo. by the Optionor is included in Appendix 2, Section A1.2 of the Technical Report.

In its present form, the drill data and information that has been provided does not conform to NI 43-101 standards. Regardless of source and authenticity it is relevant information that indicates that favorable alteration, gold mineralization and anomalous concentrations of pathfinder elements were intersected during previous drilling in the Iron Point Property area. The Company and the Optionor do not consider this data to be NI 43-101 compliant. Until such time as the Company and the Optionor are able to verify the data it is considered to be supporting information only and as such should not be relied upon.

<u>JTK Claims: Santa Fe: DIP 9, 21-25, 29-37, 48 and IH1, Section 24 [T. 35N, R. 41 E]</u>

In the mid-1990's, Santa Fe completed a number of shallow 800 foot (243.8 meter) RC holes. The holes, designated DIP, were completed using a tracked rig in the northeast ¼ of Section 24 ground that is currently held as the JTK mining claims and in the southeast ¼ of Section 13 adjacent to and immediately north of Section 24.

The DIP holes have been located in the following sections by section number only. The exact initiation and completion dates of these holes and their orientation and targets are not known. The drilling may have been testing for the presence of favorable alteration and mineralization in structures located along the range front east of the Iron Point Property. Information on rock type, alteration and mineralization are presented in a series of summary descriptions for holes DIP 9, 20, 21, 22, 23, 24, 25, 29, 30, 31, 32, 33, 34, 35, 36, 37 and 48. Geochemical and assay data from the analyses of RC samples collected at 5 foot (1.5 meter) intervals received with the summary descriptions are not supported by analytical certificates.

Recurrent themes in the summary descriptions of these holes include relatively high concentrations of gold in intervals of silicification ± disseminated pyrite mineralization. There is a rough positive correlation of gold and arsenic. Intervals with high concentrations of mercury are consistent with the presence of the Silver Coin Mine, a past mercury producer located in the same general area.

DIP 9

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990's
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	800 feet (243.8 meters)

Mineralization as chalcopyrite and pyrite occurs in quartz-calcite veinlets in Preble Formation grey siltstone from 495 feet (150.8 meters) to 800 feet (243.8 meters). Gold analyzed at 5 foot (1.5 meter) intervals varied from 2.5 ppb to 13 ppb the highest value noted in overburden as Qal (Quaternary alluvium) in the top of the hole. Concentrations of silver, arsenic, antimony and mercury determined from RC samples collected at 25 foot (7.6 meter) intervals varied from 0 (detection limit) to 0.1 ppm Ag, from 1 ppm (detection limit) to 55 ppm As, from 2 ppm to 11 ppm Hg and from 0.020 ppm to 0.140 ppm Hg.

DIP 20

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	605 feet (184.4 meters)

Mineralization is noted as pyrite associated with quartz (silicification?) at a depth of 280 feet (85.3 meters) to 605 feet (184.4 meters). Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 97 ppb. The highest gold value occurs in Ovi (Ordovician Valmy siltstone) at a depth of 279 feet (85.0 meters) to 300 feet (91.4 meters) an interval that contains chert and the highest arsenic concentration in the hole. Concentrations of silver, arsenic, antimony and mercury were determined from RC samples collected at 25 foot (7.6 meter) intervals varied from 0 (detection limit) to 2.2 ppm Ag, from 27 ppm (detection limit) to 1970 ppm As, antimony from 0 ppm (detection limit) to 360 ppm Sb and mercury from 0.090 ppm to 7.591 ppm Hg.

DIP 21

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	702 feet (213.9 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 176 ppb. The maximum gold value occurs in Ovi (Ordovician Valmy siltstone) at a depth of 575 feet (175.3 meters) to 580 feet (176.7 meters), described as siltstone with chert interbeds. Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 foot (7.6 meter) intervals varied from 0.2 ppm to 1.1 ppm Ag, from 18 ppm (detection limit) to 6720 ppm As, from 0 ppm (detection limit) to 56.0 ppm Sb and from 0.062 ppm to 5.897 ppm Hg. Maximum arsenic and gold value coincide in the section.

DIP 22

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	795 feet (242.3 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) up to 33 ppb. The highest gold value occurs in Tal (Tertiary alluvium) at depths of 430 feet (131.0 meters) to 435 feet (132.6 meters), and 465 feet (1,412.7 meters) to 470 feet (143.3 meters). Oxidized chert was noted at 445 feet (135.6 meters) to 475 feet (144.8 meters). Concentrations of silver, arsenic, antimony and mercury determined from samples collected at

25 foot (7.6 meter) intervals varied from 0 ppm (detection limit) to 0.3 ppm Ag, from 31 ppm to 2570 ppm As, from 0 ppm (detection limit) to 56.0 ppm Sb and from 0.060 ppm to 7.630 ppm Hg. The maximum arsenic value occurred from 655 feet (199.6 meters) to 660 feet (201.1 meters) in Ovi (Ordovician alluvium) described as siltstone with chert interbeds.

DIP 23

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	800 feet (243.8 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 326 ppb. The maximum gold concentration included with an adjacent 248 ppb Au value provides an average gold concentration of 287 ppb (0.3 g/t) over a width of 10 feet (3.0 meters). The maximum gold values occur in Ovc (Ordovician Valmy chert) from 505 feet (153.9 meters) to 515 feet (156.9 meters) where oxidation was noted in the core. Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 foot (7.6 meter) intervals varied from 0 ppm (detection limit) to 0.9 ppm Ag, from 11 ppm to 1400 ppm As, antimony from 0 ppm (detection limit) to 104 ppm Sb and mercury from 0.051 ppm to 4.495 ppm Hg.

DIP 24

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	800 feet (243.8 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 349 ppb. The maximum gold value was obtained at a depth of 520 feet (158.5 meters) to 525 feet (160.0 meters) and included with adjacent gold values from 500 feet (152.4 meters) to 530 feet (161.5 meters) provides an average of 328 ppb (0.3 g/t) Au over an interval of 30 feet (9.1 meters) with a contained interval of 20 feet (6.0 meters) from 505 feet (153.9 meters) to 525 feet (160.0 meters) of 388 ppb (0.4 g/t). The high gold values occur in Ovi (Ordovician Valmy siltstone) described as silicified quartz. Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 feet (7.6 meters) intervals varied from 0.1 ppm (detection limit) to 3.0 ppm Ag, from 49 ppm to 2,520 ppm As, from 26 ppm to 997 ppm Sb and from 1.431 ppm to 26.066 ppm Hg. The maximum arsenic value was obtained from 795 feet (242.3 meters) to 800 feet (243.8 meters) as the last sample collected from the bottom of the hole.

DIP 25

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	715 feet (217.9 meters)

Gold analyzed at 5 foot intervals varied from 0 ppb (detection limit) to 186 ppb obtained in Ovi (Ordovician Valmy siltstone) described as being silicified at a depth of 180 feet to 185 feet. Concentrations of silver, arsenic, antimony and mercury were determined from samples collected at 25 foot intervals varied from 0.0 ppm (detection limit) to 3.9 ppm Ag, from 31 ppm to 1550 ppm As, from 15 ppm to 558 ppm Sb and from 0.085 ppm to 13.637 ppm Hg.

DIP 29

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	605 feet (184.4 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 20 ppb. The maximum gold concentration at background concentration levels was obtained in Tvb (Tertiary basalt) at a depth of 90 feet (27.4 meters) to 95 feet (28.9 meters). Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 foot (7.6 meter) intervals varied from 0.0 ppm (detection limit) to 0.3 ppm Ag, from 0 ppm (detection limit) to 62 ppm As, from 0 ppm (detection limit) to 12 ppm Sb and from 0.060 ppm to 0.323 ppm Hg.

DIP 30

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	880 feet (268.2 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 473 ppb at a depth of 790 feet (240.8 meters) to 795 feet (242.3 meters). With adjacent values of 264 ppb and 272 ppb combined concentrations average 336 ppb (0.3 g/t) Au over a width of 15 feet (4.6 meters). The high gold values were obtained in Ovs (Ordovician Valmy siltstone) described as a silicified massive grey bleached unit that contained quartz pyrite veining. Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 feet (7.6 meters) intervals varied from 0.0 ppm (detection limit) to 1.7 ppm Ag, from 0 ppm (detection limit) to 2,610 ppm As, from 0 ppm (detection limit) to 12 ppm Sb and from 0.070 ppm to 1.642 ppm Hg. The maximum gold and arsenic concentrations were obtained from samples near the bottom of the hole.

DIP 31

Location:	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	780 feet (237.7 meters)

Gold analyzed at 5 foot intervals varied from 0 ppb (detection limit) to 248 ppb. The maximum gold value occurs in Ovi (Ordovician Valmy siltstone) from 620 feet (188.9 meters) to 625 feet (190.5 meters) described as successive units of black carbonaceous shale to siltstone with a strongly altered bleached and silicified unit that contained pyrite from 625 feet (190.5 meters) to 645 feet (196.6 meters). Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 foot (7.6 meter) intervals varied from 0.0 ppm (detection limit) to 1.1 ppm Ag, from 0 ppm (detection limit) to 3,660 ppm As, from 0 ppm (detection limit) to 34 ppm Sb and from 0.053 ppm to 0.526 ppm Hg. The maximum gold concentration coincides with an arsenic concentration of 2,720 ppm As.

DIP 32

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	770 feet (234.7 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 196 ppb. The maximum gold value occurs in Ovi (Ordovician siltstone) from 625 feet (190.5 meters) to 630 feet (192.0 meters) described as consisting of black carbonaceous argillite to shale with trace pyrite mineralization. Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 feet (7.6 meters) intervals varied from

0.1 ppm (detection limit) to 1.7 ppm Ag, from 0 ppm (detection limit) to 418 ppm As, from 0 ppm (detection limit) to 43 ppm Sb and from 0.043 ppm to 3.029 ppm Hg.

DIP 33

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	850 feet (259.0 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 343 ppb. The maximum gold value occurs in Ki (Cretaceous Intrusive) described as altered from 655 feet (199.6 meters) to 660 feet (201.1 meters) followed by black carbonaceous argillite to shale that contains trace pyrite mineralization. Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 feet (7.6 meters) intervals varied from 0.0 ppm (detection limit) to 1.5 ppm Ag, from 0 ppm (detection limit) to 1,710 ppm As, from 0 ppm (detection limit) to 151 ppm Sb, and from 0.098 ppm to 1.088 ppm Hg.

DIP 34

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	720 feet (219.5 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 150 ppb. The maximum gold value at background concentration levels occurs in Tvb (Tertiary basalt) from 570 feet (173.7 meters) to 575 feet (230.7 meters). Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 foot (7.6 meter) intervals varied from 0.0 ppm (detection limit) to 3.2 ppm Ag, from 0 ppm (detection limit) to 325 ppm As, from 0 ppm (detection limit) to 34 ppm Sb and from 0.098 ppm to 0.493 ppm Hg.

DIP 35

Location :	Northeast ¼ Section 24 and Southeast ¼ Section 13	Date:	mid-1990
Orientation:	unknown	Company:	Santa Fe
Target:	gold mineralization - range front structures?	Depth:	620 feet (188.9 meters)

Gold analyzed at 5 foot (1.5 meter) intervals varied from 0 ppb (detection limit) to 258 ppb. The maximum gold value at background concentration levels occurs in Ovs (Ordovician Valmy sandstone) from 480 feet (146.3 meters) to 485 feet (147.8 meters) in oxidized non-carbonaceous sandstone. Concentrations of silver, arsenic, antimony and mercury determined from samples collected at 25 feet (7.6 meters) intervals varied from 0.0 ppm (detection limit) to 2.2 ppm Ag, from 0 ppm (detection limit) to 960 ppm As, from 0 ppm (detection limit) to 43 ppm Sb and from 0.098 ppm to 4.268 ppm Hg. Descriptive information without geochemical and assay data is available for other holes including DIP 36, 37, 48 and IH 1 in Appendix 2 Section A2.2 of the Technical Report.

JTK Claims: IRN 3, 4, 5, 6, 7 and 9, Section 24 [T. 35N, R. 41 E]

Information on the Franco-Nevada IRN holes located on Section 24 in the form of drill logs and supporting geochemical and assay data was not provided by the Optionor. All that is included is a map that shows the location of the holes on Section 24 currently held as the JTK claims along a north trending structure mapped across the local hillside. Information that is available on the IRN holes is provided in Section 8.2.1 of the Technical Report, but without supporting documentation; drill logs with assay certificates it cannot be considered 43-101 compliant. The holes were completed to depths of 1,000 feet (304.8 meters) reportedly intersecting thick “sections” with anomalous gold, arsenic, antimony and mercury concentrations in interbedded black carbonaceous shale, argillite, chert, and siltstone. Assays are described as consistent with those reported during the earlier Santa Fe drilling program.

AbOvo Claims: Newmont NIP 1, 2, and 4: Section 26 [T. 36N, R. 41 E]

In 1999, Newmont completed relatively shallow up to 1,000 feet (304.8 meters) RC vertical (-90) NIP holes located in Section 26. The number of holes completed during the drilling campaign is not known. Drill logs for three of the holes provide information on collar location in UTM feet, the exact grid referenced is not known, including elevation (feet), rock type, alteration and mineralization in a descriptive format. Again, the exact targets associated with the drilling campaign are not certain. Geochemical data from the analyses of RC samples collected at 5 foot (1.5 meter) intervals are provided sporadically throughout the logs. Supporting analytical certificates are not available for these holes. A recurrent theme in the data and information that is provided for these holes is a basic correlation of gold with mineralization as pyrite and alteration that includes silicification and carbonatization.

NIP-1

Location:	UTM feet 14880688 N, 1549795 E	Date:	10/19/99 to 10/20/99
Company:	Newmont Exploration Limited	Contractor:	Eklund Drilling
Elevation:	4,695.90 feet	Orientation:	vertical (-90)
Target:	Unknown	Depth:	1,000 feet (304.8 meters)

Gold described as *"isolated anomalous gold"* is mentioned in the lithological summary on the cover page of the log. At a concentration of 305 ppb (0.3 g/t) the sample is noted in the log at a depth of 310 feet (94.5 meters) to 315 feet (96.0 meters) in a unit described as grey to tan phyllitic sheared limestone with minor layers of siltstone and dolostone with silicification noted as quartz calcite veins.

NIP-2

Location:	UTM feet 14880186 N, 1550950 E	Date:	10/21/99 to 10/23/99
Company:	Newmont Exploration Limited	Contractor:	Eklund Drilling
Elevation:	4,630.90 feet	Orientation:	vertical (-90)
Target:	Unknown	Depth:	1,000 feet (304.8 meters)

Gold is noted as a "*high of 165 ppb gold from a depth of 505 feet* (153.9 meters) *to 510 feet* (155.4 meters)" in the lithologic summary on the cover page of the log. In the attached log the value occurs in a unit described as grey dolomitic siltstone that contains local alteration as abundant quartz, dolomite pyrite veining (?).

NIP-4

Location:	UTM feet 14875964 N, 1551719 E	Date:	10/28/99 to 11/02/99
Company:	Newmont Exploration Limited	Contractor:	Eklund Drilling
Elevation:	4,733.91 feet	Orientation:	vertical (-90)
Target:	Unknown	Depth:	1,005 feet (306.3 meters)

Gold is noted as an "*isolated high of 75 ppb gold"* a background concentration mentioned in the lithologic summary on the cover page of the log. In the attached log the value occurs at a depth of 825 feet (251.5 meters) to 830 feet (252.9 meters). The host rock at this depth is described as grey phyllitic mudstone. Mineralization is not noted in the log.

AbOvo and MIP Claims: Newcrest: NP 34, 35, 39, 44, and 45: Section 34, 35 and 26 [T. 36N, R. 41 E]

In its 1998 joint venture with Newmont, Newcrest Resources Incorporated contacted Eklund Drilling to complete a series vertical (-90) holes on Section 26 designated the "NP" series. Data for holes NP-34, 35, 39, 44, and 45 are available as complete logs that provide descriptive information on rock type, alteration and mineralization. Geochemical data from the analyses of RC samples collected at 5 foot (1.5 meter) intervals are available. Copies of the analytical certificates for the samples are unfortunately not available.

Gold concentrations reach 1.34 g/t over 20 feet (6.1 meters); a significant intersection in drill hole NP-34, located in Section 26 to the east of the Iron Point Property. Holes NP-35 and NP-39 contain comparatively high gold concentrations and NP-45 contains high arsenic concentrations. Trace up to 15% disseminated pyrite has been noted as well as alteration that includes silicification, oxidation, and decarbonatizationdescribed as *"intense"* (NP-36).

NP-34

Location:	Iron Point Section 26	Date:	06/20/98 to 06/23/98
Company:	Newcrest Resources Incorporated	Contractor:	Eklund
Drill Type:	TH-100	Orientation:	vertical (-90°)
Target:	Unknown	Depth:	1,000 feet (304.8 meters)

Maximum concentrations of gold are noted for samples 51695 to 51698 at depths of 390 feet (118.8 meters) to 410 feet (125.0 meters) providing values of 2830 ppb Au, 1615 ppb Au, 580 ppb Au and 365 ppb Au, for an average of 1,348 ppb (1.34 g/t) over a combined interval of 20 feet (6.1 meters) in oxidized and silicified limestone. The remaining samples listed are at background concentrations that vary from 10 ppb to 100 ppb Au. According to the log samples contain trace disseminated pyrite in discrete intervals throughout the hole. Analytical certificates for samples 51660 to 51816 listed in the drill log are not available.

NP-35

Location:	Iron Point Section 26	Date:	06/24/98 to 06/29/98
Company:	Newcrest Resources Incorporated	Contractor:	Eklund
Drill Type:	TH-100	Orientation:	vertical (-90°)
Target:	Unknown	Depth:	1,000 feet (304.8 meters)

Maximum concentrations of gold are noted for samples 51945 to 51946 collected at 5 foot (1.5 meter) intervals from 815 feet (248.4 meters) to 825 feet (251.5 meters) providing values of 215 ppb and 325 ppb Au, respectively, for a combined average of 270 ppb over 10 feet (3.0 meters) in rock described as a grainstone. According to the log samples contain trace to 15% disseminated pyrite from 515 feet (157.0 meters) to the bottom of the hole at 1,000 feet (304.8 meters). Related alteration includes silicification as with white quartz veinlettes (8 %). The remaining samples listed are at background concentrations that vary from 40 to 155 ppb Au. Certificates for samples 51817 to 51981 listed in the drill log are not available.

NP-39

Location:	Iron Point Section 26	Date:	06/24/98 to 06/29/98
Company:	Newcrest Resources Incorporated	Contractor:	Eklund
Drill Type:	TH-100	Orientation:	vertical (-90°)
Target:	Unknown	Depth:	900 feet (274.3 meters)

Maximum concentrations of gold are noted for samples 51488 to 51491 collected at 5 foot (1.5 meter) intervals from 280 feet (85.3 meters) to 300 feet (91.4 meters) provide values of 765 ppb, 450 ppb, 715 ppb and 675 ppb Au, respectively, for an average of 426 ppb (0.4 g/t) over a combined interval of 20 feet (6.1 meters). Alteration described at this depth includes silicification as white quartz veins, jasperoid and goethite. Remaining samples are at background concentrations that vary from 5 to 195 ppb Au. Analytical certificates for samples 51817 to 51981 listed in the drill log are not available.

NP-44

Location:	Iron Point Section 26	Date:	06/24/98 to 06/29/98
Company:	Newcrest Resources Incorporated	Contractor:	Eklund
Drill Type:	TH-100	Orientation:	vertical (-90°)
Target:	Unknown	Depth:	900 feet (274.3 meters)

There is no analytical data for this hole. Despite this, mineralization listed as trace to 1% fine disseminated pyrite is described more or less continuously for RC samples 53175 to 53220 collected at 5 foot (1.5 meter) intervals from 670 feet (204.2 meters) to 900 feet (274.3 meters). The hosting rock type is listed as siltstone. Related alteration described as *"intense"*, includes decarbonatization with oxidation as limonite and goethite. The log also lists sooty pyrite in fractures, and silicification consisting of veins and blocky or vuggy jasperoid in siltstone. Percentages listed indicated that the alteration comprises up to 80% of the rock in some intervals. Analytical certificates for samples 53083 to 53220 listed in the drill log are not present.

NP-45

Location:	Iron Point Section 26	Date:	06/24/98 to 06/29/98
Company:	Newcrest Resources Incorporated	Contractor:	Eklund
Drill Type:	TH-100	Orientation:	vertical (-90°)
Target:	Unknown	Depth:	1,000 feet (304.8 meters)

No analytical data is listed in the log for this hole. Analytical certificates indicate that gold concentrations vary from background concentration levels of 5 ppb to 125 ppb throughout the hole. Arsenic values geochemical data are elevated. RC collected at 5 foot (1.5 meter) intervals samples 53224, 53235, 53236 provide high arsenic concentrations of 1,025 ppm, 1,070 ppm and 1,385 ppm As, respectively. The high arsenic values occur with other arsenic elevated values that vary from 56 ppm As to 298 ppm As from 220 feet (67.0 meters) to 285 feet (86.8 meters). Related alteration is identified silicification. Sporadic trace disseminated pyrite is noted in isolated intervals throughout the hole. Alteration intensity is described as "*intense*" from 600 feet (182.9 meters) to the bottom of the hole.

NP-46

Location:	Iron Point Section 26	Date:	06/24/98 to 06/29/98
Company:	Newcrest Resources Incorporated	Contractor:	Eklund
Drill Type:	TH-100	Orientation:	vertical (-90)
Target:	Unknown	Depth:	1,000 feet (304.8 meters)

No analytical data is listed in the log for this hole. Analytical certificates are not available. Disseminated pyrite from trace amounts to 15% occurs from 445 feet (135.6 meters) to the bottom of the hole at 1,000 feet (304.8 meters) accompanied by varying amounts of silicification noted as trace amounts up to 60%. Related alteration includes decalcification, black carbonalteration, a local variety of alteration where the rock is altered to graphite, and oxidation. Alteration intensity is described as intense in discrete intervals of the hole.

Geological Setting

Nevada is situated in the Great Basin at the heart of the Basin and Range geological province of North America. The topography is characterized by elongate north-south trending arid valleys and mountain ranges, a geological setting that is similar to the horstand grabenseen in divergent plate boundaries such as the Mid-Atlantic Ridge or in failed rifting areas such as the Western Rift of the Great Rift Valley in East Africa.

Crustal attenuation across the Great Basin has left the crust exceptionally thin. It has been estimated that from the Sierra Nevada Range located just over the western border of the State in California and east to the Wasatch Range in central Utah the continental crust has stretched by approximately 50% during the last 40 Ma.

Prior to the recent period of tectonic extension and crustal thinning geological relationships indicate Nevada was situated within a subduction zone, a convergent tectonic setting similar to the western margin of South America. In this setting subducting oceanic crust situated west was moving eastward and being thrust beneath the continental margin. Exotic terrains moved east, riding into and colliding with the continent adding land mass to the margin and resulting in the accretion of California along the western edge of North America. Large thrust sheets developed and displaced eastward during Paleozoic to Mesozoic time resulting in the production of the Sierra Nevada and Wasatch mountain ranges.

The more recent period of extension and crustal attenuation has resulted in uplift estimated to be in excess of 1 km above sea level. Near surface brittle faulting has caused the crust to break into long blocks. At greater depths plastic deformation of the crust allows the blocks to tilt to form the mountain ranges. The result is the development of a sinuous roughly parallel series of north–south trending mountain ranges that are commonly 3.0 km (10 miles) wide and rarely more than 25 km (80 miles) in length which are separated by wide sedimentary basins. The edges of mountain ranges and basins contain a series of north–south trending normal faults referred to as range faults. Many of the faults are currently active, with major seismic events recorded during the past 1.6 Ma. The basins contain dry lake beds and playas filled with sediment derived from the erosion of surrounding mountains.

Regional

Rocks of Cambrian to Tertiary Age are exposed along the various mountain ranges in Humboldt County. Significant depths of unconsolidated Quaternary sediments occur along the flanks, and fill basins between the intervening mountain ranges. Age relationships among various formations that comprise the Basin and Range geological province in Nevada are understood generally, but cannot always be clearly defined in local areas.

The Cambrian, Ordovician, Mississippian, and Pennsylvanian formations that occur in the southeastern portion of Humboldt County consist dominantly of clastic sedimentary rocks intercalated with carbonate and mafic volcanic sequences. Permian sedimentary formations are more widespread than the older Paleozoic strata and consist dominantly of carbonates, sandstones, chert, shale, conglomerate and basic volcanic units. Triassic formations, widespread in the center of the County, occur as predominantly fine grained clastic units that contain appreciable amounts of quartzite and limestone near the base of Triassic. Significant thicknesses of these rocks occur above upper Late Triassic beds with the upper parts of local sequences interpreted as Jurassic. Cretaceous rocks include the sandstones, siltstones, conglomerates, and related dioritic intrusive bodies and quartz-bearing intrusive rocks occur throughout the County. It is suggested that some of these rocks are Early Tertiary.

Tertiary units in the Humboldt County region include both volcanic and sedimentary rocks. Identified Tertiary volcanics include rhyolite to dacitic tuffs and flows, rhyolitic necks and dykes, dacite stocks and plugs, basaltic flows and dykes, diabase dykes and an intrusion that has been described as “plug-like”. Sedimentary rocks include stream and lake deposits with conglomerates, sandstones, shales, mudstones and diatomaceous rocks that locally include units of pure diatomite and tuff.

Overburden identified as Quaternary includes unconsolidated deposits; landslides, gravel mounds, ancient stream channels, dissected alluvial fans, lacustrine deposits associated with Lake Lahontan, and windblown sand.

Rock structures observed in Humboldt County were generated by four or more periods of compressive stress followed by extension in the Late Tertiary resulting in the formation of north trending mountain ranges and normal faults. During the compressive phase Paleozoic rocks were intensely deformed during the Antler Orogeny in the Late Devonian and Early Mississippian and again during the Permian. Triassic rocks were deformed before the deposition of Cretaceous units subsequently deformed in the late Cretaceous or Early Tertiary.

By the Late Tertiary the change in the tectonic stress regime from compressive to extensive resulted in a structural inversion. During this period Basin and Range faults and normal folds related to regional extension were superimposed on the previous developed and complex structural patterns. The superposition of these many events of deformation and lack of continuous outcrop between mountain ranges tends to obscure the overall structural pattern.

Iron Point Property Geology

The Iron Point Property is located on the east flank of the Edna Mountains and extends into Pumpernickel Valley. Geology in the Property area is characterized by the presence of steeply dipping north-south trending shear structures that mimic the orientation of the Getchell Trend.

Several distinct litho-stratigraphic units have been identified during geological mapping on the Iron Point Property area including: the Cambrian Preble Formation, the Ordovician Valmy Formation, the Pennsylvanian Edna Mountain and Battle formations, the Pennsylvanian to Permian Highway Limestone, and the Antler Peak conglomerate and limestone. Local hill tops in the Iron Point Property area are capped by black basalt flows. Mapping by Erickson and Marsh (1974) indicates that the sequence of rocks comprises a “layer cake” stratigraphy that dips gently towards the west. This local stratigraphy is cut by east-west and north-south trending Cretaceous to Tertiary felsic to intermediate dykes. Outcrop in flat lying areas is scarce, but can be traced through subcrop. Most of the Property is covered by Quaternary colluvium, talus, and alluvium.

Stratigraphy

As the oldest member of the local stratigraphy the Preble Formation is exposed near the center of the Iron Point Property. Type exposures described 10 km east of Golconda consist dominantly of shale in the lower part, interbedded limestone and shale in the middle and shale in the upper part. Scattered beds of quartzite occur near the base of the formation. The shale is dominantly greenish to yellowish grey, occasionally brown and lighter on weathered surfaces. Some of the shale is described as calcareous in the upper part of the formation. Limestone in the Preble is light to dark grey and weathers bluish grey. It is recrystallized to a medium to coarse aggregate cut by white coarse crystalline calcite and brown chert veinlets and nodules that impart a rough surface on weathered outcrops. In the Iron Point Property, the Preble is present as greenish and yellowish grey phyllitic shale in subcrop. Limestone interbeds are observed in outcrop on the west side of the claims area.

Thomas (1993) assigned outcrops of chert, quartzite, and shale that lie unconformably beneath the Pennsylvanian Battle Formation to the Valmy Formation. In the northwestern part of the Battle Mountain Range the Valmy Formation has been divided into three members: the oldest consisting of mainly gray quartzite, chert, shale and some greenstone; the middle member is largely interbedded shale, chert and greenstone, with thick quartzite units at the base and top; and the youngest member consisting of chert, shale, and minor greenstone (Roberts, 1964). Along the western edge of the Iron Point Property the Valmy occurs in subcrop and outcrop as a dark black, fine grained, variably silicified shale to argillite.

The Early to Middle Ordovician Comus Formation is named for its exposure on the east front of Edna Mountain 8 km (5 miles) south of Comus a section station along the Western Pacific Railroad. It is also exposed along the east front and in the north part of the Osgood Mountains. The stratigraphic position of the Comus is unclear. A partial stratigraphic correlation has been made with the Valmy Formation on the basis of faunal evidence (Willden, 1964). Units included within the Comus include shale and phyllite along its unconformable contact with the underlying Preble, light to dark grey limestone with shale and shaly limestone interbeds, light grey to brownish grey platy to sandy dolomite, a grey to dark grey massive dolomite that interfingers with overlying green to grey shale, succeeded in turn by light gray to grayish black dolomite and finally a light grey to grayish brown limestone that contains shale and cert beds. Yellow to reddish well oxidized variably sheared, silicified and carbonate-altered exposures of Comus limestone are exposed in road cuts south of I-80 which are overlain by the Edna Mountain Formation further west in the Iron Point Property area. The Pennsylvanian Edna Mountain Formation is exposed along the east face of a hillside located on the Iron Point Property to the south of I-80. Where is it exposed discontinuously along the west flank of the Edna Mountain range, it has been described as a fine grained sandstone and quartzite that contain a few beds of limestone and calcareous sandstone that typically weathers dark brown (Willden, 1964). A few feet of conglomerate can be found near the base of the formation. Outcrops of the Edna Mountain Formation on the Iron Point Property can vary from a brown fine to medium grained calcareous sandstone to similar looking reddish brown to red variably oxidized and silicified rock.

At its type section location in the Battle Mountain Range, the Early Pennsylvanian Battle Formation is subdivided into three parts: a lower part consisting of medium to thick-bedded boulder to cobble conglomerate, deep red where unmetamorphosed; a middle part consisting of pebble and granule conglomerate interbedded with sandstone, shale, calcareous shale, and limestone; and an upper part composed of interbedded fine sandstone, pebble conglomerate, and shaly beds (Roberts and Arnold, 1965). On the Iron Point Property to the south of I-80 the Battle Formation occurs in subcrop and outcrop as a quartz-pebble conglomerate with white, rounded quartz pebbles surrounded by a red variably silicified and oxidized recrystallized calcareous matrix. At this location it has been thrust southward along the Iron Point Thrust over the Pennsylvanian Edna Mountain Formation (Erickson and Marsh, 1974).

The Pennsylvanian Highway Limestone has been described as a massive light grey limestone that can be cherty along its base and contains thin pebbly and sandy layers. It can be difficult to distinguish from the Antler Peak Formation except through a careful analysis of its faunal assemblages. It is separated from the Antler Peak Formation by a thin basal pebble conglomerate (Willden, 1964). It is considered to be broadly equivalent in age to the upper part of the Battle Formation (Ferguson *et al.*, 1952). In outcrop it has been described as yellowish grey to grey, fine grained and contains beds of quartz pebble conglomerate and sandstone that have a limey or calcareous matrix. In the northern portion of the Iron Point Property it is recognized as a light grey, fine grained variably recrystallized massive equigranular limestone, a unit that is considered a prospective unit for hosting gold at Iron Point.

Grouped with the Edna Mountain Formation in the Edna Mountain range, the Pennsylvanian Antler Peak Limestone is characterized as medium to coarse sandy limestone interbedded with a light to medium grey, thick-bedded to massive, distinctly granular limestone. The Antler Peak has been divided into a lower shale limestone member, a middle thick-bedded limestone member with local sandy and pebbly beds that form prominent cliffs in local areas, and an upper thin to medium bedded shale member (Willden, 1964). Outcrops observed on the Property occur as light grey, fine to medium grained variably recrystallized and silicified limestone interbedded with and along the base of the Edna Mountain Formation on the south side of the Iron Point Property claims. Elsewhere on the Iron Point Property it occurs as a grey to dark grey, medium to coarse bioclastic limestone that contains corals and fusulinids.

Subcrop and small outcrops of Cretaceous intrusive occur as North-South and west-northwest trending dykes on the Iron Point Property to the south of I-80. Erickson and Marsh (1974) have recognized two varieties, including a grayish green medium grained to porphyritic quartz diorite that trends north-south through the approximate centre of the Property, and a light brown to cream colored quartz porphyry that is intensely kaolinized with euhedral quartz and relic plagioclase and biotite phenocrysts. Subcrop and outcrop exposures are typically clay altered, the former as a grayish green, medium grained to porphyritic quartz diorite and the latter as light brown to buff-colored porphyritic rock with sericitized plagioclase phenocrysts.

Dark black basalt flows cap some of the local hillsides in the Iron Point Property claim area. Tertiary to Quaternary volcanic units south of Comus Siding near Iron Point Property have been identified and described as vesicular olivine basalt that is typically light to dark grey on fresh surfaces that weathers dark black (Willden, 1964). Exposures on local Iron Point Property hillsides were typically sooty black and contained columnar jointing. Descriptions from current mapping indicate that the basalt is dark green, fine to medium grained and vesicular.

Quaternary and younger unconsolidated sediments fill the valleys between mountain ranges. Gravel deposits include local landslides, mounds and benches of gravel surround the Edna Mountain range and occur immediately east of the Iron Point Property. Older alluvium occurs along the south end of the Osgood Mountains north of the

Humboldt River Valley in the north end of the Iron Point Property. It consists of dissected alluvial fan deposits and alluvium on some upland surface that developed prior to the current erosion cycle.

Structure

Structure in the Iron Point Property area is dominated by north-south trending faults. The property occurs near the intersection of the northeast-striking Humboldt Lineament and the Getchell Trend. North of the Iron Point Property, the Getchell Trend localizes several current and past-producing gold mines including: Getchell, Turquoise Ridge, Twin Creeks, Pinson and Preble that collectively contain over 26 million ounces of gold.

Paleozoic and Mesozoic strata in the area have been grouped into distinct structural terrains (Roberts, 1964; Crafford, 2000). At the Twin Creeks deposit, gold is hosted in an east-verging, overturned anticline developed within the Comus and Valmy Formations. The Preble deposit is located in the Osgood Block, where structure is dominated by west vergent, large and small scale polyphase deformation in contrast to the west verging folding that characterizes the Dutch Flats Terrain (Crafford, 2000).

In their map of the Iron Point Property region, Erickson and Marsh (1974) locate three north-south trending steeply dipping range faults in the vicinity of the Iron Point Property as local structures in the Cambrian and overlying rock units, noting that the Preble Formation and underlying Osgoode Mountain Quartzite are deformed into south plunging folds that are overturned to the west between these structures. The westernmost range faults occur along the range front at on the east side of the Iron Point Property. Steeply dipping north-south trending fault structures are associated with the occurrence of a doubly plunging anticline immediately east of the Iron Point Property west of the abandoned Silver Coin mine.

Erickson and Marsh (1974) indicate the timing of deformation along steeply dipping range front structures predate the deposition of the Battle Formation, and that related uplift may have provided source material to the formations. Roberts and Arnold (1965) note that Cretaceous dykes follow high-angle faults that strike north and northwest. The north-south trending altered quartz diorite dyke mimics the orientation of these structures on the Iron Point Property south of I-80. The Battle Formation, Highway Limestone and Antler Peak Limestone have ridden north over the Cambrian Preble Formation as a plate along the Iron Point Thrust Fault to the south of I-80. Significant alteration and anomalous gold and arsenic soil and rock values have been found in proximity to these structures on the Iron Point Property.

Alteration

Common varieties of alteration that accompany sulphidation and gold mineralization in Carlin-type gold deposits include decarbonatization and carbonatization, silicification, and argillic alteration. During mineralization in these deposits ore fluids that encounter calcareous wall rocks fluid rock chemical reactions dissolve carbonate (decarbonatization) alter other minerals to form clay (argillic alteration) precipitate silica (silicification) and finally redeposit carbonate (carbonatization) as the hydrothermal system becomes less dynamic and begins to cool. Oxidation can occur during the waning stages of hydrothermal activity as increasing amounts of oxygen enriched meteoric fluids are entrained into the hydrothermal system. During mineralization gold-bearing fluids that transport gold as bi-sulphide complexes reacted with iron dissolved from wall rock to precipitate submicron particles that can occur homogeneously throughout permeable rock and or as inclusions in trace element enriched pyrite. Gold-bearing arsenic-rich “arsenian” pyrite mineralization commonly occurs near silicified rocks (jasperoid) on argillic-altered rocks.

Common varieties of Carlin-style alteration were observed during recent exploration and during a visit by the author to the Iron Point Property. Silicification was common in limestone along the basal contact of the Edna Mountain Formation on an east facing hillside on Section 24. The silicification occurs along to the approximate trace of a north to northwest trending repeated vertical structures that host similarly silicified and brecciated rock over a 5 meter width along its length. An examination of Ordovician siliciclastic and carbonate rocks in Section 2 in the Iron Point area revealed alteration that included decarbonatization, strong oxidation, dolomite and silicification/quartz stringers in carbonate. Silicified and brecciated siliciclastic and carbonaceous chert to silicified mudstone was observed in the Ordovician Comus Formation exposed in Section 2 in the Iron Point Property. Oxidation, decarbonatization and silicification also occur in Comus silty limestone in Section 2. The alteration continues on strike to the north under basalt cover in the immediate area, following a north to south trending reverse fault with a north to northwest trending doubly - plunging footwall anticline developed in a sequence of silty carbonate rocks.

Deposit Types

Nevada has a mineral commodity-based economy. It leads the US in the production of gold, barite diatomite and gypsum and is currently the only state to produce magnesite, lithium and the specialty clays including sepiolite and saponite. Other commodities produced in the State include construction aggregate, geothermal energy, lime cement, silica, silver, clays, dolomite, perlite, dimension stone, salt, zeolite, semiprecious gemstone, mercury and petroleum. In 2005, Nevada ranked second in the production of non-fuel mineral production. However, Nevada's production of gold valued at US$3.0G (2005) positioned the USA as the world's second gold producer accounting for over 9% of global production. Only South Africa, Australia and China outpace the production of gold from Nevada in the global economy. The contributions of gold production from the state and other types of mining are significant in terms of the generation of employment, commercial activity, state and federal tax revenue, improvements to state infrastructure and the lowering of the currently burgeoning federal trade deficit in the USA.

The Carlin gold discovery in 1961 was one of the most significant events in Nevada mining history, and second only to the discovery of the Comstock Lode in the context of its historic importance to the State. Currently identified as the second largest gold deposit in the world, gold mineralization at Carlin was discovered when geologists began probing the high desert area around the Tuscarora Mountains in search of finely disseminated gold. By the summer of 1963 drilling had identified a 3-million-ounce deposit of sufficient size and tenure to justify a mine at a prevailing gold price of only US$35 an ounce. Newmont Mine's first open pit mine and oxide mill began production in 1965. As additional gold was discovered and new mines opened, the faulted terrain running northwest to southeast from the town of Carlin became known as the Carlin Trend an 80 km (50 mile) long, 8 km (5 mile) wide belt that contains more than 20 major gold deposits as one of the most prolific goldfields in the Western Hemisphere. Other mineralization-bearing trends have since been identified.

State production statistics indicate that in 2005 there were 24 major mines in operation with deposits along the Carlin Trend accounting for 50% of total production in the State of Nevada. At the same time, it was estimated that eight non-major mining operations on the Trend each produced over 100,000 ounces of gold from multi-million ounce gold deposits. Significant amounts of profit can be realized through the discovery of one of these deposits. The various geological trends that have been identified are excellent locations to explore for gold mineralization, and once an ore body is discovered and reserves are established, most of the production and processing infrastructure is already in place to implement an efficient mining operation.

Carlin-type Gold Deposits

Sediment-hosted Carlin-type gold deposits comprise a spectrum of different types of deposits that vary from tabular, stratigraphically controlled or formational as the "classic" Carlin-type deposits to structurally controlled lode deposits (Teal and Jackson, 2002). The most important common denominator of almost all Carlin-style gold deposits is their spatial proximity to the "trends" or litho-structural contacts and to Cambrian to Ordovician rock formations. In Humboldt County, it has been estimated that more than 90% of the mined gold reserves and much of the un-mined reserves occur either within Ordovician Formations or within a few hundred feet of the unconformable contacts between the Ordovician and older (Cambrian) or younger (Permo-Pennsylvanian) units. The highest grade gold mineralization in these deposits is often found along prominent low and high angle contacts.

Despite different host rock and deposit morphologies, common characteristics in Carlin-type gold deposits include the presence of microscopic gold, relatively high gold to silver ratios, geochemical correlations with elevated arsenic, antimony and mercury in rock and soil media, and comparatively low base-metal concentrations. Because gold occurs as small and often microscopic particles, rocks that do not contain any visible mineralization can contain multi-ounce gold concentrations. The “classic” tabular Carlin-type deposits occur in chemically reactive carbonate units in stratigraphic sequences. In the Humboldt and Elko county regions, stratigraphic units that contain the greatest frequency of deposits and proliferation of mineralization including the carbonate units associated with the Ordovician Comus Formation and the sequence of lithologies associated with the Pennsylvanian Antler Peak Formation. In contrast, structurally controlled mineralization in the less reactive siliciclastic units form deposits that are smaller and generally higher grade, like those that are found in the Ordovician Valmy Formation.

Gold deposits in the Comus and Antler Peak Formations are large like the 8.5 million oz Phoenix hosted by Antler Peak that structurally underlies the Cambrian Harmony and the Pennsylvanian Havallah sequence (Saderholm, 2006). Similar deposits within the Battle Mountain Trend include the Lone Tree at 4.7 million oz, Chimney Creek at 1.83 million oz and Marigold at 600,000+ oz (Skillings, 1990; Tingley, 2004; Graney and McGibbon, 1991). The Antler Peak Limestone also hosts gold skarn mineralization such as that found at the 2.4 million oz Fortitude mine (Tingley, 2004). Smaller tonnage Valmy Formation hosted deposits that include the Marigold which is 15 km southeast of the Iron Point Property. They also include Phoenex, a 1.49 million oz. gold resource, Trenton Canyon, a 8.5 million oz. reserve hosted in combined Antler and siliciclastic rocks, a 202,400 oz. resource from the combined Antler and Valmy formations and Trout Creek a 50,000 oz resource (Newmont Mining, 1999; Tingley, 2004; Glamis, 2005; Saderholm, 2006). Mineralization in these deposits occurs in both high-angle and low-angle (thrust fault) structures. In these settings brittle shattered non-reactive quartzite can preferentially host tabular deposits of gold mineralization.

Getchell Trend Gold Deposits

As one of the more recently discovered trends the Getchell hosts a variety of Carlin-type gold deposits. In the context of the Carlin model, the deposits along the Getchell trend occur in Paleozoic miogeoclinal carbonate sequences either structurally overlain by a siliciclastic sequence, either structurally as a eugeoclinal sequence or stratigraphically as a miogeoclinal sequence. The less permeable siliciclastic sequences focus the flow of hydrothermal solutions into underlying permeable and reactive rocks. As a result gold mineralization is localized at the intersections of a complex array of structures in permeable and reactive strata; the Cambrian Preble to Ordovician Comus and equivalent formations and in some cases younger carbonate sequences. (Bloomstein *et al.*, 1991; McLachlan *et al.*, 2000). As is the case with the great variety of Carlin-type gold deposits in Nevada, common mineralogy and geochemical features in the Getchell Trend deposits are a direct expression of similarities in the pressure, temperature, composition, and source of ore-bearing fluids during mineralization (Hofstra and Cline, 2000). The age of mineralization in the region has been tightly defined and generally accepted as late Eocene, 34 to 43 Ma ago (Hofstra *et al.*, 1999; Ressel *et al.*, 2000; Arehart *et al.*, 2003).

As one of the representative deposits along the Getchell Trend, the mineralization exposed in the open-pit at the Getchell deposit has many of the characteristics common to Carlin-style gold deposits throughout the region. The mineralization at Getchell either occurs either in, or in close proximity to the Getchell Fault a prominent normal fault that separates the Ordovician Comus Formation in the hanging-wall from the Cambrian Preble Formation in the footwall of the deposit. At Getchell, the gold mineralization in both formations is almost always located only a short distance away from the fault. Northeast of the Getchell deposit at Turquoise Ridge the same Cambro-Ordivician litho-structural controls on mineralization are also present. The Ordovician Comus Formation is the main ore host but gold can also be found in the underlying Cambrian Preble Formation. A low-angle contact between the Comus and Preble is interpreted as a possible thrust fault locally referred to as the Roberts Mountains Thrust. Gold occurs primarily above (but near) the Cambrian / Ordovician contact.

Elsewhere along the Getchell and in the Battle Mountain Trend, commonalities in the litho-structural occurrence of gold are also been noted in the Twin Creeks, Pinson, Vista, and Preble deposits. Located northeast of Getchell and Turquoise Ridge, reserves in the Twin Creeks Mega Pit are contained in the Ordovician Comus and Valmy formations. Drill data indicates that the Cambrian Preble Formation occurs at shallow depths beneath the pit. Important reserves in the Twin Creeks Mine are also found in the overlying Permian Etchart to Pennsylvanian Antler stratigraphic transition. Gold in the Vista occurs in a similar setting, located along the unconformable contact between the Ordovician Valmy Formation and Permian to Pennsylvanian Etchart Formation. Ore in the Vista deposit along the Battle Mountain Trend occurs either in the Valmy Formation or in overlying younger formations including the Etchart in close proximity to an Ordovician unconformity. At the Pinson to the south of Getchell along the Getchell Trend, gold occurs along imbricate thrusts characterized by repetition of Ordovician Comus and Cambrian Preble formations. Ore occurs in close proximity to litho-structural contacts with the highest gold grades in silicified jasperoidal zones along repeated low or high-angle fault contacts.

With the exception of the Pinson mine currently abandoned but still being actively explored (Newmont), deposits along the Getchell Trend are large million ounce gold mines that have been in production since the early sixties.

Mineralization

Ideal host rocks for Carlin Style gold mineralization are Ordovician ferroan carbonates proximal and accessible to the hydrothermal fluids that permeated the deep crustal Basin and Range structures. Carbonate formation in many deposits are often completely dissolved with all contained-iron almost completely sulphidized so that in some cases all that remains is gold-bearing arsenian pyrite. However, in many other cases gold-bearing rocks are completely devoid of sulphide and gold is present only as submicron sized inclusions and as such it is completely “invisible”. Under these circumstances, it is not uncommon for samples of light grey, fine grained homogeneous limestone, and silicified and oxidized limestone breccia with no apparent mineralization to host multiple ounce gold concentrations. Where gold and related sulphide mineralization and alteration occurs common accessories include quartz, calcite, orpiment, realgar, stibnite, and barite in variable proportions as open space fillings in fractures and pores, throughout the rock.

Carlin-style Gold Mineralization

Multiple events of fluid alteration and related mineralization have been documented in Carlin-style gold deposits. Pre-ore, gold ore and late ore-stage assemblages have been distinguished in Getchell ores (Cline, 2001). Early studies established a tentative link between Getchell gold mineralization and Tertiary volcanism indicating that porous arsenic pyrite was coincident with the richest ore (Joralemon, 1951). However, $^{40}Ar/^{39}Ar$ dating determined the main stage of gold mineralization was about 40 Ma older (Late Cretaceous) than the nearby arsenic mineral assemblage (Groff et al., 1997). In Getchell ore, the successive overgrowth of younger minerals on the euhedral faces of older minerals supports a continuous evolution of fluids from an ore stage through to a late ore stage. Petrographic features consistent with fluid inclusion data indicate that successive Pre-Gold, Ore-stage and Late-stage mineral assemblages precipitated from an aqueous fluid of consistent salinity and gas content at declining temperature. Within error, the 34 and 39 Ma ages determined for fluorite and galkhaite (a Rb-bearing silicate) at Getchell, and the 42 Ma ages determined for adularia at the nearby Twin Creeks deposit provide an Eocene age for gold mineralizing event in the region (Cline, 2001).

Iron Point Property Mineralization

At present, no visible gold or related sulphide mineralization has been noted on the Iron Point Property. However, gold has been sampled in outcrop on the Property and has been noted in sulphide mineralization intersected during previous drilling campaigns immediately to the east of the Iron Point Property. The latter occurrence has been described as historical information only, and as such is not considered to be NI 43-101 compliant.

The presence of elevated concentrations of gold has been confirmed by the Optionor’s personnel through rock chip sampling and soil geochemistry, work completed on the Property that has been verified by the author of the Technical Report (43-101 compliant). Grab Sample IP07-007 collected from an exposure of altered silicified limestone on Section 14 returned a gold concentration of 1.175 ppb (1.2 g/t).

The compilation of data and information in drill records by Santa Fe, Franco-Nevada, Newmont and Newcrest (non- 43-101 compliant) in Section 8.4 of the Technical Report and under Previous Drilling in this Prospectus, consistently indicate that altered and mineralized rock with anomalous gold concentration from detection limits to 0.5 g/t was intersected during the completion of drill program in the area.

To R. James Weick M.Sc. P.Geo.'s knowledge, no previous or current petrographic studies have been complete on rock specimens collected in the Iron Point Property claims area that contain elevated gold concentrations that would formerly establish the presence of micron-sized particles of gold in favorably altered gold-bearing rocks.

Exploration

NI 43-101 compliant exploration completed to date on the Iron Point Property under the Iron Point Property Option Agreement includes the completion of a gravity survey, geological mapping at 1:50,000 scale, and geochemical surveys including the collection of 661 soil samples, 187 mercury gas and soil pH samples and 52 rock (chip) samples. Detailed interpretations of the related data and information is ongoing and remains confidential and beyond the scope of the current Technical Report.

Gravity Survey

A detailed gravity survey was completed from March 9 to March 12, 2007 by Magee Geophysical Services LLC of Reno Nevada. During the survey, 684 new gravity stations were established at a station spacing of 150 meters. The gravity measurements were made by a three man crew using three La Coste and Romberg Model-G gravity meters. The related topographic survey was completed using a Trimble Real Time Kinematic ("**RTK**") and Fast-Static GPS. The survey was tied to a single absolute gravity base previously established at the Big Chief Motel during previous work in the area. Gravity data were processed and plotted according to Complete Bouguer Gravity specifications.

Preliminary interpretations of the faint north south linears may indicate the presence of deep seated range front structure in the Iron Point Property area.

Geological Mapping

Geological mapping on the Iron Point Property was completed by Becky Goddard B.Sc., the Optionor's project geologist for the Iron Point Property. The program was completed over a 22 day period from April 2 to May 24, 2007. Mapping was completed at 1:5000 scale in the context of the regional mapping already completed by Erickson and Marsh, (1974) in an effort to delineate lithology, structure and alteration in the Iron Point Property claims area. Geological mapping included the collection of 52 rock chip samples from subcrop and outcrop with favorable alteration and mineralization where exposed naturally and in prospect pits and trenches using a variety of chip sampling methods. Sample descriptions and assay certificates are provided in Appendix 2 Section A2.2. Concentrations of gold in the chip samples varied from < 0.005 ppb to 1.175 ppm (1.2 g/t). Anomalous concentrations were noted in 5 of the 52 samples collected with chip samples IP07-003 at 0.023 ppm Au, IP07-007 at 1.175 ppm Au (the maximum value), IP07-020 at 0.075 ppm Au, IP07-030 at 0.023 ppm Au and IP07-050 at 0.051 ppm Au. The Author of the Technical Report stated that a complete analysis of the data was beyond the scope of the Technical Report.

Geochemical Surveys

Geochemical surveys in the Iron Point Property area were completed by the Optionor's personnel over a 12 day period during the geological mapping program. Surveys completed include soil sampling, and testing for the presence of Hg vapor in soils as an indication of deep seated hydrothermal activity that could be associated with the presence of mineralization or shallower depths.

Soil Geochemistry

All soil samples were collected on 661 stations from B soil horizons on 100 meter grid stations. The grid established using a handheld GPS was designed to test overburden geochemistry in areas not underlain by Tertiary basalt. The soil survey was completed in April of 2007 over a two week period during the geological mapping program. Individual soil samples were collected by digging through the soil profile using a mattock.

The concentration of gold in soil samples was generally low with a few spot anomalies. Gold concentrations in soils varied from 0.001 ppm (detection limit) to 0.045 ppm for sample IPS-383 with the majority of samples below 0.010 ppm Au.

Mercury Soil Vapor Survey

All Hg soil vapor samples were collected on 100 meter grid stations on Section 14 [T. 35 N, R. 41 E] that were established using a handheld GPS. During the survey the Hg vapor in soils was measured from three holes 2 inches in diameter drilled to a depth of two feet. Its purpose was to trace structure in the immediate area. The resulting grid consisted of 187 sample stations localized over Tertiary gravels on east half of the southern claim block. The survey was completed over an eight day period in June after the geological mapping, rock sampling and soil geochemical surveys had been completed.

Drilling

To date, no drilling has been completed on the Iron Point Property under the Iron Point Property Option Agreement. Drilling, either Reverse Circulation (RC), Reverse Air Blast (RAB) or diamond coring (which will depend to some extent on the availability of equipment) has been planned as the next stage of exploration.

Sampling Methods and Approach

Several methods of rock sampling were used during geological mapping including horizontal chip, panel, and the collection of specific (grab) samples of favorably altered and mineralized rock. In all of the methods employed, care was taken to acquire uncontaminated representative samples.

Horizontal chip sampling was accomplished through the collection of rock chips across an interval or width. Panel sampling was completed by collecting representative samples of material within a specific area of subcrop or outcrop. Grabs were collected representative samples of favorable alteration at specific subcrop or outcrop locations.

During soil sampling, soil material collected from the B horizon in the soil profile was placed in labeled Kraft paper bags. During the survey care was taken during sampling to acquire uncontaminated representative B horizon material. On completion of the survey the soil samples were checked, sorted and allowed to dry (if necessary) before submission to the lab for analyses.

During the Hg soil gas survey, the three holes are drilled in a triangular pattern with a 2 inch diameter blade to a depth of approximately three feet. Collectors consisting of three 2 feet long by 2 inches diameter capped PVC pipes are installed and connected with one-half inch vinyl tubing connected in turn to a gas flow meter and an Ohio Lumex RA 915+ mercury analyzer. The collectors are placed in the holes, tamped into the ground. During the survey, 10 collectors are placed in advance to allow Hg gas sufficient time (~ one hour) to collect prior to analyses. Data is recorded on a Toshiba Toughbook portable computer connected to the mercury analyzer.

Rock chips cut during RC drilling are to be collected at 10 foot (3.1 meter) intervals. Samples collected from the core acquired during diamond coring will either be collected at a predefined interval throughout the core string and or at discrete intervals to sample favorable alteration and mineralization observed in the core.

Sampling methods and approach as described by the information provided by Miranda are standard procedures that have been adopted in a variety of similar projects at similar stages of exploration in this region of Nevada. The collection of rock samples from subcrop and outcrop were explained to the Author of the Technical Report at sampling sites, and if collected as described the samples are representative of bedrock and subcrop present at the sampling site. The soil samples were not described as they were collected, as descriptive data normally used to assess sample quality, nevertheless the Author of the Technical Report is satisfied based on an examination of the soil sites at the Iron Point Property that soils were collected consistently and as such can be considered unbiased and representative. The Author of the Technical Report has no experience in Hg soil gas surveys, but the method of gas collection described by Miranda personnel is consistent with those employed in other gold exploration projects. The Author of the Technical Report was able to examine rock chip samples collected during RC drilling at Miranda's offices in Nevada and is satisfied the samples were collected during drilling under the supervision of a qualified geologist.

To the author of the Technical Report's knowledge providing that samples were collected as represented by Miranda personnel there are no other factors that could have biased or influenced the quality or element concentrations in the samples that were collected on the Iron Point Property during recent exploration.

Sample Preparation, Analyses and Security

All rock and soil samples collected from the Iron Point Property were sent to ALS Chemex Laboratories Incorporated in Sparks, Nevada. Future samples including drill cuttings obtained during RC drilling and samples cut from core during diamond drilling are to be sent to the same laboratory. Duplicate samples as pulp rejects are sent from ALS Chemex to Inspectorate in Huston, Texas in accordance with standard quality assurance and quality control ("**QA/QC**") procedures. Standard rock sample preparation includes drying, crushing, splitting sorting and pulverizing. Samples are organized and labeled upon arrival at the lab. Drying involves placing the samples in drying ovens until they are completely dry. Crushing is usually accomplished by a jaw crusher. During preliminary crushing, approximately 75% of the sample is reduced to a -10 mesh size fraction. The sample is split using a riffle-splitter to a 250–300g aliquot; the remainder is bagged and stored as the coarse sample reject for further analysis, when required. The 250 – 300g aliquot is pulverized in a ring mill during which 98% of the sample is reduced to a -150 mesh size fraction ready for analyses.

Soil preparation includes drying and reducing the sample to a size fraction suitable for analysis. Soil samples that have been collected in Kraft paper sample bags are sorted, organized and labeled upon arrival at the lab. The samples are then dried in an oven kept at approximately 90°C until they are completed dry. The dried samples are then pounded with a rubber mallet to break up dried soil. The resulting material is passed through an 80 mesh screen and the -80 size fraction kept as the aliquot which is used for analysis. The +80 mesh fraction is generally discarded.

All rock, soil and cutting samples collected as part of the preliminary exploration associated with drill target selection and the preliminary drill testing of rocks in the Iron Point Property area are analyzed for a suite of 50 elements including the major, trace and Rare Earth Elements ("**REE**") and the gold volatiles: As, Bi, Hg, Sb, Se, and Te using ICPMS / ICPAES. Related analytical techniques include the whole rock package ME-ICP06 with carbon and sulfur to quantify major element concentrations, the ME-MS81 package for the REE and trace elements and the ME-MS42 package for the gold volatiles as described by ALS Chemex in the company's online brochure. In addition to the major, trace and REE concentrations all rock and soil samples are analyzed for gold using standard fire assay on a 30-gram sample with an atomic absorption (AA) finish.

It is the author of the Technical Report's opinion that the sampling and security protocols required for assessment work were followed during the previous exploration by the Optionor. All rock and soil samples were collected under the supervision of Rebecca Goddard, a qualified geologist under the supervision of Steven R. Koehler, P.Geo., B.Sc. Geology, a suitably Qualified Person (QP) as required by NI 43-101 of Canadian Securities Administration.

Internal checks as part of the normal analytical procedure at ALS Chemex Limited were also followed. During analyses at the facility sample blanks and standards are inserted into the sample stream. As work beyond the requirements of standard mineral assessment work internal check analytical and testing procedures were not reported and check assays were not completed, no corrective measures were implemented. Despite the shortcomings, it is the author of the Technical Report's opinion, that standard exploration sampling and security protocols were followed including the professional supervision of sample collection, the secure storage of all rock and soil samples, and the secure handling and transport of samples to laboratory facilities.

For consistency and in accordance with NI 43-101 requirements, standard sampling and security protocols will continue to be followed during exploration on the Iron Point Property including supervision by a professional geologist of sample collection during RC drilling, the secure storage of all rock, soil and core samples, and the secure handling and transport of all samples to lab facilities. In addition, sample pulps from the analyses will be sent back from ALS Chemex to Miranda personnel and then returned to the project site at which point analytical standards and duplicate pulp samples from previous analyses will be re-inserted into the sample stream to monitor analytical accuracy and precision. Check samples (1 in 20 or 30 samples) as pulp rejects will be shipped to a third party laboratory for analysis in accordance with standard QA/QC and NI 43-101 requirements.

Data Verification

For the purposes of data verification the Author of the Technical Report traveled to Elko Nevada to review pertinent geo-technical information and completed a day trip to the Iron Point Property on date, 2007. During the visit to the Iron Point Property, the author was accompanied by Rebecca Goddard B.Sc. staff geologist with Miranda Gold Limited. Data verification included a tour of the Property, including an explanation and examination of geological relationships, visits to several sampling sites and mineral and alteration occurrences and an examination of the proposed drill sites. Due to the presence of overburden much of the bedrock is not exposed, the examination of geological relationships was limited to what could be seen in outcrop in select areas of the property.

A location map showing Property tour sites is provided in Figure 3. Summary notes on observations during the visit to the Iron Point Property are provided as follows:

Site 1 and 2: Upon leaving I-80 through the Iron Point overpass the vehicle was parked near western terminus of alteration zone on the eastern half of the AbOvo 37-60 claim block near the center of Section 14. From the vehicle the party traveled northeast along the alteration zone to examine site where a rock chip sample had returned a 1.175 ppm (1.2 g/t) Au value from brecciated and silicified to jasperoidal rock in locally oxidized and silicified exposures of Highway limestone in contact with the Edna Mountain Formation gritstone. The gold occurrence was exposed in an east facing hillside in the southeast ¼ of Section 14. The presence of several soil sites in the immediate area was verified linking the presence of local alteration and high gold concentrations in rock to anomalous concentrations of gold, arsenic, mercury and antimony in soils. The abundant presence of local silicification and jasperoid in local rock exposures is consistent with the presence of northeast trending structure as indicated by recent geological mapping and geophysical data.

Site 3: From sites 1 and 2 continued west along road to the west to examine the local contact between Edna Mountain Formation and Battle Mountain Formation conglomerate on the eastern ½ of Section 14. The vehicle was parked on road and the party walked north along a saddle or topographic depression between two hills towards a low cliff that faced north towards I-80. A local northwest trending vertical clay-altered diabase dyke (1 to 2 m thick) in the underlying Edna Mountain Formation is interpreted as evidence of recent local hydrothermal alteration. Argillic alteration in the dyke consisted of *in situ*, dark green chloritic gouge. Dark brown to brick red, polymict, matrix supported pebble conglomerate as subcrop fragments of basal Battle Mountain Formation conglomerate are scattered throughout the immediate area. Matrix material in the conglomerate was highly oxidized and silicified as further evidence of potential hydrothermal activity along the base of the Battle Mountain and in the underlying Edna Mountain Formation Limestone silicified along the structures examined at Sites 1 and 2. Several picketed grid sites were present in the immediate area confirming the completion of the soil survey over this portion of the claims area. Soils in the immediate area contain slightly elevated gold concentrations in relation to normal background levels.

Site 4: The Property tour continued along a road to the east to examine alteration mineralization associated with fault structures in several outcrops along the northeast margin of AbOvo 37-60 immediately south of I-80 in the northeast corner of Section 14. At this location just outside the claim block boundary exposed outcrop consists of red to yellow, fine-grained, strongly oxidized carbonate ± sericite schist that contains mineralization consisting of 10 to 15 % and higher fine to medium-grained disseminated euhedral pyrite. As such the pyrite is probably not gold-bearing, but the local alteration is consistent with intense hydrothermal activity along the structure. Alteration in the outcrop is dominated by oxidation and minor carbonatization. Oxide minerals geothite and limonite are pervasively distributed throughout local shear structures as evidence of intense fluid activity along the structure. Shear structures in the outcrop are dominated by a north-south trending planar fabric that dips steeply east consistent with range front orientations related to the southern extension of the Getchell Trend further to the north.

Site 5: The Property tour continued along road and crossed I-80 back through the highway overpass and travelled north to claim block IP 1 – 34 to examine range front Tertiary basalt cap and range front structures along the east margin of Section 2. From site 5 where the vehicle was parked the party walked from road east to local promontory along eastern margin of the IP claim block looking east across desert toward the coal fired generating station. The basalt cap exposed in local hillsides consists of black, fine to medium grained basalt with hexagonal jointing that contained negligible to no alteration consistent with Carlin orogenetic models in which ascending fluids precipitate gold in structures within sedimentary units beneath basalt cap strata. Range front structures in the immediate area are present in escarpment faces as north-south trending steep east dipping strongly developed planar fabric. The structures consist of thrust panels that contain fold and doubly-plunging antiformal structures. Related alteration in the immediate area included local silicification and argillic (clay alteration) consistent with local hydrothermal activity.

Site 6: On the return trip from Site 5 to the highway the party stopped to examine local jasperoidal alteration and silicified vein systems on claim block AbOvo 121 to 140 on the east ½ of Section 10. At this location rocks exposed along a power line right-of-way contain crosscutting quartz and jasperoidal veins and pods described as local structural "blow outs related to intense hydrothermal activity in the Cambrian Comus / Preble Formation basement. The vein structures are interpreted as further evidence of an extensive local hydrothermal system in the Iron Point Property area. Several flagged sites were present confirming the collection of rock chips. Unfortunately gold had not been discovered in the immediate area (pers. com. R. Goddard).

In summary, the geological relationships that were examined during the visit to the Iron Point Property were consistent with those described on government maps of the area and in the assessment literature provided to the Author of the Technical Report by the Optionor. The presence of picketed soil grid sites and lines and flagged rock chip sample locations indicate the exploration work described by Miranda personnel was indeed completed on the Iron Point Property. According to Miranda's assessment reports geological, geochemical and geophysical exploration surveys were carried out and directly supervised by staff geologist Rebecca Goddard B.Sc. Geology under the direct supervision of Steven R. Koehler, P.Geo. B.Sc. Geology. In his capacity as the Senior Geologist of Miranda, Mr. Koehler is a suitably Qualified Person (QP) as required by NI 43-101 of the Canadian Securities Administration. The author has no reservations confirming that the geological relationships described are as stated, and that all work was completed and professionally executed by Miranda personnel in Iron Point Property claim block areas. The author is not aware or did not observe anything that could unduly influence or cause bias to the rock and soil samples collected in the Iron Point Property area during the exploration completed by Miranda.

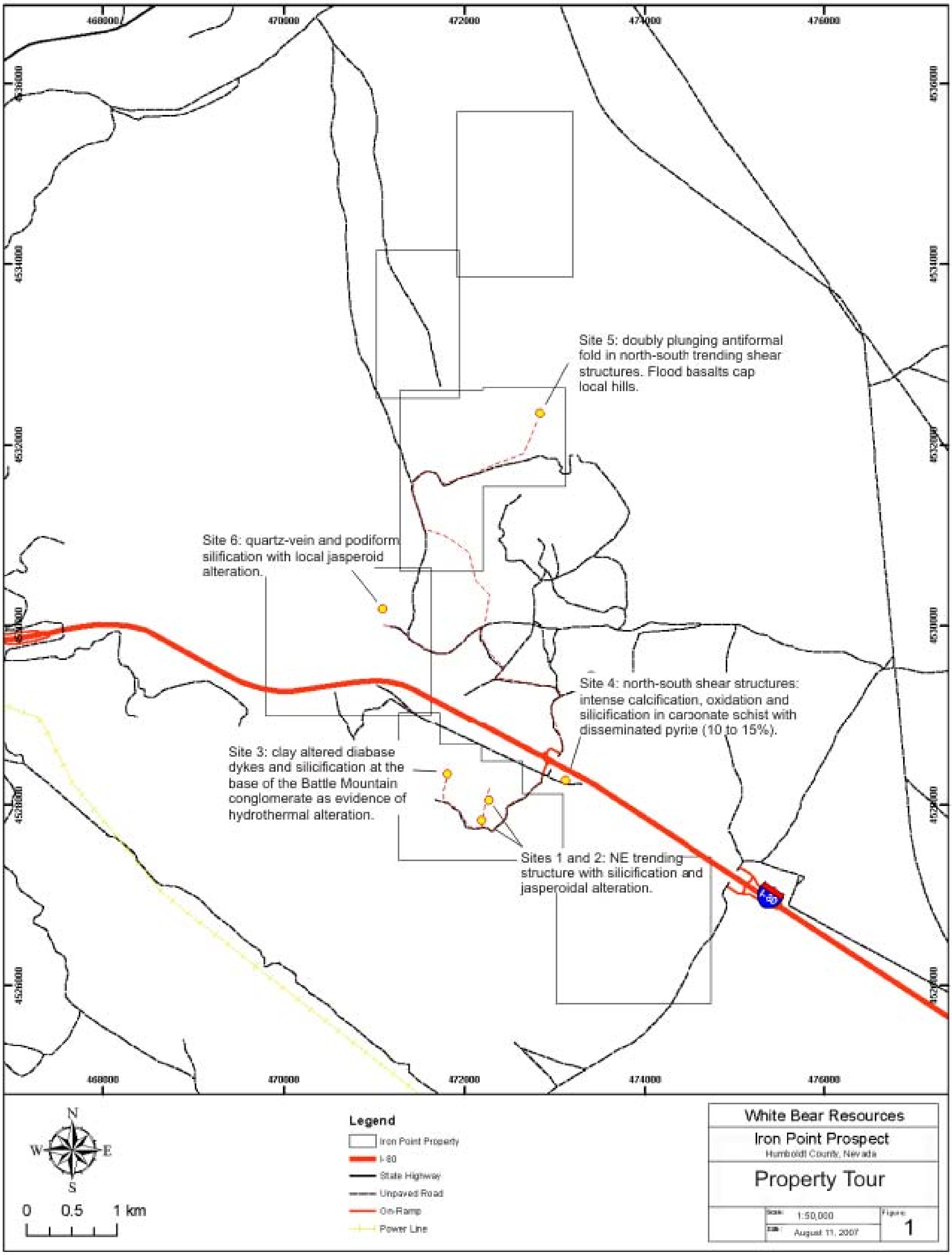

Figure 3: Route and Site Summary: Iron Point Property Visit August 11, 2007

Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical testing has been attempted by the Optionor on any of the samples collected from the Iron Point Property.

Mineral Resources and Mineral Reserve Estimates

No mineral resources or mineral reserve estimates have been completed by the Optionor on the Iron Point Property.

Other Relevant Data and Information

The timely completion of drilling and other exploration programs is a concern in the State of Nevada. Drill contractors, equipment and related labor are currently in short supply. Finding a contractor that is willing to complete smaller scale exploration contracts is becoming difficult. At this point in time, it is not unusual to have to delay the completion of exploration programs several months due to the current and increasingly acute shortage of drilling equipment and labor in the mining and exploration industry.

With the last significant economic downturn in the late 90's, many of the smaller drilling companies willing to provide services to exploration companies were forced out of business. Larger drilling companies were able to maintain capital, equipment and labor by working in local mines that were able to remain in production even during a period characterized by comparatively low commodity prices including gold and base metals. As a result many of the drilling contractors in the state are no longer available or willing to bid on smaller projects. Larger companies prefer large drilling contracts and are reluctant to provide services to the small contract exploration market. The mines that contract the larger companies offer incentives including, footage bonuses, the assumption of liability for equipment wear and damage, crew accommodation and the provision of infrastructure and services that support and facilitate drilling activities.

Ramifications for the exploration industry are significant. In the short term exploration projects are being delayed by several months or more. In the long term the entire mining industry in Nevada is at risk. Exploration and discovery is required to find and replace the reserves that are being depleted through mining to produce the ore required to maintain existing infrastructure, mines and ore processing facilities.

In the context of the size of the exploration project that is currently being proposed at the Iron Point Property, it may be difficult in the short term to find a drilling contractor.

Interpretations and Conclusions

Although numerous exploration programs have been completed by various companies along the Getchell Trend, much of the work has not been documented. As a result, even though the exploration that has been completed is described as being extensive, the Iron Point Property area may have been largely overlooked. Most of the exploration that has been completed in the Iron Point area has focused on exploring the range front to the east through drilling. The claims currently held as the Iron Point Property has received minor exploration work in comparison.

Aside from the work recently completed by the Optionor, and the historical information that is available (most of which is non-43-101 compliant), R. James Weick M.Sc. P.Geo. is not aware of any systematic or detailed geological, geochemical or geophysical surveys that have been completed in the Iron Point Property claims area. Results of the airborne magnetic and regional gravity surveys (non-43-101 compliant) received by the Optionor, while useful, are regional in extent and not sufficiently detailed to provide a reliable indication of the litho-structural trends and alteration on the Iron Point Property that is currently under investigation by the Optionor's personnel.

The lack of publicly available documentation on commercial exploration in Nevada is problematic in the context of planning and implementing systematic exploration programs. Due to the proprietary nature of existing data and information, there is no third party verification of the drilling that has been completed on the Iron Point Property and throughout much of Nevada for that matter. The historic information received by the Optionor includes geochemical data that is not supported by assay certificate. With the exception of the exploration completed in the late 1990's by Newcrest that could be verified if the source of the information was authenticated and supporting analytical certificates were available most of the exploration data and information received and presented by Miranda regardless of quality cannot be considered 43-101 compliant.

Despite deficiencies in the information available for the Iron Point Property area and the Property, R. James Weick M.Sc. P.Geo. has no reason to question the validity or accuracy of existing data or information. The data and information that has been provided has been documented with care, is not overstated, is objective and has been prepared by qualified geological and geotechnical professionals that have worked for a variety of mining companies throughout the region. In its present context, in the author's opinion the Iron Point Property could represent a comparatively untested area located along the south extension of the Getchell Trend. As such it is felt there is good potential for the discovery of significant Carlin-style gold mineralization in the area.

After a visit to the Iron Point Property, it can be stated with some confidence that the Iron Point Property has many of the necessary stratigraphic and structural elements prospective for the occurrence of Carlin-style mineralization. The Ordovician Valmy and Comus formations as well as the Pennsylvanian Highway and Antler Peak limestone formations and related sedimentary successions are present. Stratigraphic components include the presence of the Cambro-Ordovician unconformity known to be associated with the occurrence of an estimated 90% of Carlin-type gold deposits. Necessary structural elements include deep-seated north-south and northwest trending vertical faults similar to ore controlling structures at the Getchell and Carlin deposits. Other structures include an east-west trending fault offset, a doubly-plunging antiformal structure along the east margin of the Property that extends north and southeast under Tertiary basalt in the northern and southern claim blocks and a north-directed thrust that has placed Battle Formation conglomerate over the Edna Mountain Formation on the AbOvo claim south of I-80.

In addition to the litho-structural elements favorable to the occurrence of mineralization, there are alteration types on the Property that are known to be associated with the occurrence of gold in this region of Nevada. The north-south trending dyke and an east-west trending dyke on the Iron Point Property mimic local structural orientations, as evidence of continued intrusive activity along local structures. The clay alteration along the north south trending dyke is potential evidence of late stage post Tertiary hydrothermal activity that may be related to Eocene gold mineralizing event. Silicification occurs as veining and jasperoid, oxidation is extensive and decarbonatization and carbonatization are noted along structure along as the same varieties of alteration known to occur in close proximity to the gold mineralization intersected during Newcrest drilling (non-43-101 compliant) and in close proximity to Carlin-style mineralization elsewhere. The interpretation of detailed gravity data and the presence of mercury soil vapor anomalies tentatively support the existence of deep seated structures.

Rock chip sampling has indicated gold enrichments that vary from detection limits to a high of 1.175 g/t. The maximum value occurs in the vicinity of interpreted structures and structural intersections. Gold in soils varies from detection limits to 0.045 ppm. A general lack of significant gold enrichment in soils, though several spot enrichments are noted, should not deter the completion of a drilling campaign to test structure and alteration in the Iron Point Property area. As a non-reactive element in a desert setting (dry) gold is not easily mobilized from rock to soil. Gold bearing strata and structure are capped by basalt in the Iron Point Property area. Formational Carlin-style gold mineralization is known to occur at low concentrations, making it less likely that a significant soil anomaly will be present. The existing soil data is based on the completion of sampling at 100 meter grid spacings only and as such could have easily missed significant anomalies. Follow-up detailed work with tighter grid spacings should be completed in areas with soil anomalies to improve data resolution. Detailed geochemical survey in conjunction with geological and geophysical work could enhance the selection of drill target in the Iron Point Property claims area.

Recommended Exploration

Detailed geochemistry in conjunction with drilling is recommended to test favorable stratigraphic and structural elements and alteration identified during current exploration on the Iron Point Property. Detailed geochemical surveys should be completed on flagged or picketed 25 meter grid spacings at locations where rock and soil gold enrichments have been detected. Detailed soil surveys could also be completed and in areas where there is favorable alteration along structure. The detailed geochemical work should be completed prior to drilling to facilitate the accurate detection of drill targets.

Testing for formational gold mineralization through Reverse Circulation drilling near geochemical anomalies is a high priority for future exploration at Iron Point Property. Relatively cheap reverse-circulation Air Blast completed on grid spacing may prove to be an inexpensive alternative to RC to test for the presence of blind alteration cells and related mineralization beneath Tertiary basalt cover. An alternative target would be to locate one or more of the mineralized feeders or stockwork alteration zones within, beneath or adjacent to formational mineralization. If this type of mineralization is detected, diamond coring could be used to obtain a complete permanent lithological, structural, and alteration record as an alternative to the shallow depth RC and RAB drilling.

Proposed Exploration: Drilling Targets

Six drill target areas have been identified by ¼ Section in the Iron Point Property claims area (see Figure 4). The exact location of each of the proposed holes will depend on detailed geological mapping and geochemistry prior to drilling. Terrain is not expected to be a problem since most of the Property area is flat and is accessible by desert road. Adequate testing of the currently proposed targets will required the completion of approximately 10,500 feet (3,200 m) of drilling. The current scarcity of drill equipment and labor may influence the selection of drilling equipment and methods used to test the planned drill targets. The drilling allocated to individual targets is currently estimated at 1,500 feet (457 m) and may have to be modified to meet the total footage requirement, the nature of individual targets, the equipment used and results generated during drilling. RC and RAB are typically shallow drilling formational testing methods. A priority listing and description of the proposed targets is provided in the section that follows.

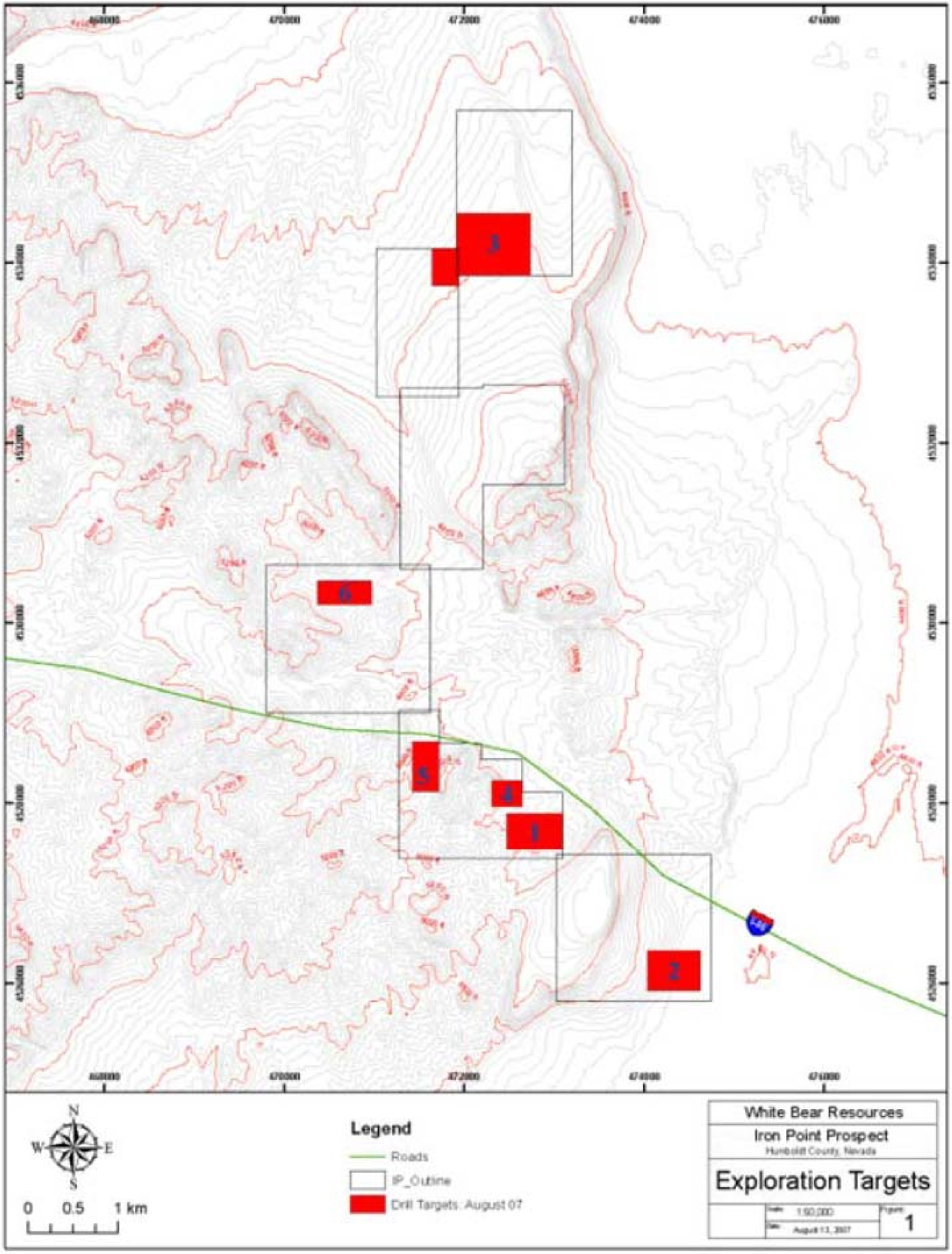

Figure 4: Iron Point Property Proposed and Prioritized Drill Targets to the Nearest $^{1}/_{4}$ Section

<u>AbOvo Claims (37 - 60): Southeast ¼ of Section 14</u>

Local exposures of Highway limestone and Edna Mountain Formation gritstone are oxidized and silicified along an east facing hillside in the southeast ¼ of Section 14. Rock chip sampling at this location returned a 1.175 ppm (1.2g/t) Au value from brecciated and silicified to jasperoidal rock in Highway Limestone carbonate.

Soil sample analyses in the immediate area yield high concentrations of gold, arsenic, mercury and antimony. Geological mapping and geophysical data suggest the presence of a fault intersection between a north-south, and a northwest trending fault.

Drilling in this ¼ Section will test for gold and pathfinder enrichments at the intersection of these structures. RC is the preferred method of drilling. The orientation of the hole will depend on detailed mapping completed prior to setup. Footage is currently estimated at 1,500 feet (457 m).

<u>JTK Claims: Southeast ¼ of Section 24</u>

Previous Franco Nevada (IRN hole series) and Santa Fe Pacific Gold Corporation drill data indicated the presence of thick and continuous zones of elevated gold from 30 ppb to greater than 100 ppb (non-43-101 compliant). Related pathfinder elements, arsenic, antimony and mercury are also high in this location. During previous drilling the Cambro – Ordovician contact was interpreted to be east of drill hole IRN-9. RC drill hole IRN-7 intersected the Edna Mountain Formation as favorable gold-bearing strata. Results of the mercury soil vapor survey reveal an increase in mercury values proximal and to the southeast of the location of IRN-9 indicating potentially the presence of hydrothermal activity at depth consistent with the presence of a structure.

Drilling at this location will test for gold and pathfinder enrichments along the structure. The projection of mapped contacts and structures will be used to locate the hole prior to drilling. RC is the preferred method of drilling. Hole orientation will depend on the results of the projection. Footage is currently estimated at 1,500 feet (457 m).

<u>MIP and AbOvo (103 – 120) Claims: Northeast ¼ of Section 26 and East ½ of Section 34</u>

The location is underlain by Tertiary basalt flows. Newcrest RC drill hole NP-34 in section 26, intersected 70 feet of 0.012 oz/t gold at this location related mineralization remains open to the north-northeast and extends south into the east ½ of Section 34 (non-43-101 compliant). It is thought that at this location Tertiary basalt covers a north-south trending graben fault that contains Cambro - Ordovician unconformable contacts. Santa Fe drill hole DIP-7 intersected a 130 foot zone that contained 220 ppb gold (non-43-101 compliant). The zone remains open to southwest.

Drilling would test for gold and pathfinder enrichments beneath the Tertiary cover. RC is a preferred method of drilling, but RAB drilling on a grid pattern could be better suited to testing for the presence of anomalous gold and pathfinder concentrations in short holes beneath the basalt cover. Hole orientations are vertical. Footage is currently allocated at 1,500 feet (457 m) but may be split between several set-ups for optimal coverage especially if RAB drilling is employed.

<u>AbOvo (121 - 140) Claims: Northeast ¼ of Section 14: Target 1</u>

The target has been generated from the data recently collected during the Optionor's 2007 field season. Interpretations of gravity data and geological mapping indicated the presence of another of a north-south trending, northwest trending fault intersection. Local alteration includes strongly oxidized and weakly decalcified and silicified favorable host rocks including the Highway Limestone, Edna Mountain and Comus formations. Analysis of soil samples from the immediate area yielded high concentrations of gold, arsenic and antimony.

Drilling would test for the presence of the structure and gold and pathfinder enrichments. The projection of contacts and structures from recently completed geological mapping will be used to accurately locate the hole. RC is the preferred method of drilling. Hole setup will depend on current analysis of local contact and structure orientations. Depth to completion is currently estimated at 1,500 feet (457 m).

AbOvo (121 - 140) Claims: Northeast ¼ of Section 14: Target 2

In addition to Target 1 (defined above), geological mapping also reveals a large north-south trending dyke interpreted as a possible horst / graben margin at this location. Gravity data also indicates the presence of an intersecting northwest trending fault. Elevated gold and mercury in soil values coincide with the intersection of the dyke and the fault. Subcrop fragments of the Highway Limestone, the Battle Mountain and Comus formations contain pervasive silicification, moderate to strong hematization, limonization, and argillic alteration.

Drilling would test for gold and pathfinder suite enrichments along the contact of the dyke and at its intersection with the fault. RC is the preferred method of drilling. Non-vertical hole orientations are anticipated to test near vertical contacts and structures. Depth to completion is currently allocated at 1,500 feet, but the footage could be split between two or three set-ups to maximize testing of the structure.

AbOvo (121 - 140) Claims: Northwest ¼ of Section 10

Bedrock at this location is partially covered by Quaternary alluvium. Interpreted geophysical data indicates the intersection of northwest trending and east-west trending faults. Limestone exposures include jasperoid “pillars” which jut out of the alluvium. Outcrops in the immediate area include exposures of Antler Peak Limestone and Conglomerate, Edna Mountain gritstone and Highway Limestone. An isolated coincident gold and mercury soil anomaly is located in the immediate area.

Drilling at this location would test for gold and pathfinder enrichments in the immediate area. RC is the preferred method of drilling. RAB drilling on a grid pattern might be better suited to testing for the presence of anomalous gold and pathfinder concentrations over a broader area. Vertical drill hole orientations are planned. Depth to completion is currently allocated at 1,500 feet (457 m) but footage could be split between two or three set-ups to maximize coverage.

Expenditures

Expenditures incurred by the Company to date on the Iron Point Property including the costs of yearly claim maintenance, geological mapping, geophysical surveys and geochemical surveys are currently estimated at US$194,822.26. The cost of the proposed drilling project is currently estimated at US$471,897.80. A breakdown of the current expenditures and costs of the proposed drilling program are provided in the sections that follow.

Completed Exploration Expenditures

Expense Item		**(US Dollars)**	**(US Dollars)**
Analytical work	Assays and Analysis	$38,948.88	
	Subtotal	$38,948.88	$38,948.88
Consulting and Contracting	Geotechnical Field Crew	$2,673.60	
	GIS Consulting	$1,470.00	
	Geologist - Rebecca Goddard	$17,100.00	
	Geologist - Other	$14,040.50	
	Drafting	$720.00	
	Subtotal	$36,004.10	$36,004.10
Exploration	Surveying	$915.00	
	Subtotal	$915.00	$915.00
Field Expenses and Mileage	Field Expenses and Mileage	$5,832.89	

	Subtotal	$5,832.89	$5,832.89
Field Support and Consumables	Consumables – Fields	$5,257.38	
	Consumables - Office	$148.95	
	Consumables - Edibles	$764.90	
	Subtotal	$6,171.23	$6,171.23
Property Maintenance / Land	Claim Fees	$23,779.00	
	Bonding	$15,000.00	
	Lease Payments	$10,000	
	Subtotal	$48,779.00	$48,779.00
Salaries		$14,571.18	
	Subtotal	$14,571.18	$14,571.18
Data Acquisition	Gravity data	$27,090.00	
	Subtotal	$27,090.00	$27,090.00
Professional Fees	Legal Fees	$162.50	
	Management Fees	$16,347.48	
	Subtotal	$16,509.98	$16,509.98
	Total Completed Exploration Expenditure		**US$194,822.26**

Proposed Drilling Project Cost Estimate

Yearly Claim Maintenance		(US Dollars)	(US Dollars)
County Fees		$1,513.00	
BLM		$22,355.00	
McCusker Option Payment		$10,000.00	
	Subtotal Claim Maintenance Fee	$33,868.00	$33,868.00
Drill Site Preparation and Construction			
Drill Pad/Road Construction		$20,000.00	
BLM Bond (Reclamation)		$15,000.00	
	Subtotal Drill Construction	$35,000.00	$35,000.00
Geological Personnel			
Project Geologist	US$450/day, 24 days	$10,800.00	
Assistant Geologist	US$195/day, 24 days	$4,680.00	
Travel to Iron Point Property (Geologists)	US$0.65/mil @ 400 miles/day, 24 days	$6,240.00	
	Subtotal Personnel	$21,720.00	$21,720.00
Geochemical Surveys			
Soils	500 samples @ US$28.60/sample	$14,300.00	
Rock Chip Samples	50 samples @ US$28.60/sample	$1,430.00	
	Subtotal Geochemical Surveys		$15,730.00

Drilling-Reserve Circulation

Mobilization and Demobilization	(Travel return to property)	$13,000.00	
Drill setup and break down	US$395/hour, 12 hours (2 hours per site)	$4,740.00	
234 days drilling-576 hours	US$395/hour, 24 day (576 hours)	$227,520.00	
Subsistence Charge (drill crew)	US$60 /man /day for 6 men, 24 days	$8,640.00	
Water Hauling	US$85/hour, 24 days, 1 hour/day	$2,040.00	
Water Purchase-Lump Sum		$1,000.00	
Drill Consumables (mud, gels, bits)		$40,000.00	
	Subtotal Drilling Costs	$296,940.00	$296,940.00

Geochemical Analysis

Assays (5' RC intervals)	US$28.60/sample, 900 samples	$25,740.00	
	Subtotal Geochemical Analysis	$25,740.00	$25,740.00
Miranda Management	10% of total cost	$42,899.80	
	Subtotal Management Fee	$42,899.80	$42,899.80
	Total Estimated Cost of Proposed Drilling Project		**US$471,897.80**
	Estimated Total Footage		10,500 feet
	Total Project Cost per Drilling foot		US$44.94
	Cost of Drilling (only) per foot		US$28.28

USE OF PROCEEDS

Proceeds and Funds Available

The net proceeds to be received by the Company from the Offering (after deducting the Agent's Commission) will be $810,000. Together with the working capital of the Company as at May 31, 2008 of approximately $595,736, the Company will have available funds of $1,405,736.

Principal Purposes

The Company intends to use the available funds on completion of the Offering as follows:

	Offering
To pay the balance of the costs of the Offering (1) (2)	$80,000
To pay the balance of the CF Fee (3)	$10,500
To conduct the recommended exploration program on the Iron Point Property (4)	$478,316
General and administrative expenses for the next 12 months (1) (5)	$114,000
Unallocated general working capital	$722,920
TOTAL:	$1,405,736

(1) Estimated.
(2) The Company has already paid $15,000 of its expenses of the Offering.
(3) The CF Fee consists of $25,000 (plus GST). The Company has already paid $15,000 (plus GST) of the CF Fee.
(4) The recommended exploration program is estimated at US$471,898, and this number has been converted using the Bank of Canada noon rate for Canadian dollars on June 24, 2008 of USD$1.00 = CAD$1.0136. See "Property of the Company – Proposed Drilling Project Cost Estimate" for details.
(5) See "Administration costs" for details.

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. The Company will only redirect the funds to other properties, if identified by the Company and on the basis of a recommendation from a professional geologist or engineer. If such event occurs during distribution of the securities offered under this Prospectus, then an amendment to this Prospectus will be filed.

ADMINISTRATION COSTS

The estimated administration costs of the Company to achieve its stated business objectives for the 12 month period following completion of this Offering are an aggregate of $114,000 with an average monthly cost of $9,500. An estimated breakdown of these costs is as follows:

	Monthly	**Yearly**
Management fees:	$5,000	$60,000
Rent, utilities and office supplies:	$1,000	$12,000
Travel:	$500	$6,000
Transfer agent and regulatory fees:	$1,000	$12,000
Professional fees:	$1,500	$18,000
Miscellaneous:	$500	$600
TOTAL:	$9,500	$114,000

PLAN OF DISTRIBUTION

Pursuant to the agency agreement dated ♦, 2008 (the "**Agency Agreement**"), the Company has appointed the Agent as its exclusive agent to offer for sale to the public in the Offering Jurisdictions and elsewhere permitted by applicable law, an aggregate of 3,000,000 Shares at the Offering Price of $0.30 per Share for gross proceeds of $900,000. This Prospectus qualifies the distribution of the Shares to the Purchasers in the Offering Jurisdictions. The Offering Price of the Shares offered hereby has been determined by negotiation between the Company and the Agent.

Pursuant to the terms of the Agency Agreement, the Company has engaged the Agent as its exclusive agent for the purposes of the Offering, and the Company, through the Agent, hereby offers for sale in the Offering Jurisdictions to the public under this Prospectus, on a commercially reasonable efforts basis, the Shares to be issued and sold under the Offering at the Offering Price. The Agent reserves the right, at no additional cost to the Company, to offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers and investment dealers who may or may not be offered part of the Commission or Agent's Option derived from the Offering.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion on the basis of its assessment of the state of the financial markets and upon the occurrence of certain stated events. Subscriptions for the Shares offered hereby will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Closing of the Offering will occur on such day, following the Offering Date, as agreed to by the Company and the Agent. The Offering Date is expected to be a date to be agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for this Prospectus or any amendment thereof, unless an extension thereof has been granted by the applicable regulatory authorities. If subscriptions in aggregate equal to the Offering are not received within 90 days after the date of issue of the receipt for this Prospectus or any amendment thereof (the "**Subscription Deadline**"), all subscription funds will be returned to the Purchasers promptly without interest or deduction. Subscription proceeds will be held by the Agent pending Closing. Certificate(s) evidencing the Shares will be available for delivery to the Agent at Closing.

Pursuant to the Agency Agreement, the Agent will be paid a Commission in cash equal to 10% of the gross proceeds received from the sale of the Shares sold pursuant to the Offering. The Commission shall be paid from the gross proceeds of the Offering.

In addition, the Company has also agreed to pay the Agent the CF Fee of $25,000 plus GST in consideration of corporate finance structuring and administrative services provided by the Agent. The Company has paid $15,900 (including GST) of the CF Fee to the Agent and the balance of the CF Fee will be paid to the Agent at the Closing of the Offering from the proceeds of the Offering. As well, the Company has agreed to pay the Agent's reasonable expenses and the fees and expenses of its legal counsel and has paid to the Agent a non-refundable retainer of $15,000 plus GST for initial assessment and legal fees in connection with the Offering.

The Company has also agreed to grant to the Agent and its sub-agents, if any, the Agent's Option to purchase up to that number of Agent's Option Shares equal to 10% of the number of Shares sold under the Offering. Each Agent's Option entitles the Agent to purchase one (1) Common Share of the Company at a price of $0.30 per Agent's Option Share until the close of business on the date that is 24 months from the Closing Date. This Prospectus qualifies the grant of the Agent's Option. The Agent's Option will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Agent's Option Shares to be issued upon exercise of the Agent's Option upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Company's Common Shares, the payment of stock dividends and the amalgamation of the Company.

In addition, for a period of one (1) year from the Listing Date, the Agent shall be provided with the exclusive right and opportunity to lead any offering of securities of the Company to be issued and sold to the public in Canada by private placement or public offering or to provide professional, sponsorship or advisory services performed (or normally performed) by a broker or investment dealer.

The Company has applied to list the Common Shares distributed under this Prospectus on the Exchange. Listing is subject to the Company fulfilling all of the listing requirements of the Exchange.

The securities offered under this Prospectus have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and except pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws, may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person (as that term is defined in Regulation S under the U.S. Securities Act). This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America. While the Company does not currently intend to apply to list or quote any of its securities on the Alternative Investment Market of the London Stock Exchange or the PLUS Markets operated by PLUS Markets Group plc, the Company may elect to do so in the future should the Company determine it to be in its best interests.

DIVIDENDS OR DISTRIBUTIONS

There are no restrictions in the Company's articles or pursuant to any agreement or understanding which could prevent the Company from paying dividends or distributions. To date, we have not paid nor declared any dividends on our outstanding Common Shares. The future payment of dividends will be dependent upon the financial requirements to fund further growth, our financial condition, and other factors that the Company's Board of Directors may consider important. The Company does not contemplate paying any dividends in the immediate or foreseeable future, and typically junior resource companies do not pay dividends.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table sets forth selected financial information with respect to the Company as at and for the three-month period ended January 31, 2008, for the year ended October 31, 2007 and for the period from inception on May 25, 2006 to October 31, 2006. The selected financial information has been derived, except where indicated, from the audited financial statements and from the interim financial statements for the periods indicated, which are unaudited. The following should be read in conjunction with the said financial statements and related notes that are included elsewhere in this Prospectus, and the "Management Discussion and Analysis". The annual financial statements and the interim financial statements are presented in Canadian dollars and are prepared in accordance with Canadian Generally Accepted Accounting Principles.

Selected Annual and Quarterly Information

Statements of Operations and Deficit Information

	Three Months Ended January 31, 2008 (Unaudited) ($)	**2007** (Unaudited) ($)	**Year Ended October 31, 2007** (Audited) ($)	**Period from Inception on May 25, 2006 to October 31, 2006** (Audited) ($)
Total revenues	Nil	Nil	Nil	Nil
General and administrative expenses	(33,943)	(22,026)	(107,275)	(27,074)
Future income tax provision	Nil	Nil	7,900	Nil
Net (loss) income for the period	(30,687)	(22,026)	198,039	(27,063)
(Loss) income per share – basic and diluted	(0.00)	(0.01)	0.04	(0.02)

Balance Sheet Information

	Three Months Ended January 31, 2008 (Unaudited) ($)	**Year Ended October 31, 2007** (Audited) ($)	**Period from Inception on May 25, 2006 to October 31, 2006** (Audited) ($)
Total assets	1,557,998	1,419,511	348,980
Mineral property interests	656,846	539,491	216,194
Equipment	4,272	4,497	5,621
Deferred finance costs	30,000	30,000	Nil
Total financial liabilities	57,708	54,034	39,292
Shareholder's equity (net of deficit)	1,500,290	1,365,477	309,688
Cash dividends declared – per share	Nil	Nil	Nil

General

The Company is principally engaged in the acquisition and exploration of mineral properties. The principal property is the Iron Point Property. The Company has other non material properties in early stage exploration, the Angel Wings Project and the Newfoundland and Labrador Properties. During the period from inception on May 25, 2006 to October 31, 2007, the Company entered into the Iron Point Property Option Agreement pursuant to which the Company can acquire a 60% interest in the Iron Point Property. The Company has also entered into various other property option agreements and has acquired properties in the Province of Newfoundland and Labrador. See “Business of the Company” and “Property of the Company”. The Company does not currently have any operating properties and has no history of earnings. The Company is an exploration stage company and has produced no revenues to date. As such, the Company has financed its activities primarily through the sale of Common Shares in private placement transactions as more particularly described below under “Capital Resources and Liquidity”. The Company is currently seeking to have its Common Shares listed on the Exchange.

During the period from incorporation to October 31, 2007, the Company expended a total of $179,098 on the Iron Point Property representing $38,150 for acquisition costs and $140,948 for exploration costs. No additional expenditures were incurred on the Iron Point Property for the year ended October 31, 2007. Subsequently, as of January 31, 2008, the Company expended an additional $49,221 on the Iron Point Property, representing $25,000 in acquisition costs and $24,221 for exploration costs. Upon completion of the Offering, the Company intends to expend approximately US$471,898 on the Iron Point Property to complete the recommended exploration program. See “Property of the Company – Recommendations”.

The Company’s fiscal year end is October 31. As at October 31, 2007, there were a total of 10,000,001 Common Shares issued and outstanding and as at January 31, 2008 and the date of this Prospectus, there are 10,700,001 Common Shares issued and outstanding.

Results of Operations

Period of Incorporation on May 26, 2006 to October 31, 2006

During the period from inception on May 25, 2006 to October 31, 2006, the Company had no revenue, earned interest income of $11 and had incurred a net loss of $27,063, represented by general and administrative expenses comprised of $244 for amortization, $177 for bank charges and interest, $12,500 for management fees, $1 for office expenses, $12,793 for professional fees and $1,359 for travel costs.

Year Ended October 31, 2006 to Year Ended October 31, 2007

During the year ended October 31, 2007, the Company had no revenue, earned interest income of $124, had a gain on sale of marketable securities of $313,090 and had a net income of $198,039. The Company incurred general and administrative expenses in the amount of $107,275 comprised of $1,124 for amortization, $803 for bank charges and interest, $2,000 for consulting fees, $30,000 for management fees, $1,544 for office expenses, $63,971 for professional fees, $1,100 for transfer agent and filing fees and $6,733 for travel costs.

Year Ended October 31, 2007 to Three Months ended January 31, 2008

For the three months ended January 31, 2008, the Company had no revenue, earned interest income of $3,256 and incurred a net loss of $30,687. The Company incurred general and administrative expenses of $33,943, which was comprised of $225 for amortization, $147 for bank charges and interest, a foreign exchange gain of $14,246, $282 for transfer agent and filing, $15,000 for management fees, $2,323 for office fees, $19,225 for professional fees and $10,987 for travel costs.

Capital Resources and Liquidity

The Company is in the exploration stage and has no revenue or income from operations. The Company anticipates that the estimated net proceeds of the Offering will be adequate to satisfy our operating expenses and capital requirements as planned for at least twelve months. The Company’s future capital requirements will depend upon many factors including, without limitation, the results of our exploration programs and commodity prices for precious metals. The Company has limited capital resources and has to rely upon the sale of equity securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the

Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. It follows that there can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company. See “Risk Factors”.

As of October 31, 2007, the Company had working capital of approximately $791,4899. From the date of incorporation to October 31, 2007, the Company issued 9,950,001 Common Shares for gross cash proceeds of $1,204,501. In addition, the Company issued 100,000 Common Shares as partial payment for the acquisition of the Iron Point Property and 50,000 Common Shares as partial payment for the acquisition of the Labrador Trough Claims Property. The proceeds from the financings were used to fund the acquisition of its mineral properties and for working capital purposes. Subsequent to the year ended October 31, 2007 and as of January 31, 2008, the Company issued 500,000 Common Shares for gross cash proceeds of $75,000, 100,000 Common Shares as partial payment for the acquisition of the Iron Point Property, 100,000 Common Shares as partial payment for the acquisition of the Angel Wings Project and 50,000 Common Shares as partial payment for the acquisition of the Labrador Trough Claims Property.

On May 25, 2006 the Company issued one (1) Common Share for gross cash proceeds of $1.00. On August 23, 2006, the Company issued 3,750,000 Common Shares to Principals of the Company for gross cash proceeds of $37,500. On December 20, 2007 the Company increased the offering price of 1,875,000 of the Common Shares previously issued to Principals of the Company on August 23, 2006 to $0.05 for gross cash proceeds of $93,750. The offering price of the remaining 1,875,000 of the Common Shares remained at $0.01 for gross cash proceeds of $18,750, thereby making the total proceeds for this offering $112,500. On August 30, 2006, the Company issued 262,000 Common Shares for gross cash proceeds of $39,300. On September 13, 2006 the Company issued 50,000 Common Shares as property payment. On July 4, 2007 the Company issued 200,000 Common Shares for gross cash proceeds of $30,000. On July 11, 2007, the Company issued 3,743,000 Common Shares for gross cash proceeds of $561,450. On July 12, 2007 the Company issued 100,000 Common Shares as property payment. On October 5, 2007 the Company issued 1,125,000 Common Shares for gross cash proceeds of $281,250. On October 24, 2007 the Company issued 720,000 Common Shares for gross cash proceeds of $180,000. On November 8, 2007 the Company issued 500,000 Common Shares for gross cash proceeds of $125,000. On November 8, 2007 the Company issued 150,000 Common Shares for property payment. On November 22, 2007 the Company issued 100,000 Common Shares for property payment. Accordingly, as at the date hereof, the Company has 10,700,001 issued and outstanding Common Shares.

On ♦, 2008, the Company entered into the Agency Agreement with the Agent, and the Agent agreed to act as agent for the Company regarding the Offering. See “Plan of Distribution”. Other than as described under “Business of the Company, “Property of the Company”, “Use of Proceeds” and “Administrative Costs”, the Company does not have any commitments for material expenditures over either the near or long term and none are presently contemplated over normal operating requirements. The Agent’s Commission, the CF Fee, the estimated expenses of the Offering of approximately $80,000 and the estimated general and administrative costs to be incurred during the following twelve months of $114,000 will be paid from the available working capital as at the date of this Prospectus and the proceeds from the sale of the Shares. After giving effect to these expenditures, planned expenditures to advance the mineral claims and other anticipated expenses (see “**Use of Proceeds**”), it is expected that unallocated working capital will be approximately $722,920 if the Offering is completed.

Off Balance Sheet Arrangements

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.

Transactions with Related Parties

During the period ended January 31, 2008, the following related party transactions occurred:

(a) The Company paid $7,500 in management fees to a director and officer of the Company;

(b) The Company paid $7,500 in management fees to a corporation owned by a director and officer of the Company;

(c) The Company paid $6,000 in professional fees and $2,000 in office administration fees to a director of the Company;

(d) The Company accrued $5,000 in professional fees to a firm in which an officer of the Company is a partner;

(e) The Company had an accounts payable of $25,000 of professional fees owing to a firm in which a director and officer of the Company is a partner; and

(f) The Company had an accounts receivable of $982 owing from a director and officer of the Company.

During the year ended October 31, 2007, the following related party transactions occurred:

(a) The Company paid $30,000 in management fees to a director and officer of the Company;

(b) The Company paid $19,217 in professional fees to a director and officer of the Company;

(c) The Company accrued $20,000 in professional fees to a firm in which a director and officer of the Company is a partner; and

(d) the Company had an accounts payable of $20,000 in professional fees owing to a in which a director and officer of the Company is a partner.

During the period from incorporation on May 25, 2006 to October 31, 2006, the Company paid $12,500 in management fees to a director and officer of the Company.

Changes in Accounting Policies including Initial Adoption

Capital Disclosures

Effective November 1, 2007, the Company implemented the new CICA Handbook Section 1535 “Capital disclosures”. The section specifies the disclosure of (i) an entity’s objectives, polices, and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with an capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This new Section relates to disclosures and did not have an impact on the Company’s financial results.

Accounting Changes

Effective November 1, 2007, the Company implemented the new CICA Handbook Section 1506 “accounting changes”. Under these new recommendations, voluntary changes in accounting policy are permitted only when they result in the financial statements providing reliable and more relevant information. This section requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and requires enhanced disclosures about the effects of change in accounting policies, estimates and error on the financial statements.

These recommendations also require the disclosure of new primary sources of generally accepted accounting principles that have been issued that the Company has not adopted because there are not yet in effect.

The impact that the adoption of this section will have on the Company’s financial statements will depend on the nature of future accounting changes.

Recent accounting pronouncements

General standards for financial statement presentation

The CICA has amended Handbook Section 1400 "General standards of financial presentation", effective for periods beginning on or after January 1, 2008 to include requirements to assess and disclose the Company's ability to continue as a going concern. The adoption of this new section is not expected to have an impact on the Company's financial statements.

Goodwill and Intangible Assets

The AcSB issued CICA Handbook Section 3064 which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. The section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008 and is not expected to have an impact on the Company's financial results.

International financial reporting standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Financial Instruments and Other Instruments

Financial instruments of the Company consist of cash and equivalents, investments, receivables and accounts payables and accrued liabilities. The Company limits exposure to credit loss by placing its cash and cash equivalents with high credit quality financial institutions. At January 31, 2008, the Company held all of its cash funds in the Company's interest bearing account at BMO Bank of Montreal located at 595 Burrard Street, Vancouver, British Columbia.

The carrying amounts of cash and equivalents, investments, receivables and accounts payable and accrued liabilities approximate their values due to the short-term nature of these instruments.

The Company incurs certain of its expenditures related to the Iron Point Property and Angel Wings Property in United States dollars, and as such, is exposed to currency risk due to fluctuations in exchange rates. The Company does not undertake significant hedging activities to reduce its exposure to this risk.

Additional Disclosure for Venture Issuer, or IPO Venture Issuers without significant revenue

The following table sets out a breakdown of all material components of certain costs to the Company for the period from incorporation on May 25, 2006 to January 31, 2008:

Period Ended January 31, 2008	Newfoundland and Labrador Properties	Labrador Trough Claims, Newfoundland and Labrador	Iron Point Property, Nevada	Angel Wings Property, Nevada	Total
Balance, October 31, 2007	$ 192,886	$ 77,500	$ 179,098	$ 90,007	$ 539,491
Acquisition costs					
Additions:					
Cash paid (refunded)	(41,300)	-	-	-	(41,300)
Shares	-	12,500	25,000	25,000	62,500
Exploration costs					
Consulting	5,000	-	-	-	5,000
Sampling and other	-	-	24,221	66,934	91,155
Balance, January 31, 2008 (Unaudited)	$ 156,586	$ 90,000	$ 228,319	$ 181,941	$ 656,846

Year Ended October 31, 2007	Newfoundland and Labrador Properties	Labrador Trough Claims, Newfoundland and Labrador	Iron Point Property, Nevada	Angel Wings Property, Nevada	Total
Balance, October 31, 2006	$ 168,694	$ 47,500	$ -	$ -	$ 216,194
Acquisition costs					
Additions:					
Cash	8,426	30,000	23,150	31,642	93,218
Shares	-	-	15,000	-	15,000
Option payments received	(36,000)	-	-	-	(36,000)
Exploration costs					
Consulting	42,759	-	-	-	42,759
Travel	5,777	-	-	-	5,777
Sampling and other	3,230	-	140,948	58,365	202,543
Balance, October 31, 2007	$ 192,886	$ 77,500	$ 179,098	$ 90,007	$ 539,491

Period from Incorporation On May 25, 2006 to October 31, 2006	Newfoundland and Labrador Properties	Labrador Trough Claims, Newfoundland and Labrador	Total
Acquisition costs			
Additions:			
Cash	$ 141,630	$ 40,000	$ 181,630
Shares	-	7,500	7,500
Exploration costs			

Consulting	11,000	-	11,000
Travel	1,297	-	1,297
Sampling and other	14,767	-	14,767
Balance, October 31, 2006	$ 168,694	$ 47,500	$ 216,194

Additional Disclosure for Junior Issuers

As set out in the section entitled "Use of Proceeds", the Company anticipates having general working capital of $722,920 following completion of the recommended exploration program on the Iron Point Property and after meeting the budgeted administrative costs for the next 12 months of $114,000.

Other than as disclosed in this Prospectus, the Company does not anticipate incurring any other material capital expenditures during the 2008 calendar year. Assuming that US$200,000 in exploration is expended on the Iron Point Property prior to November 22, 2008, as required under the Iron Point Property Option Agreement, the Company presumably will have achieved one of its material stated business objectives which is to determine whether the Iron Point Property is highly prospective for gold and whether the results of the initial exploration program warrants the Company carrying out further work on the Iron Point Property.

If the results of the exploration program do not warrant the Company incurring further exploration expenditures, then the Company anticipates that it would have sufficient funds to meet its budgeted administrative costs for another two calendar years. However, if a further work program is recommended on the Iron Point Property, then the Company may be required to raise additional funding to carry out additional exploration programs on the Iron Point Property. In addition, should the opportunity to acquire other mineral exploration properties be presented to the Company, whether located in North America or elsewhere, then the Company would have to determine the appropriate method of acquiring those properties. In the event that Shares could not be used to acquire the said properties, then the Company would have to look to raise further capital. See "Risk Factors".

Outlook

For the coming year, the Company's priorities are to complete the Offering, list its Common Shares on the Exchange and to complete the proposed exploration program on the Iron Point Property.

The Company will review the results of the exploration program to determine whether the Option on the Iron Point Property should be retained and whether a further exploration program is warranted.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common Shares

The Company is authorized to issue an unlimited number of Common Shares without par value, of which, as at the date hereof, 10,700,001 Common Shares are issued and outstanding as fully paid and non-assessable. The Company is also authorized to issue an unlimited number of non-voting common shares, of which no shares have been issued and an unlimited number of preferred shares, of which no shares have been issued. The holders of Common Shares are entitled to dividends, if, as and when declared by the board of directors, to one vote per share at meetings of shareholders of the Company and, upon liquidation, to receive such assets of the Company as are distributable to the holders of the Common Shares. All of the Common Shares to be outstanding on completion of this Offering will be fully paid and non-assessable. There are no pre-emptive rights or conversion rights attached to the Common Shares. There are also no redemption or purchase for cancellation or surrender provisions, sinking or purchase fund provisions, or any provisions as to modification, amendment or variation of any such rights or provisions attached to the Common Shares.

The holders of non-voting common shares are entitled to dividends, if, as and when declared by the board of directors and, upon liquidation, to receive such assets of the Company as are distributable to the holders of the non-voting common shares. There are no pre-emptive rights or conversion rights attached to the non-voting common shares. There are also no redemption or purchase for cancellation or surrender provisions, sinking or purchase fund provisions, or any provisions as to modification, amendment or variation of any such rights or provisions attached to the non-voting common shares.

The holders of preferred shares shall be entitled, on the liquidation or dissolution of the Company, whether voluntary or involuntary, or on any other distribution of its assets among its shareholders for the purpose of winding up its affairs, to receive, before any distribution is made to the holders of Common Shares and non-voting common shares or any other shares of the Company ranking junior to the preferred shares with respect to the repayment of capital on the liquidation or dissolution of the Company, whether voluntary or involuntary, or on any other distribution of its assets among its shareholders for the purpose of winding up its affairs, the amount paid up with respect to each preferred share held by them, together with the fixed premium (if any) thereon, all accrued and unpaid cumulative dividends (if any and if preferential) thereon, which for such purpose shall be calculated as if such dividends were accruing on a day-to-day basis up to the date of such distribution, whether or not earned or declared, and all declared and unpaid non-cumulative dividends (if any and if preferential) thereon. After payment to the holders of the preferred shares of the amounts so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Company, except as specifically provided in the special rights and restrictions attached to any particular series of preferred shares. All assets remaining after payment to the holders of preferred shares as aforesaid shall be distributed rateably among the holders of the Common Shares and non-voting common shares. Except for such rights relating to the election of directors on a default in payment of dividends as may be attached to any series of the preferred shares by the directors, holders of preferred shares shall not be entitled, as such, to receive notice of, or to attend or vote at, any general meeting of shareholders of the Company.

Agent's Options

The Agent's Options are non-transferable. Each Agent's Option entitles the holder thereof to acquire one Common Share at an exercise price of $0.30 per Common Share for a 24 month period from the Closing Date. The agreement representing the Agent's Options will contain provisions for the appropriate adjustment in the class, number and price of Common Shares issuable under such options upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Company's Common Shares, the payment of stock dividends or the Company's amalgamation with another entity.

CONSOLIDATED CAPITALIZATION

The capitalization of the Company as at October 31, 2007, as at the date of this Prospectus and after giving effect to the Offering is as follows:

Designation of Security	Authorized	Outstanding As At October 31, 2007 (Audited)	Outstanding As At The Date Hereof (Unaudited)	Outstanding After Giving Effect To The Offering[(1)]
Common Shares	unlimited	9,950,001	10,700,001	13,700,001
Non-voting common shares	unlimited	Nil	Nil	Nil
Preferred shares	unlimited	Nil	Nil	Nil
Incentive Stock Options [(2)] [(3)]	Nil	Nil	Nil	850,000
Agent's Options [(4)]	300,000	Nil	Nil	300,000

Notes:

(1) Does not include the Agent's Option Shares issuable upon exercise of the Agent's Option. See "Plan of Distribution" and "Share Capital – Prior Sales".

(2) Pursuant to the Company's Stock Option Plan, the number of the Company's Common Shares reserved for issuance will be a maximum of 10% of the issued and outstanding share capital of the Company at the date of grant. See "Options to Purchase Securities".

(3) The Company granted 850,000 incentive stock options on March 25, 2008 which will expire five years from the Listing Date. See "Options to Purchase Securities".

(4) The Company will issue 300,000 Agent's Options to the Agent upon Closing. The Common Shares issuable upon the exercise of the Agent's Options are not reflected in these figures.

The Company has no long term liabilities.

OPTIONS TO PURCHASE SECURITIES

All of the proposed grants of stock options to purchase Common Shares (as summarized below) have been authorized and are contingent upon the Company obtaining a listing on the Exchange:

Optionee	Number of Common Shares Under Options	Exercise Price Per Common Share	Grant Date	Expiry Date
All executive officers and directors of the Company (4 persons)	850,000	$0.30	March 25, 2008	Five Years from Listing Date
TOTAL:	**850,000**			

All of the options listed in the table above were authorized pursuant to the Company's Stock Option Plan (the "**Plan**") subject to the completion of this Offering and commencement of trading on the Exchange.

The Plan was adopted by the Company's board of directors on February 4, 2008. The purpose of the Plan is to advance the interests of the Company and its stockholders by attracting, retaining and motivating selected directors, officers, employees, consultants and management company employees of the Company of high caliber and potential and to encourage and enable such persons to acquire an ownership interest in the Company. The Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance under the Plan may not exceed 10% of the issued and outstanding shares of the Company from time to time. The number of Common Shares which may be reserved in any 12 month period for issuance to any one individual upon exercise of all stock options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company. The number of Common Shares which may be reserved in any 12 month period for issuance to any one optionee engaged in investor relations activities may not exceed 2% of the issued and outstanding Common Shares of the Company. The Plan provides that options issued to optionees performing investor relations activities will vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period.

The Plan will be administered by the board of directors of the Company, which will have full and final authority with respect to the granting of all options thereunder. Options may be granted under the Plan to such directors, officers, employees or consultants of the Company, if any, as the board of directors may from time to time designate. Options may also be granted to employees of management companies providing management services to the Company. The exercise price of any options granted under the Plan shall be determined by the board of directors, but may not be less than the market price of the Company's shares on the Exchange on the date of the grant (less any discount permissible under Exchange rules). The term of any options granted under the Plan shall be determined by the board of directors at the time of grant but, subject to earlier termination in the event of death, the term of any options granted under the Plan may not exceed five years (ten years if the Company becomes a Tier 1 Issuer under Exchange Policies). If desired by the Board, options granted under the Plan may be subject to vesting. Options granted under the Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. Subject to certain exceptions, in the event that a director or officer ceases to hold office, options granted to such director or officer under the Plan will expire 90 days after such director or officer ceases to hold office. Subject to certain exceptions, in the event that an employee, consultant or management company employee ceases to act in that capacity in relation to the Company, options granted to such employee, consultant or management company employee under the Plan will expire 90 days after such individual or entity ceases to act in that capacity in relation to the Company. Options granted to optionees engaged in investor relations activities on behalf of the Company expire 30 days after such optionees cease to perform such investor relations activities for the Company. In the event of death of an option holder, options granted under the Plan expire one year from the date of the death of the option holder.

The Board may from time to time, subject to regulatory approval, amend or revise the terms of the Plan.

PRIOR SALES

Since the date of incorporation to the date of this Prospectus, the Company has issued the following Common Shares:

Date of Issue	Number of Common Shares	Price Per Common Share ($)	Payment Method	Total Issue Price ($)
May 25, 2006	1 (1) (3)	$1.00	cash	$1.00
August 23, 2006	1,875,000 (2) (3)	$0.01	cash	$18,750.00
	1,875,000 (2) (5) (6)	$0.05	cash	$93,750.00
August 30, 2006	262,000 (2)	$0.15	cash	$39,300.00
September 13, 2006	50,000	$0.15 (deemed)	Property Option (7)	$7,500.00 (deemed)
July 4, 2007	200,000 (2)	$0.15	cash	$30,000.00
July 11, 2007	3,743,000 (2) (4)	$0.15	cash	$561,450.00
July 12, 2007	100,000	$0.15 (deemed)	Property Option (8)	$15,000.00 (deemed)
October 5, 2007	1,125,000 (2)	$0.25	cash	$281,250.00
October 24, 2007	720,000 (2)	$0.25	cash	$180,000.00
November 8, 2007	500,000 (2)	$0.25	cash	$125,000.00
November 8, 2007	150,000	$0.25 (deemed)	Property Option (7)(8)	$37,500.00 (deemed)
November 22, 2007	100,000	$0.25 (deemed)	Property Option (9)	$25,000.00 (deemed)
TOTAL	**10,700,001**			

Notes:
(1) Incorporator's Share.
(2) These Shares were issued pursuant to various private placements. See "Management's Discussion and Analysis – Capital Resources and Liquidity".
(3) These Shares are subject to escrow restrictions. See "Escrowed Securities and Securities Subject to Contractual Restriction on Transfer".
(4) 655,000 of these Common Shares are subject to escrow restrictions. See "Escrowed Securities and Securities Subject to Contractual Restriction on Transfer".
(5) On December 20, 2007 the price of 1,875,000 shares were increased from $0.01 to $0.05 per share for a total of issue price of $93,750.
(6) 450,000 of these Common Shares are subject to escrow restrictions. See "Escrow Securities and Securities Subject to Contractual Restriction on Transfer."
(7) These Shares were issued pursuant to the Labrador Trough Claims Option Agreement dated September 13, 2006 as amended May 13, 2008.
(8) These Shares were issued pursuant to the Iron Point Property Option Agreement dated November 22, 2006.
(9) These Shares were issued pursuant to the Angel Wings Agreement dated May 15, 2006.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrowed Securities

In accordance with National Policy 46-201 - Escrow for Initial Public Offerings ("**NP 46-201**") and Exchange Policy 5.4 – Escrow, Vendor Consideration and Resale Restrictions, all common shares of an issuer owned or controlled by its Principals will be escrowed at the time of the issuer's initial public offering, unless the shares held by the Principals or issuable to the Principals upon conversion of convertible securities held by the Principals collectively represent less than 1% of the total issued and outstanding shares of the issuer after giving effect to the initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer".

Uniform terms of automatic timed-release escrow apply to principals of exchange-listed issuers, differing only according to the classification of the issuer. As the Company will be classified as an "emerging issuer" by virtue of being listed on Tier 2 of the Exchange, the following automatic timed releases will apply to the securities held by its Principals:

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	The remaining escrow securities

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the Listing Date, with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

The automatic time release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each principal's escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the Listing Date, the Company meets the "established issuer" criteria, as set out in NP 46-201, the escrow securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario, that number of escrow securities that would have been eligible for release from escrow if the Company had been an "established issuer" on the Listing Date will be immediately released from escrow. The remaining escrow securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the Listing Date.

As at the date hereof, the following Common Shares of the Company are held by, and are subject to the terms of an the Escrow Agreement dated April 4, 2008 among these Principals, the Company and the Escrow Agent:

Name	**Designation of Class of Securities**	**Number of Shares Held in Escrow**	**Percentage of Issued Shares at the date of this Prospectus**	**Percentage of Issued Shares on Completion of the Offering**[(1)]
Byron K. Coulthard	Common Shares	750,001[(2)]	7.0%	5.5%
Cyrus Driver	Common Shares	500,000[(3)]	4.7%	3.4%
James Clucas	Common Shares	200,000	1.9%	1.5%
Sharon Lewis	Common Shares	105,000	1.0%	0.8%
Arthur Brown	Common Shares	250,000	2.3%	1.8%
Delong Poultry Farms Limited	Common Shares	25,000	0.2%	0.2%
Haywood Securities Inc. ITF Darcy Higgs	Common Shares	250,000	2.3%	1.8%

Name	Designation of Class of Securities	Number of Shares Held in Escrow	Percentage of Issued Shares at the date of this Prospectus	Percentage of Issued Shares on Completion of the Offering(1)
Dennis Higgs	Common Shares	250,000	2.3%	1.8%
Robert Montgomery	Common Shares	275,000	2.6%	2.0%
Skye Capital Corporation Inc.	Common Shares	250,000	2.3%	1.8%
Haywood Securities Inc. ITF Martin Tielker	Common Shares	125,000	1.1%	0.9%
TOTAL:		**2,980,001**	**27.9%**	**21.8%**

Notes:
(1) Does not include the Agent's Option Shares issuable upon exercise of the Agent's Option. See "Plan of Distribution" and "Share Capital – Prior Sales".
(2) Includes 200,000 Common Shares held by the spouse of Mr. Coulthard.
(3) Includes 150,000 Common Shares held by the spouse of Mr. Driver

Pursuant to the terms of the Escrow Agreement, the securities of the Company held in escrow may be transferred within escrow to an individual who is a director or senior officer of the Company or of a material operating subsidiary of the Company, subject to the approval of the Company's Board, 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 or company 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 or of any of its material operating subsidiaries.

Pursuant to the terms of the Escrow Agreement, upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities. Upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative.

Pursuant to the terms of the Escrow Agreement, 10% of each principal's shares (a total of 298,000 Common Shares) will be released from escrow on the Listing Date. The remaining 2,682,001 Common Shares of the Company will be held in escrow following the Listing Date and will represent 19.58% of the Common Shares of the Company issued and outstanding immediately following the completion of the Offering.

The complete text of the Escrow Agreement is available for inspection at the office of the Company's legal counsel, Suite 800, 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

PRINCIPAL SECURITYHOLDERS AND SELLING SECURITYHOLDERS

To the best of the knowledge of the directors and officers of the Company, as at the date hereof no persons hold, directly or indirectly, of record or beneficially, Common Shares of the Company which carry more than ten percent (10%) of the voting rights attached to all Common Shares of the Company (on a non-diluted basis). Upon completion of this Offering, no persons will beneficially own 10% or more of the outstanding Common Shares.

DIRECTORS AND OFFICERS

The following table provides the names, municipality of residence, position, present and principal occupations within the five preceding years, the number of voting securities of the Company that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof. All of the directors have been appointed for terms expiring on the date of the Company's next annual general meeting.

Name, Municipality of Residence and Position with the Company	Date of Appointment	Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)	Present and Principal Occupation for the Past Five Years
Byron K. Coulthard, Surrey, BC President, CEO, Secretary and Director	May 25, 2006	750,001 Shares(2) 7.0%	President, CEO and Director of the Company since May 25, 2006; Self-employed businessman and financial consultant; Director and President of Bonanza Resources Inc. (TSXV) since March 2003; President of Kingsley Capital Corporation, a consulting services firm, from January 1997 to August 2003.
James Clucas(1), North Vancouver, BC Director	September 5, 2006	200,000 Shares 1.9%	Director of the Company since September 2006; Chairman of International Nickel Ventures Corporation from September 2003 to present (TSX); Chairman of SKANA Capital Corp. (formerly Geostar Metals Inc.) from September 1993 to September 2003.
Cyrus Driver(1), Vancouver, BC Director/ CFO	November 13, 2006/ September 11, 2007	500,000 Shares(3) 4.7%	Partner with Davidson & Company since January 1, 2003; Partner with Driver Anderson from February 1982 to January 2003.
Sharon Lewis(1), Vancouver, BC Director	September 11, 2007	105,000 Shares 1.0%	Secretary of various public and private companies including: from May 1997 to present, Esstra Industries Inc. (TSXV) and 412688 BC Ltd.; from July 1999 to March 2007, Los Andes Copper Ltd. (formerly GHG Resources Ltd.) (TSXV); from September 1999 to January 2007, SKANA Capital Corp. (TSXV); Bookkeeper with Dussa's Ham & Cheese from April 2001 to present and Tartan Public Relations from January 2007 to present; Assistant with Canfund Ventures Corporation from June 2003 to present and with International Nickel Ventures Corporation (TSX) from November 2003 to present.

Notes:

(1) Members of the Audit Committee.
(2) Includes 200,000 Common Shares held by the spouse of Mr. Coulthard.
(3) Includes 150,000 Common Shares held by the spouse of Mr. Driver

Pursuant to the provisions of the BCA, the Company is required to have an audit committee. The general function of the audit committee is to review the overall audit plan and the Company's system of internal controls, to review the results of the external audit and to resolve any potential dispute with the Company's auditors. The audit committee of the Company currently consists of Sharon Lewis, James Clucas and Cyrus Driver.

As at the date of this Prospectus, the directors and officers as a group beneficially own, directly or indirectly, or exercise control or direction over 1,555,001 Common Shares of the Company, representing 14.53% of the presently issued Common Shares.

Management

The following is a brief description of the Company's management and key personnel:

Byron K. Coulthard (age 45) is the CEO, President, Secretary and a director of the Company. Mr. Coulthard is the President, Chief Executive Officer and a director of the Company since May 25, 2006. Mr. Coulthard is a self-employed businessman and financial consultant. He was the president of Kingsley Capital Corporation, a consulting services firm, from January 1997 to August 2003. Mr. Coulthard is also the President and a director of Bonanza Resources Inc., a junior issuer listed on the Exchange, since March 2003.

James Clucas (age 65) is an independent director of the Company. Mr. Clucas has over 30 years of experience and expertise in mining exploration and production, both in Canada and abroad, and brings professional management and operational skills to the Company. Mr. Clucas was born in the United Kingdom where he obtained his Chartered Management Accountant designation. From 1979 to 1984, Mr. Clucas was the Chief Financial Officer for the Ontario Division of Inco Ltd. where, as Chief Financial Officer, he was responsible for an annual operating budget of approximately $750,000,000 and capital budgets ranging from $50,000,000 to $200,000,000 depending on the projects under construction. Mr. Clucas was involved in the development of two gold projects in the 1,000,000 ounce category. In 1984, Mr. Clucas joined Centennial Minerals Ltd., in Vancouver, British Columbia, as Vice-President, Finance. Centennial's main asset was the Montana Tunnels Project in the State of Montana. Mr. Clucas assisted Centennial Minerals Ltd. in bringing the project to the feasibility stage prior to the Company being sold to Pegasus Gold Inc. in 1985. The Montana Tunnels Project went into production at the rate of 100,000 ounces of gold and 1,000,000 ounces of silver annually. Mr. Clucas was the Chairman of SKANA Capital Corp. (formerly Geostar Metals Inc.), a junior company listed on the Exchange involved in the application of a new technology to treat nickel laterite deposits during the period of 2000 to August 2003. Mr. Clucas was the President of International Nickel Ventures Corporation from September 2003 to November 2005, and is currently the Chairman of the Board.

Cyrus Driver (age 58) is a director of the Company. Mr. Driver received his chartered accountant status from the Institute of Chartered Accountants on May 19, 1977. Mr. Driver was founding partner in the firm of Driver Anderson since its inception in 1981. He is currently a partner in the firm of Davidson and Company LLP after merging with Driver Anderson in 2002. Whilst providing general public accounting services to a wide range of clients, he specializes in servicing Exchange listed companies and members of the brokerage community. He also serves on the boards of several listed companies. His wide knowledge of the securities industry and its rules have enabled him to give valuable advice to clients within the industry with respect to finance, taxation and other accounting related matters. Mr. Driver currently serves as director of the following reporting issuers listed on the Exchange: Seiger Capital Management Ltd. since June 2007, Bellhaven Copper & Gold Inc., since April 2005, Superior Mining International Corporation since February 2001, Cobra Venture Corporation since March 2003 and Venture One Capital Corp. since August 2007. He is also Chief Financial Officer of the following companies listed on the Exchange: Maxim Resources Inc. since March 2006, Bellhaven Ventures Inc., since April 2005, Superior Mining International Corporation since February 2001. Mr. Driver was a director of the following Exchange listed companies: BCS Global Networks Inc. from September 2001 until June 2005, dot.com Technologies Inc. from March 1999 until September 2001; Paloma Ventures Inc. from April 1999 until July 2006 and First Telecom Corp. from May 1993 until December 1998. Mr. Driver was the Chief Financial Officer of the following companies which are listed on the Exchange: Southern Arc Minerals Inc. from June 2005 until September 2007, Western Uranium Corporation from March 2006 until October 2006 and Platinum Group Metals Ltd. from February 2001 until February 2002.

Sharon Lewis (age 64) is an independent director of the Company. Ms. Lewis currently provides a variety of services to a number of private companies and public companies listed on the Exchange and the Toronto Stock Exchange. Currently, Ms. Lewis serves as corporate secretary of Esstra Industries Inc. (from May 1997), a company listed on the Exchange and director of Cassius Ventures Ltd., a company listed on the Exchange (from April 2007). She was a director of Los Andes Copper Ltd. (formerly GHG Resources Limited), a company listed on the Exchange (from July 1999 to March 2007) and corporate secretary of SKANA Capital Corp. (formerly

Geostar Metals Inc.), a company listed on the Exchange (from September 1999 to January 2007) and corporate secretary of International Antarex Metals Ltd. (formerly Antarex Metals Ltd.), a company that was cease traded in November 2005 and subsequently delisted on the Exchange for failure to file financials and failure to pay the sustaining fees (from December 1990 to 2005). Ms. Lewis also holds the position of corporate secretary of Bluestone Resources Inc., a private company. Ms. Lewis also serves as an assistant at both Canfund Ventures Corporation (from June 2003) and International Nickel Ventures Corp. (from November 2003), and as a bookkeeper for Dussa's Ham & Cheese Ltd. (from April 2001), Tartan Public Relations (from January, 2007) and Movement Global (from October, 2007).

The Company's directors and officers are not required and do not currently intend to devote all of their time to the affairs of the Company. The amount of time devoted to the affairs of the Company will be dependent upon the ability of management to identify natural resource opportunities. For the coming year, it is anticipated that Byron K. Coulthard will spend approximately 30-50% of his time on the affairs of the Company, James Clucas will spend approximately 10% of his time on the affairs of the Company, Cyrus Driver will spend approximately 20% of his time on the affairs of the Company and Sharon Lewis will spend approximately 10% of her time on the affairs of the Company. For any consulting or field work carried out by the directors, they will be compensated at a rate to be determined by the directors of the Company at the appropriate time.

All of the members of the Company's management are independent contractors and not employees of the Company. None of the directors or senior officers has entered into a non-competition or non-disclosure agreement with the Company.

SECURITIES REGULATORY OR OTHER SANCTIONS AND BANKRUPTCY

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, to the best of the Company's knowledge, none of the Company's directors, officers, or shareholders holding a sufficient number of securities of the Company to materially affect the control of the Company is, or during the ten years preceding the date of this prospectus has been, a director or officer of any issuer that, while the person was acting in that capacity:

(a) was the subject of a cease trade order or similar order, or an order that denied such issuer access to any statutory exemptions for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold its assets.

Ms. Lewis was a secretary of International Antarex Metals Ltd. ("**IAML**") which had a cease trade order issued against it by the British Columbia Securities Commission ("**BCSC**") on November 27, 2002 for failure to file its comparative financial statements for the financial year ended June 30, 2002 which was subsequently revoked on February 21, 2003 after IAML filed its required financial statements. Concurrently, a cease trade order was issued against IAML by the Alberta Securities Commission on December 20, 2002 for failure to file its annual audited financial statements for the year ended June 30, 2002 and the first quarter interim unaudited financial statements for the period ended September 30, 2002. IAML had a cease trade order issued against it by the BCSC on November 29, 2003 for failure to file its comparative financial statements for the financial year ended June 30, 2003, which was revoked on February 24, 2003 when IAML filed the required financial statements on June 10, 2004. IAML had a cease trade order issued against it by the BCSC for failure to file its interim financial statements for the period ended March 31, 2004 which was revoked on July 6, 2004 after filing the required financial statements. IAML was issued a cease trade order on January 13, 2005 by the BCSC for failure to file its comparative financial statements for its financial year ended June 30, 2004, an interim financial statement for the financial period ending September 30, 2004 and the required management's discussion and analysis for the period ended September 30, 2004. The cease trade order was revoked by the BCSC on April 13, 2005 after IAML filed the required financial statements and management's discussion and analysis. IAML was issued a cease trade order by the BCSC on November 8, 2005 for failure to file its comparative financial statements for the period ending June 30, 2005 and its management's discussion and analysis for the period ending June 30, 2005.

Penalties or Sanctions

To the best of the Company's knowledge, no director, officer, or shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the best of the Company's knowledge, during the ten years preceding the date of this Prospectus, no director, officer, or shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company, or a personal holding company of any such person, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Conflict of Interest

Certain directors and officers of the Company are directors, officers and/or shareholders of other private and publicly listed companies, including companies engaged in mineral exploration. To the extent that such other companies may be interested or participate in or be affected by opportunities or transactions involving the Company, these directors and officers of the Company may have conflicting interests in negotiating and settling terms of such transactions. Conflicts of interest affecting the directors and officers of the Company will be governed by the BCA and other applicable laws. In the event that such a conflict of interest arises at a meeting of the Board, a director who has such a conflict must disclose the nature and extent of his or her interest and abstain from voting for or against matters concerning the venture.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

The following table discloses compensation paid to or awarded to the Company's Chief Executive Officer and Chief Financial Officer (the "**Named Executive Officers**") during the year ended October 31, 2007 and the period from incorporation on May 25, 2006 to October 31, 2006 for services rendered to the Company. There were no other executive officers whose total salary and bonus exceeded $150,000 during the most recently completed financial year.

Summary Compensation Table

		Annual Compensation			Long Term Compensation			
					Awards		Payouts	
Name and Principal Position	Year Ended October 31	Salary ($)	Bonus ($)	Other Annual Compen-sation	Securities Under Option/ SARs (1) Granted (#)	Shares or Units Subject to Resale Restrictions ($)	LTIP (2) Payouts ($)	All Other Compensation ($)
Byron K. Coulthard President, Secretary & CEO	2007 2006(3)	30,000 12,500	Nil Nil	Nil Nil	Nil Nil	Nil 550,001	Nil Nil	Nil Nil
Cyrus Driver CFO	2007 2006(3)	Nil Nil	Nil Nil	Nil Nil	Nil Nil	150,000 200,000	Nil Nil	Nil Nil

Notes:

(1) "SAR" or "Stock appreciation right" means a right granted by the Company, as compensation for services rendered, to receive a payment of cash or an issue or transfer of securities based wholly or in part on changes in the trading price of publicly traded securities of the Company.

(2) "LTIP" or "long term incentive plan" means any plan which provides compensation intended to serve as incentive for performance to occur over a period longer than one financial year, but does not include option or stock appreciation right plans or plans for compensation through restricted shares or restricted share units.

(3) Period from incorporation on May 25, 2006 to October 31, 2006.

Long Term Incentive Plan, Stock Appreciation Rights and Stock Option Grants

The Company does not have a Long Term Incentive Plan pursuant to which cash or non-cash compensation has been paid or distributed to any director or officer. The Company does not have any Stock Appreciation Rights or Incentive Plans aside from the Stock Option Plan.

The Company issued the following stock options to its Named Executive Officers on March 25, 2008.

Optionee	No. of Options	Expiry Date	Exercise Price	Market Value of Shares on Grant Date	Market Value of Shares as at the date of this Prospectus
Byron K. Coulthard	250,000	Five years from Listing Date	$0.30	N/A	N/A
Cyrus Driver	250,000	Five years from Listing Date	$0.30	N/A	N/A
TOTAL:	**500,000**				

Employment Contracts

Since the Company was incorporated, it has never entered into any employment contracts or arrangements with its Named Executive Officers, except for the following arrangement with Byron K. Coulthard:

- Byron K. Coulthard receives a monthly fee of $5,000 at the beginning of each month for acting as the Company's CEO and President. This amount increased on November 1, 2007 from the previous monthly fee of $2,500. There is no written contract with Byron K. Coulthard and this arrangement can be terminated by the Company at any time by the Company giving notice to Byron K. Coulthard before the end of a given month, effective at the end of the immediately following month.

Compensation of Directors

The Company does not compensate its directors in their capacities as such, although directors of the Company will be reimbursed for their expenses incurred in connection with their services as directors and may be issued stock options from time to time at the discretion of the Board. Sharon Lewis receives a monthly fee ranging between $1,000 - $2,000 at the beginning of each month. There is no written contract with Sharon Lewis and this arrangement can be terminated by the Company at any time by the Company giving notice to Sharon Lewis before the end of a given month, effective at the end of the immediately following month.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

Other than disclosed herein, other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5 *Information Circular* ("**Form 51-102F5**"), no directors, executive officers and employees and no former directors, executive officers and employees of the Company is or was indebted to the Company in connection with a purchase of securities and all other indebtedness as at January 31, 2008.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

Other than disclosed herein, other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5, no directors or executive officers of the Company, proposed nominees for election as a director of the Company and associates of such director, executive officers or proposed nominees is or was indebted to the Company as at January 31, 2008.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the board of directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

On June 3, 2008, the Audit Committee adopted a charter delineating its responsibilities substantially in the following terms:

(i) review with the independent accountants the scope of the audit and the results of the annual audit examination by the independent accountants and any reports of the independent accountants with respect to reviews of interim financial statements or other audit, review or attest services. The Audit Committee will be responsible for resolving any disagreements between management and the external auditor regarding financial reporting;

(ii) review information, including written statements from the independent accountants, concerning any relationships between the auditors and the Company or any other relationships that may adversely affect the independence of the auditors and assess the independence of the outside auditor;

(iii) review and discuss with management and the independent auditors the Company's annual audited financial statements prior to their public disclosure, including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles;

(iv) review the Company's MD&A and annual and interim earnings press releases prior to their public disclosure;

(v) review the services to be provided by the independent auditors to assure that the independent auditors do not undertake any engagement for services for the Company that would constitute prohibited services under applicable securities laws under the rules of any stock exchange or trading market on which the Company's shares are listed for trading, or could be viewed as compromising the auditor's independence. The Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries;

(vi) review with management and the independent auditors the results of any significant matters identified as a result of the independent auditors' interim review procedures prior to the filing of each quarterly financial statements or as soon thereafter as possible;

(vii) review the annual program for the Company's internal audits, if any, and review audit reports submitted by the internal auditing staff, if any;

(viii) periodically review the adequacy of the Company's internal controls;

(ix) review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the independent accountants that may have a significant impact on the Company's financial reports, and make comments on the foregoing to the board of directors;

(x) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and formal external auditor of the issuer;

(xi) oversee and review annually the Company's Code of Business Conduct and Ethics and program for compliance with the Code;

(xii) periodically review the adequacy of the Audit Committee Charter;

(xiii) make reports and recommendations to the board of directors within the scope of its functions;

(xiv) approve material contracts where the board of directors determines that it has a conflict;

(xv) establish procedures for receipt, retention and treatment of complaints received by the Company regarding auditing, internal accounting controls or accounting matters and establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

(xvi) where considered necessary by the Audit Committee to carry out its duties, have the authority to engage independent counsel and/or other advisors at the Company's expense upon the terms and conditions, including compensation, determined by the Audit Committee;

(xvii) satisfy itself that management put into place procedures that facilitate compliance with the disclosure and financial reporting controls provisions of applicable securities laws, including adequate procedures for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements. The Audit Committee will assess the adequacy of these procedures annually;

(xviii) review all loans to officers;

(xix) review and monitor all related party transactions which may be entered into by the Company as required by rules of the stock exchange or trading market upon which the Company's shares are listed for trading; and

(xx) ensure all public disclosure regarding the audit committee is made in compliance with applicable stock exchange rules and securities legislation.

Composition of the Audit Committee

At present, the Audit Committee consists of Sharon Lewis, James Clucas and Cyrus Driver. Sharon Lewis and James Clucas are independent within the meaning of that term as defined in section 1.4 of National Instrument 52–110 *Audit Committee* ("**NI 52–110**"). All members of the Audit Committee are financially literate as required by Part 1.6 of NI 52-110.

Relevant Education and Experience

The education of each of the members of the Audit Committee is set out in this Prospectus. More specifically, some of the members of the Audit Committee have also taken accounting courses directly relating to financial statement preparation and analysis. In addition, both Sharon Lewis and Cyrus Driver have had prior experience in serving as a member of the audit committee of a reporting issuer and experience with internal controls and procedures for financial reporting. Each of the members of the Audit Committee has a general understanding of the accounting principles used by the Company to prepare its financing statements and will seek clarification from the Company's auditors, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies and experience in supervising one or more individuals engaged in the accounting for estimates, accruals and reserves and experience preparing, auditing analyzing or evaluating financial statements similar to those of the Company.

Audit Committee Oversight

At any time from the commencement of the year ended October 31, 2007, no recommendations of the Audit Committee to nominate or compensate an external auditor were not adopted by the board of directors.

Reliance on Certain Exemptions

The Company has not relied on any exemptions under section 2.4 *De Minimis Non-audit Services* of NI 52 – 110 or from Form 52-110F2 *Disclosure by Ventures Issuer*, in whole or in part, granted under Part 8 of NI 52-110, during the financial year ended October 31, 2007.

Pre-Approval Policies and Procedures

As of the date hereof, the Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Services Fees (By Category)

The following tables sets out the "audit fees", "audit-related fees", "tax fees" and "other fees" billed in for the period from incorporation on May 25, 2006 to October 31, 2006 and the year ended October 31, 2007.

	Audit Fees	Audit-Related Fees	Tax Fees	Other Fees
For the period from incorporation on May 25, 2006 to October 31, 2006	$Nil	$Nil	$Nil	$Nil
For the Year ended October 31, 2007	$15,000	$Nil	$Nil	$Nil

Exemption

The Company is not relying upon the exemption set out in section 6.1 of NI 52–110 that provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

Board of Directors

At present, two (2) members of the Audit Committee are independent directors of the board of directors. The board of directors intends to review the performance of management and consultants on an annual basis.

Directorships

Three directors of the Company presently serves as a director of other reporting issuers: Byron K. Coulthard, who is a current director of Bonanza Resources Corporation; Sharon Lewis, who is a current director of Cassius Ventures Ltd. and Cyrus Driver, who is a current director of Seiger Capital Management Ltd., Belhaven Copper & Gold Inc., Superior Mining International Corporation, Cobra Ventures Corporation, and Venture One Capital Corp.

Orientation and Continuing Education

If any new directors are appointed to the board of directors, then the existing directors will provide a brief orientation consisting of a telephone conference and a review of material transactions effected to-date by the Company, as well as the general nature and proceedings of the Company's board of directors. The existing board of directors will also require the Company's legal counsel to provide a summary of the new director's duties and responsibilities as a member of the board of directors of the Company.

Given the direct securities industry experience of the existing board of directors, the Company does not contemplate providing continuing education for directors at this time.

Ethical Business Conduct

Pursuant to the Code of Business Conduct and Ethics adopted by the Company on June 3, 2008, each of the directors of the Company is required to disclose any conflict of interest that any one of them may have in regard to any dealings with the Company.

Each of the existing members of the board of directors have worked together in the past, either by being a director or officer of other reporting issuers. In the past, the board of directors has had discussions and meetings about the importance of full disclosure in regard to the business and affairs of a reporting issuer.

Given the experience of the board of directors, and their prior dealings, the Company, at this point in time, is not taking any additional steps to encourage and promote a culture of ethical business conduct.

Nomination of Directors

The Company does not have in place a formal process to identify new candidates for board nomination or a person responsible for identifying new candidates or that is in the process of identifying new candidates. Given the direct securities experience of the existing board of directors, each director will utilize his own judgment in determining whether or not to put forth a person as a candidate for the board of directors of the Company and the appropriate forum for carrying out this task.

Compensation

The board of directors of the Company is responsible for determining compensation including for the individual directors and officers of the Company, including the Chief Executive Officer. Given the stage of development of the Company, it is not currently envisioned that any of the directors will be paid director's fees. Rather, directors have been granted the Options to help ensure their continued interest in the ongoing business and affairs of the Company. The board of directors determines compensation for the officers of the Company, and any consulting or other agreements, to which the Company is a party, are reviewed on an annual basis.

Other Board Committees

At this time, the board of directors does not have any standing committees other than the Audit Committee. The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the board of directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

Assessments

Given the current stage of development of the Company, the Company does not yet have any formal policies or procedures in place to help ensure that the board, its committees, if any, and its individual directors are performing effectively. In the event that the business of the Company increases in size and scale, then the board of directors will determine whether it is appropriate to engage an outside consulting firm to make recommendations regarding the foregoing.

Each of the members of the board of directors has a direct financial interest in the Company, by virtue of being material shareholders of the Company.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Prospectus, no director or executive officer of the Company, no security holder disclosed in this Prospectus as a principal shareholder, and no associate or affiliate of any of them, has or has had any material interest, direct or indirect, in any transaction since incorporation of the Company or in any proposed transaction that has materially affected or will materially affect the Company.

PROMOTERS

Byron K. Coulthard , a director and officer of the Company, may be considered to be the promoter of the Company as he took the initiative with respect to organizing the Company, raising seed capital and arranging this Offering. Mr. Coulthard beneficially owns, controls or directs, directly or indirectly, 550,001 Shares representing 5.1% of the Company's total issued and outstanding Shares prior to giving effect to this Offering. Mr. Coulthard has not received or is to receive anything of value, including money, property, contracts, options or rights of any kind, directly or indirectly, from the Company in his capacity as the promoter of the Company and the Company did not receive or is to receive any assets, services or other consideration in return.

Mr. Coulthard is not, as at the date of this Prospectus, or was not within ten years before the date hereof,

(i) a director, Chief Executive Officer or Chief Financial Officer of any person or company that was subject to an order that was issued:

(a) while he was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or

(b) after he ceased to be a director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while he was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer;

(ii) a director or executive officer of any person or company that, while he was acting in that capacity, or within a year of him ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(iii) bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets;

(iv) subject to any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement with a provincial and territorial securities regulatory authority; and

(v) subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is MacKay LLP of Suite 1100 – 1177 West Hastings Street, Vancouver, British Columbia, V6E 4TS.

The transfer agent and registrar of the Common Shares is Computershare Investor Services Inc. of 2nd Floor – 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management of the Company is not currently aware of any material legal proceeding, actual, contemplated or threatened, to which the Company is party or of which any of its properties is the subject since incorporation on May 25, 2006 to the date hereof.

Since incorporation on May 25, 2006 to the date hereof, management of the Company is not currently aware of any:

(a) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;

(b) any other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and

(c) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is neither a "connected issuer" nor "related issuer" to the Agent as such terms are defined in National Instrument 33-105 *Underwriting Conflicts*.

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, the following are the only contracts material to the Company that have been entered into within two years prior to the date of this Prospectus:

1. Agency Agreement dated ♦, 2008, between the Agent and the Company. See "Plan of Distribution".

2. Iron Point Property Option Agreement dated November 22, 2006 between the Company and the Optionor regarding the Company's Option to acquire the Iron Point Property. See "Business of the Company - Significant Acquisitions and Significant Dispositions".

3. Escrow Agreement dated April 4, 2008 among the Principals, the Company and the Escrow Agent. See "Escrowed Securities".

4. Registrar and Transfer Agency Agreement dated April 4, 2008 between the Company and Computershare Investor Services Inc.

5. Stock Option Plan dated February 4, 2008. See "Share Capital – Incentive Stock Options".

6. Stock Option Agreements dated March 25, 2008 among the directors and officers and the Company. See "Share Capital – Incentive Stock Options".

Copies of the material contracts may be inspected at the registered office of the Company at 800, 885 West Georgia Street, Vancouver, British Columbia during normal business hours while the securities offered by this Prospectus are in the course of distribution and for a period of 30 days thereafter.

RISK FACTORS

The Company is in the business of acquiring and exploring mineral properties, which is a highly speculative endeavor. A purchase of any of the securities offered hereunder involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities offered hereunder should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. In evaluating the Company and its business, investors should carefully consider, in addition to the other information contained in this Prospectus, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with the Company's operations.

Nature of Mineral Exploration

Mineral exploration is a speculative business and involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The properties in which the Company holds an interest are without a known resource. Each of the proposed programs on the properties is an exploratory search for resources. There is no assurance that commercial quantities of resources will be discovered. There is also no assurance that even if commercial quantities of resources are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors are beyond the control of the Company.

Management Experience

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. Management of the Company has limited technical experience in operating a company in the resource exploration business and will initially be relying on one director, Mr. Coulthard as well as independent consultants for technical expertise. No retainer agreements have been signed with such consultants and their ongoing services is not assured.

Exploration

The Iron Point Property is in the exploration stage and is without a known body of commercial ore. Mineral exploration involves a degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to mitigate. The vast majority of properties which are explored are not ultimately developed into producing mines. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Requirement for Further Financing

Assuming completion of the Offering, the Company will have sufficient funds to complete its proposed work program on its principal property, however, the Company will require additional funds to significantly advance its principal property and its additional properties. There is no certainty that the Company will be able to access these funds or that such financing can be obtained without substantial dilution to shareholders. Failure to obtain additional financing on a timely basis could cause the Company to reduce or terminate its operations or lose its interest in its properties. In order to exercise its Option and acquire a 60% interest in the Iron Point Property, the Company must incur a minimum of $2,500,000 of expenditures on exploration and development on the Iron Point Property on or before November 22, 2011. If these expenditures are not incurred on the Property, the Company will acquire no interest in the Property.

Dilution

The purchase price of the Shares exceeds the net tangible book value per Common Share and accordingly investors will suffer immediate and substantial dilution of their investment.

Fluctuation in Mineral Prices

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resource are discovered, a profitable market will exist for the sale of same or that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the ability of the Company to attract investors and receive further funds for exploration. Metal prices have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. In particular, the supply of and demand for gold are affected by, among other factors, political events, economic conditions and production costs in major gold producing regions, and governmental or central bank policies with respect to gold holdings.

Uninsurable Risks

In the course of exploration of mineral properties, certain detrimental events and, in particular, unexpected or unusual geological conditions including rock bursts, cave-ins, fires, flooding, and earthquakes, may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. The Company currently does not yet have insurance coverage in conformity to industry standards. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

No Assurance of Titles or Boundaries

No assurances can be given that title defects to the Iron Point Property do not exist. The Iron Point Property may be subject to prior unregistered agreements, transfers or claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title and interest in and to the Iron Point Property. Further, the Company does not own the Iron Point Property and, at present, only has an option to earn a 60% interest in the Iron Point Property pursuant to the Iron Point Property Option Agreement.

Environmental and Other Regulatory Requirements

All phases of the Company's operations are subject to environmental regulation. 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, will not adversely affect the Company's activities. Environmental hazards may exist on the properties in which the Company holds interests which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties. Government approvals and permits are currently, and may in the future be, required in connection with the Company's activities. To the extent such approvals are required and not obtained, the Company may be restricted or prohibited from proceeding with planned exploration of mineral properties. 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 activities to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation of existing laws, 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 exploration properties.

Conflicts of Interest

Certain directors and officers of the Company are also, or may become, directors, officers, or shareholders of other companies that are similarly engaged in the business of acquiring, developing, and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

Reliability of Historical Information

The Company has relied, and the Technical Report is based, in part upon historical data compiled by previous parties involved with the Iron Point Property. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Dependence on Key Management Employees

The Company's development to date has depended, and in the future will continue to depend, on the efforts of key management employees, namely Byron K. Coulthard (President, Chief Executive Officer and Secretary) and Cyrus Driver (Chief Financial Officer). The loss of Mr. Coulthard could have a material adverse effect on the Company.

Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to acquire suitable properties or prospects for mineral exploration in the future.

Limited Operating History: Losses

The Company has no history of generating revenue or profits. There can be no assurance that it will generate revenue or profits in the future.

Dividend Policy

The Company has paid no dividends on its Common Shares since incorporation. The Board of Directors does not anticipate paying any dividends in the foreseeable future.

Property Interests

The Company does not own the Iron Point Property and the Angel Wings Project Property. Rather, it holds its interest in both the Iron Point Property and the Angel Wings Project Property by way of option only, and as a result, if the Company fails to satisfy any requirement under the Iron Point Property Option Agreement, it will lose all of its interest in the Iron Point Property and the Angel Wings Project Property, and will not be entitled to a refund of any of its option payments or expenditures. There is no guarantee the Company will be able to raise sufficient funding in the future to satisfy all requirements under the Iron Point Property Option Agreement and the Angel Wings Agreement.

Future Acquisitions

As part of the Company's future strategy, it may seek to grow by acquiring companies, assets or establishing joint ventures that it believes will complement its current or future business. The Company may not effectively select acquisitions candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for the business. The Company cannot guarantee that it can complete any acquisition it pursues on favorable terms, or that any acquisitions completed will ultimately benefit its business.

Liquidity Concerns and Future Financing Requirements

After completion of the Offering, the Company will require additional financing in order to fund its full exploration program. The ability of the Company to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as the business success of the Company. There can be no assurance that the

Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of Common Shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to exercise its option to acquire the Iron Point Property, to take advantage of other opportunities, or otherwise remain in business.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of the securities distributed hereunder will be affected by such volatility. There is no public market for the Company's Common Shares. An active public market for the Common Shares might not develop or be sustained after the Offering. The initial public offering price of the Shares has been determined by negotiations between the Company and representatives of the Agent and this price will not necessarily reflect the prevailing market price of the Common Shares following the Offering. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the Offering Price.

LEGAL MATTERS

Certain legal matters relating to this Offering have been passed upon by Clark Wilson LLP, on behalf of the Company, and by Heenan Blaikie LLP, on behalf of the Agent.

EXPERTS

Names of Experts

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this Prospectus as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

(i) R. James Weick, M.Sc. P.Geo. of Data Compilation Services, St. John's, Newfoundland and Labrador, an independent consulting geologist and "qualified person" as defined in NI 43-101, is the author responsible for the preparation of the Technical Report describing the Iron Point Property; and

(ii) The audited financial statements included in this Prospectus have been subject to audit by MacKay LLP, Chartered Accountants, and their audit report is included herein.

In addition, certain legal matters relating to the Offering will be passed upon by Clark Wilson LLP, on behalf of the Company, and Heenan Blaikie LLP, on behalf of the Agent.

Interests of Experts

Other than as disclosed herein, none of the forgoing persons or companies have held , received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other Iron Point Property of the Company or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter.

TAX ISSUES

Income tax consequences are not relevant as a material aspect of the Offering of the Shares hereunder. Purchasers should consult their own tax advisors for advice with respect to the income tax consequences associated with their acquisitions of the Shares under this Prospectus.

ELIGIBILITY FOR INVESTMENT BY REGISTERED RETIREMENT SAVINGS PLAN ("RRSP")

The following information is of a general nature only, is not intended to be a complete analysis of the RRSP eligibility of the Shares, and should not be interpreted or used as a substitute for legal or tax advice to any particular Purchaser. Determination of whether a particular investment is a qualified investment for an RRSP depends on factors that are specific to the RRSP and the annuitant of the RRSP. **Purchasers wishing to acquire or hold Shares in an RRSP should consult their own professional tax advisors to confirm whether the Shares are qualified investments for their RRSPs based upon their particular circumstances.**

It is Management's view that the Shares will be on the date of their issuance qualified investments for RRSPs under the Tax Act and the Regulations made under the Tax Act.

The Tax Act and the Regulations made under the Tax Act provide that, subject to certain exceptions including those described in the following paragraph, a share of a private corporation is a qualified investment for a RRSP if at the time that the share is acquired the corporation is a Canadian corporation, the corporation is not controlled, directly or indirectly in any manner whatsoever, by non-residents, and all or substantially all of the fair market value of the corporation's assets at that time are attributable to assets that are used principally in an active business carried on primarily in Canada by the corporation or by a related corporation. In the view of Management, the Company will meet all of these criteria at the time the Shares are issued.

A Share will not be a qualified investment for an RRSP if the annuitant of the RRSP is a "connected shareholder" of the Company, as defined in the Regulations made under the Tax Act, immediately after the RRSP acquires the Share. In general terms, a "connected shareholder" of the Company is any person who owns or is deemed to own, directly or indirectly, 10% or more of the issued shares of any class of the Company. For the purposes of determining whether an annuitant of the RRSP is a connected shareholder of the Company, the annuitant will be deemed to own all of the shares of the Company that are owned by certain other persons, including any person with whom the annuitant does not deal at arm's length. However, the Purchaser may be exempt from the 10% ownership restriction if he or she is dealing at arm's length with the Company and the aggregate cost of the shares that the annuitant owns or is deemed to own is less than $25,000.

OTHER MATERIAL FACTS

Other than as disclosed herein, there are no other material facts relating to the securities being qualified for distribution hereunder that are not disclosed under any other Items and are necessary in order for this Prospectus to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in the provinces of British Columbia, Alberta and Saskatchewan provide purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or 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 securities legislation of the purchaser's province for the particulars of these rights or consult a legal adviser.

AUDITOR'S CONSENT

We have read the Prospectus dated xx, 2008 of White Bear Resources Inc. (the "Company") relating to an offering of 3,000,000 of the Company at $0.30 for gross proceeds of $900,000. 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 Prospectus of our auditors' report to the directors of the Company on the balance sheet of the Company as at October 31, 2007 and 2006 and the statements of operations and deficit and cash flows for the period from incorporation on May 25, 2006 to October 31, 2006, and the year ended October 31, 2007, which report is dated January 25, 2008, except as to Note 11 which is dated xx, 2008.

MacKay LLP
Chartered Accountants

Vancouver, BC

xx, 2008

WHITE BEAR RESOURCES INC.

FINANCIAL STATEMENTS

JANUARY 31, 2008

WHITE BEAR RESOURCES INC.
BALANCE SHEETS
AS AT

	January 31, 2008 (unaudited)	October 31, 2007	October 31, 2006
ASSETS			
Current			
Cash	$ 211,272	$ 495,377	$ 122,632
Receivables	19,010	15,905	4,533
Prepaid expenses	3,027	3,027	-
Investments (Note 8)	633,571	331,214	-
	866,880	845,523	127,165
Deferred financing costs (Note 11i)	30,000	30,000	-
Equipment (Note 3)	4,272	4,497	5,621
Mineral properties (Note 4)	656,846	539,491	216,194
	$ 1,557,998	$ 1,419,511	$ 348,980
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	$ 47,688	$ 45,385	$ 31,793
Due to related parties (Note 6)	2,120	749	7,499
Future income tax payable (Note 10)	7,900	7,900	-
	57,708	54,034	39,292
Shareholders' equity			
Capital stock (Note 5)	1,414,501	1,227,001	159,301
Share subscriptions received	-	50,000	252,450
Subscriptions receivable (Note 5)	(54,500)	(82,500)	(75,000)
Retained earnings (deficit)	140,289	170,976	(27,063)
	1,500,290	1,365,477	309,688
	$ 1,557,998	$ 1,419,511	$ 348,980

Nature and continuance of operations (Note 1)
Subsequent events (Note 11)

On behalf of the Board:

(signed) Director *(signed)* Director

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

WHITE BEAR RESOURCES INC.
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS) AND RETAINED EARNINGS (DEFICIT)

	Three Months Ended January 31, 2008 (unaudited)	Three Months Ended January 31, 2007 (unaudited)	Year Ended October 31, 2007	Period From Incorporation on May 25, 2006 to October 31, 2006
EXPENSES				
Amortization	$ 225	$ 281	$ 1,124	$ 244
Bank charges and interest	147	252	803	177
Consulting	-	-	2,000	-
Foreign exchange (gain) loss	(14,246)	-	-	-
Management fees	15,000	7,500	30,000	12,500
Office	2,323	-	1,544	1
Professional fees	19,225	13,223	63,971	12,793
Transfer agent and filing	282	-	1,100	-
Travel	10,987	770	6,733	1,359
Loss before other items	(33,943)	(22,026)	(107,275)	(27,074)
OTHER ITEMS				
Gain on sale of marketable securities	-	-	313,090	-
Interest income	3,256	-	124	11
	3,256	-	313,214	11
Income (loss) and comprehensive income (loss) for the period before income tax	(30,687)	(22,026)	205,939	(27,063)
Future income tax provision (Note 10)	-	-	7,900	-
Income (loss) and comprehensive income (loss) for the period	(30,687)	(22,026)	198,039	(27,063)
Retained earnings (deficit), beginning of period	170,976	(27,063)	(27,063)	-
Retained earnings (deficit), end of period	$ 140,289	$ (49,089)	$ 170,976	$ (27,063)
Basic and diluted earnings (loss) per share	$ (0.00)	$ (0.01)	$ 0.04	$ (0.02)
Weighted average number of common shares outstanding	10,615,218	4,112,001	5,450,100	1,759,712

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

WHITE BEAR RESOURCES INC.
STATEMENTS OF CASH FLOWS

	Three Months Ended January 31, 2008	Three Months Ended January 31, 2007	Year Ended October 31, 2007	Period From Incorporation on May 25, 2006 to October 31, 2006
	(unaudited)	(unaudited)		
CASH FLOWS FROM OPERATING ACTIVITIES				
Income (loss) for the period	$ (30,687)	$ (22,026)	$ 198,039	$ (27,063)
Items not involving cash:				
Amortization	225	281	1,124	244
Gain on sale of marketable securities	-	-	(313,090)	-
Future income tax	-	-	7,900	-
Changes in non-cash working capital items:				
Increase (decrease) in accounts payable and accrued liabilities	2,303	(6,103)	13,592	31,793
Increase (decrease) in due to related party	1,371	(7,500)	(6,750)	7,499
Increase in receivables	(3,105)	(3,855)	(11,372)	(4,533)
Increase in prepaid expenses	-	-	(3,027)	-
Net cash provided by (used in) operating activities	(29,893)	(39,203)	(113,584)	7,940
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of equipment	-	-	-	(5,865)
Mineral property expenditures	(54,855)	(83,182)	(314,297)	(208,694)
Investment in treasury bills	(633,571)	-	(331,214)	-
Proceeds from sale of investment in treasury bills	331,214	-	319,090	-
Net cash used in investing activities	(357,212)	(83,182)	(326,421)	(214,559)
CASH FLOWS FROM FINANCING ACTIVITIES				
Issuance of capital stock	103,000	-	792,750	76,801
Subscriptions received	-	105,000	50,000	252,450
Deferred financing costs	-	-	(30,000)	-
Net cash provided by financing activities	103,000	105,000	812,750	329,251
Change in cash during the period	(284,105)	(17,385)	372,745	122,632
Cash beginning of period	495,377	122,632	122,632	-
Cash end of period	$ 211,272	$ 105,247	$ 495,377	$ 122,632
Cash paid for interest	$ -	$ -	$ -	$ -
Cash paid for income taxes	$ -	$ -	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 7).

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

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

1. NATURE AND CONTINUANCE OF OPERATIONS

White Bear Resources Inc. (the "Company") was incorporated in British Columbia on May 25, 2006. The Company intends to make an application to have its common shares listed and called for trading on the TSX Venture Exchange ("TSX-V") (Note 11). The principal business of the Company is the acquisition and exploration of mineral properties.

The Company has not yet determined whether its mineral properties contain economically recoverable ore reserves. The recovery of the amounts comprising mineral properties and deferred exploration costs are dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete the exploration and development of those reserves and upon future profitable production.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

	January 31, 2008 (unaudited)	October 31, 2007	October 31, 2006
Working capital	$ 809,172	$ 791,489	$ 87,873
Retained earnings (deficit)	140,289	170,976	(27,063)

2. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

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

Cash

Cash is comprised of cash on hand.

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Deferred financing costs

Costs directly identifiable with the raising of capital will be charged against the related capital stock. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are not issued.

Deferred financing costs consist primarily of corporate finance fees and a retainer against legal fees.

Investments

Investments include treasury bills with a banking institution. These investments are stated at cost plus accrued interest which approximates their fair value.

Furniture and equipment

Furniture and equipment is recorded at cost and amortized on a declining balance at a 20% rate.

Mineral properties

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs relating to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be an impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production. Mineral properties which are sold before that property reaches the production stage will have all revenues from the sale of the property credited against the cost of the property. Properties which have reached the production stage will have a gain or loss calculated based on the portion of that property sold.

The recorded cost of mineral exploration interests is based on cash paid, the value of share considerations and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependant on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

Management reviews capitalized costs on its mineral properties on a quarterly basis and will recognize impairment in value based upon current exploration results and upon management's assessment of the probability of profitable revenues from the property or sale of the property.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Mineral properties (cont'd…)

Although the Company has taken steps to verify title to resource properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior undetected agreements or transfers and title may by affected by such defects.

Financial instruments

Effective May 25, 2006, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") under CICA Handbook Section 1530 "Comprehensive Income" ("Section 1530"), Section 3251 "Equity", Section 3855 "Financial Instruments – Recognition and Measurement" ("Section 3855"), Section 3861 "Financial Instruments – Disclosure and Presentation" and Section 3865 "Hedges". These new sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition and measurement of financial instruments and on the use of hedge accounting. 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 that are excluded from net income calculated in accordance with Canadian generally accepted accounting principles.

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 and derivatives are measured in the balance sheet at fair value except for loans and receivables, 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: (1) held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net income; (2) 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; and (3) all derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sale normal purchase exemption and changes in their fair value are recorded in income unless cash flow hedge accounting is used, in which case changes in fair value are recorded in other comprehensive income.

As a result of the adoption of these new standards, the Company has classified its cash and investments as held-for-trading. Receivables are classified as loans and receivables. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. The Company has elected to measure all derivatives and embedded derivatives at fair value and the Company has a policy not to use hedge accounting.

Section 3855 also provides guidance on accounting for transaction costs incurred upon the issuance of debt instruments or modification of a financial liability. Transaction costs are deducted from the financial liability and are amortized using the effective interest method over the expected life of the related liability.

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments (cont'd…)

Effective November 1, 2007, the Company implemented CICA Handbook Section 3862, *Financial Instruments – Disclosures,* which requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. The principles in this section complement the principles for recognizing, measuring and presenting financial assets and financial liabilities in Section 3855, *Financial Instruments – Recognition and Measurement,* Section 3863, *Financial Instruments – Presentation,* and Section 3865, *Hedges.* This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. The effect on the Company's financial statements was not material.

Effective November 1, 2007, the Company implemented CICA Handbook Section 3863, *Financial Instruments – Presentation,* which is to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows. This section establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. The effect on the Company's financial statements was not material.

Stock-based compensation

The Company accounts for its stock-based compensation using the fair value method, determined using the Black Scholes option pricing model. Compensation expense is recorded in the statement of operations over the vesting period. Any consideration paid on the exercise of stock options is credited to capital stock.

Future income taxes

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

Earnings (loss) per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period.

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Earnings (loss) per share (cont'd…)

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period.

Capital Disclosures

Effective November 1, 2007, the Company implemented the new CICA Handbook Section 1535 "Capital disclosures" The section specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with an capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This new Section relates to disclosures and did not have an impact on the Company's financial results.

Accounting Changes

Effective November 1, 2007, the Company implemented the new CICA Handbook Section 1506 "accounting changes". Under these new recommendations, voluntary changes in accounting policy are permitted only when they result in the financial statements providing reliable and more relevant information. This section requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and requires enhanced disclosures about the effects of change in accounting policies, estimates and error on the financial statements.

These recommendations also require the disclosure of new primary sources of generally accepted accounting principles that have been issued that the Company has not adopted because there are not yet in effect.

The impact that the adoption of this section will have on the Company's financial statements will depend on the nature of future accounting changes.

Recent accounting pronouncements

General standards for financial statement presentation

The CICA has amended Handbook Section 1400 "General standards of financial presentation", effective for periods beginning on or after January 1, 2008 to include requirements to assess and disclose the Company's ability to continue as a going concern. The adoption of this new section is not expected to have an impact on the Company's financial statements.

Goodwill and Intangible Assets

The AcSB issued CICA Handbook Section 3064 which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. The section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008 and is not expected to have an impact on the Company's financial results.

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Recent accounting pronouncements (cont'd…)

International financial reporting standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. EQUIPMENT

	January 31, 2008 (unaudited)		
	Cost	Accumulated Amortization	Net Book Value
Equipment	$ 5,865	$ 1,593	$ 4,272

	October 31, 2007			October 31, 2006		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Equipment	$ 5,865	$ 1,368	$ 4,497	$ 5,865	$ 244	$ 5,621

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

4. MINERAL PROPERTIES

Period Ended January 31, 2008	Newfoundland and Labrador Properties	Labrador Trough Claims, Newfoundland and Labrador	Iron Point Property, Nevada	Angel Wings Property, Nevada	Total
Balance, October 31, 2007	$ 192,886	$ 77,500	$ 179,098	$ 90,007	$ 539,491
Acquisition costs					
Additions:					
Cash paid (refunded)	(41,300)	-	-	-	(41,300)
Shares	-	12,500	25,000	25,000	62,500
Exploration costs					
Consulting	5,000	-	-	-	5,000
Sampling and other	-	-	24,221	66,934	91,155
Balance, January 31, 2008 (Unaudited)	$ 156,586	$ 90,000	$ 228,319	$ 181,941	$ 656,846

Year Ended October 31, 2007	Newfoundland and Labrador Properties	Labrador Trough Claims, Newfoundland and Labrador	Iron Point Property, Nevada	Angel Wings Property, Nevada	Total
Balance, October 31, 2006	$ 168,694	$ 47,500	$ -	$ -	$ 216,194
Acquisition costs					
Additions:					
Cash	8,426	30,000	23,150	31,642	93,218
Shares	-	-	15,000	-	15,000
Option payments received	(36,000)	-	-	-	(36,000)
Exploration costs					
Consulting	42,759	-	-	-	42,759
Travel	5,777	-	-	-	5,777
Sampling and other	3,230	-	140,948	58,365	202,543
Balance, October 31, 2007	$ 192,886	$ 77,500	$ 179,098	$ 90,007	$ 539,491

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

4. MINERAL PROPERTIES (cont'd…)

Period from Incorporation On May 25, 2006 to October 31, 2006	Newfoundland and Labrador Properties	Labrador Trough Claims, Newfoundland and Labrador	Total
Acquisition costs			
Additions:			
Cash	$ 141,630	$ 40,000	$ 181,630
Shares	-	7,500	7,500
Exploration costs			
Consulting	11,000	-	11,000
Travel	1,297	-	1,297
Sampling and other	14,767	-	14,767
Balance, October 31, 2006	$ 168,694	$ 47,500	$ 216,194

Newfoundland and Labrador Properties

During the period ended October 31, 2006, the Company acquired a one hundred percent (100%) interest in and to mineral interests and rights located in the Province of Newfoundland and Labrador. Under the terms of the agreement, the Company acquired the interests and rights subject to a 0.5% net smelter royalty, for $105,000.

Northern Lorena

The Company entered into several exploration agreements with option to form joint ventures with Northern Lorena Resources Inc. ("Northern Lorena") whereby Northern Lorena agreed to acquire a 60% interest in and to a total of 2,869 claims of the Company's Newfoundland and Labrador Property. Subsequent to the execution of the exploration agreements with option to form joint ventures with Northern Lorena, Northern Lorena was acquired by Mega Uranium Ltd. ("Mega") pursuant to a share purchase agreement dated September 4, 2007 (the "Northern Lorena Share Purchase Agreement"). Mega acquired all the issued and outstanding shares of Northern Lorena from the shareholders of Northern Lorena pursuant to the Northern Lorena Share Purchase Agreement. The Company entered into amending agreements with Northern Lorena, as more particularly described below, with regards to the conversion of the payment of common shares of Northern Lorena to Mega.

Double Mer Property

During the year ended October 31, 2007,, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 670 claims, known as the Double Mer Property and another property located in the Province of Newfoundland and Labrador. In order to earn this interest Northern Lorena must:

a) pay $30,000 to the Company (received):

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

4. MINERAL PROPERTIES (cont'd…)

Newfoundland and Labrador Properties (cont'd…)

Double Mer Property (cont'd…)

b) issue common shares as follows:

(i) 200,000 common shares of Northern Lorena to the Company on or before May 5, 2007 (issued, which were later converted to 23,330 shares of Mega);

(ii) 3,000 common shares of Mega to the Company on or before April 5, 2010;

(iii) 3,000 common shares of Mega to the Company on or before April 5, 2011; and

(iv) 3,000 common shares of Mega to the Company on or before April 5, 2012;

c) incur $3,000,000 in exploration work on the Double Mer Property, as follows :

(i) a minimum of $300,000 on or before April 5, 2008;

(ii) $300,000 on or before April 5, 2009;

(iii) $500,000 on or before April 5, 2010;

(iv) $500,000 on or before April 5, 2011; and

(v) $1,400,000 on or before April 5, 2012.

Upon Northern Lorena earning its 60% interest in the Double Mer Property, the Company and Northern Lorena may enter into a joint venture for further exploration and development.

Trough Project

During the year ended October 31, 2007, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 329 claims owned or controlled by the Company, known as the Trough Project located in the Province of Newfoundland and Labrador upon completion of the following:

a) issuing common shares as follows:

(i) 100,000 common shares of Northern Lorena to the Company on May 23, 2007 (issued, which were later converted to 11,665 shares of Mega);

(ii) 3,000 common shares of Mega to the Company on or before May 23, 2010;

(iii) 3,000 common shares of Mega to the Company on or before May 23, 2011; and

(iv) 3,000 common shares of Mega to the Company on or before May 23, 2012;

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

4. MINERAL PROPERTIES (cont'd…)

Newfoundland and Labrador Properties (cont'd…)

Trough Project

b) incurring $1,500,000 in exploration work on the Trough Project, as follows :

(i) a minimum of $75,000 on or before May 23, 2008;

(ii) $250,000 on or before May 23, 2009;

(iii) $400,000 on or before May 23, 2010; and

(iv) $775,000 on or before May 23, 2011.

Upon Northern Lorena earning its 60% interest in the Trough Project, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the Trough Project.

CMB West Project

During the year ended October 31, 2007, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 1140 claims owned or controlled by the Company, known as the CMB West Project located in the Province of Newfoundland and Labrador upon completion of the following:

a) issuing common shares as follows:

(i) 100,000 common shares of Northern Lorena to the Company on May 23, 2007 (issued, which were later converted to 11,665 shares of Mega);

(ii) 3,000 common shares of Mega to the Company on or before May 23, 2010;

(iii) 3,000 common shares of Mega to the Company on or before May 23, 2011; and

(iv) 3,000 common shares of Mega to the Company on or before May 23, 2012;

b) incurring $2,500,000 in exploration work on the CMB West Project, as follows :

(i) a minimum of $250,000 on or before May 23, 2008;

(ii) $450,000 on or before May 23, 2009;

(iii) $750,000 on or before May 23, 2010; and

(iv) $1,050,000 on or before May 23, 2011.

4. MINERAL PROPERTIES (cont'd…)

Newfoundland and Labrador Properties (cont'd…)

CMB West Project (cont'd…)

Upon Northern Lorena earning its 60% interest in the CMB West Project, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the CMB West Project.

Straits Project

During the year ended October 31, 2007, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 430 claims owned or controlled by the Company, known as the Straits Project located in the Province of Newfoundland and Labrador upon completion of the following:

a) issuing common shares as follows:

   (i) 100,000 common shares of Northern Lorena to the Company on May 23, 2007 (issued, which were later converted to 11,665 shares of Mega);

   (ii) 3,000 common shares of Mega to the Company on or before May 23, 2010;

   (iii) 3,000 common shares of Mega to the Company on or before May 23, 2011; and

   (iv) 3,000 common shares of Mega to the Company on or before May 23, 2012;

b) incurring $1,500,000 in exploration work on the Trough Project, as follows :

   (i) a minimum of $100,000 on or before May 23, 2008;

   (ii) $250,000 on or before May 23, 2009;

   (iii) $400,000 on or before May 23, 2010; and

   (iv) $750,000 on or before May 23, 2011.

Upon Northern Lorena earning its 60% interest in the Straits Project, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the Straits Project.

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

4. MINERAL PROPERTIES (cont'd…)

Newfoundland and Labrador Properties (cont'd…)

Hunt River Project

During the year ended October 31, 2007,, the Company divested onto Northern Lorena the right to earn a sixty percent (60%) interest in 300 claims owned or controlled by the Company, known as the Hunt River Project located in the Province of Newfoundland and Labrador upon completion of the following:

a) issuing common shares as follows:

(i) 100,000 common shares of Northern Lorena to the Company on May 23, 2007 (issued, which were later converted to 11,665 shares of Mega);

(ii) 3,000 common shares of Mega to the Company on or before May 23, 2010;

(iii) 3,000 common shares of Mega to the Company on or before May 23, 2011; and

(iv) 3,000 common shares of Mega to the Company on or before May 23, 2012;

b) incurring $1,500,000 in exploration work on the Trough Project, as follows :

(i) a minimum of $65,000 on or before May 23, 2008;

(ii) $250,000 on or before May 23, 2009;

(iii) $400,000 on or before May 23, 2010; and

(iv) $785,000 on or before May 23, 2011.

Upon Northern Lorena earning its 60% interest in the Hunt River Project, the Company and Northern Lorena may enter into a joint venture for further exploration and development of the Hunt River Project.

Labrador Trough Claims Option Agreement

During the period ended October 31, 2006, the Company acquired the right to earn a one hundred percent (100%) interest in 478 claims and their respective mineral licenses located in the Province of Newfoundland and Labrador upon completion of the following:

a) making cash payments of a total of $150,000 (over a four year period) as follows:

(i) $40,000 on September 13, 2006 (paid);

(ii) $30,000 on or before September 13, 2007 (paid);

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

4. MINERAL PROPERTIES (cont'd…)

Labrador Trough Claims Option Agreement (cont'd…)

(iii) $40,000 on or before September 13, 2008; and

(iv) $40,000 on or before September 13, 2009;

b) issuing a total of 400,000 Common Shares over a designated four year period:

(i) 50,000 on September 13, 2006 (issued and valued at $7,500);

(ii) 50,000 on or before September 13, 2007 (issued and valued at $12,500);

(iii) 50,000 on or before September 13, 2008; and

(iv) 50,000 on or before September 13, 2009.

This option is subject to a 2% net smelter return royalty, which converts to a 1.5% net smelter return royalty upon the first anniversary of this agreement. Upon the second anniversary of this agreement, the Company has the right to purchase 0.5% of the net smelter return royalty for $1,000,000.

Iron Point Property

During the year ended October 31, 2007, the Company acquired the right to earn an undivided sixty percent (60%) interest in 178 unpatented lode mining claims known as the Iron Point Property located in the Humbolt County of Nevada upon completion of the following:

a) making a cash payment of a total of $23,150 (US$20,000) (paid);

b) issuing 100,000 Common Shares on or before December 1, 2006 (issued and valued at $15,000);

c) issuing 100,000 Common Shares on or before November 22, 2007 (issued and valued at $25,000);

d) incurring a minimum of $99,700 (US$100,000) (in exploration work on the Iron Point Property on or before November 22, 2007 (incurred);

e) incurring a minimum of $199,400 (US$200,000) in exploration work on the Iron Point Property on or before November 22, 2008;

f) thereafter, the Company may elect to continue the funding of the exploration work on the Iron Point Property as follows:

(i) $498,500 (US$500,000) on or before November 22, 2009;

(ii) $697,900 (US$700,000) on or before November 22, 2010; and

(iii) $997,000 (US$1,000,000) on or before November 22, 2011.

4. MINERAL PROPERTIES (cont'd…)

Iron Point Property (cont'd…)

At such time as the Company has expended US$2,500,000 (approximately CAD $2,493,000) in exploration expenditures on the Iron Point Property the Company will have earned an undivided 60% interest in the Iron Point Property. The Company then shall elect within 90 days to either (a) to earn an additional 10% interest in the Iron Point Property by completing a positive feasibility study with respect to the Iron Point Property within five years from the date of election or (b) to enter into a joint venture for further exploration and development of the Iron Point Property with the Optionor.

Angel Wings Project

During the year ended October 31, 2007, the Company acquired the right to earn an undivided sixty percent (60%) interest in 87 unpatented lode mining claims, known as the Angel Wings Project located in the Elko County of Nevada upon completion of the following:

a) making a cash payment of a total of $31,642 (US$30,000) on May 23, 2007 (paid);

b) issuing 100,000 common shares on or before May 25, 2007 (issued and valued at $25,000);

c) incurring a minimum of $299,100 (US$300,000) in exploration work on the Angel Wings Project on or before October 15, 2008;

d) Thereafter, the Company may elect to continue the funding of the exploration work on the Angel Wings Project as follows:

   (i) $299,000 (US$300,000) on or before May 15, 2009;

   (ii) $399,000 (US$400,000) on or before May 15, 2010;

   (iii) $498,500 (US$500,000) on or before May 15, 2011; and

   (iv) $498,500 (US$500,000) on or before May 15, 2012.

At such time as the Company has expended US$2,000,000 (approximately CAD $1,994,000) in exploration expenditures on the Angel Wings Project the Company will have earned an undivided 60% interest in the Angel Wings Project. The Company then shall elect within 90 days to either (a) to earn an additional 10% interest in the Angel Wings Project by completing a positive feasibility study with respect to the Angel Wings Project within five years from the date of the election or (b) to enter into a joint venture for further exploration and development of the Angel Wings Project with the Optionor. These claims are subject to a mining lease, as more particularly described in the Angel Wings Agreement.

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

5. CAPITAL STOCK

	Number of Shares	Amount
Authorized		
Unlimited common voting shares without par value		
Unlimited common non-voting shares without par value		
Unlimited preferred shares, issuable in series		
Issued:		
As at May 25, 2006	-	$ -
Common shares	4,012,001	151,801
Shares for mineral properties	50,000	7,500
As at October 31, 2006	4,062,001	159,301
Common shares	5,788,000	1,052,700
Shares for mineral properties	100,000	15,000
As at October 31, 2007	9,950,001	1,227,001
Common shares	500,000	125,000
Shares for mineral properties	250,000	62,500
As at January 31, 2008 (unaudited)	10,700,001	$ 1,414,501

During the period ended January 31, 2008, the Company:

a) completed seed financing of 500,000 common shares at a price of $0.25 per share. Proceeds of $54,500 were receivable at January 31, 2008.

b) issued 250,000 common shares valued at $62,500 as consideration for the acquisition of mineral properties.

During the year ended October 31, 2007, the Company:

a) completed seed financing of 3,943,000 common shares at a price of $0.15 per share and 1,845,000 common shares at a price of $0.25 per share. Proceeds of $82,500 were receivable at October 31, 2007.

b) issued 100,000 common shares valued at $15,000 as consideration for the acquisition of resource properties.

During the period ended October 31, 2006, the Company:

a) completed seed financing of 1,875,000 common shares at a price of $0.01, 1,875,000 common shares at a price of $0.05 per share, 1 common share at a price of $1 and 262,000 common shares at a price of $0.15 per share. Proceeds of $75,000 were receivable at October 31, 2007.

b) issued 50,000 common shares valued at $7,500 as consideration for the acquisition of resource properties.

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

6. RELATED PARTY TRANSACTIONS

The amounts due to the related parties are as follows:

	January 31, 2008	October 31, 2007	October 31, 2006
Due to directors and/ or officer	$ 2,120	$ 749	$ 7,499

The fair value of the amounts due to or from related parties is not determinable as they have no fixed terms of repayment, do not bear interest and are unsecured.

During the period ended January 31, 2008, the Company:

i) paid $7,500 in management fees to a director and officer of the Company.

ii) paid $7,500 in management fees to a corporation owned by a director and officer of the Company.

iii) paid $6,000 in professional fees and $2,000 in office administration fees to a director of the Company.

iv) accrued $5,000 in professional fees to a firm in which an officer is a partner.

As at January 31, 2008 accounts payable included:

i) $25,000 of professional fees owing to a firm in which a director and officer is a partner.

As at January 31, 2008 accounts receivable included $982 owing from a director and officer.

During the year ended October 31, 2007, the Company:

i) paid $30,000 in management fees to a director and officer of the Company.

ii) paid $19,217 in professional fees to an officer of the Company.

iii) accrued $20,000 in professional fees to a firm in which an officer is a partner.

As at October 31, 2007 accounts payable included $20,000 (2006 - $NIL), of professional fees owing to a firm in which an officer is a partner.

During the period from incorporation on May 25, 2006 to October 31, 2006, the Company paid $12,500 in management fees to a director and officer of the Company.

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

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the period ended January 31, 2008, significant non-cash investing and financing transactions included the Company issuing common shares for mineral property expenditures of $62,500.

During the year ended October 31, 2007, significant non-cash investing and financing transactions included the Company:

a) issuing common shares for mineral property expenditures of $15,000 (2006 - $7,500).

b) receiving common shares for option payments of $6,800.

8. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2008, the Company had a cash balance of $211,272 (October 31, 2007 - $495,377; October 31, 2006 - $122,632) to settle current liabilities of $57,708 (October 31, 2007 - $54,034; October 31, 2006 - $39,292). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company is satisfied with the credit ratings of its banks. As of January 31, 2008 the Company had $633,571 (October 31, 2007 - $331,214; October 31, 2006 - $nil) worth of investments in investment-grade short-term treasury bills.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in US Dollars (US).

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

8. FINANCIAL RISK FACTORS

Market risk (cont'd…)

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

9. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (ie share capital and retained earnings).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements.

10. INCOME TAXES

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

	Period ended January 31, 2008 (unaudited)	Year ended October 31, 2007	Period from Incorporation on May 25, 2006 to October 31, 2006
Income (loss) for the period	$ (30,687)	$ 198,039	$ (27,063)
Expected income tax recovery (expense)	$ 10,573	$ (70,952)	$ 9,865
Non-taxable portion of capital gain	-	53,935	-
Non-deductible items	(78)	(12,500)	(2,442)
Items deductible for tax purposes	-	29,517	-
Unrecognized benefit of non-capital losses	(10,495)	-	(7,423)
Total current income taxes	$ -	$ -	$ -
Future income tax provision	$ -	$ 7,900	$ -

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

10. INCOME TAXES (cont'd…)

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

	Period ended January 31, 2008	Year ended October 31, 2007	Period from Incorporation on May 25, 2006 to October 31, 2006
	(unaudited)		
Future income tax assets (liabilities):			
Non-capital carryforwards	$ 12,377	$ -	$ 3,643
Equipment and other assets	494	424	76
Cumulative exploration and development expenses	(7,900)	(7,900)	2,001
Future income tax assets (liabilities)	4,971	(7,476)	5,720
Valuation allowance	(12,871)	(424)	(5,720)
Net future income tax assets (liabilities)	$ (7,900)	$ (7,900)	$ -

The Company has available for deduction against future taxable income non-capital losses of approximately $31,000. These losses, if not utilized, will expire through 2027.

11. SUBSEQUENT EVENTS

Subsequent to January 31, 2008:

i) Pursuant to a prospectus filed with the _______ Securities Commission and the ___________ Securities Commission, dated _________, 2008, and an Agency Agreement between the Company and Blackmont Capital Inc. ("the Agent") dated ___________ (the "Agency Agreement"), the Company is offering 3,000,000 common shares at $0.30 per share to the public. The Agent will receive a cash commission of 10% of the gross proceeds of the Offering and a $15,000 corporate finance fee (paid), as well as reimbursement of related expenses and legal fees, for which the Company has paid a $15,000 retainer. The amounts paid have been recorded as deferred finance costs of $30,000. Pursuant to the Agency Agreement and subject to the closing of the offering, the Agent will be granted an option to purchase up to 300,000 common shares exercisable at a price of $0.25 per common share for a period of 24 months from the day the common shares of the Company are listed for trading on the TSX-V.

WHITE BEAR RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
JANUARY 31, 2008

11. SUBSEQUENT EVENTS (cont'd…)

ii) The Company adopted an incentive stock option plan whereby at the discretion of the Board of Directors, non-transferable options to purchase common shares will be granted to directors, officers, employees and certain consultants. The number of shares reserved for issuance under the plan shall not exceed 10% of the issued and outstanding common shares of the Company. The exercise price of each option will be based on the market price of the Company's common stock at the date of grant less an applicable discount. The options can be granted for a maximum term of five years and may be subject to vesting provisions. In addition, the prospectus qualifies for distribution options to be granted at the closing of the offering to the directors and officers of the Company, which will entitle the holders to purchase an aggregate of 850,000 common shares at an exercise price of $0.30 per share for a period of 5 years from the date of grant.

iii) The Company acquired an undivided one hundred percent interest in claims, located in the province of Newfoundland and Labrador. As consideration, the Company paid $4,155 for the transfer of the claims and $57,918 for staking and recording the claims and for the legal fees in connection with the claims.

CERTIFICATE OF THE COMPANY

DATED: June 27, 2008

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Saskatchewan.

"Byron K. Coulthard"
Byron K. Coulthard
Chief Executive Officer

"Cyrus Driver"
Cyrus Driver
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Cyrus Driver"
Cyrus Driver
Director

"Sharon Lewis"
Sharon Lewis
Director

"James Clucas"
James Clucas
Director

CERTIFICATE OF THE PROMOTER

DATED: June 27, 2008

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Saskatchewan.

"Byron K. Coulthard"
Byron K. Coulthard
Promoter

CERTIFICATE OF THE AGENT

DATED: June 27, 2008

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Saskatchewan.

BLACKMONT CAPITAL INC.

Per:

"Jeff German"
JEFF GERMAN
VICE PRESIDENT, PVC CORPORATE FINANCE