Initial Public Offering **June 8, 2011**

PROSPECTUS

BLUE RIVER RESOURCES LTD.

200 - 455 Granville Street, Vancouver, British Columbia, V6Z 2T2
Telephone: (604) 682-7399 Fax: (604) 682-7321

$1,500,000 (7,500,000 Shares)
Price: $0.20 per Share

Blue River Resources Ltd. (the "**Company**" or "**Blue River**") hereby offers, through its agent, Union Securities Ltd. (the "**Agent**") on a commercially reasonable efforts basis for sale to purchasers resident in the Provinces of British Columbia, Alberta and Ontario, 7,500,000 common shares (each a "**Share**") in the capital of the Company (the "**Offering**") at a price of $0.20 per Share (the "**Offering Price**"). The Offering Price was determined by negotiation between the Company and the Agent.

	Number of Shares	**Price to the Public**	**Agent's Commission(1)**	**Proceeds to the Company(2)**
Per Share	1	$0.20	$0.02	$0.18
Offering	7,500,000	$1,500,000	$150,000	$1,350,000

Notes:

(1) The Company has agreed, among other things, to pay the Agent an Agent's Commission equal to 10% of the gross proceeds of the Offering, a Corporate Finance Fee of $25,000 plus HST, of which half has been paid as a non-refundable deposit, and to reimburse the Agent for its expenses in connection with the Offering. In addition, the Agent will receive a non-transferable Agent's Option to purchase that number of Shares that is equal to 10% of the total number of Shares sold under the Offering at a price of $0.20 per Share for a period of 60 months from the Listing Date.

(2) Before deducting remaining expenses of the Offering, estimated at up to $129,640 (including the Agent's expenses, including its legal expenses, and the expenses of the Company), which will be paid by the Company out of the proceeds of the Offering. See "Plan of Distribution".

The Agent conditionally offers the Shares, subject to prior sale, on a commercially reasonable efforts basis, if, as and when issued and delivered by the Company in accordance with the terms and conditions contained in the Agency Agreement referred to under “Plan of Distribution." Subscriptions for Shares 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. All subscription funds received will be returned to the subscribers by the Agent without interest, set-off or deduction if this Offering is not fully subscribed on or before 90 days from date a receipt is issued for the final prospectus, unless a further amendment to the final prospectus is filed and the regulator has issued a receipt for the further amendment. If a further amendment to the final prospectus is filed and the regulator has issued a receipt for the amendment, the distribution must cease within 90 days after the date of the receipt for the amendment to the final prospectus. The total period of distribution must not end more than 180 days from the date of receipt for the final prospectus.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this prospecuts. 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 recognition. See "Risk Factors."

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 other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

The TSX Venture Exchange (the "Exchange") has conditionally approved the listing of the issued and outstanding Shares and the Shares being offered under this Prospectus. The listing will be subject to the Company fulfilling all of the listing requirements of the Exchange, including prescribed distribution and financial requirements.

Agent’s Position	Maximum Number of Securities Available	Exercise Period	Exercise Price
Agent’s Options	750,000 Shares(1)	60 months following the Listing Date	$0.20

Notes:

(1) For information on the Agent’s Options, see “Plan of Distribution”.

AN INVESTMENT IN THE SECURITIES OFFERED HEREUNDER BY THE COMPANY SHOULD BE CONSIDERED SPECULATIVE DUE TO THE NATURE OF THE BUSINESS OF THE COMPANY, ITS PRESENT STAGE OF DEVELOPMENT, AND OTHER RISK FACTORS. INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. INVESTORS MUST BE WILLING TO RELY ON THE ABILITY, EXPERTISE, JUDGMENT AND DISCRETION OF THE MANAGEMENT OF THE COMPANY. SEE “RISK FACTORS”.

No person is authorized to provide any information or to make any representation in connection with this Offering other than as contained in this Prospectus.

Union Securities Ltd.
900 - 700 West Georgia Street
Vancouver, British Columbia
Phone: (604) 687-2201
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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this prospectus constitute forward-looking information. The use of any of the words "expects," "plans," "anticipates," "believes," "intends," "estimates" and similar expressions, or statements that events or conditions "will," "would," "may," "could," or "should" occur or continue and similar expressions are intended to identify forward-looking information. These statements involve known and unknown risks and uncertainties and other factors that may cause actual results, events or realities to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in, or incorporated by reference into, this prospectus should not be unduly relied upon. These statements are current only as of the date of this prospectus or as of the date specified in the documents incorporated by reference into this prospectus, as the case may be.

In particular, this prospectus contains forward-looking statements pertaining to the following: expenditures toward capital items, general and administrative expenses and exploration costs; use of proceeds of this Offering; and expectations regarding the ability to raise capital.

Although the Company believes the expectations expressed in such forward-looking information is based on reasonable assumptions, such statements are not guarantees of future results or realities and actual results or realities may differ materially from those in forward-looking information. Investors are cautioned that any such statements are not guarantees of future results or realities and actual results, realities or developments may differ materially from those projected in the forward-looking information. Whether actual results and developments will conform to the expectations and predictions of the Company and its management is subject to a number of risks and uncertainties, including those risk factors discussed under “Risk Factors” and elsewhere in this prospectus. In particular, if any of the risk factors outlined herein materialize, the expectations and predictions of the Company and its management may need to be reevaluated. Consequently, all of the forward-looking information in this prospectus is expressly qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments anticipated by the Company and its management will be realized or, even if substantially realized, that they will have the expected consequences for, or effects on, the Company. Statements containing forwardlooking information are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made. Unless otherwise required by law, the Company expressly disclaims any intention and assumes no obligation to update or revise any statements containing forward-looking information in the event that management’s beliefs, estimates or opinions, or other factors, should change, whether as a result of new information, future events or otherwise, and the Company does not have any policies or procedures in place concerning the updating of forward-looking information other than those required under applicable securities laws.

ELIGIBILITY FOR INVESTMENT

In the opinion of Thorsteinssons, LLP, special Canadian tax counsel to the Company, based on the current provisions of the Income Tax Act (Canada) (the "**Tax Act**") and the regulations thereunder (the "**Regulations**"), and any specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, provided that either (i) the Shares are listed on a "designated stock exchange", as defined in the Tax Act (which currently includes the Exchange); or (ii) the Company is a "public corporation", as defined in the Tax Act, the Shares would, if issued on the date hereof, be "qualified investments" for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts ("**TFSAs**") under the Tax Act (collectively, the "**Plans**").

The Shares are not currently listed on a "designated stock exchange". The Exchange has conditionally approved the listing of the Shares; however, the Shares will not be listed on a "designated stock exchange" at the time of the Closing. Accordingly, it is tax counsel's understanding that the Company intends to make an election, pursuant to the Tax Act, to be a "public corporation" on the same day of, but after, the Closing (the "**Election**"). The Company will make the Election on the reliance that the Canada Revenue Agency (the "**CRA**") will administratively accept that the Election, if validly made in satisfaction of the minimum requirements set out in the Tax Act and the Regulations and duly filed, will render the Shares issued on the Closing to be qualified investments for the Plans at the time of issuance (the "**Company's Reliance**"). **If the Company's Reliance is incorrect, and the Shares are not listed on the Exchange at the time of Closing, the Shares will not be "qualified investments" for a Plan as set out in the first paragraph of this section.**

Notwithstanding that the Shares may, at a particular time, be qualified investments for a trust governed by a TFSA, the holder of a TFSA will be subject to a penalty tax with respect to the Shares held in a TFSA if such shares are "prohibited investments" for the TFSA within the meaning of the Tax Act. Provided that the holder of a TFSA does not hold a "significant interest" (as defined in the Tax Act) in the Company or any corporation, partnership or trust that does not deal at arm's length with the Company for the purposes of the Tax Act, and provided that such holder deals at arm's length with the Company for the purposes of the Tax Act, the Shares will not be "prohibited investments" for a trust governed by the TFSA. **Prospective holders that intend to hold Shares in a TFSA are urged to consult their own tax advisers.**

The 2011 Federal Budget proposed to extend the concept of "prohibited investment" to RRSPs and RRIFs and their annuitant. No assurances can be given that such proposals will be enacted as proposed. Holders should consult their own tax advisors in this regard.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Prospectus. 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.

Agency Agreement	means the agreement dated June 8, 2011 between the Agent and the Company in respect of the Offering.
Agent	means Union Securities Ltd.
Agent's Commission	means a commission of 10% of the gross proceeds of the Offering payable in cash on the Closing Date.
Agent's Option	means the option issuable by the Company to the Agent, as partial consideration under the Agency Agreement, to purchase Shares in an amount equal to 10% of the number of Shares sold under the Offering, at a price of $0.20 per Share for up to 60 months from the Listing Date.
Agent's Option Shares	means the Shares issuable upon due exercise of the Agent's Option, and an "Agent's Option Share" means any of them
BCSC	means the British Columbia Securities Commission
Blue River Nevada	means the wholly-owned subsidiary of the Company, Blue River Resources, Inc., a State of Nevada company
the **Castle Property** or the **Property**	means the five claim cells 530877, 616833, 616903, 616923 and 616943, situated 12 km north of the town of Princeton in southwestern British Columbia, and covering 1,970 ha in total.
Chris Delorme Agreement	means the agreement dated August 5, 2010 between the Company and Chris Delorme
Claimbank Agreement	means the agreement dated June 17, 2010 and amended September 17, 2010 between the Company and Claimbank Explorations Ltd.
Closing Day	means the day on which the Offering is closed.
Company or **Blue River**	means Blue River Resources Ltd.
Corporate Finance Fee	means the Corporate Finance Fee of $25,000 plus HST payable by the Company to the Agent, of which $12,500 has already been paid as a non-refundable deposit
Escrow Agent	means Computershare Investor Services Inc.
Escrow Agreement	means the agreement dated January 4, 2011, among the Company, principals of the Company, and the Escrow Agent, whereby the Escrowed Shares are held in escrow by the Escrow Agent
Escrowed Shares	means those Shares held by the Escrow Holders, which are subject to the Escrow Agreement.
Exchange	means the TSX Venture Exchange Inc.
Listing Date	means the date the Company's outstanding Shares become listed on the Exchange.
NI 43-101	means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*
Offered Securities	means the Shares being offered for sale pursuant to the Offering.
Offering	means the public offering of Shares under this prospectus
Offering Jurisdictions	means British Columbia, Alberta, Ontario and such other provinces and territories of Canada as may be mutually agreed upon by the Agent and the Company where the Offered Securities are offered to prospective purchasers
Offering Price	means $0.20 per Share
the **Original Castle Property Agreement**	means the agreement dated October 15, 2008 and amended October 6, 2009 and June 17, 2010 among Blue River Nevada, Larry Sostad, and Guy Delorme
Securities Commissions	means, collectively, the provincial securities commission or other regulatory

	authority in each of the Offering Jurisdictions
SEDAR	means the Canadian System for Document Analysis and Retrieval available to the public online at www.sedar.com.
Share	means a common share in the capital of the Company
Stock Option Plan	means the 10% rolling stock option plan adopted by the Company
Technical Report	means the technical report with respect to the Property dated December 22, 2010 and revised February 13,2011, prepared in compliance with NI 43-101, by Gilles Arseneau, Ph.D, P. Geo of SRK Consulting (Canada) Inc. of North Vancouver, British Columbia

GLOSSARY OF TECHNICAL TERMS

The terms and abbreviations in the left-side column and used in this Prospectus have the meaning assigned to them in the right-side column in the table below:

albite	a widely distributed white feldspar that is one of the common rock-forming plagioclase group.
albitization	the formation of albite in a rock as a secondary mineral.
alkalic	of igneous rock, containing more than average alkali for that clan in which they are found.
alteration	any physical or chemical change in a rock or mineral subsequent to its formation. Milder and more localized than metamorphism.
amorphous	a solid in which there is no long-range order of the positions of the atoms.
amphibole	an important group of generally dark-colored rock-forming inosilicate minerals.
analog	a structural derivative of a parent compound that often differs from it by a single element.
andesitic	a gray, fine-grained volcanic rock, chiefly plagioclase and feldspar.
anhydrite	a relatively common sedimentary mineral that forms massive rock layers.
anomaly	a concentration or measurement in excess of statistical background.
aqua regia	a highly corrosive, fuming yellow or red solution, also called nitro-hydrochloric acid. It can dissolve gold and platinum. Tantalum, iridium, osmium, titanium and a few other metals are capable of withstanding chemical attack from it.
assay	a laboratory analysis to determine the presence, absence or concentration of one or more elemental components such as gold, copper or zinc.
assemblage	A collection of items from a single datable component of an archaeological site.
azurite	soft, deep blue copper mineral produced by weathering of copper ore deposits.
basalt	a general term for dark-colored mafic igneous rocks, commonly extrusive but locally intrusive, composed chiefly of calcic plagioclase and clinopyroxene; the fine-grained equivalent of gabbro.
batholiths	a large emplacement of igneous intrusive (also called plutonic) rock that forms from cooled magma deep in the earth's crust. Batholiths are almost always made mostly of felsic or intermediate rock-types, such as granite, quartz monzonite, or diorite.
belt	a specific elongated area encompassing or grouping unique geological characteristics.
biotite	a common rock forming mineral, within the mica group, being present in at least some percentage in most igneous and both regional and contact metamorphic rocks.
bleb	a small bubble-like inclusion of one mineral within a larger mineral.
bornite	an isometric mineral, metallic; brownish bronze tarnishing to iridescent blue and purple; brittle; massive; in hypogene and contact metamorphic deposits and mafic rocks; a valuable source of copper.; horseflesh ore; poikilit; purple copper ore; variegated ore.
boron	an element that has properties which are borderline between metals and non-metals (semimetallic).
breccia	a rock composed of angular fragments of minerals or rocks in a matrix (cementing material), that may be similar or different in composition to the fragments. A breccia may have a variety of different origins, as indicated by the named types including sedimentary breccia, tectonic breccia, igneous breccia, impact breccia and hydrothermal breccia.
calc-alkalic	a term applied to groups of igneous rocks that commonly occur together and that have compositions related by the characteristic chemical trends specified below.
calcic	containing lime or calcium.
carbide	any one of a group of compounds that contain carbon and one other element that is either a metal, boron, or silicon.
chalcocite	a sulphide mineral of copper common in the zone of secondary enrichment.
chalcopyrite	a sulphide mineral of copper and iron; the most important ore mineral of copper.

chlorite	a general name for several minerals that are difficult to distinguish by ordinary methods. These minerals are all apart of the Chlorite Group of minerals.
clan	a compositional category for classifying igneous rocks. A clan may be defined either by mineralogical or by chemical composition. Clans are subdivided into families.
clinopyroxene	group of pyroxene minerals which crystallize in the monoclinic crystal system, including the calcium-bearing clinopyroxenes and the sodium-bearing pyroxenes.
coating	a layer of a substance spread over a surface for protection or decoration.
copper	a ductile metal with very high thermal and electrical conductivity.
country rock	the rock native to an area. Loosely used to describe the general mass of rock adjacent to an orebody. Also known as the host rock.
crushing	the process of breaking up large rocks into smaller rocks, gravel or rock dust. Crushing is an essential part of the mining, reducing run-of-mine ore to a size that can be easily transported or processed.
deposit	a mineralized body which has been physically delineated by sufficient drilling, trenching and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures; such a deposit does not qualify as a commercially mineable ore body or as containing mineral reserves, until final legal, technical and economic factors have been resolved.
diamond drill	a rotary type of rock drill that cuts a core of rock that is recovered in long cylindrical sections, two cm or more in diameter.
dimorphous	occurring or existing in two different forms.
diorite	a coarse grained, plutonic igneous rock that consists of intermediate plagioclase and one or more ferromagnesian minerals and little or no quartz.
dissemination	said of a mineral deposit (esp. of metals) in which the desired minerals occur as scattered particles in the rock, but in sufficient quantity to make the deposit an ore.
disulfide	the structural unit composed of a linked pair of sulfur atoms
ductile	a material's ability to deform under tensile stress; this is often characterized by the material's ability to be stretched into a wire
dyke	a long and relatively thin body of igneous rock that, while in the molten state, intruded a fissure in older rocks
EM	electro magnetic
electromagnetic survey	a geophysical survey method which measures the electromagnetic properties of rocks
epidote	a calcium aluminium iron sorosilicate mineral, crystallizing in the monoclinic system
equigranular	a textural term applied to rocks, the essential minerals of which are all of the same order of size
exsolve	to separate two minerals in solid solution from one another at a critical point in temperature
extrusive	the mode of igneous volcanic rock formation in which hot magma from inside the earth flows out (extrudes) onto the surface as lava or explodes violently into the atmosphere to fall back as pyroclastics or tuff. This is opposed to intrusive rock formation, in which magma does not reach the surface.
feldspar	a common silicate mineral that occurs in all rock types and decomposes to form much of the clay in soil.
felsic	an igneous rock that has an abundance of light colored minerals such as quartz and feldspars in the matrix.
ferromagnesian	containing iron and magnesium. Magnetite and hornblende are ferromagnesian minerals.
fissure	a crack in rock formations.
flow	that which flows or results from flowing. A mass of matter moving, or that has moved in a stream, such as a lava flow. A tabular-shaped body of lava that consolidated from magma on the surface of the Earth.

fluorite	a common gangue mineral in hydrothermal veins, especially those containing lead and zinc minerals.
foliation	any penetrative planar fabric present in rocks.
fracture	a break in the rock, the opening of which allows mineral-bearing solutions to enter. A “cross-fracture” is a minor break extending at more-or-less right angles to the direction of the principal fractures
fragmental	formed from fragments of pre-existing rocks.
gabbro	refers to a large group of dark, coarse-grained, intrusive mafic igneous rocks chemically equivalent to basalt. The rocks are plutonic, formed when molten magma is trapped beneath the earth's surface and cools into a crystalline mass.
gangue	is the commercially worthless material that surrounds, or is closely mixed with, a wanted ore. The separation of the ore from the gangue is a necessary and often significant aspect of mining.
geochemical	the chemistry of the composition and alterations of the solid matter of the earth or a celestial body.
geochemical sampling	collecting and analyzing various types of geological materials.
geological mapping	a graphic representation of selected geological features within a desired surface or subsurface area.
geophysical survey	mapping rock structures and mineral deposits by methods of measuring physics of the earth; includes measuring magnetic fields, forces of gravity, and electrical properties.
georgeite	amorphous analog of malachite. Weathered tremolitic rock that contains disseminated copper and iron sulfides.
granodiorite	a group of coarse-grained plutonic rocks intermediate in composition between quartz diorite and quartz monzonite, containing quartz, plagioclase and potassium feldspar, with biotite, hornblende.
ground magnetometer	a sensitive instrument primarily suitable for making observations of magnetic field intensity on the surface of the earth.
greenschist	schistose metamorphic rock whose green color is due to the presence of chlorite, epidote, or actinolite.
homogeneous	uniform in structure or composition throughout.
hornblende	not a recognized mineral in its own right, but the name is used as a general or field term, to refer to a series of minerals that are rather difficult to distinguish by ordinary means.
horizon	a term used in seismic interpretation to identify the signal reflected from a particular layer of rock.
horseflesh ore	a miner's name for bornite.
host rock	the encasing rock type which contains the feature of interest such as mineralization or alteration.
hydrothermal	relating to hot fluids circulating in the earth's crust.
hypogene	produced or formed within the earth, as plutonic and metamorphic rocks. Designating minerals or ore deposits formed by waters ascending from great depths.
igneous	is one of the three main rock types (the others being sedimentary and metamorphic rock). Igneous rock is formed by the solidification of molten material from far below the earth's surface.
impact	collision between bodies, the velocity of one or both being changed. In direct impact, the velocity of the moving bodies is perpendicular to the bodies at the point of contact.
intergrowth	the growing together of crystals from two or more minerals.
intrusive	igneous rock which, while molten, penetrated into or between other rocks but solidified before reaching the surface.
ion	an ion is an atom or molecule which has lost or gained one or more electrons, making it positively or negatively charged.

IP	induced polarization.
isometric	a system of crystallization with three axes at right angles and of equal length; nine planes of symmetry; singly refracting.
Jurassic	geological time period between 190 - 135 million years ago.
lamellae	a plate-like structure.
ligand	an atom, ion, or molecule that binds to a central metal-atom to form a coordination complex.
mafic	igneous rocks composed mostly of dark, iron- and magnesium-rich minerals.
magma	molten rock that is found beneath the surface of the earth.
magnetic response	The ratio of the magnetization of a material to the magnetic field strength.
magnetite	black, magnetic iron ore, an iron oxide.
malachite	a monoclinic mineral, dimorphous with georgeite; bright green; occurs with azurite in oxidized zones of copper deposits; a source of copper.
massive	without internal structure or layers and homogeneous in composition.
Mesozoic	geological time period between 225-64 million years ago.
metamorphic rock	is the result of the transformation of an existing rock type, the protolith, in a process called metamorphism, which means "change in form". The protolith is subjected to heat and pressure causing profound physical and/or chemical change. The protolith may be sedimentary rock, igneous rock or another older metamorphic rock.
metamorphism	the mineralogical, chemical, and structural adjustment of solid rocks to physical and chemical conditions that have generally been imposed at depth below the surface zones of weathering and cementation, and that differ from the conditions under which the rocks in question originated.
mica	any of a group of chemically and physically related aluminum silicate minerals, common in igneous and metamorphic rocks, characteristically splitting into flexible sheets used in insulation and electrical equipment.
mineralization	a concentration of minerals of general economic interest within a body of rock.
mineral reserve	the economically mineable part of a measured or indicated mineral resource demonstrated by at least preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined. Mineral reserves are sub-divided in order of increasing confidence into probable mineral reserves and proven mineral reserves.
mineral resource	a concentration or occurrence of natural solid inorganic material, or fossilized organic material including base and precious metals, coal, diamonds or industrial minerals in or on the earth's crust in such form and quantity and of such grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.
molten	made liquid by heat; melted.
molybdenite	is a mineral of molybdenum disulfide. It occurs in high temperature hydrothermal ore deposits. Its associated minerals include pyrite, chalcopyrite, quartz, anhydrite, fluorite, and scheelite.
molybdenum	a chemical element. The free element, which is a silvery metal, has the sixth-highest melting point of any element. It readily forms hard, stable carbides, and for this reason it is often used in high-strength steel alloys. Molybdenum does not occur as the free metal in nature, but rather in various oxidation states in minerals.
monoclinic	relating to or belonging to the crystal system characterized by three unequal axes, one pair of which are not at right angles to each other.
monzonite	a group of plutonic rocks intermediate in composition between syenite and diorite.
NSR	"net smelter return" royalty, cash proceeds for the economic materials from a smelter after various costs are deducted.

ore	a metal or mineral, or a combination of these, of sufficient value as to quality and quantity to enable it to be mined at a profit.
orebody	a natural concentration of valuable material that can be extracted and sold at a profit.
outcrop	an exposure of rock or mineral deposit that can be seen on surface, that is, not covered by soil or water
oxide	a chemical compound containing at least one oxygen atom as well as at least one other element.
pegmatite	an exceptionally coarse-grained felsic igneous rock, with interlocking crystals of dominant feldspar and quartz, with subordinate mica; associated with granitic intrusives.
percussion drill	a rotary drill with a hammering action.
perthite	an intergrowth of two feldspars: a host grain of potassium-rich alkali feldspar includes exsolved lamellae or irregular intergrowths of sodic alkali feldspar.
perthosite	a light-colored syenite composed almost entirely of perthite, with less than 3% mafic minerals.
pervasive	relatively even permeating or penetrating throughout every part of, as in pervasive alteration of a rock.
phenocrysts	a conspicuous, usually large, crystal embedded in porphyritic igneous rock.
plagioclase	materials consisting of mixtures of sodium and calcium aluminium silicates.
porphyry	an igneous rock of any composition that contains conspicuous phenocrysts in a fine-grained groundmass; a porphyritic igneous rock.
planar	lying or arranged as a plane or in planes, usually implying more or less parallelism, as in bedding or cleavage. It is a two-dimensional arrangement, in contrast to the one-dimensional linear arrangement.
plug	a mass of igneous rock filling the vent of a volcano
pluton	a body or mass of similar igneous rock that has formed beneath the surface of the earth
ppm	parts per million (1 ppm = 1000 ppb = 1 gram/tonne).
pyroclastics	are clastic rocks (of fragments, or clasts, of pre-existing rock) composed solely or primarily of volcanic materials.
pyrrhotite	a bronze-coloured, magnetic iron sulphide material.
pyrite	an iron sulphide mineral. The most common and abundant sulphide minerals and often associated with copper and gold.
pyroxenes	a group of important rock-forming silicate minerals found in many igneous and metamorphic rocks.
quartz	a mineral, the composition of which is silicon dioxide; a crystalline form of silica, which frequently occurs in veins.
Quesnellia	a genus of the botanical family Bromeliaceae, subfamily Bromelioideae.
radiometric age dating	a technique used to date materials such as rocks, usually based on a comparison between the observed abundance of a naturally occurring radioactive isotope and its decay products, using known decay rates.
sampling	selecting a fractional but representative part of a mineral deposit for analysis.
saussuritization	process by which calcium-bearing plagioclase feldspar is altered to a characteristic assemblage of minerals called saussurite.
scheelite	a calcium tungstate (a compound containing the tungstate ion) mineral.
sequence	[sedimentary sequence] a grouping of sedimentary units bounded on top and bottom by regional unconformities.
shear	a form of fault in rocks .
sheet	a general term for a tabular igneous intrusion.

silica	a chemical compound also known as silicon dioxide or silox is the oxide of silicon, and has been known for its hardness since the 16th century. It is a principal component of most types of glass and substances such as concrete.
silicon	the most common semi-metal. It occurs as the pure free element in nature, but is more widely distributed in dusts, planetoids and planets as various forms of silicon dioxide or silicate.
sill	a subhorizontal sheet-like intrusion of magma.
skarn	a coarse-grained, non-foliated metamorphic rock containing silicates that are rich in calcium.
sodium	a soft, silvery white, highly reactive element and is a member of the alkali metals.
sorosilicate	any of the silicates in which each silicate tetrahedron shares one of its four oxygen atoms with a neighboring tetrahedron, the ratio of silicon to oxygen being two to seven.
strike	the direction, or course or bearing, of a vein or rock formation measured on a level surface.
stock	an irregular, metalliferous mass in a rock formation, such as a stock of lead ore in limestone.
stringer	an irregular filament or a narrow vein of one or more minerals traversing a rock mass.
subaqueous	the realm below the surface of water where the water exists in a natural feature (called a body of water) such as an ocean, sea, lake, pond, or river.
subduct	a geologic process in which one edge of one crustal plate is forced below the edge of another.
suite	a collection of rock specimens from a single area, generally representing related igneous rocks.
sulphide	a mineral compound characterized by the chemical bonding of sulphur with a metal.
syenite	an igneous rock composed primarily of alkali feldspar together with other minerals, such as hornblende.
tectonic	relating to, causing, or resulting from structural deformation of the earth's crust.
tectonic plate	a massive, irregularly shaped slab of solid rock, generally composed of both continental and oceanic lithosphere.
tectono-stratigraphic	rock sequences in which large-scale layering is caused by the stacking of thrust sheets or nappes in areas of thrust tectonics or the effects of tectonics on lithostratigraphy.
terrane	a crustal block or fragment that preserves a distinct geologic history that is different from the surrounding areas and is often bounded by faults.
trench	any long, narrow cut or excavation produced naturally in the Earth's surface by erosion or tectonic movements.
tuff	a type of rock consisting of consolidated volcanic ash ejected from vents during a volcanic eruption.
variegated	said of a sediment or sedimentary rock, such as red beds or sandstone, showing variations of color in irregular spots, streaks, blotches, stripes, or reticulate patterns.
vein	a fissure, fault or crack in a rock filled by minerals that have travelled upwards from some deep source
veinlets	a small or secondary vein
VLF	very low frequency electromagnetic geophysical survey
volcanic	rocks originating from volcanic activity
volcanic arc	a chain of volcanic islands or mountains formed as an oceanic tectonic plate subducts under another tectonic plate and produces magma at depth under the over-riding plate
zone	an area of distinct mineralization

CURRENCY AND METRIC EQUIVALENTS

All dollar amounts ($) are in Canadian dollars unless otherwise specified.

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

1 mile = 1.6093 kilometers
1 foot = 0.3048 meter
1 acre = 0.4047 hectare
1 troy ounce = 31.1035 grams
1 ton = 0.9072 tonnes
1 gram per tonne = 0.0291 ounces per ton
1 square mile = 2.59 square kilometers (259 hectares)

SUMMARY OF PROSPECTUS

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

The Company:	Blue River Resources Ltd.
The Property:	The Castle Property is comprised of five claim cells (530877, 616883, 616903, 616923 and 616943), and situated 12 km north of the town of Princeton in southwestern British Columbia, and covering 1,970 ha in total.
The Offering:	7,500,000 Shares being offered in the Provinces of British Columbia, Alberta and Ontario at the Offering Price of $0.20 per Share. See "Plan of Distribution" and "Description of Share Capital."
Additional Distributions:	This Prospectus also qualifies the Agents' Option to be issued to the Agent under the Agency Agreement.
Offering Price:	$0.20 per Share.
Agent's Consideration:	The Agent will receive, among other things, a cash commission equal to 10% of the gross proceeds of the Offering and will be granted an Agent's Option to purchase that number of Shares that is equal to 10% of the number of Shares sold under this Offering. The Agent will also be paid a Corporate Finance Fee of $25,000 plus HST upon closing of the Offering, of which half has already been paid as a non-refundable deposit, and will be reimbursed by the Company for its legal fees and expenses.
Estimated Net Proceeds:	$1,091,360, after deduction of the estimated costs of this Offering (and excluding cash at hand). See "Use of Proceeds - Proceeds and Funds Available."
Use of Proceeds:	The Company intends to use the available funds to make exploration expenditures on the Property and for general working capital requirements. The Company intends to spend the funds available to it on the completion of the Offering as stated in this Prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. See "Use of Proceeds" and "Risk Factors."
Risk Factors:	An investment in the Shares should be considered highly speculative due to the nature of the Company's business and its present stage of development. The Company has no history of operations and is still in an early stage of development. The exploration and development of minerals is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time, during which even a combination of careful evaluation, experience and knowledge may not eliminate. The Company has no history of operations or revenues and it is unlikely that the Company will generate any revenues from operations in the foreseeable future. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. The price of the Company's

securities, the Company's financial results and exploration, development and mining activities have previously been, or may in the future be, significantly adversely affected by declines in the price of precious or base metals. There is currently no market through which the Shares can be sold and there can be no assurance that one will develop or be sustained after the Offering. The Company's success will be largely dependent, in part, on the services of the Company's senior management and directors, the loss of any member of which could have an adverse effect on the Company. Members of the Company's management team own a significant number of the Corporation's outstanding Shares and could influence the outcome of certain matters involving shareholder approval, including the election of directors. All of the Company's directors are or will be directors of other companies, which could result in conflicts of interest. Investment in the Shares offered under this Prospectus will result in a significant and immediate dilution in an investor's investment of approximately 46.5%.

See the section entitled "Risk Factors" for details of these and other risks relating to the Company's business.

Summary of Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Company and notes thereto appearing elsewhere in this prospectus. The selected financial information is derived from the audited financial statements of the Company for the years ending October 31, 2010, 2009 and 2008. Please note that the summary financial information presented below is presented on a consolidated basis for all three years, though the Company acquired Blue River Nevada in April 2010. The Company was incorporated in September 2008 and had no active business until its acquisition of Blue River Nevada.

Item	**Three Month Period Ended January 31, 2011 (unaudited)**	**Year Ended October 31, 2010 (audited)** (1)	**Year Ended October 31, 2009 (audited)**	**Year Ended October 31, 2008 (audited)**(2)
Revenues (Interest income)	-	-	-	-
Operating Expenses	($81,939)	($511,437)	($290,290)	($164,716)
Net Loss	($81,939)	($358,773)	($290,290)	($164,716)
Current Assets	$54,053	$133,540	$47,333	$2,794
Mineral Property Costs	$281,834	$248,888	$159,880	$64,944
Total Assets	$434,817	$439,784	$207,928	$68,515
Current Liabilities	($124,746)	($87,774)	($238,468)	($309,808)
Shareholders' Equity (Deficiency)	$310,071	$352,010	($30,540)	($241,293)
Net Loss Per Share	($0.00)	($0.04)	($0.038)	($0.180)
Number of Shares Outstanding	18,872,303(3)	18,072,303(3)	10,581,831(3)	917,323(3)

Notes:
(1) The Company acquired Blue River Nevada in April 2010. See "Business of the Company - Acquisition of Blue River Nevada".
(2) The Company was incorporated in September 2008.
(3) Includes the issued and outstanding securities of Blue River Nevada.

Business Objective and

The Company's only business at present is the exploration of the Castle Property. The Company's short term business objectives include: (i)

Milestones: completing the Offering under this Prospectus; (ii) obtain a listing of the Shares on the Exchange; (iii) carry out the work program recommended in the Technical Report; and (iv) pay all taxes and payments and perform and file all assessment work necessary to keep the Castle Property and the Company's other mineral properties in good standing. The completion of the Offering under this Prospectus will occur on the Closing Date to be followed by listing of the Shares on the Exchange on the Listing Date. See "Business of the Company."

CORPORATE STRUCTURE

Name and Incorporation

The Company was incorporated on September 26, 2008 under the British Columbia *Business Corporations Act*. The Company's registered office is 700 - 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1, and its head office is located at 200 - 455 Granville Street, Vancouver, British Columbia V6C 1T1.

Intercorporate Relationships

The Company has one wholly-owned subsidiary, Blue River Nevada, a State of Nevada company incorporated on December 7, 2006. Blue River Nevada does not carry on an active business nor does it have any assets. For further description, please refer to "Business of the Company - Acquisition of Blue River Nevada."

BUSINESS OF THE COMPANY

The Company is a junior mining company engaged in the acquisition, exploration and development of mineral resource properties. While currently the Company's only mineral interests are located in British Columbia, the Company intends to seek and acquire additional mineral resource properties in North America and elsewhere if and when the opportunity arises. As at the date of this prospectus, the Company's primary mineral property is the Castle Property. Upon completion of the Offering, the Company will still require additional financing to complete Phase Two of the work plan recommended to it (see *The Castle Property - Recommendations* and *Use of Proceeds*). There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. See *Risk Factors - Liquidity Concerns and Future Financing Requirements* for further discussion.

Acquisition of the Castle Property

Pursuant to the Original Castle Property Agreement, Blue River Nevada acquired a 100% beneficial right, title and interest in and to the Castle Property from Larry Sostad and Guy Delorme (collectively, the "Original Vendors") in consideration of the following to the Original Vendors:

- Blue River Nevada issuing an aggregate of 400,000 common shares in the capital of Blue River Nevada, which obligation has been assumed by the Company (as described below); and

- Blue River Nevada paying an aggregate amount of $40,000, which has been paid.

Additionally, the Original Vendors have reserved unto themselves a 2% net smelter returns royalty, subject to Blue River Nevada's right (the "Buy Back Right") to, in its sole discretion, purchase 1% of such net smelter royalty in consideration of $5,000,000.

Pursuant to an assignment agreement dated November 18, 2010 between the Company and Blue River Nevada, the Company acquired all of Blue River Nevada's interest in and to the Castle Property and the Buy Back Right, and has assumed all of Blue River Nevada's obligations under the Original Castle Property Agreement. To clarify, the Company has assumed all payment obligations of Blue River Nevada under the Original Castle Property Agreement, and, in August 2010, the Company issued 400,000 Shares to Mr. Sostad and Mr. Delorme in satisfaction of the remainder of the purchase price payable under the Original Castle Property Agreement.

Acquisition of Additional Mineral Interests

Subsequent to Blue River Nevada's acquisition of the Castle Property, the Company has acquired additional properties contiguous to the Castle Property.

Pursuant to an agreement dated June 17, 2010 and amended September 17, 2010 with Claimbank Explorations Ltd. ("Claimbank"), a private British Columbia company, the Company acquired five additional mineral claims located in the Similkameen Mining Division of British Columbia, covering approximately 2,073 hectares or 4,700 acres. In consideration, the Company paid $20,000 to Claimbank, and has issued an aggregate total of 300,000 Shares. In addition, Claimbank will reserve a 2% net smelter returns royalty, subject to the Company's right to, in its sole discretion, purchase 1% of such net smelter returns royalty in consideration of $2,000,000.

Pursuant to an agreement dated August 5, 2010 with Chris Delorme, the Company acquired three additional mineral claims located in the Similkameen Mining Division of British Columbia, covering approximately 907 hectares. In consideration, the Company paid $2,000 to Chris Delorme, and has issued an aggregate total of 100,000 Shares. In addition, Chris Delorme will reserve a 2% net smelter returns royalty, subject to the Company's right to, in its sole discretion, purchase 1% of such net smelter returns royalty in consideration of $500,000.

Acquisition of Blue River Nevada

On April 30, 2010, the Company purchased all of the issued and outstanding common shares in the capital of Blue River Nevada. At all times, Blue River Nevada has been an affiliate of the Company by virtue of having common directors. In consideration, each Blue River Nevada shareholder received one Share for each Blue River Nevada common share held, at a deemed price of $0.05 per Share. In the aggregate, 2,960,209 Shares were issued pursuant to such acquisition. Blue River Nevada is currently a wholly-owned subsidiary of the Company.

In connection with such acquisition, Blue River Nevada has assigned all of its interest in and to the Castle Property and the Original Castle Property Agreement to the Company on November 18, 2010.

THE CASTLE PROPERTY

The information in this prospectus with respect to the Castle Property is derived from a Technical Report pertaining to the Castle Property that was commissioned by and prepared for the Company by Gilles Arseneau, Ph.D, P. Geo of SRK Consulting (Canada) Inc. (the "**Report Author**") of North Vancouver, British Columbia. The Technical Report reviews the Castle Property geology and mineralization, and recommends a Phase 1 and Phase 2 exploration program. The Report Author visited the Castle Property on September 14, 2009, and is a "Qualified Person" and considered "independent" as both those terms are defined in NI 43-101. The Technical Report will be available for review online under the Company's profile on SEDAR.

Property Description and Location

The Castle Property consists of five claim cells 530877, 616883, 616903, 616923 and 616943 staked online using the MTO staking system of the Province of British Columbia. The MTO system is an online computer claim staking system. No physical markings are made on the ground and the claims are essentially staked “on paper” only. The property covers 1,970 hectares (ha) in total.

The Castle Property is situated 12 kilometres (km) north of the town of Princeton in southwestern British Columbia. The claim is on NTS Map sheet 09H.056 and centred at UTM coordinates 5,492,750N 683,900E. The Copper Mountain Mine, owned by Copper Mountain Corp., is situated approximately 25 km to the south of the Castle Property (Figure 1). Vancouver, the largest city in the Province of British Columbia, is three hours distant by road.

Blue River Nevada entered into the Original Castle Mountain Property Agreement to acquire claim 530877 from the Original Vendors in October of 2008 and acquired the remaining four claims in October of 2009. All right, title and interest of Blue River Nevada in and to the Castle Property was subsequently assigned to the Company on November 18, 2010, and the Company has assumed all obligations of Blue River Nevada under the Original Castle Mountain Property Agreement. The Company acquires its 100% interest in the Castle Mountain Property subject to a 2% Net Smelter Return (NSR) in the claims, and must provide to Original Vendors an aggregate of 400,000 Shares and $40,000, which has been provided. The NSR can be reduced to 1% by paying the Original Vendors $5,000,000. For further discussion, see "Business of the Company - Acquisition of the Castle Property" above.

Table 1 summarises the claim ownership and expiry date:

Claim Number	**Area (ha)**	**Registered Owner**	**Expiry Date**
616943	335.19	The Company	August 10, 2011
616903	335.19	The Company	August 10, 2011
616883	523.75	The Company	August 10, 2011
616923	440.10	The Company	August 10, 2011
530877	335.30	The Company	February 1, 2014

There are no back in rights and no known environmental liabilities exist on the property. The Company has obtained all the necessary permits required to commence the recommended drilling program. Drilling permits are routinely granted by the Ministry of Energy, Mines and Petroleum Resources of British Columbia and are generally easy to obtain.

Figure 1 Property Location Map

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the Castle Property is via the Princeton - Summerland paved highway for 14 km north of Princeton then north for four km on the gravelled Hembrie Mountain road. The property is in the Similkameen Mining District in south-central British Columbia. The map area is in UTM zone 10 and the geographic centre of the property lies approximately at 5,492,750N and 683,900E (see Figure 2).

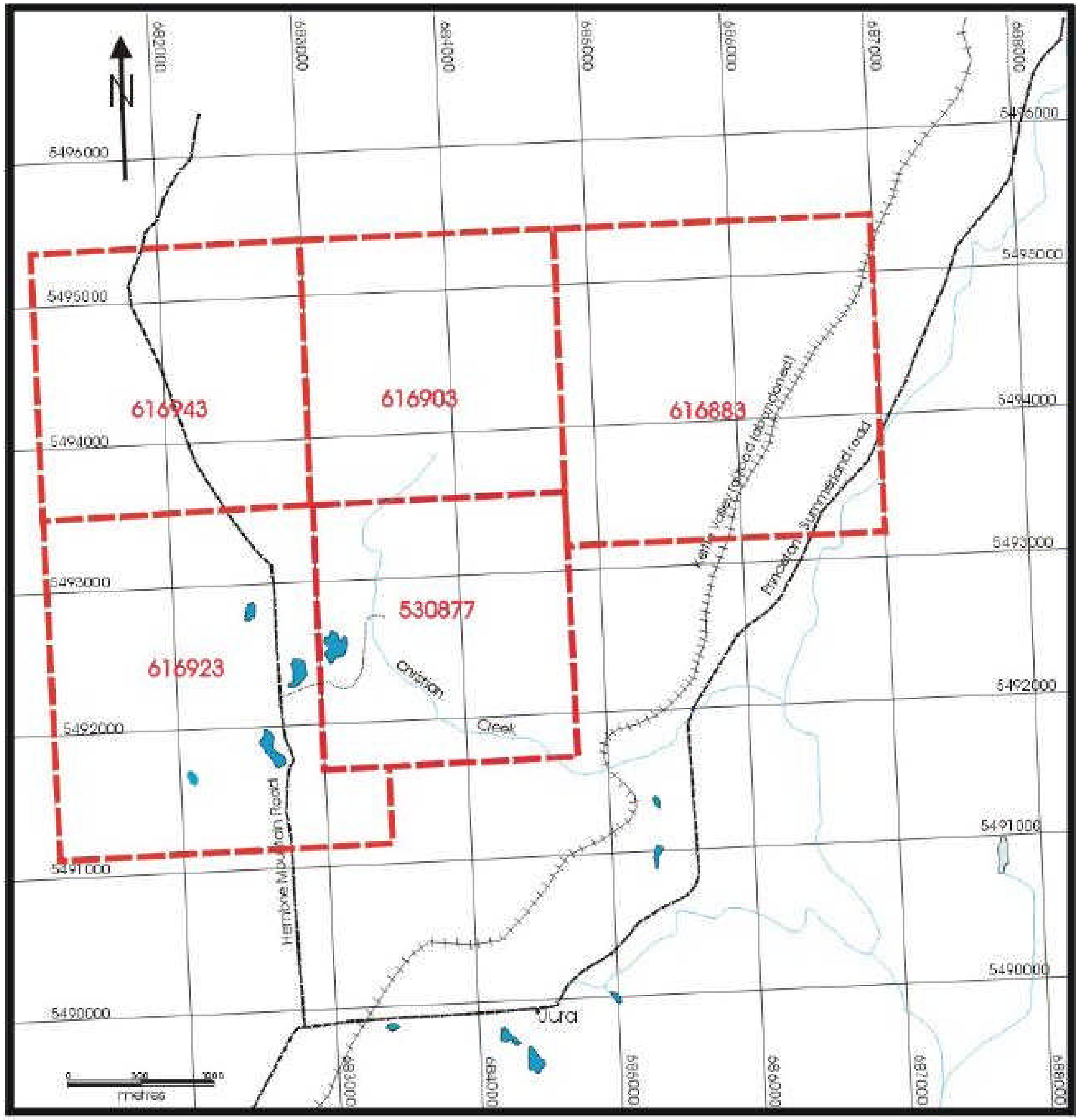
The region is situated within the arid region of British Columbia with precipitation of approximately 40 centimetres of which 25% to 30% may occur as snow equivalent rainfall between 25 and 30 centimetre (cm) per year. Temperatures during the summer months can reach a high of 35°C and average 20°C with the winter temperatures reaching a low of -30 °C. On the Castle Property, snow covers the ground from December to April but snow cover is generally light and would not hamper a year round exploration program.

The town of Princeton, 14 km to the south, has a population of approximately 3,000 and has a diversified economy driven by ranching, forestry and tourism, although during the mine operation, Similco Mines was the predominate employer in the area. The town has services typical of its size. Vancouver, a port city on the southwest coast is the largest city in the Province of British Columbia is three hours distant by road.

Sufficient water for all phases of the exploration program could be available from the lakes and water courses located within the confines of the property. The easterly flowing Similkameen River is 15 km south of the Castle Property.

Physiographically, the Castle Property is located within the Thompson Plateau and covers gently sloping hills reaching an elevation of 1,125 metres (m) in the northeast and 1,075m in the southeast. The Christian Creek valley which transects the central part of the property has an average elevation of 1,170m. Much of the Castle Property area is of grassy ranchland in the lower elevations to pine and aspen forests with scattered grassy patches in the higher elevations.

In the event that the property advances to the mining development stage, there is sufficient water on the property to support a mining operation; power is available from the provincial grid which is about 5 km from the Castle Property. The mining property is large enough to support mining operation infrastructure, processing plant, waste and tailings sites. The town of Princeton, 13 km away has an adequate supply of mining personnel. Surface rights are currently owned by the Province of British Columbia and a local rancher. Some surface property may have to be acquired before mining operations could be initiated.



616903 Claim Boundary and Claim Number

Figure 2 *Local Property Access Map*

History

The Castle Property has been explored intermittently since the late 1950s, the main area of mineralization is documented in the British Columbia MINFILE system as the RATS copper showing (MINFILE 092HNE176).

In 1959, Kennco Explorations Limited completed geological, geochemical, geophysical surveys, diamond drilling and bulldozer trenching on the F. H. Claims which included some of the ground covered by the present Castle Property. The Kennco drilling was however on claims east of the Castle Property. The airborne magnetometer survey did include a small portion of the Castle Property and identified an area of prominent high magnetic response in the area underlained by the Castle Property.

The following table summarises the publicly available assessment reports that cover the history of the work carried out on the property.

Summary of Assessment Reports for the Castle Property

Report Number	Year	Company	Work Completed
7795	1979	Canadian Occidental Petroleum	Geology and soil survey for Uranium
16135	1986	Count Fleet Exploration	Geology, Trenching and soil survey
19165	1989	Christofferson	Mapping and soil survey
20113	1990	Cominco	IP, Magnetometer
30097	2008	L. Sostad	Geology and Mobile Metal Ion Survey (MMI)

The most significant work on the property was carried out by Count Fleet Exploration Ltd. and Co- Pex Mining Corporation. Count Fleet completed geological mapping and geochemical sampling over an area of extensive trenching (Trench Zone) on the northern part of the claim. The Trench zone area has been the focus of exploration since the mid 1980's and is the focus of the exploration work carried out by the Company.

Between 1969 and 1973, Co-Pex Mining Corporation is reported to have carried out additional trenching and some 2400m of percussion drilling in 28 holes and 430m of diamond drilling in 3 holes on their ELK and SLEEPER group of claims, now covered in part by the Castle Property. However, no public records of the company's activities or results of the drilling program are available (MINFILE 092HNE176).

Geological Setting

The Princeton porphyry copper deposits are part of a northerly trending Mesozoic tectonostratigraphic Quesnellia terrane which is composed of a volcanic arc with overlying sedimentary sequences, all of which were built on top of a deformed, oceanic sedimentary-volcanic complex (Harper Ranch and Okanogan sub-terranes). Quesnellia was formed off-shore to the southwest of continental North America and accreted, with other terranes, onto North America in late Mesozoic times (Monger et al., 1992). The Late Triassic Nicola Group, a predominately subaqueous island-arc assemblage composed of volcanic and lesser sedimentary rocks forms the bulk of the Quesnellia terrane. The Nicola Group rocks have been intruded by early Jurassic alkalic, calc-alkalic and zoned mafic (Alaska-type) plutons and batholiths (Preto, 1972; 1979).

The Nicola Group rocks have a stratigraphic thickness of approximately 7.5 km and form a 25 km wide band that extends from the Canada-U.S. border north to beyond Kamloops Lake. This band has been divided into four lithologic assemblages that are commonly bounded by subparallel fault systems (Monger, 1989). The Western assemblage is a steeply dipping, east-facing assemblage of sub-aqueous felsic to mafic rocks of calc-alkaline affinity that grade upwards into volcaniclastic rocks..

The Copper Mountain alkalic porphyry copper-gold camp occurs in the Eastern volcanic assemblage of the Nicola Group (Monger, 1989). These volcanic strata are intruded by a suite of early Jurassic alkalic dykes, sills, irregular plugs and zoned plutons of the Copper Mountain suite (Woodsworth et al., 1992), but other than local contact effects and alteration associated with mineralization, the stratified rocks are relatively fresh having undergone only lower greenschist metamorphism.

The Copper Mountain Intrusions include the Copper Mountain, Smelter Lake and Voigt stocks. The Copper Mountain stock is 17 square km, concentrically differentiated, elliptical in plan, with its major axis 10 km long and striking 300 degrees. The stock is zoned, with diorite at its outer edge grading through monzonite, syenite and perthosite pegmatite at the core. The smaller Smelter Lake and Voigt stocks show no differentiation and are similar in composition to the outer phase of the Copper Mountain stock.

The Lost Horse complex (4300 m by 2400 m) consists of diorite to syenite porphyries and porphyry breccias, with variable pervasive albitization, saussuritization and pink feldspar alteration. These porphyries are a complex of dykes, sills and irregular bodies. Some phases are mineralized, but others are clearly post-mineralization.

Radiometric age dating of the Lost Horse complex, Smelter Lake and Voigt stocks, and sulphidebearing pegmatite veins indicate that these intrusions and of the associated mineralization are Early Jurassic (Preto, 1979).

The Castle Property is mainly underlain by basaltic and andesitic flows of the Upper Triassic Nicola Group (see Figure 3). The Nicola volcanic rocks strike in a northwest direction and are in contact with a Middle Jurassic-age granodiorite Osprey Lake Batholith in the northeast portion of the property. Rocks of the Nicola Group exposed on the property consist mainly of plagioclase and or olivine porphyritic basaltic flows and altered andesitic flows. Multi-directional shearing or fracturing is evident in outcrop and epidote and chlorite are abundant as fracture coatings. Outcrop on the property is restricted to high ridges exposed to the north of Christian Creek.

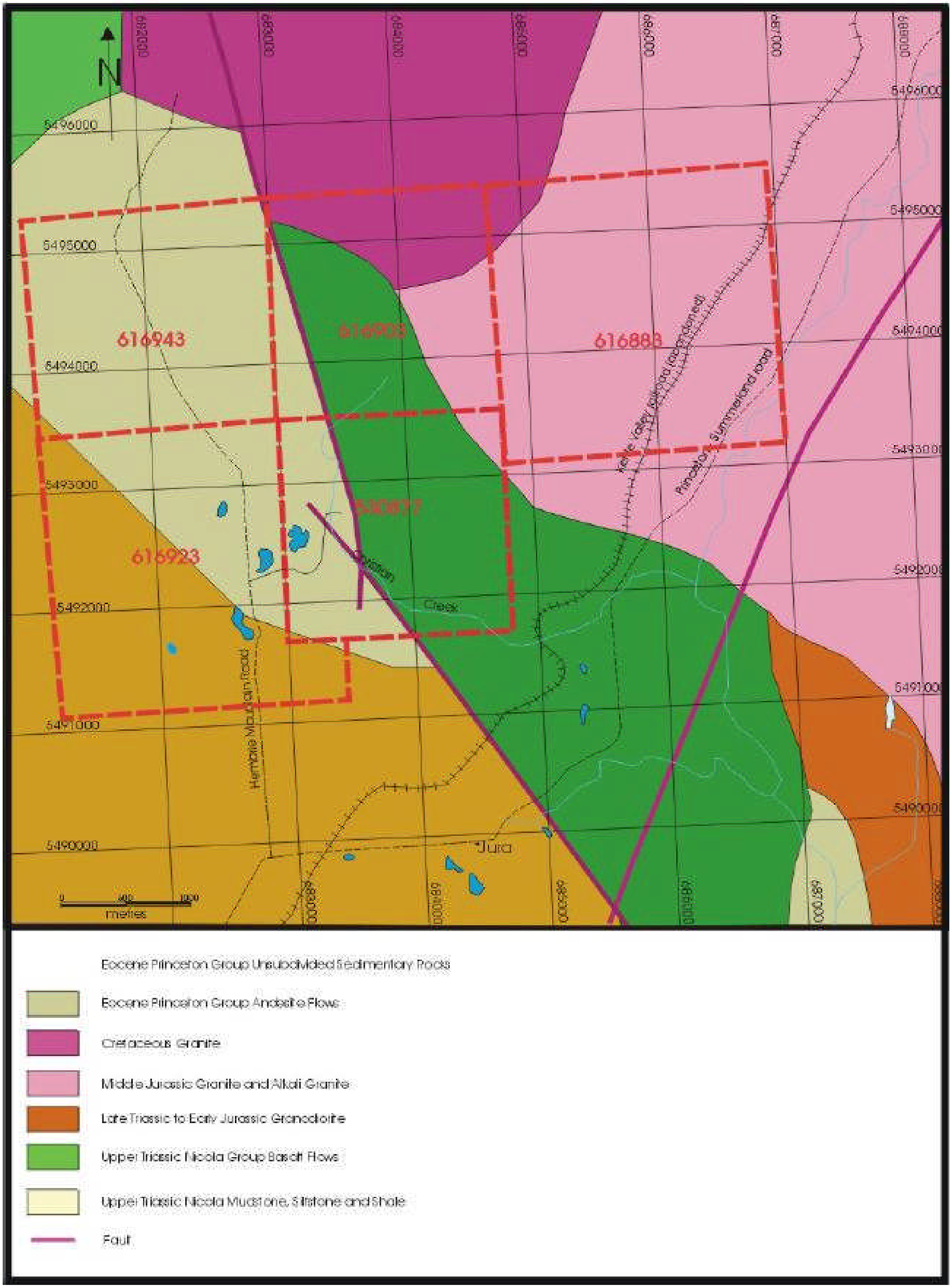


Figure 3 Property Geology Map

Deposit Types

The deposit target for the Castle property is a copper-gold porphyry deposit similar to those found at Copper Mountain some 25 km south of the Castle Property.

The Copper Mountain deposits are classified as alkalic porphyry copper deposits with associated gold and silver credits. Porphyry copper deposits come in two major types with the Calc-Alkalic type being significantly more abundant than the Alkalic type. Porphyry molybdenum-copper deposits of the calc-alkalic variety provide more than 50% of the world's copper from over 100 producing mines. Alkalic porphyry deposits (Barr, et.al., 1976) are quite distinct from the more common calcalkalic genre and represent an important subclass of deposits. The alkalic deposits of British Columbia are spatially and genetically associated with the Upper Triassic Nicola-Takla-Stuhini volcanic assemblages and co-magmatic plutons. The plutons have similar chemistry to their volcanic host rocks and are commonly emplaced along regional scale, linear structures and are typically small and complex. The alkalic mineral deposits occur in zones of intense faulting, fracturing, brecciation, and hydrothermal alteration. Hypogene sulphide minerals which formed contemporaneously with the hydrothermal alteration of host rocks include pyrite, chalcopyrite, bornite, chalcocite and pyrrhotite in decreasing order of abundance. Molybdenite may be present in trace amounts but gold and silver are usually economically significant. Compared to the calc-alkaline deposits, porphyry deposits of the alkaline suite commonly grade into pyrometosomatic or skarn-like deposits and the alteration assemblages are not sequentially zoned as they are in the calc-alkalic suite.

The most common porphyry copper deposits are of the calc-alkalic type are cylindrical, stock-like composite bodies having elongate near-surface dimensions of 1.5 x 2 km in diameter and containing an outer shell of medium to coarse-grained equigranular rock with a porphyritic core of similar composition. The most common ore hosts are quartz monzonite to granodiorite felsic plutonic rocks. In addition, a second population of deposits occurs in more mafic intrusive rocks of syenitic to dioritic composition.

Breccia zones are important in the porphyry systems, often containing significant ore. These breccia zones can have very high grades (1-5% Cu) and can occur both in the porphyry or the country rock. They may have been be formed by subsequent hydrothermal activity, gravitational collapse or later explosive volcanism.

Mineralization

Mineralization is found on the property in a series of trenches excavated in the mid 1980's by Count Fleet Exploration and re-established by Blue River. The trenches occur on a south facing ridge above Christian Creek (see Figure 3). The exposed mineralization consists primarily of malachite, chalcopyrite, pyrite and magnetite, with minor bornite and possibly chalcocite. The copper minerals are confined largely to a 150m wide zone trending west-northwest for 500m. This zone appears to be comprised of two parallel subsidiary zones. The southern zone is 450m long and 50m wide and seems to contain the strongest copper oxide mineralization, occurring as disseminations, stringers and fracture coatings. Locally, chalcopyrite and malachite can form up to 10 percent of the rock by volume in hand-size samples. The northern zone is 500m long and 100m wide, and generally contains less one percent chalcopyrite and malachite, mostly as disseminations. The mineralization broadly parallels the folding of the basalts.

Exploration

Since acquiring the property, Blue River Nevada and the Company have carried out a systematic exploration program over the known area of mineralization to verify and validate past exploration programs carried out on the property in the mid 1970's and 1980's. Overall, Blue River Nevada and the Company has incurred exploration expenditures totalling $104,000 as summarized in the following. The exploration was successful in confirming the level and size of mineral occurrence documented for the Castle Property.

Summary of Exploration Expenditures

Work	**Cost ($)**
Road Access and Trench Work	24,300.00
Grid Line cutting	14,719.00
Magnetometer Survey	12,600.00
EM VLF Survey	10,835.00
Geochem Soil Survey	11,665.00
Trench sampling	2,550.00
Road Rehabilitation/Slashing	8,706.00
Assaying	11,077.00
Geochem/Geophysical Report	7,500.00
Total Expenditures	**103,952.00**

Trenching

The Company has re-established the trenches covering the mineralization on claim 530877 to expose the copper showing formerly known as the RATS showing. The trenches exposed copper sulphide and copper oxide mineralization present as dissemination and on fractures in basaltic rocks of the Nicola volcanic Group. A total of 12 small trenches/road cuts were excavated on a south facing slope on a ridge north of Christian Creek. Several rock samples were selected for assay by a contractor for the Company and the property vendors. The following table summarizes the results of the rock samples collected from the trenched area. Samples CO48151 to CO48157 were collected by SRK.

List and Location of Rock Samples

Sample No.	Easting	Northing	CU(PPM)	Sample Type
285549	383808	5492979	140	Selected chip sample
285550	683702	5492797	1260	Grab sample
285944	683859	5492835	2690	Grab sample
285945	683764	5492936	7820	Grab sample
285946	683874	5492044	2040	Grab sample
285947	683702	5492727	1870	Selected chip sample
285948	683808	5492797	1660	Grab sample
285949	683770	5492924	6310	Selected chip sample
285950	683765	5492219	380	Grab sample
341654	683798	5492600	3358	Grab sample
341655	684596	5492342	1280	Grab sample
341656	683744	5492909	3282	Grab sample
341657	684596	5492342	215	Grab sample
341658	684596	5492342	125	Grab sample
341659	683845	5492953	8542	Grab sample
341660	683845	5492953	7631	Grab sample
341661	683845	5492953	7320	Grab sample
341662	683804	5492824	8832	Grab sample
341663	683743	5492909	104,000	High Grade grab
CO48151	683782	5492913	3360	Grab sample with malachite trace of pyrite
CO48152	683753	5492895	3070	Grab sample with chalcopyrite (<1%)
CO48153	683820	5492800	636	Grab sample with trace of malachite
CO48154	683748	5492822	713	Grab sample with trace of malachite
CO48155	683700	5492989	44.2	Grab sample feldspar porphyry with 3% pyrite
CO48156	683817	5492922	4610	Grab sample with chalcopyrite, magnetite and malachite (trench 3)
CO48157	683952	5492895	197.5	Grab sample with hematite, pyrite and trace of chalcopyrite (trench 4)

Note: 10,000 PPM Cu equals 1% Cu

Soil Survey

The Company carried out a B-horizon soil survey over a 550m by 200m area over the Trench Zone was completed (see Figure 4) to determine the relationship of the mineral zone trend to geological features on which to base future exploration programs. A total of 542 samples were collected on 60m spaced lines with samples collected every 25m along the lines. The survey was very successful in identifying the trenched area and at determining the orientation of the copper mineralization. Of the 542 samples collected, 75 samples were greater than 200 PPM Cu, 35 samples returned values greater than 500 PPM and 24 soil samples returned values greater than 1,000 PPM Cu.

VLF-EM and Magnetometer Surveys

In the summer of 2008, a VLF-EM combined with a ground magnetometer surveys were carried out over a 960m by 900m, area covering most of Claim 530877. The results of the EM survey indicated localized northerly, northwesterly, and northeasterly structures which may be related to the structures responsible for the copper mineralization found in the trenched area. The magnetometer survey indicated that the Trench Zone is located on a magnetic high which is open to the north and potentially to the south-east. The overall Nicola volcanic rocks on the property are generally magnetic as they contain a small amount of disseminated magnetite as seen during the site visit. The magnetic high associated with the trenched area may be an indication of magnetite associated with the hydrothermal activity responsible for the emplacement of copper minerals and should be further investigated.

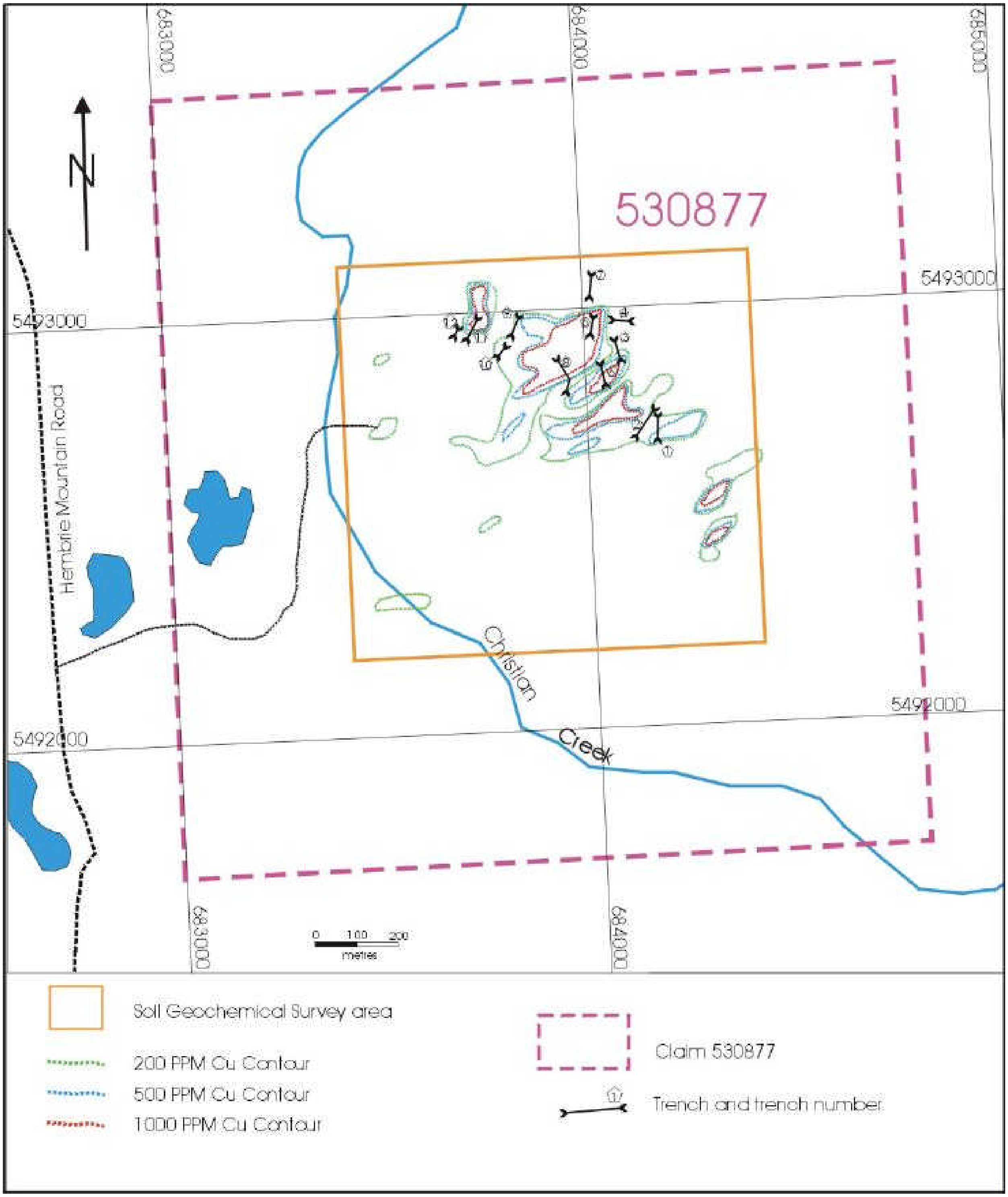


Figure 4 Soil Survey and Trench Location Map

Drilling

While there has apparently been some historical drilling carried out on the Castle Property, no records could be located of the results of the historical drilling. The Company has not done any drilling on the property to date.

Sampling Method and Approach

All samples collected by the Company were assayed at Acme Labs of Vancouver. The soil samples were collected using a garden type spade and placed in kraft type paper bags. The samples consisted of B-horizon soil collected 15 to 20cm below the surface. All soil samples were collected at regular 25m interval on north-south 60m spaced grid lines to cover the area of known mineralization. The soil samples are believed to be representative and un-biased. All rock samples collected by the Company were also shipped to Acme in Vancouver for analysis. The rock samples were, by in large, mostly hand-picked samples collected to represent the mineralization exposed in the trenches and are representative of the grades exposed in the trenches. Some samples were selected high grade samples and therefore not representative of the overall grade exposed in the trenches. All of the Company's samples were collected by contract persons hired by the Company.

All samples collected by SRK were hand-selected grab samples. The samples were collected to represent the type of mineralization located in the trenched area of the property. All samples remained in the possession of the author and were delivered to ALS Chemex in North Vancouver for assaying.

Sample Preparation, Analyses and Security

All samples collected by the Company were assayed at Acme Labs of Vancouver. The soil samples were dried at 60 °C for 12 hours before being processed. The samples were then screened to -180 micron analysed by Inductively Coupled Plasma- Mass Spectrometry (ICP-MS). All rock samples collected by the Company were also shipped to Acme in Vancouver for analysis.

Rocks were dried then prepared by particle size reduction to produce a homogeneous sub-sample of - 74 micron which is representative of the original sample. This sub-sample was then dissolved in aqua regia and then analysed for 36 elements by ICM-MS.

All samples collected by SRK remained in the possession of the author and were delivered to ALS Chemex in North Vancouver for assaying. All rock samples were dried, crushed and pulverized to less than75 micron in size and then dissolved using a multi-acid digestion method and analysed for 32 elements by ICP-MS.

Because the project is at a very early stage of exploration, no duplicate samples were collected and no external standard were submitted to the laboratories for assay. The laboratories routinely run standards and duplicates as their normal course of business. SRK believes that the sample preparations, security and analytical procedures were adequate as this project is at a very early stage of exploration. SRK recommends that the Company secure some low and medium grade copper standards prior to initiating a drilling program for the Castle Property.

Data Verification

As part of data verification, SRK carried out a site visit on September 14, 2009. During the site visit, the trenches were examined and sampled. The property geology was reviewed and general property access was examined. The Company's personnel assisted SRK during the site visits and no limitations were imposed on the data review or access to the property. The trenches exposed copper sulphide and copper oxide mineralization present as dissemination and on fractures in basaltic rocks of the Nicola volcanic Group. The exposed mineralization consists primarily of malachite, chalcopyrite, pyrite and magnetite, with minor bornite and possibly chalcocite. The copper minerals are confined largely to a 150m wide zone trending west-northwest for 500m. This zone appears to be comprised of two parallel subsidiary zones. The southern zone is 450m long and 50m wide and seems to contain the strongest copper oxide mineralization, occurring as disseminations, stringers and fracture coatings. Locally, chalcopyrite and malachite can form up to 10 percent of the rock by volume in hand-size samples. The northern zone is 500m long and 100m wide, and generally contains less 1 percent chalcopyrite and malachite, mostly as disseminations. The mineralization broadly parallels the folding of the basalts.

SRK collected seven samples from the mineralization exposed in the trenches. The samples collected were not intended to be field duplicates of the Company's samples. The sampling was to confirm that copper mineralization occurred on the property in the same range of values that had been reported by the Company. The SRK samples agree reasonably well with the Blue River sampling presented in "List and Location of Rock Samples" table above (see "Trenching"). The following table summarises the assay results of the samples collected by SRK during the site visit.

Results of Samples Collected by SRK during the Site Visit

Sample No	Easting	Northing	CU(PPM)	Sample Type
CO48151	683782	5492913	3360	Grab sample with malachite trace of pyrite
CO48152	683753	5492895	3070	Grab sample with chalcopyrite (<1%)
CO48153	683820	5492800	636	Grab sample with trace of malachite
CO48154	683748	5492822	713	Grab sample with trace of malachite
CO48155	683700	5492989	44.2	Grab sample feldspar porphyry with 3% pyrite
CO48156	683817	5492922	4610	Grab with chalcopyrite, magnetite and malachite (trench 3)
CO48157	683952	5492895	197.5	Grab sample with hematite, pyrite and trace of chalcopyrite (Trench 4)

Adjacent Properties

There are no immediate adjacent material properties next to the Castle Property. The Copper Mountain property is situated about 25km south of the property. The following information was provided by the MINFILE service of the Government of British Columbia’s Ministry of Energy, Mines and Petroleum Resources. **This information is not necessarily indicative of the mineralization on the claim group referred to in this report.**

Three major orebodies occur in an 1100 m by 4300 m belt immediately east of the CIM Copper Mountain property. Other occurrences of copper mineralization related to the Copper Mountain Intrusions are found over an area of 10 km by 11 km.

Development by Granby Consolidated Mining, Smelting and Power Company Ltd. during the 1950s and by Newmont Mining Corporation of Canada during 1968-69, delineated two areas of mineralization centred on Pit 1 and Pit 2. The Pit 1 (Princess May) orebody is in a chalcopyrite zone northwest of the underground mine. It is 700 m long, 300 m wide and 170 m deep. Most of the ore is along the Main fault in massive and fragmental volcanic rocks. Mineralization occurs as fine disseminations of chalcopyrite and pyrite with rare blebs and stringers. At the west end of the orebody, between the stock contact and the fault, sulphides occur as thin fracture coatings of bornite and chalcopyrite in a fine-grained tuff bed.

The Pit 2 orebody is 900 m long, 360 m wide and 170 m deep. It is located 240 m northeast of Pit 1, along the contact of volcanic rocks and Lost Horse intrusive rocks. The orebody boundaries are fault controlled. The north boundary is formed by a zone of faulting and crushing, but the southern boundary has not been related to any structure. Ore-grade material is irregular, but local centres of copper mineralization occur. Predominant sulphides are chalcopyrite and pyrite, but bornite is rare. Pit 2 has a much greater proportion of coarse blebs and veinlets than Pit 1.

Pit 3 (Sunset) is 200 m southeast of Pit 1 and continues southeast, along the Copper Mountain stock, for 1200 m. The 250-metre wide orebody is hosted by the Nicola Group. Mineralization is along the northwest-striking contact, along the major faults or at the intersection of porphyry dykes with northeast-striking breaks and pegmatite-sheeted zones. The contact orebody that produced half of the underground ore had widths of 9 m to 38 m, 900 m along strike and a depth of 400 m. The best areas consisted of fine-grained bedded tuffs. These rocks, being more brittle, shattered readily and yielded more "ore fractures". Bornite and chalcopyrite occur in equal proportions, with most of the bornite occurring within 60 m of the stock contact. Minor chalcocite occurs with the best bornite ore. Pyrite exists in areas of chalcopyrite mineralization.

In 1977-1978, the Ingerbelle mine and Copper Mountain mine consolidated operations (the Ingerbelle open pit and mill are across the Similkameen River, west of the Copper Mountain mine) under the name Similco Mines. Similco Mines ceased mining operations on November 8, 1996 and milling of residual ore was completed by November 12, 1996.

The operation went on care and maintenance status on November 15, 1996. Total production from the camp is 1.7 billion pounds of copper, 8.4 million ounces of silver and 0.62 million ounces of gold.

In December 2006, Copper Mountain Mining Corporation (CMMC) purchased the Copper Mountain Mine through its 100% purchase of Similco Mines from 3983714 Canada Inc. Since acquiring the property in 2006, CMMC has carried out 106,000m of drilling in an effort to outline enough resources to develop a “super pit” that would encompass Pits 1, 2and 3. CMMC has released a positive feasibility study in late 2008 that contemplates the development and re-opening of the Copper Mountain deposit as a large open pit mine as early as 2011.

Mineral Processing and Metallurgical Testing

The Castle Property is at the early stages of exploration; no samples have been collected for metallurgical testing yet.

Mineral Resource and Mineral Reserve Estimates

The Castle Property is at the early stages of exploration; no mineral resource or reserve estimates have been completed.

Other Relevant Data and Information

There are no additional relevant data pertaining to the Castle Property.

Interpretation and Conclusions

The Castle Property host copper mineralization within intermediate volcanic rocks of the Upper Triassic Nicola Group. The mineralization is similar in style and occurrence to other porphyry copper occurrences and deposits found in South-western British Columbia. The property is at early stages of exploration and while the property has been explored in the past by drilling none of the results are available to the Report Author or the Company.

The mineralization found within the trenched area is the main cause of the large geochemical anomaly identified by Blue River but the anomaly is much larger than the trenched area and worthy of further investigation. The tenure or copper mineralization is similar to other copper porphyry deposits in region. Samples collected by the Report Author during the site visit confirmed that copper mineralization exists in the trenched area north of Christian Creek on the Castle Property.

Recommendations

The Report Author recommends that the Company carry out further exploration to investigate the extent of the copper mineralization found in the trenched area and to identify the regional setting of the copper mineralization. More specifically, the Company should carry out an airborne magnetometer and electromagnetic surveys to establish the regional setting of the copper mineralization found in the trenched area with the local geology. Ground Induced Polarization surveys should be carried out north and east of the trenched area to determine if the mineralization extends beyond the known trenched exposures and finally the known copper mineralization should be tested with a diamond drilling program.

The Report Author recommends a $1.5 million phase-contingent work program for the Castle Property. The first phase of work includes a $540,000 non-contingent exploration program to be carried out in early spring or summer of 2011. The Phase 1 program, if successful, could be followed up with a Phase 2 drilling program to include both exploration and definition drilling. The Phase 2 program is contingent on positive results of the first exploration program and will be better defined after the completion of the Phase 1 program but at this stage, it is envisaged that at least a 4,000m drill program would be required in the second phase of exploration. Details of the exploration program are summarized in the following table.

Summary of Recommended Work Program

Work	**Cost**
Phase One	
Airborne Mag and EM	$150,000
Induced Polarization Survey	$140,000
Diamond Drilling (9 holes for 1,000m @ $200/m)	$200,000
Drill mobilization/demobilization	$30,000
Travel Accommodation	$5,000
Supervision	$15,000
TOTAL PHASE ONE	**$540,000**
Phase Two (contingent on positive Phase One results)	
Drill mobilization/demobilization	$30,000
Drilling (4,000m)	$800,000
Geological Support (80 Man Days)	$28,000
Assaying	$9,000
Room and Board	$13,500
Report	$32,000
Contingency (10%)	$90,500
TOTAL PHASE TWO	**$1,003,000**

TOTAL PHASE ONE AND TWO	$1,543,000

USE OF PROCEEDS

Proceeds and Available Funds

On completion of the Offering, the Company will have the following funds available (the "**Available Funds**") for its future use:

Description	**Amount**
Gross proceeds of Offering	$1,500,000
Less: Agent's Commission	($150,000)
Net proceeds of Offering	$1,350,000
Working capital deficiency (as at May 31, 2011)	($203,000)
Less: balance of estimated Offering costs(1)	($55,640)
Net funds available:	**$1,091,360**

Notes:

(1) Estimated Offering costs includes estimated legal fees, audit fees, initial listing application fees with the Exchange and filing fees with the Securities Commissions, the balance of the Corporate Finance Fee, estimated expenses of the Agent (see "Plan of Distribution"), and incidental Offering costs.

Principal Purposes for Funds

The principal purposes for which the net funds available upon completion of the Offering will be used as follows:

Principal Purpose	**Amount**
Phase 1 of the recommended work program(1)	$540,000
General and Administrative Expenses for the next 12 months(2)	$431,360
Unallocated working capital	$120,000
Total	**$1,091,360**

Notes:

(1) See "the Castle Property - Recommendations."

(2) Twelve months of estimated expenses following the Listing Date, comprised of legal ($35,000), audit & accounting ($30,000), rent ($27,600), treasury agent and filing fees ($15,000), advisory and management consulting fees ($298,760), and miscellaneous office expenses ($25,000).

If the recommended Phase 1 exploration program is completed with respect to the Castle Property, it is expected that the Company will require additional financing to complete the recommended Phase 2 exploration program on the Castle Property, if warranted. For further information, see the sections of this Prospectus entitled "the Castle Property – Recommendations." There is no guarantee that the Company will be able to raise the funds necessary, or on terms favourable to the Company.

The Company intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation

of funds may be necessary. If such event occurs during the distribution of the securities offered under this Prospectus, the Company may have broad discretion in the application of such proceeds and, if required, an amendment to this Prospectus will be filed. Pending utilization of the net proceeds derived from the Offering, the Company intends to invest the funds in short-term, interest bearing instruments.

Business Objectives and Milestones

The Company's business objectives are to: (i) complete the Offering; (ii) complete the budgeted Phase 1 of the recommended exploration program in relation to the Castle Property and, if the Phase 1 results are satisfactory, to complete Phase 2 of the recommended exploration program; and (iii) subject to successful results of Phases 1 and 2 of the recommended exploration program, continue with further development of the Castle Property. See "Use of Proceeds."

The Company will assess available opportunities to acquire and explore other mineral properties that have as many of the following characteristics as possible:

- exhibit the potential for delivering superior rates of return on capital employed;
- accretive to cash flow per share;
- accretive to net asset value;
- potential for value enhancement through further exploitation;
- high working interests;
- assets that include associated undeveloped lands for development and exploration opportunities;
- characteristics familiar to management; and
- near-term access to markets and infrastructure that allow for increased activity.

The Company's board of directors may, in its discretion, approve asset or corporate acquisitions or investments (including acquisitions outside the mining industry) that do not conform to these guidelines based upon the board of director's consideration of the qualitative aspects of the subject properties.

The following table summarizes each significant event that must occur for the business objectives described above to be accomplished and the time period in which each event is expected to occur and the costs related to each event.

Objectives/Milestones	**Estimated Completion Date**	**Estimated Costs**
Complete this Offering	June 30, 2011	$55,640
Complete Phase 1 of the recommended work program[1]	12 months from Listing Date	$540,000
If warranted, complete Phase 2 of the recommended work program[1]	If warranted, 12 months from completion of Phase 1 of the recommended work program	$1,003,000
Continue further development of the Castle Property and acquire additional interests	Ongoing	To be determined

Notes:
(1) See "The Castle Property - Recommendations."

DIVIDENDS OR DISTRIBUTIONS

The Company has not paid dividends since its incorporation. While there are no restrictions precluding the Company from paying dividends, it has no source of cash flow and anticipates using all available cash resources toward its stated business objectives. As such, the Company does not anticipate the payment of dividends in the foreseeable future. At present, the Company's policy is to retain earnings, if any, to finance its business operations. The directors of the Company will determine if and when dividends should be declared and paid in the future based on the Company's financial position at the relevant time.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Selected Financial Information

The following sets forth summary financial information for the periods indicated and is derived from the Company's audited financial statements for the years ending October 31, 2010, 2009 and 2008 and the Company's unaudited financial statements for the interim period ending January 31, 2011 and 2010 appearing elsewhere in this prospectus. Historical results do not necessarily indicate results for any future period. You should read the following information in conjunction with the financial statements and their related notes contained elsewhere in this prospectus, as well as the "Management's Discussion and Analysis" below.

Please note that the summary financial information presented below is presented on a consolidated basis for all three years, though the Company acquired Blue River Nevada in April 2010. The Company was incorporated in September 2008 and had no active business until its acquisition of Blue River Nevada. See "Business of the Company - Acquisition of Blue River Nevada."

Item	**3 Month Period Ended January 31, 2011 (unaudited)**		**Year Ended October 31, 2010 (audited)** (1)	**Year Ended October 31, 2009 (audited)**	**Year Ended October 31, 2008 (audited)**(2)
Revenues (Interest income)	-		-	-	-
Operating Expenses	($81,939)		($511,437)	($290,290)	($164,716)
Net Loss	($81,939)		($358,773)	($290,290)	($164,716)
Current Assets	$54,053		$133,540	$47,333	$2,794
Mineral Property Costs	$281,834		$248,888	$159,880	$64,944
Total Assets	$434,817		$439,784	$207,928	$68,515
Current Liabilities	($124,746)		($87,774)	($238,468)	($309,808)
Shareholders' Equity (Deficiency)	$310,071		$352,010	($30,540)	($241,293)
Net Loss Per Share	($0.00)		($0.04)	($0.038)	($0.180)
Number of Shares Outstanding	18,872,303		18,072,303	10,581,831(3)	917,323(3)

Note:

(1) The Company acquired Blue River Nevada on April 30, 2010. See "Business of the Company - Acquisition of Blue River Nevada" for further discussion.

(2) The Company was incorporated on September 26, 2008.

(3) Includes the issued and outstanding securities of Blue River Nevada.

Management's Discussion and Analysis

The following discussion and analysis includes financial information from, and should be read in conjunction with, the financial statements of the Company and the notes thereto appearing elsewhere in this Prospectus, as well as the disclosure contained throughout this Prospectus.

The following discussion and analysis may contain statements that are forward-looking in nature, involving known and unknown risks and uncertainties such as general economic and business conditions, operating costs, changes in foreign currency exchange rates and other factors. Since forward-looking statements address future events and conditions, by their nature, they involve inherent risks and uncertainties. Therefore, actual results may be materially different from those expressed or implied in such statements.

Overall Performance

The Company was incorporated on September 26, 2008. On April 30, 2010, the Company acquired its wholly-owned subsidiary, Blue River Nevada, which currently has no assets or operations. The Company is and Blue River has been a junior mineral exploration and development company, with no revenue generating operations.

The sole business focus of the Company and Blue River Nevada has been to (i) acquire an option in the Castle Property and related mineral interests; (ii) raise sufficient funds to undertake initial exploration of the Castle Property; and (iii) complete the process of obtaining a listing on the Exchange.

Results of Operations

Years Ended October 31, 2010 and 2009

Prior to the year ended October 31, 2009, Blue River Nevada acquired an undivided 100% right, title, and interest in and to the Castle Property located in Similkameen, British Columbia. In consideration the vendors, Larry Sostad and Guy Delorme, were to be paid an aggregate of $40,000, of which $10,000 was paid on execution, and a further $20,000 was paid during the year ended October 31, 2009. In addition, an aggregate total of 400,000 common shares in Blue River Nevada were issuable to Mr. Sostad and Mr. Delorme.

As the Company acquired Blue River Nevada in April 2010, it assumed all obligations under the Original Castle Property Agreement, and issued 400,000 Shares to Mr. Sostad and Mr. Delorme in August 2010, and paid the final $10,000 owing under the Original Castle Property Agreement in the year ended October 31, 2010. Mr. Sostad and Mr. Delorme also retained a 2.0% net smelter return royalty on ore production from the property, of which the Company has a right to, in its sole discretion, purchase 1.0% of such royalty in consideration of $5,000,000. See "Business of the Company - Acquisition of the Castle Property" for further discussion regarding the acquisition, and "The Castle Property" for further discussion regarding the property.

Effective April 30, 2010, the Company acquired all of the outstanding securities in Blue River Nevada, a private company which shares common directors with the Company, and whose assets included the Castle Property. In consideration, the Company issued 2,960,209 Shares to the shareholders of Blue River Nevada. See "Business of the Company - Acquisition of Blue River Nevada" for further discussion.

On June 17, 2010, the Company signed an option agreement whereby the Company has the right to acquire a 100% benefit right, title, and interest, in a property, the Claimbank Claim, located in Similkameen, British Columbia. In consideration, the Company paid $20,000 during the year ended October 31, 2010 and issued 300,000 Shares to Claimbank on December 31, 2010. Additionally, on August 5, 2010, the Company entered into an agreement with Chris Delorme, pursuant to which the Company acquired three additional mineral claims in the Similkameen Mining Division of British Columbia. In consideration, the Company paid $2,000 and, on December 31, 2010, issued 100,000 Shares to Mr. Delorme. See "Business of the Company - Acquisition of Additional Mineral Interests" for further discussion.

In the year ended October 31, 2009, the expenses of the Company and Blue River Nevada were primarily incurred by Blue River Nevada as it undertook private placement financings and other expenses in preliminary assessment work on the Castle Property. As a result, consulting fees and management fees increased to $130,129 (from $72,351 in 2008) and $85,000 (from $60,000 in 2008) respectively. Office and administrative costs increased to $5,942 (from $3,039 in 2008). Travel expenses also increased to $10,913 (from $nil in 2008).

Relative to the year ended October 31, 2009, the expenses of the Company and Blue River Nevada generally increased in the year ended October 31, 2010 as the Company undertook further private placement financings and other expenses in its identification and analysis of other potential mineral projects. As a result, consulting fees and management fees increased to $189,200 (from $130,129 in 2009) and $177,395 (from $85,000 in 2009) respectively. Office and administrative costs increased to $18,846 (from $5,942 in 2009). With an increase in travel to identify and examine potential mineral projects, travel expenses also increased to $36,685 (from $10,913 in 2009).

Three Month Period Ended January 31, 2011

As described above, on December 31, 2011, the Company issued 300,000 Shares to Claimbank in consideration of all of Claimbank's right, title and interest in the Claimbank mineral claim, and issued 100,000 to Chris Delorme in consideration of three mineral claims in the Similkameen Mining Division. See "Business of the Company - Acquisition of Additional Mineral Interests" for further discussion.

Additionally, the Company issued 200,000 Shares to each of Griffin Jones, CEO and a director of the Company, and Robin Bjorklund, Vice President, Corporate Affairs of the Company, for an aggregate total of 400,000 Shares in satisfaction of $20,000 (for a total of $40,000) in indebtedness owing by the Company to each of them. See "Transactions with Related Parties" below for further discussion.

Relative to the comparative period ended January 31, 2010, the consolidated expenses of the Company generally decreased as the Company focused primarily in preparing for this Offering. As a result, consulting fees and management fees decreased to $30,300 (from $37,586 in 2010) and $22,500 (from $72,020 in 2010) respectively. Office and administrative costs decreased to $4,438 (from $6,944 in 2010). Professional fees increased to $7,736 (from $1,932 in 2010).

Liquidity and Capital Resources

The Company has financed its operations primarily through the sale of its shares. The Company currently has no producing mineral properties and anticipates that it will require further funding in the future primarily through equity financing. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operations and to eventually forfeit or sell its interests in its properties.

Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto. The Company continues to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

Years Ended October 31, 2010 and 2009

During the year ended October 31, 2009, the Company received total share subscriptions of $390,297, comprised of: $15,000 for 1,500,000 Shares at $0.01 per share; $50,000 for 1,000,000 Shares at $0.05 per share; $280,297 for 4,671,622 Shares at $0.06 per share; and $45,000 for 450,000 Shares at $0.10 per share. Additionally, Blue River Nevada received share subscriptions in the amount of $110,746 (USD $102,144) for 2,042,889 common shares in the capital of Blue River Nevada at $0.05 (USD $0.05) per share, which shares were acquired by the Company in April 2010.

During the year ended October 31, 2010, the Company received total share subscriptions of $638,135, comprised of: $56,400 for 940,000 Shares at $0.06 per share; and $581,735 for 5,817,345 Shares at $0.10 per share. Additionally, the Company received share subscriptions of $8,000 for 80,000 Shares at $0.10 per share, which shares were issued subsequent to October 31, 2010.

In the year ended October 31, 2009, the Company had $13,000 in indebtedness owing to NovaDx Ventures Corp. under notes issued in that fiscal year, each such note bearing interest at 24% per annum. This indebtedness was settled in the year ended October 31, 2010, when the Company issued 253,127 Shares in settlement for $15,188 owing by the Company to NovaDx Ventures Corp under such notes. As described above, the Company also acquired Blue River Nevada effective April 30, 2010, and issued an aggregate total of 2,960,209 Shares in consideration.

As at October 31, 2010, the Company had cash of $110,919 and working capital of $45,766, compared to cash of $40,900 and working capital deficiency of $191,135 as at October 31, 2009.

Three Month Period Ended January 31, 2011

During the three month period ended January 31, 2011, the Company issued 80,000 Shares for aggregate subscriptions of $8,000 received prior to the year ended October 31, 2010. In addition, the Company issued 200,000 Shares to each of Griffin Jones, CEO and a director of the Company, and Robin Bjorklund, Vice President, Corporate Affairs of the Company, for an aggregate total of 400,000 Shares in satisfaction of $20,000 (for a total of $40,000) in indebtedness owing by the Company to each of them. See "Transactions with Related Parties" below for further discussion.

As at January 31, 2011, the Company had cash of $13,463 and a working capital deficiency of $70,693.

Off-Balance Sheet Arrangements

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

Transactions with Related Parties

All transactions with related parties have occurred in the normal course of operations. The following lists all material transactions with related parties during the years ended October 31, 2010 and 2009 and the three month period ended January 31, 2011:

- As at October 31, 2009, $250 was owing to Ms. Edwards with respect to refund of excess subscription proceeds received, which amount was refunded during the year ended October 31, 2010;

- Griffin Jones, CEO and a director of the Company, provides management services to the Company, which was formalized under a management services agreement between the Company and Mr. Jones dated December 1, 2010. The Company incurred $85,000 in management fees through the year ended October 31, 2009, $90,000 in management fees through the year ended October 31, 2010, and a further $22,500 through the interim period ended January 31, 2011. Of these incurred fees, $27,465 were owing as at January 31, 2011 ($19,852 as at October 31, 2010 and $81,261 as at October 31, 2009). On July 5, 2010, Mr. Jones agreed to forgive $75,764 in accounts payable for outstanding management fees and expenses owing to him by Blue River Nevada. Pursuant to a debt settlement agreement dated July 15, 2010, the Company agreed to settle $20,000 of such outstanding fees by issuing 200,000 Shares to Mr. Jones, which were issued in December 2010;

- Nadwynn Sing, CFO of the Company, provides consulting services to the Company, both directly and through a private company of which Mr. Sing is a principal. In consideration, the Company incurred $87,395 in management fees payable to Mr. Sing and $29,800 in consulting fees payable to such private company through the year ending October 31, 2010. Mr. Sing was elected as a director of the Company in September 2010;

- Richard Silas provided consulting services to the Company, both directly and through Universal Solutions Inc., a private company of which Mr. Silas is a principal, with $1,000 owing to Universal Solutions Inc. as at January 31, 2011 for services rendered prior to the year ending October 31, 2009. In addition, the Company paid Mr. Silas $1,000 for consulting services through the period ending October 31, 2010;

- Robin Bjorklund provided consulting services to the Company, for which the Company incurred $90,000 in consulting fees through the year ended October 31, 2010, and a further $22,500 in consulting fees through the period ended January 31, 2011. On July 5, 2010, Mr. Bjorklund agreed to forgive $76,900 in accounts payable for outstanding consulting fees and expenses owed by Blue River Nevada. Pursuant to a debt settlement agreement dated July 15, 2010, the Company agreed to settle $20,000 of such fees by issuing 200,000 Shares to Mr. Bjorklund, which were issued subsequent to October 31, 2010. As at January 31, 2011, $18,424 was owing by the Company to Mr. Bjorklund ($14,724 as at October 31, 2010) On December 1, 2010, Mr. Bjorklund and the Company entered into a consulting services agreement, pursuant to which Mr.

Bjorklund provides consulting services, at a rate of $7,500 per month. Mr. Bjorklund was appointed Vice President, Corporate Affairs in November 2010;

- the Company rents office space owned by a private company of which Mr. Bjorklund and Mr. Jones are principals, at a current rental rate of $2,300 per month. In the year ended October 31, 2009, the Company incurred $13,650 in rent, and in the year ended October 31, 2010, the Company incurred $25,800 in rent. A further $6,000 in rent was incurred through the interim period ended January 31, 2011. As at January 31, 2011, $7,000 was owing in rent ($6,000 as at October 31, 2010 and $6,900 as at October 31, 2009);

- the Company retained the consulting services of a private company of which Paul Gray, a director of the Company, is a principal, and paid consulting fees of $9,256.10 plus applicable taxes in the year ending October 31, 2010.

Additional Disclosure for Venture Issuers Without Significant Revenue

The financial statements of the Company included herein provide a detailed breakdown of various expenses incurred by the Company. The Company's expenses are basic, including professional fees for accounting, audit and legal, travel and related expenses, office and administrative expenses, telephone and rent, management and consulting fees. The bulk of expenses incurred pertain to identifying, acquiring and exploring the Castle Property, which has been capitalized under "Mineral Property." The following table provides a breakdown of expenses with respect to the Castle Property:

Description	**Balance as at October 31, 2008 (audited)**	**Additions through year ending October 31, 2009**	**Balance as at October 31, 2009 (audited)**	**Additions through the year ending October 31, 2010 (audited)**	**Balance as at October 31, 2010 (audited)**	**Additions through the period ending January 31, 2011 (unaudited)**	**Balance as at January 31, 2011 (unaudited)**
Option payments	$10,000	$20,000	$30,000	$72,000	$102,000	$40,000	$142,000
Assaying	Nil	$11,248	$11,248	Nil	$11,248	Nil	$11,248
Consulting fees (geological)	$17,000	$29,520	$46,520	$10,740	$57,260	($7,054)	$50,206
General exploration expenditures	$37,944	$34,168	$72,112	$6,268	$78,380	Nil	$78,380

Additional Disclosure for Junior Issuers

The Company expects that the proceeds raised pursuant to the Offering will fund operations for a minimum 12 of months after the completion of the Offering. The estimated total operating costs necessary for the Company to achieve its stated business objectives during the 12 months subsequent to the completion of the Offering is $1,012,600, including all material capital expenditures during that period. If the recommended Phase 1 exploration program is completed with respect to the Castle Property, it is expected that the Company will require additional financing to complete the recommended Phase 2 exploration program on the Castle Property, if warranted. For further information, see the sections of this Prospectus entitled "the Castle Property – Interpretation and Recommendations" and "Use of Proceeds."

Critical Accounting Estimates

The Company's financial statements have been prepared in conformity with Canadian generally accepted accounting principles ("GAAP") and form the basis for discussion and analysis of critical accounting policies and estimates. Management is required to make estimates and assumptions that affect the report amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Financial results as determined by actual events could differ from those estimates. Significant financial statement areas requiring the use of management estimates relate to the determination of impairment of assets and resource property interests, and their useful lives for amortization, allocations between exploration projects and the recoverability of future income tax assets.

The costs of resource property interests are deferred until the properties are placed into production, sold or abandoned. The Company reviews capitalized costs on its resource property interests on a periodic basis and will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from such properties or from the sale of such properties. Management's assessment of each property's estimated current fair market value is also based upon a review of other property transactions that have occurred in the same geographic area as that of the respective property under review.

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 as income in the period that enactment or substantive 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.

Changes in Accounting Policies

The Canadian Accounting Standards Board announced that 2011 is the changeover date for publicly-listed companies to use International Financial Reporting Standards ("IFRS"), replacing Canada’s own GAAP. The date is for interim and annual financial statements relating to financial years beginning on or after January 1, 2011. The transition date for the Company will be November 1, 2011. The Company will be required to present the financial statements during the fiscal year ended October 31, 2012 in accordance with IFRS and will be required to restate the fiscal 2011 comparatives that are included in each of the quarters’ and the year end financial statements for fiscal 2012. It is expected that the presentation of the financial statements will change noticeably, as the Company complies with increased disclosure requirements under IFRS and differing prescribed formats of the balance sheet and statements of income/loss and cash flows.

If the Company is unable to present its financial statements for the year ending October 31, 2011 by the applicable deadlines, it may be subject to penalties under applicable securities laws, including but not limited to a cease trade order or similar order. Management anticipates completing its reporting conversion to IFRS on a timely basis.

The Company’s Convergence Plan

The conversion to IFRS is being led by the Company's Chief Executive Officer with active participation by the directors and the assistance and guidance of the Company's auditors.

Phase 1: Review and Assessment

Management will conduct a detailed review of all relevant IFRS standards to identify differences with the Company's current accounting policies and practices, give consideration to one-time accounting policy alternatives that need to be addressed at the changeover date (IFRS 1, Considerations) and evaluate those accounting policy choices that, if and as selected, will be applied on an ongoing basis in periods subsequent to the changeover to IFRS. Management is currently entering the ‘Review and Assessment’ stage and is beginning to evaluate the impact of IFRS on the Company's financial statements and to identify and prioritize those differences that could have an impact on the statements, apart from the changes from the GAAP presentation format. Management expects to complete its review and assessment no later than by the third quarter of 2011, to be properly prepared for Phase 2, the Implementation Phase, scheduled to begin during that quarter.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

The Company’s authorized share capital consists of an unlimited number of Shares without nominal or par value, of which 18,872,303 Shares are issued and outstanding as fully paid and non-assessable as of the date of this Prospectus.

Shares

The Shares are not subject to any future call or assessment and do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Shares, all of which rank equally as to all benefits which might accrue to the holders of the Shares. All holders of Shares are entitled to receive a notice of any general meeting to be convened by the Company. At any general meeting, subject to the restrictions on joint registered owners of Shares, every shareholder has one vote for each Share of which he or she is the registered owner. Voting rights may be exercised in person or by proxy.

The holders of Shares are entitled to share pro rata in any: (i) dividends if, as and when declared by the directors, and (ii) such assets of the Company as are distributable to shareholders upon liquidation of the Company. The aggregate Shares outstanding upon completion of the Offering will be fully paid and non-assessable.

CONSOLIDATED CAPITALIZATION

The following table sets out the Company's capitalization as at the dates indicated thereon and includes the Company's capitalization after giving effect to the Offering. The table should be read in conjunction with the Company's financial statements and accompanying notes, which are attached to this prospectus.

Description	**Amount Authorized**	**Outstanding as at October 31, 2010 (audited)**	**Outstanding as at January 31, 2011 (unaudited)**	**Amount outstanding at the date of this Prospectus (unaudited)**	**Amount outstanding if all securities sold**
Shares	Unlimited	18,072,303	18,872,303	18,872,303	26,372,303
Incentive Stock Options[(1)]	10% of Shares sold under the Offering	Nil	Nil	Nil	1,750,000

Notes:
(1) See "Options and Other Rights to Purchase Securities of the Company."

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES OF THE COMPANY

Stock Options

Stock Options to purchase up to 1,750,000 Shares are to be granted after closing of this Offering to directors and officers of the Company, subject to regulatory approval. The Stock Options will be granted after the closing of the Offering under the Company's Stock Option Plan and will be qualified for distribution under this prospectus and are expected to be allocated on the following basis:

Optionee	Number of Shares Reserved Under Option Upon Completion of the Offering(1)	Exercise Price per Share	Expiry Date
Robin Bjorklund	500,000	$0.20	5 years from the date of issuance
Cathy Edwards	150,000	$0.20	5 years from the date of issuance
Paul Gray	150,000	$0.20	5 years from the date of issuance
Griff Jones	500,000	$0.20	5 years from the date of issuance
Richard Silas	150,000	$0.20	5 years from the date of issuance
Nadwynn Sing	300,000	$0.20	5 years from the date of issuance

Notes:
(1) The Stock Options are subject to regulatory approval and are qualified for distribution pursuant to this prospectus. Such Stock Options shall be exercisable for a period of five years from the date of grant. The Stock Options vest on the day they are granted.

Stock Option Terms

The directors of the Company have approved a stock option plan (the "**Stock Option Plan**"). The aggregate number of the Shares reserved for issuance under the Stock Option Plan will be a maximum of 10% of the issued and outstanding share capital of the Company at the date of grant. If any options granted under the Stock Option Plan expire or terminate for an reason without having been exercised in full, the unpurchased shares will again be available under the Stock Option Plan.

The purposes of the Stock Option Plan is to encourage ownership of the Shares by persons who are directors, senior officers, and key employees of, as well as consultants, advisory board members and employees of management companies providing services to, the Company. Management believes that the Stock Option Plan will advance the interests of the Company by providing incentive compensation to all eligible recipients through participation in the Company's growth and development.

The following summary is a brief description of the Stock Option Plan:

- The maximum number of shares that may be issued upon the exercise of stock options previously granted and those granted under the Stock Option Plan will be a maximum of 10% of the issued and outstanding Shares at the time of the grant.

- Stock options can be issued to persons who are directors, senior officers, employees, advisory board members and consultants of, or employees of management companies providing services to, the Company.

- The option price of any Share in respect of which an option may be granted under the Stock Option Plan shall be fixed by the Board of Directors, but shall not be less than the minimum price permitted by the Exchange, or, if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.

- The number of options granted to any one individual may not exceed 5% of the issued and outstanding shares in any year.
- The number of options granted to any one consultant may not exceed 2% of the issued and outstanding shares in any year.
- All options under the Stock Option Plan may not have an expiry date exceeding five years from the date of grant.
- If the option holder ceases to be (other than by reason of death) an eligible recipient of options, then the options granted will expire within 30 days after the date on which that option holder ceases to be an eligible recipient of options, subject to the terms and conditions of the Stock Option Plan.
- If an option holder ceases to be an eligible recipient of options by reason of death, the option holder's heirs or administrators will have until the earlier of (a) one year from the date of death, and (b) the expiry date of the options, in which to exercise any portion of options outstanding at the time of death.
- The Stock Option Plan will be administered by the Board of Directors who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible recipient, including themselves.
- The options are not assignable or transferable.

Agent's Option

The Agent's Option is non-transferable, and entitles the holder thereof to purchase that number of Agent's Option Shares that is equal to 10% of the number of Shares sold under the Offering, at a price of $0.20 per Agent's Option Share for up to 60 months from the Listing Date.. The certificate representing the Agent's Option will contain provisions for the appropriate adjustment in the class, number and price of shares issuable under the Agent's Option upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Shares, the payment of stock dividends, or the Company's amalgamation with another entity.

PRIOR SALES

For the period from incorporation to the date of this Prospectus, the following Shares have been issued:

Date[(1)]	Number of Shares	Price per Share	Aggregate Issue Price	Nature of Consideration
September 2008[(2)]	3	$0.05	$0.15	Cash
November 2008	450,000	$0.05	$22,500.00	Cash
December 2008	250,000	$0.05	$12,500.00	Cash
January 2009	1,250,000	$0.01	$12,500.00	Cash
January 2009	100,000	$0.05	$5,000.00	Cash
January 2009	50,000	$0.06	$3,000.00	Cash
February 2009	200,000	$0.05	$10,000.00	Cash
February 2009	16,667	$0.06	$1,000.02	Cash

March 2009	250,000	$0.01	$2,500.00	Cash
March 2009	305,834	$0.06	$18,350.04	Cash
April 2009	100,000	$0.06	$6,000.00	Cash
May 2009	83,333	$0.06	$4,999.98	Cash
June 2009	100,000	$0.06	$6,000.00	Cash
July 2009	1,305,600	$0.06	$78,336	Cash
August 2009	853,800	$0.06	$51,228.00	Cash
September 2009	666,667	$0.06	$40,000.02	Cash
October 2009	1,189,718	$0.06	$71,383.08	Cash
October 2009	450,000	$0.10	$45,000.00	Cash
November 2009	205,000	$0.06	$12,300.00	Cash
November 2009	250,000	$0.10	$25,000.00	Cash
December 2009	135,000	$0.06	$8,100.00	Cash
December 2009	505,000	$0.10	$50,500.00	Cash
January 2010	600,000	$0.06	$36,000.00	Cash
January 2010	618,000	$0.10	$61,800.00	Cash
March 2010	253,127	$0.06	$15,187.62	Debt Settlement(3)
March 2010	440,000	$0.10	$44,000.00	Cash
April 2010	481,000	$0.10	$48,100.00	Cash
April 2010	2,960,209	USD$0.05	$157,407.45(4)	Acquisition of Blue River Nevada(5)
May 2010	700,000	$0.10	$70,000.00	Cash
June 2010	663,345	$0.10	$66,334.50	Cash
July 2010	430,000	$0.10	$43,000.00	Cash
August 2010	155,000	$0.10	$15,500.00	Cash
August 2010	400,000	$0.10	$40,000.00	Property payment(6)
September 2010	550,000	$0.10	$55,000.00	Cash
October 2010	1,105,000	$0.10	$110,500.00	Cash
December 2010	400,000	$0.10	$40,000.00	Debt Settlement(7)
December 2010	300,000	$0.10	$30,000.00	Property payment(8)
December 2010	100,000	$0.10	$10,000.00	Property payment(9)

Notes:

(1) Reflecting the date on which Shares were subscribed for, with respect to private placement financings during the period, or the date on which Shares were issued, with respect to the acquisition of Blue River Nevada, property payments or debt settlements.

(2) The Company was incorporated on September 26, 2008.

(3) Issued in satisfaction of $15,188 owing by the Company to NovaDX Ventures Corp. See "Selected Financial Information and Management's Discussion and Analysis - Liquidity and Capital Resources."

(4) Amount in $CAD, based on the historic issue prices of the BRR Nevada common shares acquired by the Company.

(5) Issued as consideration for Blue River Nevada. See "Business of the Company - Acquisition of Blue River Nevada" for further discussion.

(6) Issued to Larry Sostad and Guy Delorme as consideration owing under the Original Castle Property Agreement. See "Business of the Company - Acquisition of the Castle Property."

(7) Issued in satisfaction of $40,000 owing in accrued fees owing to Mr. Bjorklund and Mr. Jones. See "Interest of Management and Others in Material Transactions."

(8) Issued to Claimbank as consideration owing under the Claimbank Agreement. See "Business of the Company - Acquisition of Additional Mineral Interests."

(9) Issued to Chris Delorme as consideration owing under the Chris Delorme Agreement. See "Business of the Company - Acquisition of Additional Mineral Interests."

ESCROWED SECURITIES AND OTHER SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

The following table sets forth details of the securities of the Company to be held in escrow following the completion of the Offering:

Designation of class	Number of Securities Held in Escrow	Percentage of Class
Shares	5,275,878	20.00%

National Policy 46-201 *Escrow for Initial Public Offering* ("NP 46-201") sets out a national escrow regime applicable to initial public offerings. Pursuant to that policy, the Shares held by Principals must be placed in escrow with the Escrow Agent, to be released therefrom over a period of three years.

The following is a list of the Principals who own Shares subject to escrow:

Name and Municipality of Residence	Number of Securities Held in Escrow	Percentage of Class
Robin Bjorklund Vancouver, BC	2,020,203(1)	7.66%
Cathy Edwards Kelowna, BC	407,321	1.54%
Paul Gray Vancouver, BC	100,000	0.38%
Griffin Jones Vancouver, BC	2,098,353(2)	7.96%
Richard Silas Vancouver, BC	500,001(3)	1.90%
Nadwynn Sing Vancouver, BC	150,000	0.57%

Notes:

(1) A portion of such Shares are held through Marathon Pacific Holdings Inc., a private company of which Mr. Bjorklund is a principal.

(2) A portion of such Shares are held through Nahatlatch Capital Inc., a private company of which Mr. Jones is a principal.

(3) A portion of such Shares are held through Universal Solutions Inc., a private company of which Mr. Silas is a principal.

Pursuant to the Escrow Agreement, the Principals deposited or will deposit in escrow the Escrowed Shares to be held by the Escrow Agent. Ten percent of the Escrowed Shares are to be released on the Listing Date, and 15% of the Escrowed Shares will be released every six months thereafter.

Management expects that, at the time of Listing Date, the Company will be an "emerging issuer" under NP 46-201. An emerging issuer is defined as an issuer that is listed on the Exchange in its Tier 2 Category. If the Company becomes an "established issuer" (as that term is defined under NP 46-201) during the term of the Escrow Agreement, the release of Escrowed Shares will become accelerated.

The Escrowed Shares can generally not be transferred or otherwise dealt with while in escrow. Permitted transfers or dealings within escrow would include: (i) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with approval of the Company's board of directors; (ii) transfers to a registered retirement savings plan or similar trust plan, provided that the only beneficiaries are the transferor or the transferor's spouse or children; (iii) transfers upon bankruptcy to the trustee in bankruptcy; and (iv) pledges to a financial institution as collateral of a bona fide loan, provided that upon a realization the securities remain subject to escrow. Tenders of Escrowed Shares to a take-over bid would be permitted provided that, if the tenderer is a principal of the successor issuer upon completion of the take-over bid, securities received in exchange for tendered

Escrowed Shares are substituted in escrow on the basis of the successor issuer's escrow classification.

Resale Restrictions

In addition to the foregoing, Exchange policy imposes certain release restrictions on Shares issued prior to an initial public offering. With respect to the Company, Exchange policy dictates that all of the Shares previously issued at $0.05 per Share, $0.06 per Share and $0.10 per Share that are not otherwise subject to escrow provisions must be restricted from resale for a period of four months, with 20% of such Shares released from any restrictions on the Listing Date, and 20% each month thereafter. Holders of such Shares, other than Principals, will be issued separate certificates, each stamped with a different legend with respect to such restrictions.

PRINCIPAL SHAREHOLDERS

To the knowledge of the Company, there are no persons who beneficially own, as of the date of this Prospectus, directly or indirectly, or exercise control or direction over, more than 10% of the Shares or will hold, directly o rindirectly, or execise control or direction over, more than 10% of the Shares on completion of the Offering.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets out the name, municipality of residence, position and office of the directors and executive officers of the Company, their respective principal occupations during the past five years, and the number of securities held on completion of the Offering. Each director's term of office will expire at the next annual general meeting of the Company's shareholders.

Name & Municipality of Residence	Position(s) Held with the Company	Principal Occupation During the Past Five Years	Number of Shares	% (Upon completion of the Offering)
Robyn Bjorklund Vancouver, BC	Vice President, Corporate Affairs	Director of Alternet Systems Inc. (January 1998 to present); principal of OceanPoint Advisors Inc.; consultant to the Company; Vice President, Corporate Affairs of the Company (December 2010 to present)	2,020,203[1]	7.66%
Cathy Edwards[2] Kelowna, BC	Director	Corporate secretary and administrator, Island Tug and Barge (1997 to 2008)	407,321	1.54%
Paul Gray[2] Vancouver, BC	Director	Professional geoscientist since August 2005 to present; principal of Paul D. Gray Geological Consultants from August 2007 to present; president, COO and director of Doublestar Resources Ltd. from 1998 to July 2007; director of Alston Ventures Inc. (July 2009 to present); Bluerock Resources Ltd. (October 2005 to present); Geo Minerals Ltd. (May 2008 to present); Uldaman Capital Corp. (June 2010 to present); former director of Cloudbreak Resources Ltd. (March 2009 to July 2010) and Selkirk Metals Corp. (August 2007 to December 2009)	100,000	0.38%

Griffin Jones[2] Vancouver, BC	President, CEO & director	Founder, president and CEO of the Company since incorporation to present; investor relations consultant for NovaDX Ventures Corp. (April 2009 to present); director of Oceanpoint Advisors (January 2009 to present); former vice president of Alternet Systems (January 1999 to December 2008)	2,098,353[3]	7.96%
Richard Silas Vancouver, BC	Director	President of Universal Solutions Inc. from December 1996 to present; director and secretary of Gold Standard Ventures Corp. (August 2009 to present), Tribune Metals Corp. (June 2006 to May 2011); Northern Star Mining Corp. (June 1999 to January 2011); former president of Gold Standard Ventures Corp. (April to August 2009)	500,001[4]	1.90%
Nadwynn Sing Vancouver, BC	CFO, Secretary & director	Self-employed consultant; CFO of Soltera Mining Corp. (March 2005 to October 2009);	150,000	0.57%

Notes:
(1) A portion of such Shares are held through Marathon Pacific Holdings Inc., a private company of which Mr. Bjorklund is a principal.
(2) Member of audit committee.
(3) A portion of such Shares are held through Nahatlatch Capital Inc., a private company of which Mr. Jones is a principal.
(4) A portion of such Shares are held through Universal Solutions Inc., a private company of which Mr. Silas is a principal.

As of the date of this Prospectus, the directors and executive officers of the Company collectively own, directly or indirectly, legally or beneficially, or exercise control or direction over 5,275,878 Shares, representing 27.96% of the issued and outstanding Shares prior to the Offering, and will exercise control and direction over 5,275,878 Shares, representing 20.00% of the issued and outstanding Shares on completion of the Offering, assuming no incentive stock options or Agent's Options are exercised.

Management of Junior Issuers

The following sets out more information with respect to the background of the directors and officers of the Company:

Robin Bjorklund, Vice President, Corporate Affairs

Mr. Bjorklund, age 47, was a founder of the Company and has been Vice President, Corporate Affairs of the Company since November 1, 2010.

Mr. Bjorklund is a principal of OceanPoint Advisers Inc., which provides consulting services to public companies, most recently NovaDx Ventures Corp., which operates a metallurgical coal mine in Alabama. He is also a director of Alternet Systems Inc., a Miami-based mobile transaction systems provider.

Mr. Bjorklund is not an employee of the Company and, in his capacity as Vice President, Corporate Affairs, intends to devote 50% of his time to the business and affairs of the Company which will increase as required by the activity of the Company. Mr. Bjorklund has entered into a consulting services agreement with the Company, pursuant to which Mr. Bjorklund is subject to non-disclosure obligations with respect to the Company's confidential information.

Cathy Edwards, director

Ms. Edwards, age 50, has been a director of the Company since incorporation on September 26, 2008, and a director of Blue River Nevada since December 7, 2006.

Ms. Edwards is a self-employed businessperson. Previously she was employed as a corporate secretary and administrator at Island Tug and Barge. Ms. Edwards has a Bachelor of Science degree from the University of British Columbia and a Diploma in Small Business Development from Langara Community College.

Ms. Edwards is not an employee of the Company and, in her capacity as a director, intends to devote 10% of her time to the business and affairs of the Company which will increase as required by the activity of the Company. She has not entered into a non-competition or non-disclosure agreement with the Company.

Paul D. Gray, director

Mr. Gray, age 36, has been a director of the Company since January 26, 2010.

Mr. Gray holds a Bachelor of Science degree from Dalhousie University, and is a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia. Mr. Gray has been a director of Alston Ventures Inc., a TSXV-listed oil and gas company, since July 2009 to present; a director of Argus Metals Corp., a TSXV-listed mining company, since October 2005 to present; a director of Dawson Gold Corp. (formerly "Uldaman Capital Corp."), a TSXV-listed mining company since June 2010 to present; a director of Geo Minerals Ltd., a TSXV-listed mining company since May 2008 to present; and a director of Dorex Minerals Inc., a TSXV-listed mining company since September 2009 to present. Mr. Gray was also the former president, COO and director of Doublestar Resources Ltd. from 1998 to July 2007; a former director of Cloudbreak Resources Ltd. (March 2009 to July 2010); and a former director of Selkirk Metals Corp. (August 2007 to December 2009).

Mr. Gray is not an employee of the Company and, in his capacity as a director, intends to devote 10% of his time to the business and affairs of the Company which will increase as required by the activity of the Company. He has not entered into a non-competition or non-disclosure agreement with the Company.

Griffin Jones, President, CEO and director

Mr. Jones, age 55, has been a director of the Company since incorporation on September 26, 2008, and a director of Blue River Nevada since December 2, 2006. Mr. Jones has received a diploma in Administrative Management from the British Columbia Institute of Technology and has completed the Canadian Securities Course. Mr. Jones is a principal in OceanPoint Advisors Inc., which provides consulting services to public companies.

Mr. Jones is not an employee of the Company and, in his capacity as President, CEO and a director, intends to devote 50% of his time to the business and affairs of the Company which will increase as required by the activity of the Company. Mr. Jones has entered into a management services agreement with the Company, pursuant to which Mr. Jones is subject to non-disclosure obligations with respect to the Company's confidential information

Richard Silas, director

Mr. Silas, age 39, has been a director of the Company since incorporation on September 26, 2008, and a director of Blue River Nevada since December 7, 2006. Mr. Silas has completed the securities program offered by Simon Fraser University.

Since 1996 to present, Mr. Silas has been the president and principal of Universal Solutions Inc., a private company which provides administrative consulting services to public companies. Mr. Silas is also a director of Gold Standard Ventures Corp., since April 2009 to present, a secretary of Gold Standards Venture Corp. since August 2009 to present, and the former president of Gold Standards Venture Corp. from April 2009 to August 2009. Additionally, Mr. Silas was the secretary and a director of Tribune Minerals Corp., a TSXV-listed mining company, from June 2006 to May 2011; and formerly the secretary and a director of Northern Star Mining Corp. since June 1999 to January 2011. Mr. Silas was formerly the secretary and a director of Britannica Resources Corp. (February 2003 to July 2003; February 2004 to June 2005).

Mr. Silas is not an employee of the Company and, in his capacity as a director, intends to devote 10% of his time to the business and affairs of the Company which will increase as required by the activity of the Company. He has not entered into a non-competition or non-disclosure agreement with the Company.

Nadwynn Sing, CFO, Secretary and director

Mr. Sing, age 51, has been the CFO and Secretary of the Company since September 28, 2010 and a director of the Company since September 27, 2010. Mr. Sing obtained a Bachelor of Commerce degree from the University of British Columbia.

Mr. Sing was formerly the CFO and a director of Soltera Mining Corp., a mining company quoted on the OTC Bulletin Board, from March 2005 to October 2009.

Mr. Sing is not an employee of the Company and, in his capacity as CFO, Secretary and a director, intends to devote 50% of his time to the business and affairs of the Company which will increase as required by the activity of the Company. He has not entered into a non-competition or non-disclosure agreement with the Company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Mr. Silas was a director of Northern Star Mining Corp. ("**Northern Star**"), which on August 18, 2010 filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act* (Canada), which includes its subsidiary Jake Resources Inc. Deloitte & Touche Inc. has been appointed as trustee for Northern Star. In addition, MineralFields 2010 Super-Flow Through LP and related funds have commenced proceedings against Northern Star and certain of its present and former directors and officers (excluding Mr. Silas) with respect to alleged misrepresentations made in the course of flow-through private placements completed by Northern Star in 2009 and 2010, which allegations are denied by Northern Star. Such proceedings have been stayed by virtue of Northern Star's filing under the *Bankruptcy and*

Insolvency Act (Canada). Mr. Silas resigned from all positions held with Northern Star in January 2011.

Mr. Sing was a director and former CFO of Soltera Mining Corp. ("**Soltera**"), whose securities were quoted for trading on the OTC. Pursuant to BC Instrument 51-509, Soltera was deemed to be a reporting issuer for the purposes of British Columbia, and was cease traded in June 2009 for failure to file required continuous disclosure documents. Mr. Sing resigned from all positions with Soltera in October 2009.

Except as noted above, no director or executive officer of the Company is, or within the ten years prior to the date of this Prospectus, has been a director or officer of any other issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any statutory exemptions, for a period of more than thirty 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.

No director or executive officer of the Company has been subject to any penalties or sanctions imposed by:

(a) a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

No director or executive officer of the Company, or a personal holding company of any such persons, has, during the ten years prior to the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has 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 such person.

Conflicts of Interest

The directors of the Company are required to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. However, the Company's directors and officers may serve on the boards and/or as officers of other companies which may compete in the same industry as the Company, giving rise to potential conflicts of interest. To the extent that such other companies may participate in ventures in which the Company may participate, they may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such conflicts of interest arise at a meeting of the directors of the Company, such conflicts of interest must be declared and the declaring parties must abstain from voting for or against the approval of such participation. The remaining directors will determine whether or not the Company will participate in any such project or opportunity.

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

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest, and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers in accordance with the *Business Corporations Act* (British Columbia) will disclose all such conflicts and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

EXECUTIVE COMPENSATION

The Company was not a reporting issuer at any time in the most recently completed financial year. In accordance with National Instrument Form 52-102F6, the following is a discussion of all compensation to be awarded to, earned by, paid to or payable to Named Executive Officers (as that term is defined in Form 52-102F6) of the Company, once it becomes a reporting issuer, to the extent that compensation has been determined as at the date of this Prospectus.

Compensation Discussion and Analysis

Pursuant to Form 51-102F6, the Company's CEO and CFO are the Named Executive Officers (or "NEOs") of the Company, there being no other executive officers of the Company or individuals acting in a similar capacity, nor any other individuals whose total compensation for the year has been or, to the extent that compensation has been determined as at the date of this Prospectus, will be in excess of $150,000.

At its present stage of development, the Company does not have any formal objectives, criteria and analysis for determining the compensation of its Named Executive Officers and primarily relies on the discussions and determinations of the Board of Directors.

The Company has entered into a management services agreement dated December 1, 2010 with Griffin Jones, president, CEO and a director of the Company, whereby the Company will pay Mr. Jones a monthly fee of $7,500 for providing management services to the Company.

Although the Company's objective is to minimize cash-based compensation arrangements, it intends to be fair in its compensation arrangements in order to attract and retain qualified individuals who are skilled and capable of managing and overseeing the management of the Company. Other than the agreement with Mr. Jones, no other arrangements have been made to compensate the Company's Named Executive Officers as at the date of this Prospectus.

Summary Compensation Table

The following table provides a summary of the compensation paid to the Company's Named Executive Officers in the years ending October 31, 2010 and October 31, 2009.

Name and Principal Position (a)	Year (b)	Salary ($) (c)	Share-based awards ($) (d)	Option-based awards ($)[1] (e)	Non-equity incentive plan compensation ($) (f) Annual incentive plans (f1)	Long-term incentive plans (f2)	Pension value ($) (g)	All other Compen-sation ($) (h)	Total Compen-sation ($) (i)
Griffin Jones[1] President, CEO	2010 2009	90,000[2] Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 85,000[2]	90,000 85,000
Nadwynn Sing[3] CFO, Secretary	2010 2009	88,895 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	88,895 Nil

Notes:
(1) Mr. Jones was appointed President and CEO of the Company on September 28, 2010.
(2) Paid pursuant to a management services agreement between the Company and Mr. Jones dated December 1, 2010, pursuant to which Mr. Jones receives a monthly fee of $7,500.
(3) Mr. Sing was appointed CFO and Secretary of the Company on September 28, 2010. Prior to that time, Mr. Sing was a consultant to the Company, and fees were paid to him on that basis. See "Selected Financial Information and Management's Discussion and Analysis - Transactions with Related Parties" for further discussion.

Outstanding Share-Based Awards and Option-Based Awards

As at the date of this Prospectus, the Company has not issued any share-based awards or option-based awards, though it has implemented an incentive stock option plan (see "Options and Other Rights to Purchase Securities of the Company"). The awards of incentive stock options to the Named Executive Officers of the Company will be determined by the Board of Directors. At this stage, the Company does not have any formal objectives or criteria with respect to awarding incentive stock options, and will rely on the recommendations of the Board of Directors.

The following table sets out the option-based and share-based awards that the Company intends to issue to the Named Executive Officers upon the Company becoming a reporting issuer and having its Shares listed for trading on the Exchange.

	Option-based Awards				Share-based Awards	
Name (a)	Number of securities underlying unexercised options (#) (b)	Option exercise price ($) (c)	Option expiration date (d)	Value of unexercised in-the-money options ($) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested ($) (g)
Griffin Jones	500,000	$0.20	5 years from issuance	N/A	N/A	N/A
Nadwynn Sing	300,000	$0.20	5 years from issuance	N/A	N/A	N/A

Pension Plan Benefits

The Company does not have a pension plan that provides for the payment of benefits to Named Executive Officers at, following, or in connection with retirement.

Termination of Employment, Change in Responsibilities and Employment Contracts

There are no compensatory plans, contracts or arrangements between the Company and any Named Executive Officer, where the Named Executive Officer is entitled to receive more than $50,000 from the Company, including periodic payments or instalments, in the event of:

- the resignation, retirement or any other termination of employment of the Named Executive Officer's employment with the Company;
- a change of control of the Company; or
- a change of the Named Executive Officer's responsibilities following a change in control.

Compensation of Directors

The Company currently has five directors, two of whom are also a current Named Executive Officers. For a description of the compensation paid to the Company's Named Executive Officer(s) who also act as directors, see "Summary Compensation Table".

Other than as disclosed elsewhere in this Prospectus, none of the Company's directors, excepting those who are also a Named Executive Officer, has received, during the most recently completed financial year, compensation pursuant to:

- any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors except for the granting of stock options; or
- any arrangement for the compensation of directors for services as consultants or experts.

The Company has implemented an incentive stock option plan (see "Options and Other Rights to Purchase Securities of the Company"). The awards of incentive stock options will be determined by the Board of Directors. At this stage, the Company does not have any formal objectives or criteria with respect to awarding incentive stock options.

The compensation paid to the directors and senior officers, other than the Named Executive Officers, during the Company's most recently completed financial year ended October 31, 2010 is as set out below:

Name (a)	Fees earned ($) (b)	Share-based awards ($) (c)	Option-based awards ($)[1] (d)	Non-equity incentive plan compensation ($) (e)	Pension value ($) (f)	All other compen-sation ($) (g)	Total ($) (h)
Robin Bjorklund[1]	53,200.00	N/A	N/A	N/A	N/A	N/A	53,200.00
Paul Gray[2]	9,256.10	N/A	N/A	N/A	N/A	N/A	9,256.10
Richard Silas[3]	1,000.00	N/A	N/A	N/A	N/A	N/A	1,000.00

Notes:
(1) Paid pursuant to an unwritten mutual agreement between the Company and Mr. Bjorklund through the year ending October 31, 2010. The Company and Mr. Bjorklund entered into a consulting services agreement in December 2010, pursuant to which Mr. Bjorklund provides consulting services to the Company in consideration of $7,500 per month. In the year ending October 31, 2010, the Company settled $20,000 in indebtedness owing to Mr. Bjorklund by way of Shares pursuant to a debt settlement agreement dated July 15, 2010. See "Interest of Management and Others in Material Transasctions." Mr. Bjorklund is a founder of the Company, and was appointed Vice President, Corporate Affairs in November 2010.
(2) Paid for geological consulting services provided by a private company of which Mr. Gray is a principal.
(3) Paid to a private company of which Mr. Silas, a director of the Company, is a principal. As at October 31, 2010, the Company also owed the same private company an additional $1,000 in consulting fees for services rendered prior to the year ending October 31, 2010.

Outstanding Share-Based Awards and Option-Based Awards

As at the date of this Prospectus, the Company has not issued any share-based awards or option-based awards, though it has implemented an incentive stock option plan (see "Options and Other Rights to Purchase Securities of the Company").

The following table sets out the option-based and share-based awards that the Company intends to issue to its directors, other than its Named Executive Officers, upon the Company becoming a reporting issuer and having its Shares listed for trading on the Exchange.

	Option-based Awards				**Share-based Awards**	
Name **(a)**	**Number of securities underlying unexercised options (#)** **(b)**	**Option exercise price ($)** **(c)**	**Option expiration date** **(d)**	**Value of unexercised in-the-money options ($)** **(e)**	**Number of shares or units of shares that have not vested (#)** **(f)**	**Market or payout value of share-based awards that have not vested ($)** **(g)**
Robin Bjorklund	500,000	$0.20	5 years from issuance	N/A	N/A	N/A
Cathy Edwards	150,000	$0.20	5 years from issuance	N/A	N/A	N/A
Paul Gray	150,000	$0.20	5 years from issuance	N/A	N/A	N/A
Richard Silas	150,000	$0.20	5 years from issuance	N/A	N/A	N/A

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company, or any associate or affiliate of such person, is or ever has been indebted to the Company, nor has any such person's indebtedness to any other entity been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee Charter

The charter of the Company's audit committee is attached to this Prospectus as Schedule "A" and incorporated by reference herein.

Composition of the Audit Committee

The members of the Company's Audit Committee (the "**Audit Committee**") are Cathy Edwards, Richard Silas and Griffin Jones. Ms. Edwards and Mr. Silas are considered independent. Mr. Jones, the president, CEO and a director of the Company, thereby has a material relationship with the Company and is not considered independent. All members of the Committee are considered financially literate. "Independent" and "financially literate" have the meaning used in National Instrument 52-110- Audit Committees (the "**Instrument**") of the Canadian Securities Administrators.

Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each Committee member that is relevant to the performance of his responsibilities as a Committee member is as follows:

- Ms. Edwards has had extensive experience as a private investor in venture capital markets;
- Mr. Silas is a director of three TSXV-listed companies and has extensive experience as a director and executive officer of public junior mining companies; and
- Mr. Jones has extensive experience in the mining industry and the administration of public companies in North America, is a graduate of the British Columbia Institute of Technology's Administrative Management program and has completed the Canadian Securities Course.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Company's board of directors.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied upon the exemption in Section 2.4 – De Minimis Non-audit Services of the Instrument, or an exemption from the Instrument in whole or in part, granted under part 8 of the Instrument. Pre-Approval Policies and Procedures The Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter, attached hereto as Schedule "A", under "Responsibilities and Duties – External Auditors."

External Auditor Service Fees (by Category)

The aggregate fees billed to the Company by the external auditor in each of the last fiscal year is as follows:

Year Ended October 31	**Audit Fees[1]**	**Audit Related Fees[2]**	**Tax Fees[3]**	**All Other Fees[4]**	**Total Fees**
2010	$7,900.00	$14,641.69	Nil	Nil	$22,541.69
2009	$12,500.00	Nil	Nil	Nil	$12,500.00
2008	$12,500.00	Nil	Nil	Nil	$12,500.00

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit Related Fees" include services that are traditionally performed by the auditor. These audit related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non audit services.

Exemption

In respect of the most recently completed financial year, the Company is relying on the exemption set out in Section 6.1 of the Instrument with respect to the compliance by Exchange issuers with the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of the Instrument.

Corporate Governance

Corporate governance relates to the activities of the board of directors of the Company, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the board of directors and who are charged with the day-to-day management of the Company. National Policy 58-101-*Disclosure of Corporate Governance Practices* (the "NP 58-101") establishes corporate governance guidelines that apply to all public companies. The board of directors of the Company is committed to sound corporate governance practices, which are both in the interest of the shareholders of the Company and contribute to effective and efficient decision making.

Pursuant to NP 58-101, the Company is required to, and the following hereby, discloses its corporate governance practices:

Board of Directors

The board of directors of the Company is comprised of Cathy Edwards, Paul Gray, Griffin Jones, Richard Silas and Nadwynn Sing. Ms. Edwards and Mr. Silas are considered "independent" as defined by NP 58-101. Mr. Gray, a director of the Company who has provided consulting services to the Company, Mr. Jones, President and CEO of the Company, and Mr. Sing, CFO and Secretary of the Company, are considered to have a material relationship with the Company due to their remuneration as consultants of the Company or their positions as officers, and are therefore not considered "independent".

The board of directors of the Company facilitates the independent supervision over the Company's management through frequent meetings of the board.

Directorships

The following table sets out the directors that are currently directors of other reporting issuers in all Canadian and foreign jurisdictions:

Name of Director	Name of Reporting Issuer	Market Traded On
Robin Bjorklund	Alternet Systems Inc.	OTC Bulletin Board
Paul Gray	Alston Ventures Inc.	TSX Venture Exchange
	Argus Metals Corp.	TSX Venture Exchange
	Geo Minerals Ltd.	TSX Venture Exchange
	Dorex Minerals Inc.	TSX Venture Exchange
	Dawson Gold Corp.	TSX Venture Exchange
Richard Silas	Gold Standard Ventures Corp.	TSX Venture Exchange

Orientation and Continuing Education

The board of directors of the Company briefs all new directors on the business activities and plans of the Company and the policies of the board of directors and the Company's corporate governance guidelines. The board does not provide any continuing education to the directors, however, does encourage the directors to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The board of directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on individual director's participation in decisions of the board in which the director has an interest have been sufficient to ensure that the board of directors operates independently of management and in the best interests of the Company.

Certain directors of the Company may also be directors and officers of other companies engaged in similar business activities and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as applicable under, the *Business Corporations Act* (British Columbia).

Nomination of Directors

The board of directors is responsible for identifying individuals qualified to become new board members and recommending to the board new director nominees for the next annual meeting of shareholders. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company’s mission and strategic objectives, and a willingness to serve.

Compensation

The board of directors conducts reviews with regard to the compensation of the directors, the CEO and CFO once a year. To make its recommendations on such compensation, the board of directors takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

Other Board Committees

The board of directors has no other committees other than the Audit Committee.

Assessments

The board of directors has not implemented a process for assessing its effectiveness and does not formally assess the performance or contribution of individual board or committee members. Due to the Company's size and stage of development the directors work closely with management and are in a position to informally assess each individual director's performance on an ongoing basis.

PLAN OF DISTRIBUTION

The Exchange has conditionally approved the listing of the issued and outstanding Shares and the Shares distributed under this Prospectus on the Exchange. Listing will be subject to the Company fulfilling all listing requirements of the Exchange. The Offering will be made in accordance with the rules and policies of the Exchange.

The Offering is subject to the completion of the Offering on or before 90 days from the date of the receipt for the final prospectus, unless a further amendment to the final prospectus is filed and the regulator has issued a receipt for the further amendment. If a further amendment to the final prospectus is filed and the regulator has issued a receipt for the amendment, the distribution must cease within 90 days after the date of the receipt for the amendment to the final prospectus. The total period of distribution must not end more than 180 days from the date of receipt for the final prospectus All subscription funds received by the Agent will be held by the Agent pursuant to the provisions of the Agency Agreement. If the Offering is not completed, the Agent will return any funds received from subscribers without any deductions.

Pursuant to the Agency Agreement, the Company has appointed the Agent to act as its agent to conduct the Offering in the Selling Provinces, on a commercially reasonable efforts basis, of 7,500,000 Shares at the Offering Price of $0.20 per Share for gross proceeds of $1,500,000, subject to the terms and conditions of the Agency Agreement. The Agent may enter into selling arrangements with other investment dealers at no additional cost to the Company. The Agent will receive:

- a commission of 10% of the gross proceeds of the Offering payable in cash;
- the Agent's Option to acquire Shares in an amount equal to 10% of the total number of Shares sold pursuant to the Offering, exercisable at a price of $0.20 per Share for a period of 60 months from the Listing Date. The Agent's Option is qualified for distribution pursuant to this Prospectus in the Selling Provinces;
- a Corporate Finance Fee of $25,000 in cash plus applicable taxes, of which half has been paid as a non-refundable deposit; and

- a reimbursement of the Agent's expenses with respect to the Offering, towards which a retainer of $10,000 has been paid by the Company.

The Agent has agreed to assist with the Offering on a commercially reasonable efforts basis, but is not obligated to purchase any of the Offered Securities for its own account.

The Agency Agreement provides that the obligations of the Agent may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated upon the occurrence of certain stated events.

Subscriptions will be received for the Shares offered hereby subject to rejection or acceptance by the Company in whole or in part, and the right is reserved to close the subscription books at any time. Upon rejection of a subscription, or in the event that the Offering does not complete within the term of the Agency Agreement or the time required by the rules of the Securities Commissions, the subscription price and the subscription will be returned to the subscriber forthwith without interest or deduction.

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering other than the payments to be made to the Agent in accordance with the terms of the Agency Agreement.

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

The price of the Shares offered under this Prospectus was determined by negotiation between the Company and the Agent and bears no relationship to earnings, book value or other valuation criteria.

Listing of Common Shares

The Exchange has conditionally approved the listing of the Company's issued and outstanding Shares and the Shares comprising the Offered Securities. Listing is subject to the Company fulfilling all of the requirements of the Exchange on or before 90 days from the date on which the Company receives conditional approval from the Exchange, including distribution of the Offered Securities to a minimum number of public security holders.

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 or to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

RISK FACTORS

An investment in the securities offered hereunder should be considered highly speculative due to the nature of the Company's business and the present stage of development. An investment in the securities should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment. Prospective investors should consult with their professional advisors to assess an investment in the Company. 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.

No Established Market

There is currently no market through which the Company's securities may be sold and purchasers may not be able to resell the Shares purchased under this Prospectus. Even if a market develops, there is no assurance that the price of the Shares offered under this Prospectus, which was determined through negotiations between the Company and the Agent, will reflect the market price of the Shares once a market has developed. If an active public market for the Shares does not develop, the liquidity of the shareholder's investment may be limited and the share price may decline below the initial public offering price.

Dilution and Shareholdings

The offering price of the Shares issuable under this Offering significantly exceeds the average price per Share paid prior to the Offering and the net tangible book value of the Company. Accordingly, investors will suffer immediate and substantial dilution of their investment; to the extent that Shares acquired at $0.20 per Share will have a value, based on the average price per Share of the Company following the Offering, of $0.107 per Share, a dilution of 46.5% (Maximum).

The Escrow Holders collectively hold 5,275,878 Shares; of which 1,500,000 Shares were acquired for $0.01 per Share, 2,700,212 Shares were acquired for $0.05 per Share, 675,666 Shares were acquired for $0.06 per Share; and 400,000 were acquired at a deemed price of $0.10 per Share.

High Risk, Speculative Nature of Investment

An investment in the Shares carries a high degree of risk and should be considered speculative by purchasers.

Volatility of Share Price

As it is anticipated that the Shares will be listed on the Exchange, factors such as announcements of quarterly variations in operating results, exploration results, as well as market conditions in the mining industry may have a significant impact on the market price of the Shares. Global stock markets, and the Exchange in particular have, from time to time, experienced extreme price and volume fluctuations, which have often been unrelated to the operations of particular companies. Share prices for many companies in the mineral exploration and mining industries have experienced wide fluctuations that have been often unrelated to the operations of the companies themselves. In addition, there can be no assurance that an active trading or liquid market will develop or be sustained for the Shares.

Liquidity Concerns and Future Financing Requirements

The Company has no source of operating revenue. After completion of the Offering, the Company may require additional financing in order to fund further exploration programs. 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 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 completed the recommended work program with respect to the Castle Property, to take advantage of other opportunities, or otherwise remain in business.

Substantial Capital Expenditures Required

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon a number of factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general factors such as metal prices and government regulations, including environmental protection. Most of these factors are beyond the control of the Company. In addition, because of these risks, there is no certainty that the expenditures to be made by the Company on the exploration of its Castle Property as described herein will result in the discovery of commercial quantities of ore.

Management Experience and Dependence on Key Personnel and Employees

The Company's success is currently largely dependent on the performance of its directors and officers. The experience of these individuals is a factor which will contribute to the Company's continued success and growth. The Company will initially be relying on its board members, as well as independent consultants, for certain aspects of its business. The amount of time and expertise expended on its affairs by each of its management team and its directors will vary according to its needs. The Company does not intend to acquire any key man insurance policies and there is, therefore, a risk that the death or departure of any member of the Company's management, board, or any key employee, could have a material adverse effect on its future. Investors who are not prepared to rely on the Company's management team should not invest in its securities.

Further Acquisitions

As part of the Company's business 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 acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for its business. The Company cannot guarantee that it can complete any acquisition it pursues on favourable terms, or that any acquisitions completed will ultimately benefit its business. Future acquisitions may result in substantial dilution to shareholders.

Exploration and Development

The Castle Property is in the exploration stage and is without a known body of commercial ore. Mineral exploration and development involves a high 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 and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

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 Castle Property. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Operating Hazards and Risks

Mineral exploration and development involves risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. The Company does not currently carry any liability insurance for such risks, electing instead to ensure its contractors have adequate insurance coverage. The nature of these risks is such that liabilities might exceed any insurance policy limits, the liabilities and hazards might not be insurable or the Company might not elect to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of the metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for the sale of the same. There can be no assurance 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 marketability of any minerals discovered. The prices of precious metals have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the control of the Company.

Competition

The mining industry is intensely and increasingly competitive, and the Company competes for exploration and exploitation properties with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

Title Matters

While the Company has reviewed and is satisfied with the title to the claims comprising the Castle Property, and, to the best of its knowledge, such title is in good standing, there is no guarantee that titles to such claims will not be challenged or impugned. The Castle Property may be subject to prior unregistered agreements of transfer or aboriginal land claims, and title may be affected by undetected defects.

Environmental Risks and Other Regulatory Requirements

The current or future operations of the Company, including exploration or development activities and commencement of production on its properties require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for the construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material 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 the development of new mining properties.

Industry Regulation

The Company currently operates its business in a regulated industry. There can be no assurances that the Company may not be negatively affected by changes in the Canadian federal, provincial or other legislation, or by any decisions or orders of any governmental or administrative body or applicable regulatory authority.

Uninsured or Uninsurable Risks

The Company may become subject to liability for cave-ins, pollution or other hazards against which it cannot insure or against which it may elect not to insure because of high premium costs or for other reasons. The payment of any such liabilities would reduce the funds available for exploration and mining activities. Payments of liabilities for which the Company does not carry insurance may have a material adverse effect on the financial position of the Company.

Uncertainty of Use of Proceeds

Although the Company has set out its intended use of proceeds from this Offering, the same are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds.

Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Prospect of Dividends

The Company does not anticipate that any dividends will be paid on its Shares in the foreseeable future.

PROMOTERS

Mr. Bjorklund, Ms. Edwards, Mr. Jones and Mr. Silas may be considered to be the promoters of the Company in that they took the initiative in organizing and advancing the business of the Company. See "Directors and Officers" and "Options and Other Rights to Purchase Securities of the Company" for a description of the number and percentage of each class of voting securities and equity securities of the Company or its subsidiary beneficially owned, or controlled or directed, directly or indirectly, by each of Mr. Bjorklund, Ms. Edwards, Mr. Jones and Mr. Silas. See also "Executive Compensation" and "Directors and Officers – Management of Junior Issuers" for a description of the consideration received and to be received for services to the Company, and for a description of Mr. Bjorklund, Ms. Edwards, Mr. Jones and Mr. Silas' respective experience. Except that Mr. Bjorklund, Ms. Edwards, Mr. Jones, and Mr. Silas sold an aggregate total of 2,700,209 shares in the capital of Blue River Nevada to the Company as part of the Company's overall acquisition of Blue River Nevada, no assets have been acquired or are to be acquired by the Company from Mr. Bjorklund, Ms. Edwards, Mr. Jones or Mr. Silas. See "General Development of the Business" for particulars of the Company's acquisition of Blue River Nevada.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

To the knowledge of the Company, there are no legal proceedings outstanding, threatened or pending, as of the date hereof, by or against the Company or which the Company is a party or to which the Castle Property is subject, nor to the Company's knowledge are any such legal proceedings contemplated which could become material to a purchaser of securities of the Company.

Regulatory Actions

There are no:

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

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

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described below, no director, senior officer, or shareholder who beneficially owns, directly or indirectly, more than 10% of the outstanding Shares, or any known associate or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction which has materially affected or could materially affect the Company, since the inception of the Company:

- pursuant to separate share purchase agreements, each dated effective April 30, 2010 between the Company and Mr. Bjorklund, Ms. Edwards, Mr. Jones and Mr. Silas, the Company acquired all of the securities held by Mr. Bjorklund, Ms. Edwards, Mr. Jones and Mr. Silas in the capital of Blue River Nevada, as part of the Company's overall acquisition of all of the issued and outstanding securities in the capital of Blue River Nevada. See "Business of the Company - Acquisition of Blue River Nevada";

- a management agreement dated December 1, 2010 between the Company and Mr. Jones, pursuant to which Mr. Jones provides management services to the Company in consideration of a fee of $7,500 per month;

- a consulting services agreement dated December 1, 2010 between the Company and Robin Bjorklund, pursuant to which Mr. Bjorklund provides consulting services to the Company in consideration of a fee of $7,500 per month;

- the Company rents office space from a private company of which Mr. Bjorklund and Mr. Jones are principals, at a current rental rate of $2,300 per month;

- pursuant to debt settlement agreements dated July 15, 2010 and Mr. Bjorklund and Mr. Jones, respectively, the Company issued 200,000 Shares to each of Mr. Bjorklund and Mr. Jones (for an aggregate total of 400,000 Shares) in satisfaction of $20,000 owing to each of Mr. Bjorklund and Mr. Jones (for a total of $40,000 owing); and

- Mr. Bjorklund and Mr. Jones have loaned the Company a total amount of $31,467. There are no repayment terms regarding such loan.

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is not a "related issuer" or a "connected issuer" of or to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*).

AUDITORS, TRANSFER AGENT AND REGISTRARS

Auditors

The auditors of the Company are Dale Matheson Carr-Hilton Labonte LLP, of 1500 & 1700 - 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1.

Registrar and Transfer Agent

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

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company since its incorporation on September 26, 2008 which can be regarded as material:

- an option agreement dated October 15, 2008 and amended October 6, 2009 among Guy Delorme, Larry Sostad and Blue River Nevada (and assigned by Blue River Nevada to the Company on November 18, 2010), pursuant to which the Company has acquired the Castle Property. See "Business of the Company - Acquisition of the Castle Property";
- an option agreement dated June 17, 2010 between the Company and Claimbank Explorations Ltd., pursuant to which the Company acquired mineral interests continguous with the Castle Property. See "Business of the Company - Acquisition of Additional Mineral Interests";
- an option agreement dated August 5, 2010 between the Company and Chris Delorme, pursuant to which the Company acquired mineral interests continguous with the Castle Property. See "Business of the Company - Acquisition of Additional Mineral Interests";
- those agreements described under "Interest of Management and Others in Material Transactions"; and
- the Agency Agreement.

Copies of all material contracts may be inspected at the registered office of the Company at Suite 700 - 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1 during normal business hours while distribution of the securities offered hereunder is in progress, and for a period of 30 days thereafter. The material contracts will also be available on the SEDAR website (www.sedar.com) upon the issuance of the final receipt for this Prospectus.

EXPERTS

Gilles Arseneau, Ph.D, P. Geo of SRK Consulting (Canada) Inc., the author of the Technical Report, has no interest in the Company, any Shares or the Castle Property.

Certain legal matters relating to the offering of the Shares will be passed upon by Richards Buell Sutton LLP and Thorsteinssons LLP on behalf of the Company; and by McCullough O'Connor Irwin LLP, on behalf of the Agent. None of Richards Buell Sutton LLP, Thorsteinssons LLP or

McCullough O'Connor Irwin LLP have an interest in the Company, any Shares or the Castle Property.

Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, the auditors for the Company have reported that as of January 25, 2011, they are independent in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

OTHER MATERIAL FACTS

There are no further facts or particulars in respect of the securities being distributed pursuant to this Prospectus that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

EXEMPTION UNDER NATIONAL INSTRUMENT 41-101

Section 2.3 of National Instrument 41-101 requires that a final prospectus be filed no more than 90 days after the date of the receipt for the preliminary prospectus for which it relates. As the date of this Prospectus is more than 90 days from the date on which the Company received a receipt for its preliminary prospectus dated January 25, 2011, the Company has applied for an exemption from that requirement under Part 19 of National Instrument 41-101. As at the date of this Prospectus, the Company anticipates that the exemption granted will be evidenced by the issuance of a receipt for this Prospectus, as contemplated under Section 19.3 of National Instrument 41-101.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, 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 or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

DALE MATHESON CARR-HILTON LABONTE LLP
DMCL CHARTERED ACCOUNTANTS

Partnership of:
Vancouver: Robert J. Burkart, Inc. | James F. Carr-Hilton Ltd. | Kenneth P. Chong Inc. | Alvin F. Dale Ltd. | Barry S. Hartley, Inc. | Reginald J. LaBonte Ltd. | Robert J. Matheson, Inc. | Rakesh I. Patel Inc.
South Surrey: Michael K. Braun Inc. | Peter J. Donaldson, Inc.
Port Coquitlam: Wilfred A. Jacobson Inc. | Fraser G. Ross, Ltd. | Brian A. Shaw Inc.

AUDITOR'S CONSENT

We have read the prospectus of Blue River Resources Ltd. (the "Company") dated June 8, 2011 relating to the offer and issue of 7,500,000 common shares in the capital of the Company at $0.20 per share for gross proceeds of $1,500,000. We have complied with Canadian generally accepted standards for an auditors' involvement with offering documents.

We consent to the use in the above-mentioned prospectus of the following reports:

- our report to the Directors and Shareholders of the Company on the consolidated balance sheets of the Company as at October 31, 2010 and 2009, and the consolidated statements of operations, comprehensive loss and deficit and cash flows for the years ended October 31, 2010 and 2009. Our report is dated June 8, 2011; and
- our report to the Directors of the Company on the combined balance sheets of the Company as at October 31, 2009 and 2008, and the combined statements of operations, comprehensive loss and deficit and cash flows for the years ended October 31, 2009 and 2008. Our report is dated June 8, 2011.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED ACCOUNTANTS

Vancouver, British Columbia
June 8, 2011

Vancouver Suite 1500 - 1140 West Pender Street, Vancouver, B.C., Canada V6E 4G1, Tel: 604 687 4747 • Fax: 604 689 2778 - Main Reception
South Surrey Suite 301 - 1656 Martin Drive, White Rock, B.C., Canada V4A 6E7, Tel: 604 531 1154 • Fax: 604 538 2613
Port Coquitlam Suite 700 - 2755 Lougheed Highway, Port Coquitlam, B.C., Canada V3B 5Y9, Tel: 604 941 8266 • Fax: 604 941 0971

BLUE RIVER RESOURCES LTD.

Consolidated Financial Statements

January 31, 2011

(Unaudited)

BLUE RIVER RESOURCES LTD.
CONSOLIDATED BALANCE SHEETS

	January 31, 2011 $ (Unaudited)	October 31, 2010 $
ASSETS		
Current assets		
Cash	**13,463**	110,919
Accounts receivable	**14,561**	**-**
GST/HST receivable	**14,256**	10,075
Prepaid expenses	**11,773**	12,546
	54,053	133,540
Deferred financing costs (Note 5)	**94,202**	52,400
Equipment (Note 3)	**4,728**	4,956
Mineral Property Costs (Schedule, Note 4)	**281,834**	248,888
TOTAL ASSETS	**434,817**	439,784
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	**123,746**	86,774
Due to related party (Note 8)	**1,000**	1,000
	124,746	87,774
Shareholders' equity		
Share capital (Note 5)	**1,329,027**	1,249,027
Shares issuable (Note 9)	**-**	40,000
Deficit	**(1,018,956)**	(937,017)
	310,071	352,010
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**434,817**	439,784

Nature of Operations (Note 1)

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

BLUE RIVER RESOURCES LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT

	Three Months Ended January 31, 2011 $ (Unaudited)	Three Months Ended January 31, 2010 $ (Unaudited)
OPERATING EXPENSES		
Amortization	**228**	94
Bank charges and interest	**202**	1,267
Consulting fees (Note 8)	**30,300**	37,586
Foreign exchange loss	**62**	70
Management fees (Note 8)	**22,500**	72,020
Office expense	**4,438**	6,944
Professional fees	**7,736**	1,932
Rent (Note 8)	**6,000**	6,900
Telephone	**1,599**	1,492
Travel	**8,874**	3,334
	81,939	131,639
NET AND COMPREHENSIVE LOSS FOR THE PERIOD	**(81,939)**	(131,639)
DEFICIT, BEGINNING OF PERIOD	**(937,017)**	(578,244)
DEFICIT, END OF PERIOD	**(1,018,956)**	(709,883)
BASIC AND DILUTED LOSS PER SHARE	**(0.00)**	(0.03)
WEIGHTED AVERAGE SHARES OUTSTANDING	**18,444,623**	13,156,347

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

BLUE RIVER RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOW

	Three Months Ended January 31, 2011 $ (Unaudited)	Three Months Ended January 31 2010 $ (Unaudited)
OPERATING ACTIVITIES		
Net loss for the period	**(81,939)**	(131,639)
Amortization	**228**	94
	(81,711)	(131,545)
Changes in non-cash working capital:		
Accounts receivable	**(3,500)**	(2,400)
Share subscriptions receivable	**-**	(10,000)
GST/HST receivable	**(4,181)**	(2,148)
Prepaid expenses	**773**	(9,744)
Accounts payable and accrued liabilities	**(4,830)**	5,786
	(93,449)	(150,051)
INVESTING ACTIVITIES		
Acquisition of equipment	**-**	(1,150)
Mineral property costs	**(4,007)**	(7,482)
	(4,007)	(8,632)
FINANCING ACTIVITIES		
Deferred financing costs	**-**	-
Share subscriptions	**-**	193,700
	-	193,700
INCREASE (DECREASE) IN CASH	**(97,456)**	35,017
CASH, BEGINNING OF PERIOD	**110,919**	40,900
CASH, END OF PERIOD	**13,463**	75,917

Supplemental information with respect to cash flows (Note 10)

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

BLUE RIVER RESOURCES LTD.
CONSOLIDATED SCHEDULEOF MINERAL PROPERTY COSTS
(Unaudited)

	Balance October 31, 2009 $	Additions 2010 $	Balance October 31, 2010 $	Additions 2011 $	**Balance January 31, 2011 $**
Castle Project					
Option payments	30,000	72,000	102,000	40,000	**142,000**
Assaying	11,248	-	11,248	-	**11,248**
Consulting - geological	46,520	10,740	57,260	(7,054)	**50,206**
General exploration expenditure	72,112	6,268	78,380	-	**78,380**
	159,880	89,008	248,888	32,946	**281,834**

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

NOTE 1 - NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Blue River Resources Ltd. (the "Company") was incorporated on September 26, 2008 under the Business Corporations Act (British Columbia). The Company and its 100% owned subsidiary, Blue River Resources Inc. ("BRR Inc."), a private corporation incorporated under the laws of the State of Nevada on December 7, 2006, is in the business of acquisition, exploration and development of mineral properties in the Princeton area of British Columbia.

On April 30, 2010, through share purchase agreements dated September 26, 2008 and July 30, 2009, the Company issued 2,960,209 common shares of the Company to the shareholders of BRR Inc., in exchange for all of the issued and outstanding shares of BRR Inc. As a result, the Company became the parent of BRR Inc. For accounting purposes, the acquisition is deemed to be a continuity of the combined entity. Accordingly, the assets and liabilities of the two companies have been stated at historical carrying amounts, and the consolidated financial statements for the three months ended January 31, 2011 and the year ended October 31, 2010 present the results of operations and financial positions of these companies as if they had been in existence since the inception of BRR Inc.

These consolidated interim financial statements have been prepared on the assumption that the Company will continue to realize its assets and meet its liabilities in the normal course of business as a going concern. The Company has incurred losses since inception, has no source of operating revenue, and as at January 31, 2011 has a working capital deficit of $70,693 (October 31 2010 – net working capital of $45,766). The ability of the Company to continue operations as a going concern is dependent on raising additional funds via equity issuances, under terms that are consistent with the best interests of shareholders, in order to finance its ongoing losses. These financial statements contain no provisions for adjustments which may become necessary if the Company becomes unable to continue on a 'going concern' basis.

The Company is planning an initial public offering and a listing on the TSX Venture Exchange. Refer to Note 5.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation
These consolidated interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles and are stated in Canadian dollars.

The consolidated interim financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below:

Principal of consolidation
These consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary, Blue River Resources Inc. ("BRR Inc."). All material intercompany balances and transactions have been eliminated upon consolidation.

Cash and Cash Equivalents
The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents. As at January 31, 2011 and October 31, 2010 the Company held no cash equivalents.

Mineral Properties and Deferred Exploration Costs
The cost of mineral properties and their related direct exploration costs are deferred until the properties are placed into production, sold, or abandoned. These deferred costs will be amortized on the unit-of-production basis over the estimated useful life of the properties following the commencement of production, or written off if the properties are sold, allowed to lapse, abandoned or determined by management to be impaired.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – *continued*

Mineral Properties and Deferred Exploration Costs - ***continued***
Cost includes cash consideration and the fair market value of shares issued on the acquisition of property interests. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and are not intended to reflect present or future values.

The Company reviews capitalized costs on its property interests on a periodic basis and will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from the property or from the sale of the property. Management's assessment of the property's estimated current fair market value is also based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

The Company follows EIC 174, "Mining Exploration Costs" to test initially capitalized exploration costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Cost of Maintaining Mineral Properties
The Company does not accrue the estimated future costs of maintaining its mineral properties in good standing.

Equipment
Equipment is recorded at cost less accumulated amortization, which is calculated on a declining-balance basis as follows:

Office equipment	8%
Furniture and fixtures	20%
Computer hardware	100%

Use of Estimates
The preparation of financial statements requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements, as well as the reported amounts of revenues and expenses incurred during the periods. Significant areas requiring the use of management estimates includes, useful life of office equipment for amortization, mineral property carrying values, assets impairment tests, future tax rates and valuation allowance, and fair value of non-cash stock based compensation. Actual results could differ from those estimated.

Fair Value of Financial Instruments
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 on the trade date at fair value upon initial recognition. Subsequent measurement depends on the initial classification of the instrument. Held-for-trading financial assets are measured at fair value, with changes in fair value recorded in net income. Available-for-sale financial assets are measured at fair value, with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost. All derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sales and purchases exemption. Changes in the fair value of derivatives that are not exempt are recorded in the statement of operations. Transaction costs on the acquisition of financial assets and liabilities that are classified as other than held-for-trading are expensed. The Company's financial instruments are classified as follows:

Held for trading - Cash

Loans and receivables – Accounts receivable, GST/HST receivable

Other financial liabilities - Accounts payable and accrued liabilities, due to related party

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Income Taxes
The Company follows the liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are accounted for based on the difference between the carrying amounts and tax basis of assets and liabilities and are measured using enacted tax rates and laws in effect as at the date of the financial statements. Changes in these balances are charged to income in the year in which they arise. Future tax assets are accounted for only if it is believed that it is more likely than not that they will be realized.

Foreign Currency Translation
The Company translates its foreign operations for monetary assets and liabilities at the rate of exchange in effect as at the balance sheet date and for non-monetary assets and liabilities at their historical exchange rates. Revenues and expenses are translated at the average rates prevailing for the year, except for amortization that is translated at the historical rate of the related assets.

Foreign exchange gains and losses from the translation of foreign operations are recognized in the current period.

Environmental Expenditures
The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company vary greatly from country to country and are not predictable.

Environmental expenditures that relate to ongoing environmental and reclamation programs are charged against operations as incurred or capitalized and amortized depending on the expected future economic benefit. Estimated future removal and site restoration costs are recognized when the ultimate liability is reasonably determinable, and are charged against operations over the estimated remaining life of the related business operations, net of expected recoveries.

Stock-based Compensation
The Company records compensation expense associated with stock options granted to directors and employees using a fair market value measured basis and records the expense as the options vest. The compensation expense effectively increases contributed surplus by the same amount and has no net effect on shareholders' equity or cash flows.

Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus, recognized initially as the options vested with the recipient, is transferred to share capital.

Basic and Diluted Loss Per Share
Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. Contingently issuable shares are not considered outstanding common shares and consequently are not included in loss per share calculations. The Company uses the treasury stock method to calculate diluted loss per share. Diluted loss per share considers the dilutive impact of the exercise of outstanding stock options, warrants and similar instruments as if the events had occurred at the beginning of the period or at time of issuance, if later. Diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Long-lived assets
The carrying values of long-lived assets with fixed or determinable lives are reviewed for impairment whenever events or changes in circumstances indicate the recoverable value may be less than the carrying amount. Recoverable value determinations are based on management's estimates of undiscounted future net cash flows expected to be recovered from specific assets or groups of assets through use or future disposition. Impairment charges are recorded in the period in which determination of impairment is made by management.

Assets with indefinite or indeterminable lives are not amortized and are reviewed for impairment on a reporting basis using fair value determinations by management's estimate of recoverable value. Assets held and available for sale or not in use are segregated and reported at the lower of cost and recoverable amount.

Credit risk and the fair value of financial assets and financial liabilities
The Company follows EIC 173," Credit Risk and Fair Value of Financial Assets and Financial Liabilities", which establishes that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments.

Accounting Policies Not Yet Adopted Under Canadian GAAP
The following pronouncements recently issued by the Canadian Institute of Chartered Accountants ("CICA") will be adopted in future financial reporting periods as follows:

a) International Financial Reporting Standards ("IFRS")

In 2006, 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 October 31, 2011. 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.

NOTE 3 - EQUIPMENT

	January 31, 2011		
	Cost	**Accumulated Amortization**	**Net Book Value**
	$	**$**	$
Office equipment	809	163	646
Furniture and fixtures	4,775	693	4,082
Computer hardware	2,046	2,046	-
	7,630	2,902	4,728

	October 31, 2010		
	Cost	**Accumulated Amortization**	**Net Book Value**
	$	**$**	$
Office equipment	809	150	659
Furniture and fixtures	4,775	478	4,297
Computer hardware	2,046	2,046	-
	7,630	2,674	4,956

NOTE 4 – MINERAL PROPERTY

CASTLE PROJECT – British Columbia

The Castle Project is comprised of three mineral claims located in the Similkameen area of British Columbia: RATS Claim, Claimbank Claim, and South Castle Claim.

RATS Claim
On October 15, 2008, BRR Inc. signed an option agreement with Larry Sostad ("Sostad") and Guy Delorme ("Delorme") whereby BRR Inc. has the right to acquire a 100% beneficial right, title, and interest in and to a property located in the Similkameen area of British Columbia.

Under the terms of the option agreement, BRR Inc. will earn a 100% interest in the property subject to the following:

- BRR Inc. must pay $10,000 upon signing (paid) and $10,000 on April 15, 2009 (paid), $10,000 on October 15, 2009 (paid), and $10,000 on April 15, 2010 (paid) for a total of $40,000.
- BRR Inc. must issue 400,000 common shares of BRR Inc.: 200,000 to be issued within 30 days of signing, having a four month hold period from date of issuance, and 200,000 shares to be issued as follows: 50,000 shares every six months after the date of signing. On August 16, 2010, the Company issued 200,000 common shares of the Company to Sostad and 200,000 common shares of the Company to Delorme for a total value of $40,000 (issued) (Note 5).

Sostad and Delorme retained a 2.0% net smelter return royalty ("NSR") on any ore production from the property. The Company is eligible to purchase a 1% NSR at anytime by making a cash payment of $5,000,000.

On November 18, 2010, BRR Inc. assigned all beneficial right, title, and interest in the property to the Company.

NOTE 4 – MINERAL PROPERTY - *continued*

Claimbank Claim

On June 17, 2010, the Company signed an option agreement with Claimbank Explorations Ltd. ("Claimbank") whereby the Company has the right to acquire a 100% beneficial right, title, and interest in and to a property located in the Similkameen area of British Columbia.

Under the terms of the option agreement, the Company will earn a 100% interest in the property subject to the following:

- The Company must pay $20,000 within 30 days of signing the agreement (paid).
- The Company must issue 300,000 common shares of the Company: 100,000 to be issued within 120 days of signing but before the trading date of the Company going public, and 200,000 shares to be issued as follows: 50,000 shares every three months after the date of signing. On December 31, 2010, the Company issued 300,000 common shares of the Company to Claimbank (issued) (Note 5).

Claimbank retained a 2.0% net smelter return royalty ("NSR") on any ore production from the property. The Company is eligible to purchase a 1% NSR at anytime by making a cash payment of $2,000,000.

South Castle Claim

On August 5, 2010, the Company signed an option agreement with Chris Delorme ("Delorme") whereby the Company has the right to acquire a 100% beneficial right, title, and interest in and to a property located in the Similkameen area of British Columbia. This claim is the third property included in the Castle Project.

Under the terms of the option agreement, the Company will earn a 100% interest in the property subject to the following:

- The Company must pay $2,000 upon signing the agreement. (paid)
- The Company must issue 100,000 common shares of the Company to be issued prior to the Company being listed on the TSX Venture Exchange. On December 31, 2010, the Company issued 100,000 common shares of the Company to Delorme (issued) (Note 5).

Delorme retained a 2.0% net smelter return royalty ("NSR") on any ore production from the property. The Company is eligible to purchase a 1% NSR at anytime by making a cash payment of $500,000.

NOTE 5 – SHARE CAPITAL

Authorized share capital consists of: unlimited common shares without par value.

Issued and subscribed share capital consists of:

	Number of Shares	Amount
		$
Balance as at October 31, 2009	10,581,831	547,704
Private placement - $0.06 per share	940,000	56,400
Private placement - $0.10 per share	5,817,345	581,735
Share subscriptions	80,000	8,000
Share issued per mineral property agreement (Note 4)	400,000	40,000
Debt settlement - $0.06 per share	253,127	15,188
Balance as at October 31, 2010	18,072,303	1,249,027
Debt settlement - $0.10 per share	400,000	40,000
Share issued per mineral property agreement (Note 4)	400,000	40,000
Balance as at January 31, 2011	**18,872,303**	**1,329,027**

Private placements
During the year ended October 31, 2010, the Company received total share subscription proceeds of $56,400 for 940,000 common shares of the Company at $0.06 per share and $581,735 for 5,817,345 common shares of the Company at $0.10 per share.

Share subscriptions
During the year ended October 31, 2010, the Company received total share subscriptions proceeds of $8,000 for 80,000 common shares of the Company at $0.10 per share. All shares were issued during the quarter ended January 31, 2011.

Debt settlement
On March 1, 2010, the Company issued 253,127 common shares valued at $15,188 to settle unpaid principal and accrued interest on outstanding notes payable.

On December 9, 2010, the Company issued 400,000 common shares valued at $40,000 to settle outstanding payables (Note 9(a)).

NOTE 5 – SHARE CAPITAL - *continued*

Initial Public Offering
During the year ended October 31, 2010, the Company commenced the process to undertake an initial public offering (IPO) whereby the Company plans to raise $1,500,000 through the issuance of the Company's common shares at $0.20 per share. Pursuant to the terms of an agency agreement with Union Securities Ltd. (the "Agent"), BRR Ltd. agreed to pay the Agent the following fees and commission: a $25,000 corporate finance fee (plus HST) of which half was paid as a non-refundable deposit upon signing the agency agreement and is included in deferred financing costs, commission of 10% of the total funds raised by the Agent on closing of the IPO, and an option to purchase, within 60 months, up to 10% of the total number of common shares sold pursuant to the IPO. The Company has reserved 1,750,000 options to be granted to officers and director with a five year term at $0.20 per share upon the completion of the IPO, subject to regulatory approval

As at January 31, 2011, a total of $94,202 (October 31, 2010 - $52,400) was recorded as deferred financing cost which represents corporate finance fees, legal fees and accounting fees relating to the IPO. Upon successful completion of the IPO, these costs will be recorded as a reduction of the proceeds received. If the IPO is not successfully completed, these costs will be charged to the statement of loss, comprehensive loss and deficit.

Warrants and Options
As at January 31, 2011, the Company did not have any outstanding warrants or options.

NOTE 6 – 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 a counter party's inability to fulfill its payment obligations. The Company's primary exposure to credit risk is on its cash accounts. Cash accounts are held with a major bank in Canada. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist primarily of refundable government sales taxes.

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, 2011, the Company had a cash balance of $13,463 (October 31, 2010 - $110,919) to settle current liabilities of $124,746 (October 31, 2010 – $87,774). Most of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company is planning to raise additional capital through its IPO.

Interest rate risk
The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

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 (USD). As the Company is seeking potential projects located in Canada, the Company believes it has no significant foreign currency risk.

NOTE 7 – CAPITAL MANAGEMENT

The Company considers its cash and cash equivalents and share capital as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. There was no change in the Company's approach to capital management during the three months ended January 31, 2011. The Company is not subject to externally imposed capital requirements.

NOTE 8 – RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and are summarized as follows:

a) During the three months ended January 31, 2011, the Company incurred $22,500 (January 31, 2010 - $22,500) in management fees to a director of the Company. As at January 31, 2011 the Company owed this director $27,465 (October 31, 2010 - $19,852) which is included in accounts payable and accrued liabilities.

b) During the three months ended January 31, 2011, the Company paid $Nil (January 31, 2010 - $50,820) in management fees to a director of the Company.

c) During the three months ended January 31, 2011, the Company paid $Nil (January 31, 2010 - $1,000) in consulting fees to a director of the Company.

d) As at January 31, 2011, the Company owes a company with a director in common $1,000 (October 31, 2010 - $1,000).

e) During the three months ended, the Company incurred $6,000 (January 31, 2010 - $6,900) in rent fees to a company with a director in common. As at January 31, 2011, the Company owes this company $7,000 (October 31, 2010 - $6,000) which is included in accounts payable and accrued liabilities.

f) The Company incurred $Nil (January 31, 2010 - $7,500) in consulting fees to a company with a director in common.

g) During the three months ended January 31, 2011, the Company incurred $22,500 (January 31, 2010 - $22,500) in consulting fees to a director of the Company. As at January 31, 2011, the Company owed this director $18,424 (October 31, 2010 - $14,724) which is included in accounts payable and accrued liabilities.

NOTE 9 – DEBT SETTLEMENTS

a) On July 15, 2010, the Company signed two debt settlement agreements with two separate creditors whereby the Company would issue each of the creditors 200,000 common shares of the Company at $0.10 per share for settling $20,000 payable to each creditor. One of the creditors is a director of the Company. As at October 31, 2010, a total of $40,000 was recorded as shares issuable. The shares were issued on December 9, 2010.

b) On July 5, 2010, an officer and director of the Company agreed to forgive a total of $75,764 in accounts payable for outstanding management fees and expenses owed by BRR Inc., and the Company recorded a gain on forgiveness of debts as at October 31, 2010.

c) On July 5, 2010, a creditor of the Company agreed to forgive a total of $76,900 in accounts payable for outstanding consulting fees and expenses owed by BRR Inc., and the Company recorded as gain on forgiveness of debts as at October 31, 2010.

NOTE 10 – SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The Company entered into certain non-cash transactions that have been excluded from the statements of cash flows as follows:

	2011	2010
Supplementary cash flow information:	$	$
Cash paid for:		
Income taxes	**-**	-
Interest	**-**	-
Non-cash investing and financing activities:		
Accrued deferred finance costs	**(41,802)**	-
Shares issued for mineral property option payments	**(40,000)**	(40,000)
Shares issued for debt settlement	**(40,000)**	(15,188)

NOTE 11 – SUBSEQUENT EVENTS

Subsequent to January 31, 2011, directors of the Company advanced a total of $31,467 to the Company with no specific terms of repayment.

BLUE RIVER RESOURCES LTD.

Consolidated Financial Statements

For the Year Ended October 31, 2010

DALE MATHESON
CARR-HILTON LABONTE LLP
DMCL CHARTERED ACCOUNTANTS

Partnership of:
Vancouver: Robert J. Burkart, Inc. | James F. Carr-Hilton Ltd. | Kenneth P. Chong Inc. | Alvin F. Dale Ltd. | Barry S. Hartley, Inc. | Reginald J. LaBonte Ltd. | Robert J. Matheson, Inc. | Rakesh I. Patel Inc.
South Surrey: Michael K. Braun Inc. | Peter J. Donaldson, Inc.
Port Coquitlam: Wilfred A. Jacobson Inc. | Fraser G. Ross, Ltd. | Brian A. Shaw Inc.

AUDITORS' REPORT

To the Directors and Shareholders of Blue River Resources Ltd.

We have audited the consolidated balance sheets of Blue River Resources Ltd as at October 31, 2010 and 2009 and the consolidated statements of operations, comprehensive loss and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED ACCOUNTANTS

Vancouver, Canada
June 8, 2011

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South Surrey: Suite 301 - 1656 Martin Drive, White Rock, B.C., Canada V4A 6E7, Tel: 604 531 1154 • Fax: 604 538 2613
Port Coquitlam: Suite 700 - 2755 Lougheed Highway, Port Coquitlam, B.C., Canada V3B 5Y9, Tel: 604 941 8266 • Fax: 604 941 0971

BLUE RIVER RESOURCES LTD.
CONSOLIDATED BALANCE SHEETS

As at October 31, 2010 and 2009

	2010	2009
	$	$
ASSETS		
Current assets		
Cash	**110,919**	40,900
GST/HST receivable	**10,075**	5,678
Prepaid expenses	**12,546**	755
	133,540	47,333
Deferred financing costs (Note 6)	**52,400**	-
Equipment (Note 3)	**4,956**	715
Mineral Property Costs (Schedule, Note 4)	**248,888**	159,880
TOTAL ASSETS	**439,784**	207,928
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current liabilities		
Accounts payable and accrued liabilities (Note 9)	**86,774**	224,468
Notes payable (Note 5)	**-**	13,000
Due to related party (Note 9)	**1,000**	1,000
	87,774	238,468
Shareholders' equity (deficiency)		
Share capital (Note 6)	**1,249,027**	547,704
Shares issuable (Note 10)	**40,000**	-
Deficit	**(937,017)**	(578,244)
	352,010	(30,540)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)	**439,784**	207,928

Nature of Operations (Note 1)
Subsequent events (Notes 4, and 13)

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

BLUE RIVER RESOURCES LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

For the years ended October 31, 2010 and 2009

	2010	2009
	$	$
OPERATING EXPENSES		
Amortization	**2,580**	62
Bank charges and interest	**1,511**	2,566
Consulting fees (Note 9)	**189,200**	130,129
Foreign exchange (gain) loss	**82**	(378)
General exploration	**-**	2,500
Management fees (Note 9)	**177,395**	85,000
Office expense	**18,846**	5,942
Professional fees	**53,145**	16,555
Rent (Note 9)	**25,693**	29,746
Telephone	**6,300**	7,255
Travel	**36,685**	10,913
	511,437	290,290
LOSS BEFORE OTHER ITEM	**(511,437)**	(290,290)
OTHER ITEM		
Gain on forgiveness of debt (Note 10)	**152,664**	-
NET AND COMPREHENSIVE LOSS FOR THE YEAR	**(358,773)**	(290,290)
DEFICIT, BEGINNING OF YEAR	**(578,244)**	(287,954)
DEFICIT, END OF YEAR	**(937,017)**	(578,244)
BASIC AND DILUTED LOSS PER SHARE	**(0.04)**	(0.20)
WEIGHTED AVERAGE SHARES OUTSTANDING	**9,477,135**	1,430,240

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

BLUE RIVER RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOW

For the years ended October 31, 2010 and 2009

	2010 $	2009 $
OPERATING ACTIVITIES		
Net loss for the year	**(358,773)**	(290,290)
Amortization	**2,580**	62
Interest expense	**635**	-
Gain on forgiveness of debt	**(152,664)**	-
	(508,222)	(290,228)
Changes in non-cash working capital:		
GST/HST receivable	**(4,397)**	(2,884)
Prepaid expenses	**(11,791)**	(755)
Accounts payable and accrued liabilities	**56,523**	(75,211)
Due from related party	**-**	1,000
	(467,887)	(368,078)
INVESTING ACTIVITIES		
Acquisition of equipment	**(6,821)**	-
Mineral property costs	**(49,008)**	(94,936)
	(55,829)	(94,936)
FINANCING ACTIVITIES		
Bank indebtedness	**-**	(10,129)
Deferred financing costs	**(52,400)**	-
Notes payable	**-**	13,000
Share subscriptions	**646,135**	501,043
	593,735	503,914
INCREASE IN CASH	**70,019**	40,900
CASH, BEGINNING OF YEAR	**40,900**	-
CASH, END OF YEAR	**110,919**	40,900

Supplemental Information with Respect to Cash Flows (Note 11)

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

BLUE RIVER RESOURCES LTD.
INTERIM SCHEDULE OF MINERAL PROPERTY COSTS

For the years ended October 31, 2010 and 2009

	Balance 2008 $	Additions 2009 $	Balance 2009 $	Additions 2010 $	**Balance 2010 $**
Castle Project					
Option payments	10,000	20,000	30,000	72,000	**102,000**
Assaying	-	11,248	11,248	-	**11,248**
Consulting - geological	17,000	29,520	46,520	10,740	**57,260**
General exploration expenditure	37,944	34,168	72,112	6,268	**78,380**
	64,944	94,936	159,880	89,008	**248,888**

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

NOTE 1 - NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Blue River Resources Ltd. (the "Company") was incorporated on September 26, 2008 under the Business Corporations Act (British Columbia). The Company and its 100% owned subsidiary, Blue River Resources Inc. ("BRR Inc."), a private corporation incorporated under the laws of the State of Nevada on December 7, 2006, is in the business of acquisition, exploration and development of mineral properties in the Princeton area of British Columbia.

On April 30, 2010, through share purchase agreements dated September 26, 2008 and July 30, 2009, the Company issued 2,960,209 common shares of the Company to the shareholders of BRR Inc., in exchange for all of the issued and outstanding shares of BRR Inc. As a result, the Company became the parent of BRR Inc. For accounting purpose, the acquisition is deemed to be a continuity of the combined entity. Accordingly, the assets and liabilities of the two companies have been stated at historical carrying amounts, and the consolidated financial statements for the years ended October 31, 2010 and 2009 present the results of operations and financial positions of these companies as if they had been in existence since the inception of BRR Inc.

These consolidated financial statements have been prepared on the assumption that the Company will continue to realize its assets and meet its liabilities in the normal course of business as a going concern. The Company has incurred losses since inception, has no source of operating revenue, and as at October 31, 2010 has a net working capital of $45,766 (October 31 2009 – deficit of $191,135). The ability of the Company to continue operations as a going concern is dependent on raising additional funds via equity issuances, under terms that are consistent with the best interests of shareholders, in order to finance its ongoing losses. These financial statements contain no provisions for adjustments which may become necessary if the Company becomes unable to continue on a 'going concern' basis.

The Company is planning an initial public offering and a listing on the TSX Venture Exchange. Refer to Note 6.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation
These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and are stated in Canadian dollars.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below:

Principal of consolidation
These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Blue River Resources Inc. ("BRR Inc."). All material intercompany balances and transactions have been eliminated upon consolidation.

Cash and Cash Equivalents
The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents. As at October 31, 2010 and 2009 the Company held no cash equivalents.

Mineral Properties and Deferred Exploration Costs
The cost of mineral properties and their related direct exploration costs are deferred until the properties are placed into production, sold, or abandoned. These deferred costs will be amortized on the unit-of-production basis over the estimated useful life of the properties following the commencement of production, or written off if the properties are sold, allowed to lapse, abandoned or determined by management to be impaired.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – *continued*

Mineral Properties and Deferred Exploration Costs - ***continued***
Cost includes cash consideration and the fair market value of shares issued on the acquisition of property interests. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and are not intended to reflect present or future values.

The Company reviews capitalized costs on its property interests on a periodic basis and will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from the property or from the sale of the property. Management's assessment of the property's estimated current fair market value is also based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

The Company follows EIC 174, "Mining Exploration Costs to test initially capitalized exploration costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Cost of Maintaining Mineral Properties
The Company does not accrue the estimated future costs of maintaining its mineral properties in good standing.

Equipment
Equipment is recorded at cost less accumulated amortization, which is calculated on a declining-balance basis as follows:

Office equipment	8%
Furniture and fixtures	20%
Computer hardware	100%

Use of Estimates
The preparation of financial statements requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements, as well as the reported amounts of revenues and expenses incurred during the periods. Significant areas requiring the use of management estimates includes, useful life of office equipment for amortization, mineral property carrying values, assets impairment tests, future tax rates and valuation allowance, and fair value of non-cash stock based compensation. Actual results could differ from those estimated.

Fair Value of Financial Instruments
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 on the trade date at fair value upon initial recognition. Subsequent measurement depends on the initial classification of the instrument. Held-for-trading financial assets are measured at fair value, with changes in fair value recorded in net income. Available-for-sale financial assets are measured at fair value, with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost. All derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sales and purchases exemption. Changes in the fair value of derivatives that are not exempt are recorded in the statement of operations. Transaction costs on the acquisition of financial assets and liabilities that are classified as other than held-for-trading are expensed. The Company's financial instruments are classified as follows:

Held for trading - Cash

Loans and receivables – GST/HST receivable

Other financial liabilities - Accounts payable and accrued liabilities, notes payable, due to related party

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Income Taxes
The Company follows the liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are accounted for based on the difference between the carrying amounts and tax basis of assets and liabilities and are measured using enacted tax rates and laws in effect as at the date of the financial statements. Changes in these balances are charged to income in the year in which they arise. Future tax assets are accounted for only if it is believed that it is more likely than not that they will be realized.

Foreign Currency Translation
The Company translates its foreign operations for monetary assets and liabilities at the rate of exchange in effect as at the balance sheet date and for non-monetary assets and liabilities at their historical exchange rates. Revenues and expenses are translated at the average rates prevailing for the year, except for amortization that is translated at the historical rate of the related assets.

Foreign exchange gains and losses from the translation of foreign operations are recognized in the current period.

Environmental Expenditures
The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company vary greatly from country to country and are not predictable.

Environmental expenditures that relate to ongoing environmental and reclamation programs are charged against operations as incurred or capitalized and amortized depending on the expected future economic benefit. Estimated future removal and site restoration costs are recognized when the ultimate liability is reasonably determinable, and are charged against operations over the estimated remaining life of the related business operations, net of expected recoveries.

Stock-based Compensation
The Company records compensation expense associated with stock options granted to directors and employees using a fair market value measured basis and records the expense as the options vest. The compensation expense effectively increases contributed surplus by the same amount and has no net effect on shareholders' equity or cash flows.

Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus, recognized initially as the options vested with the recipient, is transferred to share capital.

Basic and Diluted Loss Per Share
Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. Contingently issuable shares are not considered outstanding common shares and consequently are not included in loss per share calculations. The Company uses the treasury stock method to calculate diluted loss per share. Diluted loss per share considers the dilutive impact of the exercise of outstanding stock options, warrants and similar instruments as if the events had occurred at the beginning of the period or at time of issuance, if later. Diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Long-lived assets

The carrying values of long-lived assets with fixed or determinable lives are reviewed for impairment whenever events or changes in circumstances indicate the recoverable value may be less than the carrying amount. Recoverable value determinations are based on management's estimates of undiscounted future net cash flows expected to be recovered from specific assets or groups of assets through use or future disposition. Impairment charges are recorded in the period in which determination of impairment is made by management.

Assets with indefinite or indeterminable lives are not amortized and are reviewed for impairment on a reporting basis using fair value determinations by management's estimate of recoverable value. Assets held and available for sale or not in use are segregated and reported at the lower of cost and recoverable amount.

Credit risk and the fair value of financial assets and financial liabilities

The Company follows EIC 173," Credit Risk and Fair Value of Financial Assets and Financial Liabilities", which establishes that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments.

Accounting Policies Not Yet Adopted Under Canadian GAAP

The following pronouncements recently issued by the Canadian Institute of Chartered Accountants ("CICA") will be adopted in future financial reporting periods as follows:

a) International Financial Reporting Standards ("IFRS")

In 2006, 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 October 31, 2011. 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.

b) Business Combination, Non-controlling Interest, and Consolidation

In January 2009, the CICA issued Handbook Sections 1582, Business Combinations, ("Section 1582"), 1601, Consolidated Financial Statements, ("Section 1601") and 1602, Non-controlling Interests, ("Section 1602") which replaces CICA Handbook Sections 1581, Business Combinations, and 1600, Consolidated Financial Statements. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards ("IFRS"). Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Early adoption of this Section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning November 1, 2011. Early adoption of this Section is permitted. If the Company chooses to early adopt any one of these Sections, the other two sections must also be adopted at the same time.

NOTE 3 - EQUIPMENT

	October 31, 2010		
	Cost	**Accumulated Amortization**	**Net Book Value**
	$	**$**	$
Office equipment	809	150	659
Furniture and fixtures	4,775	478	4,297
Computer hardware	2,046	2,046	-
	7,630	2,674	4,956

	October 31, 2009		
	Cost	Accumulated Amortization	Net Book Value
	$	$	$
Office equipment	809	94	715

NOTE 4 – MINERAL PROPERTY

CASTLE PROJECT – British Columbia

The Castle Project is comprised of three mineral claims located in the Similkameen area of British Columbia: RATS Claim, Claimbank Claim, and South Castle Claim.

RATS Claim

On October 15, 2008, BRR Inc. signed an option agreement with Larry Sostad ("Sostad") and Guy Delorme ("Delorme") whereby BRR Inc. has the right to acquire a 100% beneficial right, title, and interest in and to a property located in the Similkameen area of British Columbia.

Under the terms of the option agreement, BRR Inc. will earn a 100% interest in the property subject to the following:

- BRR Inc. must pay $10,000 upon signing (paid) and $10,000 on April 15, 2009 (paid), $10,000 on October 15, 2009 (paid), and $10,000 on April 15, 2010 (paid) for a total of $40,000.
- BRR Inc. must issue 400,000 common shares of BRR Inc.: 200,000 to be issued within 30 days of signing, having a four month hold period from date of issuance, and 200,000 shares to be issued as follows: 50,000 shares every six months after the date of signing. On August 16, 2010, the Company issued 200,000 common shares of the Company to Sostad and 200,000 common shares of the Company to Delorme for a total value of $40,000 (Note 6).

Sostad and Delorme retained a 2.0% net smelter return royalty ("NSR") on any ore production from the property. The Company is eligible to purchase a 1% NSR at anytime by making a cash payment of $5,000,000.

On November 18, 2010, BRR Inc assigned all beneficial right, title, and interest in the property to the Company.

NOTE 4 – MINERAL PROPERTY - *continued*

Claimbank Claim

On June 17, 2010, the Company signed an option agreement with Claimbank Explorations Ltd. ("Claimbank") whereby the Company has the right to acquire a 100% beneficial right, title, and interest in and to a property located in the Similkameen area of British Columbia.

Under the terms of the option agreement, the Company will earn a 100% interest in the property subject to the following:

- The Company must pay $20,000 within 30 days of signing the agreement (paid).
- The Company must issue 300,000 common shares of the Company: 100,000 to be issued within 120 days of signing but before the trading date of the Company going public, and 200,000 shares to be issued as follows: 50,000 shares every three months after the date of signing. On December 31, 2010, the Company issued 300,000 common shares of the Company to Claimbank (Note 13).

Claimbank retained a 2.0% net smelter return royalty ("NSR") on any ore production from the property. The Company is eligible to purchase a 1% NSR at anytime by making a cash payment of $2,000,000.

South Castle Claim

On August 5, 2010, the Company signed an option agreement with Chris Delorme ("Delorme") whereby the Company has the right to acquire a 100% beneficial right, title, and interest in and to a property located in the Similkameen area of British Columbia. This claim will be the third property included in the Castle Project.

Under the terms of the option agreement, the Company will earn a 100% interest in the property subject to the following:

- The Company must pay $2,000 upon signing the agreement. (paid)
- The Company must issue 100,000 common shares of the Company to be issued prior to the Company being listed on the TSX Venture Exchange. On December 31, 2010, the Company issued 100,000 common shares of the Company to Delorme (Note 13).

Delorme retained a 2.0% net smelter return royalty ("NSR") on any ore production from the property. The Company is eligible to purchase a 1% NSR at anytime by making a cash payment of $500,000.

NOTE 5 – NOTES PAYABLE

	October 31, 2010	October 31, 2009
	$	$
Note payable issued May 5, 2009	-	3,000
Note payable issued July 1, 2009	-	10,000
	-	13,000

On March 1, 2010, the unpaid principal and accrued interest of $15,188 was settled through the issuance of 253,127 common shares of the Company at $0.06 per share (Note 6).

NOTE 6 – SHARE CAPITAL

Authorized share capital consists of: unlimited common shares without par value.

Issued and subscribed share capital consists of:

	Number of Shares	Amount
		$
Balance as at October 31, 2008	917,320	46,661
Private placement – BRR Ltd	7,621,622	390,297
Private placement –BRR Inc	2,042,889	110,746
Balance as at October 31, 2009	10,581,831	547,704
Private placement - $0.06 per share	940,000	56,400
Private placement - $0.10 per share	5,817,345	581,735
Share subscriptions	80,000	8,000
Share issued per mineral property agreement (Note 4)	400,000	40,000
Debt settlement - $0.06 per share	253,127	15,188
Balance as at October 31, 2010	**18,072,303**	**1,249,027**

Private placements
During the year ended October 31, 2010, the Company received total share subscription proceeds of $56,400 for 940,000 common shares of the Company at $0.06 per share and $581,735 for 5,817,345 common shares of the Company at $0.10 per share.

Share subscriptions
During the year ended October 31, 2009, BRR Ltd received total share subscriptions of $390,297 for 1,500,000 common shares at $0.01 per share, 1,000,000 common shares at $0.05 per share, 4,671,619 common shares at $0.06 per share, and 450,000 common shares at $0.10 per share. All shares were issued after October 31, 2009.

During the year ended October 31, 2009, BRR Inc. received total share subscriptions proceeds of $110,746 (US$102,144) for 2,042,889 common shares at $0.05 (US$0.05) per share. All shares were issued after October 31, 2009.

During the year ended October 31, 2010, the Company received total share subscriptions proceeds of $8,000 for 80,000 common shares of the Company at $0.10 per share. All shares were issued after October 31, 2010.

Debt settlement
On March 1, 2010, the Company issued 253,127 common shares valued at $15,188 to settle unpaid principal and accrued interest on outstanding notes payable.

NOTE 6 – SHARE CAPITAL - *continued*

Initial Public Offering
During the year ended October 31, 2010, the Company commenced the process to undertake an initial public offering (IPO) whereby the Company plans to raise $1,500,000 through the issuance of the Company's common shares at $0.20 per share. Pursuant to the terms of an agency agreement with Union Securities Ltd. (the "Agent"), BRR Ltd. agreed to pay the Agent the following fees and commission: a $25,000 corporate finance fee (plus HST) of which half was paid as a non-refundable deposit upon signing the agency agreement and is included in deferred financing costs, commission of 10% of the total funds raised by the Agent on closing of the IPO, and an option to purchase, within 24 months, up to 10% of the total number of common shares sold pursuant to the IPO.

As at October 31, 2010, total $52,400 was recorded as deferred financing cost which represents corporate finance fee, legal fee and accounting fee relating to the IPO. Upon successful completion of the IPO, these costs will be recorded as a reduction of the proceeds received. If the IPO is not successfully completed, these costs will be charged to the statement of loss, comprehensive loss and deficit.

Warrants and Options
As at October 31, 2010, the Company did not grant any warrant and option.

NOTE 7 – 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 a counter party's inability to fulfill its payment obligations. The Company's primary exposure to credit risk is on its cash accounts. Cash accounts are held with a major bank in Canada. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist primarily of refundable government sales taxes.

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 October 31, 2010 the Company had a cash balance of $110,919 (October 31, 2009 - $40,900) to settle current liabilities of $87,774 (October 31, 2009 – $238,468). Most of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Interest rate risk
The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

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 (USD). As the Company is seeking potential projects located in Canada, the Company believes it had no significant foreign currency risk.

NOTE 8 – CAPITAL MANAGEMENT

The Company considers its cash and cash equivalents and share capital as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. There was no change in the Company's approach to capital management during the year ended October 31, 2010. The Company is not subject to externally imposed capital requirements.

NOTE 9 – RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and are summarized as follows:

a) During the year ended October 31, 2010, the Company incurred $90,000 (October 31, 2009 - $85,000) in management fees to a director of the Company. As at October 31, 2010 the Company owed this director $19,852 (October 31, 2009 - $81,261) which is included in accounts payable and accrued liabilities.

b) During the year ended October 31, 2010, the Company paid $87,395 (October 31, 2009 - $Nil) in management fees to a director of the Company.

c) During the year ended October 31, 2010, the Company paid $1,000 (October 31, 2009 - $Nil) in consulting fees to a director of the Company.

d) As at October 31, 2010, the Company owes a company with a director in common $1,000 (October 31, 2009 - $1,000).

e) The Company incurred $25,800 (October 31, 2009 - $13,650) in rent fees to a company with a director in common. As at October 31, 2010, the Company owes this company $6,000 (October 31, 2009 - $6,900) which is included in accounts payable and accrued liabilities.

f) The Company incurred $29,800 (October 31, 2009 - $Nil) in consulting fees to a company with a director in common.

g) The Company incurred $9,256 (October 31, 2009 - $Nil) in consulting fee, which was capitalized as mineral property costs, to a director of the Company;

See Note 10

NOTE 10 – DEBTS SETTLEMENTS

a) On July 15, 2010, the Company signed two debt settlement agreements with two separate creditors whereby the Company would issue each of the creditors 200,000 common shares of the Company at $0.10 per share for settling $20,000 payable to each creditor. One of the creditors is a director of the Company. As at October 31, 2010, a total of $40,000 was recorded as shares issuable. The shares were fully issued subsequent to October 31, 2010.

b) On July 5, 2010, an officer and director of the Company agreed to forgive a total of $75,764 in accounts payable for outstanding management fees and expenses owed by BRR Inc., and the Company recorded a gain on forgiveness of debts as at October 31, 2010.

c) On July 5, 2010, a creditor of the Company agreed to forgive a total of $76,900 in accounts payable for outstanding consulting fees and expenses owed by BRR Inc., and the Company recorded as gain on forgiveness of debts as at October 31, 2010.

NOTE 11 – SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The Company entered into certain non-cash transactions that have been excluded from the statements of cash flows as follows:

	2010	2009
Supplementary cash flow information:	$	$
Cash paid for:		
Income taxes	**-**	**-**
Interest	**-**	-
Non-cash investing and financing activities:		
Accrued option payment	**-**	**(10,000)**
Shares issued for mineral property option payments	**(40,000)**	**-**
Shares issued for debt settlement	**(15,188)**	**-**

NOTE 12 – FUTURE INCOME TAXES

The actual income tax provisions differ from the expected amounts calculated by applying the corporate statutory income tax rates to the Group's loss before income taxes. The components of these differences are as follows:

	October 31, 2010	October 31, 2009
	$	$
Loss before income taxes	**382,873**	(290,290)
Corporate statutory tax rates	**29%**	30%
Expected tax recovery	**(110,076)**	(87,450)
Increase (decrease) resulting from:		
Change in valuation allowance	**130,804**	77,161
Unrecognized items for tax purposes	**(58,469)**	1,595
Difference in tax rates in foreign jurisdiction and others	**17,253**	(2,735)
Change in corporate tax rate	**20,488**	11,429
Income tax recovery	**-**	-

The Group's tax-effected future income tax assets and liabilities are made up as follows:

	October 31, 2010	October 31, 2009
	$	$
Future income tax assets:		
Non-capital losses carried forward	**319,674**	189,515
Others	**669**	24
	320,343	189,539
Less valuation allowance	**(320,343)**	(189,539)
	-	-

NOTE 13 – SUBSEQUENT EVENTS

a) Subsequent to October 31, 2010, the Company issued 800,000 common shares of the Company at $0.10 per share for total proceeds of $80,000 of which 400,000 common shares were issued for debt settlement agreements with a value of $40,000 and 400,000 common shares were issued under property option agreements with a value of $40,000.

b) On December 1, 2010, Company entered into two consulting services agreements with a director of the Company and a consultant. The Company agreed to pay $7,500 per month for a two year term in each agreement.

BLUE RIVER RESOURCES GROUP

Combined Financial Statements

October 31, 2009

DALE MATHESON
CARR-HILTON LABONTE LLP
DMCL CHARTERED ACCOUNTANTS

Partnership of:

Vancouver: Robert J. Burkart, Inc. · James F. Carr-Hilton Ltd. · Kenneth P. Chong Inc. · Alvin F. Dale Ltd. · Barry S. Hartley, Inc. · Reginald J. LaBonte Ltd. · Robert J. Matheson, Inc. · Rakesh I. Patel Inc.
South Surrey: Michael K. Braun Inc. · Peter J. Donaldson, Inc.
Port Coquitlam: Wilfred A. Jacobson Inc. · Fraser G. Ross, Ltd. · Brian A. Shaw Inc.

AUDITORS' REPORT

To the Directors of Blue River Resources Group

We have audited the combined balance sheets of Blue River Resources Group (the "Group") (which comprises the accounts of Blue River Resources Ltd. and Blue River Resources Inc. - see Note 1 to the financial statements) as at October 31, 2009 and 2008, and the combined statements of operations, comprehensive loss and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, these combined financial statements present fairly, in all material respects, the financial position of the Group as at October 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED ACCOUNTANTS

Vancouver, Canada
June 8, 2011

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BLUE RIVER RESOURCES GROUP
COMBINED BALANCE SHEETS

As at October 31, 2009 and 2008

	October 31, 2009 $	October 31, 2008 $
ASSETS		
Current assets		
Cash	**40,900**	-
GST receivable	**5,678**	2,794
Prepaid expenses	**755**	-
	47,333	2,794
Equipment (Note 3)	**715**	777
Mineral Property Costs (Schedule, Note 4)	**159,880**	64,944
TOTAL ASSETS	**207,928**	68,515
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Bank indebtedness	**-**	10,129
Accounts payable and accrued liabilities (Note 9)	**224,468**	299,679
Notes payable (Note 5)	**13,000**	-
Due to related party (Note 9)	**1,000**	-
	238,468	309,808
Shareholders' deficiency		
Share capital (Note 6)	**547,704**	46,661
Deficit	**(578,244)**	(287,954)
	(30,540)	(241,293)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	**207,928**	68,515

Basis of presentation (Note 1)
Subsequent events (Note 4, 5 and 12)

Approved on behalf of the Board:

"Griff Jones"	"Nadwynn Sing"
Griff Jones, President and CEO	Nadwynn Sing, CFO

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

BLUE RIVER RESOURCES GROUP
COMBINED STATEMENT OF OPERATIONS AND DEFICIT

As at October 31, 2009 and 2008

	2009 $	2008 $
OPERATING EXPENSES		
Amortization	**62**	32
Bank charges and interest	**2,566**	195
Consulting fees (Note 9)	**130,129**	72,351
General exploration	**2,500**	-
Foreign exchange gain	**(378)**	(1,363)
Management fee (Note 9)	**85,000**	60,000
Office expense	**5,942**	3,039
Professional fees	**16,555**	14,878
Rent (Note 9)	**29,746**	15,584
Telephone	**7,255**	-
Travel	**10,913**	-
	290,290	164,716
NET AND COMPREHENSIVE LOSS FOR THE YEAR	**(290,290)**	(164,716)
DEFICIT, BEGINNING OF YEAR	**(287,954)**	(123,238)
DEFICIT, END OF YEAR	**(578,244)**	(287,954)

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

BLUE RIVER RESOURCES GROUP
COMBINED STATEMENTS OF CASH FLOWS

For the years ended October 31, 2009 and 2008

	2009 $	2008 $
OPERATING ACTIVITIES		
Net loss for the year	**(290,290)**	(164,716)
Amortization	**62**	32
	(290,228)	(164,684)
Changes in non-cash working capital:		
Accounts receivables	**-**	266
GST receivables	**(2,884)**	(2,794)
Prepaid expenses	**(755)**	7,035
Accounts payable and accrued liabilities	**(85,211)**	185,012
Due to related party	**1,000**	-
	(378,078)	24,835
INVESTING ACTIVITIES		
Acquisition of equipment	**-**	(809)
Mineral property costs	**(84,936)**	(64,944)
	(84,936)	(65,753)
FINANCING ACTIVITIES		
Bank indebtedness	**(10,129)**	10,129
Notes payable	**13,000**	-
Share subscriptions	**501,043**	17,969
	503,914	28,098
NET CHANGE IN CASH	**40,900**	(12,820)
CASH, BEGINNING	**-**	12,820
CASH, END	**40,900**	-

Supplemental disclosures with respect to cash flows (Note 10)

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

BLUE RIVER RESOURCES GROUP
SCHEDULE OF MINERAL PROPERTY COSTS

For the years ended October 31, 2009 and 2008

	Balance October 31, 2007 $	Additions $	Balance October 31, 2008 $	Additions $	**Balance October 31, 2009** **$**
Option payments	-	10,000	10,000	20,000	**30,000**
Assaying	-	-	-	11,248	**11,248**
Consulting - geological	-	17,000	17,000	29,520	**46,520**
General exploration expenditure	-	37,944	37,944	34,168	**72,112**
	-	64,944	64,944	94,936	**159,880**

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

NOTE 1 - BASIS OF PRESENTATION

The financial statements of Blue River Resource Group (the "Group") have been prepared on a combined basis and comprise the transactions and accounts of Blue River Resources Ltd. ("BRR Ltd.") and Blue River Resources Inc. ("BRR Inc."). BRR Inc. was incorporated under the laws of the State of Nevada on December 7, 2006. BRR Ltd. was incorporated on September 26, 2008 under the Business Corporations Act (British Columbia). The Group is in the business of acquisition, exploration and development of mineral properties. BRR Ltd. continued the business operations of BRR Inc. on September 26, 2008. Both companies have been under common management since inception, have the same controlling shareholders, and have jointly been exploring the same mineral property. Accordingly, the assets and liabilities of the two companies have been stated at historical carrying amounts and the combined financial statements for the years ended October 31, 2009 and 2008 present the results of operations and financial positions of these companies as if the Group had been in existence since the inception of BRR Inc.

Through share purchase agreements dated September 26, 2008 and July 30, 2009, all shareholders of BRR Inc. agreed to sell their shares to BRR Ltd at $0.05 per share. BRR Ltd issued 2,960,209 shares effective on April 30, 2010 and as a result, BRR Ltd became the parent of BRR Inc.

These combined financial statements have been prepared on the assumption that the Group will continue to realize its assets and meet its liabilities in the normal course of business as a going concern. The Group has incurred losses since inception, has no source of operating revenue, and at October 31, 2009 has combined net working capital deficit of $191,135 (2008 – $307,014). The ability of the Group to continue operations as a going concern is dependent on raising additional funds via equity issuances, under terms that are consistent with the best interests of shareholders, in order to finance its ongoing losses. These financial statements contain no provisions for adjustments which may become necessary if the Group becomes unable to continue as a going concern.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation
These combined financial statements of the Group include of the accounts of the two companies comprising the Group with any transactions between the companies within the Group being eliminated. These combined financial statements have been prepared in accordance with Canadian generally accepted accounting principles and are stated in Canadian dollars.

The combined financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below:

Cash and Cash Equivalents
The Group considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents. As at October 31, 2009 and 2008 the Group held no cash equivalents.

Mineral Properties and Deferred Exploration Costs
The cost of mineral properties and their related direct exploration costs are deferred until the properties are placed into production, sold, or abandoned. These deferred costs will be amortized on the unit-of-production basis over the estimated useful life of the properties following the commencement of production, or written off if the properties are sold, allowed to lapse or abandoned.

Cost includes cash consideration and the fair market value of shares issued on the acquisition of property interests. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Group, are recorded in the accounts when the payments are made. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and are not intended to reflect present or future values.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Mineral Properties and Deferred Exploration Costs - *continued*

The Group reviews capitalized costs on its property interests on a periodic basis and will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from the property or from the sale of the property. Management's assessment of the property's estimated current fair market value is also based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

Cost of Maintaining Mineral Property

The Group does not accrue the estimated future costs of maintaining its mineral properties in good standing.

Equipment

Equipment is recorded at cost less accumulated amortization, which is calculated on a declining-balance basis as follows:

Office equipment	8% per annum

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements, as well as the reported amounts of revenues and expenses incurred during the periods. Significant areas requiring the use of management estimates includes, useful life of office equipment for amortization, mineral property carrying values, asset impairment tests, future tax rates and valuation allowance, and fair value of non-cash stock based compensation. Actual results could differ from those estimated.

Fair Value of Financial Instruments

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 on the trade date at fair value upon initial recognition. Subsequent measurement depends on the initial classification of the instrument. Held-for-trading financial assets are measured at fair value, with changes in fair value recorded in net income. Available-for-sale financial assets are measured at fair value, with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost. All derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sales and purchases exemption. Changes in the fair value of derivatives that are not exempt are recorded in the statement of operations. Transaction costs on the acquisition of financial assets and liabilities that are classified as other than held-for-trading are expensed. The Group's financial instruments are classified as follows:

Held for trading - Cash

Other financial liabilities - Accounts payable, notes payable and due to related party

Income Taxes

The Group follows the liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are accounted for based on the difference between the carrying amounts and tax basis of assets and liabilities and are measured using enacted tax rates and laws in effect as at the date of the financial statements. Changes in these balances are charged to income of the year in which they arise. Future tax assets are accounted for only if it is believed that it is more likely than not that they will be realized.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

Foreign Currency Translation

The Group translates its foreign operations for monetary assets and liabilities at the rate of exchange in effect as at the balance sheet date and for non-monetary assets and liabilities at their historical exchange rates. Revenues and expenses are translated at the average rates prevailing for the year, except for amortization that is translated at the historical rate of the related assets.

Foreign exchange gains and losses from the translation of foreign operations are recognized as other comprehensive income (loss).

Environmental Expenditures

The operations of the Group have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Group vary greatly from country to country and are not predictable.

Environmental expenditures that relate to ongoing environmental and reclamation programs are charged against operations as incurred or capitalized and amortized depending on the expected future economic benefit. Estimated future removal and site restoration costs are recognized when the ultimate liability is reasonably determinable, and are charged against operations over the estimated remaining life of the related business operations, net of expected recoveries.

Accounting Policies Not Yet Adopted Under Canadian GAAP

The following pronouncements recently issued by the Canadian Institute of Chartered Accountants ("CICA") will be adopted in future financial reporting periods as follows:

a) International Financial Reporting Standards ("IFRS")

In 2006, 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 Group for the year ended October 31, 2010. While the Group 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.

b) Business Combination, Non-controlling Interest, and Consolidation

In January 2009, the CICA issued Handbook Sections 1582, Business Combinations, ("Section 1582"), 1601, Consolidated Financial Statements, ("Section 1601") and 1602, Non-controlling Interests, ("Section 1602") which replaces CICA Handbook Sections 1581, Business Combinations, and 1600, Consolidated Financial Statements. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards ("IFRS"). Section 1582 is applicable for the company's business combinations with acquisition dates on or after January 1, 2011. Early adoption of this Section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Companies' interim and annual consolidated financial statements for its fiscal year beginning November 1, 2010. Early adoption of this Section is permitted. If the Companies choose to early adopt any one of these Sections, the other two sections must also be adopted at the same time.

NOTE 3 - EQUIPMENT

	October 31, 2009		
	Cost	**Accumulated Amortization**	**Net Book Value**
	$	**$**	**$**
Office equipment	809	94	715

	October 31, 2008		
	Cost	Accumulated Amortization	Net Book Value
	$	$	$
Office equipment	809	32	777

NOTE 4 – MINERAL PROPERTY

RATS Claims / Castle Project – British Columbia
On October 15, 2008, BRR Inc. signed an option agreement with Larry Sostad ("Sostad") and Guy Delorme ("Delorme") whereby BRR Inc. had the right to acquire a 100% beneficial right, title, and interest in and to the property located in the Similkameen area of British Columbia.

Under the terms of the option agreement, BRR Inc. will earn a 100% beneficial right, title, and interest in the property subject to the following:

- BRR Inc. must pay $10,000 upon signing (paid) and $10,000 on April 15, 2009 (paid), $10,000 on October 15, 2009 (accrued as at October 31, 2009 and paid on February 17, 2010) , and $10,000 on April 15, 2010 (paid on April 26, 2010 and May 4, 2010) for a total of $40,000.
- BRR Inc. must issue 400,000 common shares of BRR Inc., 200,000 to be issued within 30 days of signing, and 200,000 shares to be issued as follow: 50,000 shares every six months after the date of signing. As at October 31, 2009, no shares have been issued. On June 17, 2010, BRR Inc. signed an amendment to the option agreement to extend the issue date of all 400,000 common shares of the BRR Inc. within 60 days of June 17, 2010. On August 16, 2010, BRR Ltd. issued 200,000 common shares of BRR Ltd. to Sostad and 200,000 common shares of BRR Ltd. to Delorme.

On November 18, 2010, BRR Inc assigned all beneficial right, title, and interest in the property to BRR Ltd.

NOTE 5 – NOTES PAYABLE

		October 31, 2009	October 31, 2008
		$	$
Note payable issued May 5, 2009	(a)	**3,000**	-
Note payable issued July 1, 2009	(b)	**10,000**	-
		13,000	-

All of the loans are unsecured, due on demand and bear interest as follows:

a) The note payable issued on May 5, 2009 is due no later than June 30, 2010 and bears interest at 24% per annum.

As at October 31, 2009 $353 (2008 - $NIL) of accrued interest was included in accounts payable and accrued liabilities.

b) The note payable issued on July 1, 2009 is due no later than June 30, 2010 and bears interest at 24% per annum.

As at October 31, 2009, $1,200 (2008 - $NIL) of accrued interest was included in accounts payable and accrued liabilities.

On March 1, 2010, the unpaid principal and accrued interest of $15,188 were settled and converted into 253,127 common shares of BRR Ltd. at $0.06 per share.

NOTE 6 – SHARE CAPITAL

Group Share Capital

Authorized share capital

BRR LTD.
Authorized: Unlimited common shares without par value.

BRR INC.
Authorized: 50,000,000 common shares with $0.001 par value.

On March 17, 2010, BRR Inc. amended their articles to increase the authorized share capital from 25,000 to 50,000,000 common shares and changed its par value to $0.001 per share.

NOTE 6 – SHARE CAPITAL - *continued*

Issued and subscribed share capital

BRR LTD.

Issued share capital

Issued share capital consists of: BRR Ltd. currently has three shares.

Share subscriptions

During the year ended October 31, 2009, BRR Ltd received total share subscriptions of $390,297 for 1,500,000 common shares at $0.01 per share, 1,000,000 common shares at $0.05 per share, 4,671,622 common shares at $0.06 per share, and 450,000 common shares at $0.10 per share. All shares were issued after October 31, 2009.

As at October 31, 2009, BRR Ltd. has share subscriptions for a total of 7,621,622 common shares with a total value of $390,297.

BRR INC.

Issued share capital

Issued shares capital consists of: 2,000 common shares at $0.06 (US$0.05) per share for a total of $115 (US$100) in December 2006.

Share subscriptions

During the year ended October 31, 2007, BRR Inc. received total share subscriptions proceeds of $28,060 (US$27,116) for 542,320 common shares at $0.05 (US$0.05) per share. All shares were issued after October 31, 2009.

During the year ended October 31, 2008, BRR Inc. received total share subscriptions proceeds of $18,486(US$18,650) for 373,000 common shares at $0.05 (US$0.05) per share. All shares were issued after October 31, 2009.

During the year ended October 31, 2009, BRR Inc. received total share subscriptions proceeds of $110,746 (US$102,144) for 2,042,889 common shares at $0.05 (US$0.05) per share. All shares were issued after October 31, 2009.

As at October 31, 2009, BRR Inc. has share subscriptions for a total of 2,958,209 (2008 – 915,320) common shares with a total value of $157,292 (2008 - $46,547).

Common share issued and subscribed:

	October 31, 2009		October 31, 2008	
	Number	**$**	Number	$
BRR Ltd.	**7,621,622**	**390,297**	3	-
BRR Inc.	**2,960,209**	**157,407**	917,320	46,661
Total	**10,581,831**	**547,704**	917,323	46,661

NOTE 7 – FINANCIAL RISK FACTORS

The Group's risks exposures and the impact on the Group's financial instruments are summarized below:

Credit risk
Credit risk is the risk of loss associated with counter party's inability to fulfill its payment obligations. The Group believes it has no significant credit risk.

Liquidity risk
The Group's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. However, the Group incurred net working capital deficit during the year. As at October 31, 2009 the Group had a cash balance of $40,900 (2008 - $NIL) which is insufficient to settle current liabilities of $228,968 (2008 – $309,808). Most of the Group's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Interest rate risk
The Group has cash balances and no interest-bearing debt. The Group's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Group periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Foreign currency risk
The Group is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in US Dollars (USD). As the Group is seeking potential projects located in Canada, the Group believes it has no significant foreign currency risk.

Price risk
The Group is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Group'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 Group closely monitors commodity prices, and individual equity movements to determine the appropriate course of action to be taken by the Group.

NOTE 8 – CAPITAL MANAGEMENT

The Group manages its cash and cash equivalents and share subscriptions as capital. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to pursue the exploration of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. There was no change in the Group's approach to capital management during the year ended October 31, 2009. The Group is not subject to externally imposed capital requirement.

NOTE 9 – RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and are summarized as follows:

The Group incurred $85,000 (2008 - $60,000) in management fees to a director of the Group. As at October 31, 2009, the Group owes this director $81,261 (2008 - $107,161).

The Group incurred $Nil (2008 - $4,851) in consulting fees to a director of the Group. As at October 31, 2009, the Group owes this director $250 (2008 - $250).

The Group incurred $Nil (2008 - $7,500) in consulting fees to a private company with a director in common with the Group. As at October 31, 2009, the Group owes this company $1,000 (2008 - $988).

The Group incurred $13,650 (2008 - $15,584) in rent to a private company with a director in common with the Group. As at October 31, 2009, the Group owes this company $6,900 (2008 - $29,750).

NOTE 10 – SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The Group entered into certain non-cash transactions that have been excluded from the statements of cash flows as follows:

	October 31, 2009	October 31, 2008
Supplementary cash flow information:	$	$
Cash paid for:		
Income taxes	-	-
Interest	-	-
Non-cash investing and financing activities:		
Accrued exploration costs	**(10,000)**	-

NOTE 11 – FUTURE INCOME TAXES

The actual income tax provisions differ from the expected amounts calculated by applying the corporate statutory income tax rates to the Group's loss before income taxes. The components of these differences are as follows:

	October 31, 2009	October 31, 2008
	$	$
Loss before income taxes	**(290,290)**	(164,716)
Corporate statutory tax rates	**30%**	31%
Expected tax recovery	**(87,087)**	(51,062)
Increase (decrease) resulting from:		
Change in valuation allowance	**70,725**	42,738
Change in corporate tax rate	**16,362**	8,324
Income tax recovery	**-**	-

The Group's tax-effected future income tax assets and liabilities are made up as follows:

	October 31, 2009	October 31, 2008
	$	$
Future income tax assets:		
Non-capital losses carried forward	145,480	74,771
Others	25	9
Less valuation allowance	(145,505)	(74,780)
	-	-

NOTE 12 – SUBSEQUENT EVENTS

a) On March 1, 2010, BRR Ltd. settled the unpaid principal and accrued interest of $15,188 on the notes payable by issuing 253,127 common shares at $0.06 per share.

b) On March 17, 2010, BRR Inc. amended their articles to increase the authorized share capital to 50,000,000 common shares with a par value of $0.001 per share.

NOTE 12 – SUBSEQUENT EVENTS- *continued*

c) On June 17, 2010, the BRR Ltd. signed an option agreement with Claimbank Explorations Ltd. ("Claimbank") whereby BRR Ltd. has the right to acquire a 100% beneficial right, title, and interest in and to a property located in the Similkameen area of British Columbia.

Under the terms of the option agreement, BRR Ltd. will earn a 100% beneficial right, title, and interest in the property subject to the following:

- BRR Ltd. must pay $20,000 within 30 days of signing the agreement (paid).
- BRR Ltd. must issue 300,000 common shares of BRR Ltd.: 100,000 to be issued within 120 days of signing but before the trading date of BRR Ltd. going public, and 200,000 shares to be issued as follows: 50,000 shares every three months after the date of signing. On September 17, 2010, the Company signed an amendment to the option agreement with Claimbank to extend the issue date of all 300,000 common shares of the Company to 14 days prior to the Company being listed on the TSX Venture Exchange. On December 31, 2010, BRR Ltd. issued 300,000 common shares of BRR Ltd. to Claimbank.

Claimbank retained a 2.0% net smelter return royalty ("NSR") on any ore production from the property. BRR Ltd. is eligible to purchase a 1% NSR at anytime by making a cash payment of $2,000,000.

d) On July 15, 2010, BRR Ltd. signed two debt settlement agreements with two separate creditors whereby BRR Ltd. would issue each of the creditors 200,000 common shares of BRR Ltd. at $0.10 per share for settling $20,000 payable to each creditor. One of the creditors is an officer and director of the BRR Ltd. The shares were issued on December 9, 2010.

e) On July 5, 2010, an officer and director of BRR Ltd. agreed to forgive a total of $75,764 in accounts payable for outstanding management fees and expenses owed by BRR Inc.

f) On July 5, 2010, a creditor of BRR Ltd. agreed to forgive a total of $76,900 in accounts payable for outstanding consulting fees and expenses owed by BRR Inc.

g) Subsequent to October 31, 2009, BRR Ltd. issued 8,290,472 common shares of the BRR Ltd. for a total proceeds of $781,323 of which 6,837,345 common shares were issued for cash proceeds of $646,135, 400,000 common shares were issued for debt settlement agreements with a value of $40,000, 253,127 common shares were issued to settle unpaid principal and accrued interest on outstanding notes payable with a value of $15,188, and 800,000 common shares were issued under property option agreements with a value of $80,000.

h) On August 5, 2010, BRR Ltd. signed an option agreement with Chris Delorme ("Delorme") whereby BRR Ltd. has the right to acquire a 100% beneficial right, title, and interest in and to a property located in the Similkameen area of British Columbia. This claim will be the third property included in the Castle Project.

Under the terms of the option agreement, BRR Ltd. will earn a 100% benefit right, title, and interest in the property subject to the following:

- BRR Ltd. must pay $2,000 upon signing the agreement. (paid)
- BRR Ltd. must issue 100,000 common shares of BRR Ltd. to be issued prior to BRR Ltd. being listed on the TSX Venture Exchange. On December 31, 2010, BRR Ltd. issued 100,000 common shares of BRR Ltd. to Delorme.

Delorme retained a 2.0% net smelter return royalty ("NSR") on any ore production from the property. BRR Ltd. is eligible to purchase a 1% NSR at anytime by making a cash payment of $500,000.

NOTE 12 – SUBSEQUENT EVENTS- *continued*

i) On December 1, 2010, Company entered into two consulting services agreements with an officer of the Company and a consultant. The Company agreed to pay $7,500 per month for a two year term in each agreement.

j) Subsequent to the October 31, 2009, BRR Ltd. commenced the process to undertake an initial public offering (IPO) whereby BRR Ltd. plans to raise a minimum of $1,350,000 to a maximum of $1,500,000 through the issuance of the BRR Ltd's common shares at $0.20 per share. Pursuant to the terms of an agency agreement with Union Securities Ltd. (the "Agent"), BRR Ltd. agreed to pay the Agent the following fees and commission: a $25,000 corporate finance fee of which half was paid as a non-refundable deposit upon signing the agency agreement, commission of 10% of the total funds raised by the Agent on closing of the IPO, and an option to purchase, within 60 months, up to 10% of the total number of common shares sold pursuant to the IPO.

CERTIFICATE OF THE CORPORATION

Dated: June 8, 2011

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 Ontario.

"Griffin Jones"	*"Nadwynn Sing"*
(signed) Griffin Jones President and Chief Executive Officer	(signed) Nadwynn Sing Chief Financial Officer and Secretary

ON BEHALF OF THE BOARD

"Paul D. Gray"	*"Richard Silas"*
(signed) Paul D. Gray Director	(signed) Richard Silas Director

CERTIFICATE OF THE PROMOTERS

Dated: June 8, 2011

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 Ontario.

"*Robin Bjorklund*"	"*Cathy Edwards*"
(signed) Robin Bjorklund	(signed) Cathy Edwards
"*Griffin Jones*"	"*Richard Silas*"
(signed) Griffin Jones	(signed) Richard Silas

CERTIFICATE OF THE AGENT

Dated: June 8, 2011

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 Ontario.

UNION SECURITIES LTD.

"*John Thompson*"
(signed) John Thompson
Vice-Chairman

SCHEDULE "A"

BLUE RIVER RESOURCES LTD.

AUDIT COMMITTEE CHARTER

1. Purpose

The purpose of the Audit Committee is to assist the Board of Directors of the Company with respect to the Company's financial reporting, control and audit functions, including the independence and qualifications of its external auditor. This purpose shall also include the review of the organizational processes for the management of risk and compliance with all applicable tax, legal and regulatory requirements.

2. Composition

The Audit Committee shall be composed of three members of the Board of Directors who meet the independence and financial literacy criteria required by the rules and listing standards of the Exchange and other relevant regulatory authorities (the "**Authorities**").

The members of the Audit Committee shall be appointed by the Board of Directors. If an Audit Committee Chair is not designated or present, the members may designate a Chair by majority vote at a meeting of the Audit Committee.

3. Meetings

The Audit Committee shall meet at least four times each fiscal year. The Audit Committee shall meet with management, and shall meet periodically, but at least once a year, with the independent auditors in separate executive sessions.

4. Responsibilities

The Company's management is responsible for preparing the Company's financial statements and the independent auditors are responsible for auditing those financial statements. The Audit Committee is responsible for overseeing the conduct of these activities by the Company's management and the independent auditors.

The following shall be the primary activities of the Audit Committee in carrying out its oversight responsibilities. The Audit Committee may, from time to time, alter its procedures as appropriate given the circumstances and shall perform such other functions as may be assigned to it by law, the Company's constating documents or by the Exchange or the Authorities. The Audit Committee shall:

(a) Review the results of each external audit of the company's financial statement, including any certification, report, opinion or review rendered by the independent auditor in connection with the financial statements;

(b) Review other matters related to the conduct of the audit, which are communicated to the Audit Committee under generally accepted auditing standards and rules of the Exchange or the Authorities;

(c) Based on the review under (a) and (b) above, the Audit Committee will advise the Board of Directors whether it recommends that the audited financial statements be included in the Company's proxy statement and prepare the Audit Committee's report to be included in same, and review the material to be included in the Company's Annual Information Form (if any) all in accordance with the rules of the Exchange or the Authorities;

(d) Review with management and as required with the independent auditors, prior to the filing thereof, the Company's interim financial results and any other filings to the Exchange or the Authorities and the matters required to be communicated to the Audit Committee under generally accepted auditing standards. The Chair of the Audit Committee may represent the entire Audit Committee for purposes of such interim review;

(e) Appoint, and recommend to the shareholders for approval, the firm to be engaged as the Company's independent auditor, which firm shall report directly to the Audit Committee. The Audit Committee shall be directly responsible for the compensation, retention and oversight of the independent auditor, including the resolution of disagreements between management and the independent auditor regarding financial reporting. The Audit Committee shall have the sole authority to approve all audit engagement fees and terms;

(f) Evaluate the independent auditor's performance and, if appropriate, recommend its discharge;

(g) The Audit Committee shall discuss with the auditor the scope of any disclosed relationships and their impact or potential impact on the auditor's independence and objectivity, and recommend that the full Board take appropriate action to satisfy itself of the auditor's independence;

(h) Approve all non-audit engagements with the independent auditor, either through express prior review and approval or through the adoption of policies and procedures for engaging the independent auditor to perform services other than audit, review and attest services. Between regularly scheduled meetings of the Audit Committee, the Chair of the Audit Committee may represent the entire Audit Committee for purposes of the review and approval of the terms of non-audit engagements with the independent auditor;

(i) Review reports of the independent auditor and management related to the adequacy of the Company's internal accounting controls, including any management letters and management's responses to recommendations made by the independent auditor of management;

(j) Consider, in consultation with the independent auditor and management, the scope and plan of forthcoming external auditors and the independent auditor's responsibility under generally accepted auditing standards;

(k) As appropriate, obtain advice and assistance from outside legal, accounting or other advisors;

(l) Determine that there are established procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters;

(m) The Audit Committee shall have the power to inquire into any financial matters not set forth above, and shall perform such other functions as may be assigned to it by law, or the Company's charter or by-laws, or by the Board; and

(n) Undertake an annual performance evaluation of the activities of the Audit Committee, including the Audit Committee's responsibilities as set forth.