

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*A copy of this amended and restated preliminary prospectus has been filed with the securities regulatory authorities in each of British Columbia and Alberta, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authorities in British Columbia and Alberta.*

*A copy of this preliminary prospectus has been filed with the securities regulatory authority in Ontario but has not yet become final for the purpose of distributing securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be distributed until a receipt for the prospectus is obtained from the securities regulatory authority in Ontario.*

*This Prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly in the United States of America, its territories or possessions. See "Plan of Distribution".*

**AMENDED AND RESTATED PRELIMINARY PROSPECTUS DATED AUGUST 31,  
2011 IN BRITISH COLUMBIA AND ALBERTA AMENDING AND RESTATING THE  
PRELIMINARY PROSPECTUS DATED APRIL 14, 2011**

**-AND-**

**PRELIMINARY PROSPECTUS DATED AUGUST 31, 2011 IN ONTARIO**

INITIAL PUBLIC OFFERING

August 31, 2011

**PANTHEON VENTURES LTD.**

Suite 4006 - 1011 West Cordova Street  
Vancouver, B.C. V6C 0B2  
Telephone: (604) 678-5308  
Facsimile: (604) 678-5309

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**OFFERING:**

5,000,000 UNITS AT A PRICE OF \$0.15 PER UNIT

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Pantheon Ventures Ltd. (the "Company") hereby qualifies for distribution in British Columbia, Alberta and Ontario, and offers for sale through its agent, Jordan Capital Markets Inc. (the "Agent"), on a commercially reasonable efforts basis, 5,000,000 Units ("Units") of the Company at a price of \$0.15 per Unit. See "Plan of Distribution". Each Unit is comprised of one Common Share (as defined herein) of the Company (a "Unit Share") and one transferable share purchase warrant (a "Unit Warrant"). Each Unit Warrant will entitle the holder thereof to purchase an additional Common Share (a "Unit Warrant Share") at a price of \$0.25 for the period ending twenty four (24) months from the date of closing (the "Closing Date") of the offering (the "Offering"). This Offering is subject to a minimum of 5,000,000 Units (\$750,000).

	NUMBER OF UNITS	PRICE TO PUBLIC <sup>(1)</sup>	AGENT'S FEE <sup>(2)</sup>	NET PROCEEDS TO COMPANY <sup>(3)</sup>
Offering Price Per Unit	1	\$0.15	\$0.015	\$0.135
Offering	5,000,000	\$750,000	\$75,000	\$675,000

**Notes:**

- (1) The offering price and the terms of the Offering have been determined by negotiation between the Company and the Agent.
- (2) In consideration of the services provided by the Agent in connection with the Offering, the Company has agreed to pay the Agent a cash commission equal to 10% of the gross proceeds raised from the Offering (the "Agent's Commission") and non-transferable Agent's Options equal to 6% of the Units sold under the Offering. The Agent's Options will entitle the holder to purchase Agent's Units at a purchase price of \$0.15 per Agent's Unit at any time up to the close of business 24 months from the Closing Date. Each Agent's Unit is comprised of one Agent's Share and one Agent's Warrant. Each Agent's Warrant entitles the holder to purchase one Agent's Warrant Share at a price of \$0.25 per Agent's Warrant Share at any time up to the close of business 24 months from the Closing Date. This prospectus qualifies the distribution of the Agent's Options and the distribution of the Agent's Units issuable upon exercise of the Agent's Options. The Agent is also entitled to a corporate finance fee of \$35,000, plus HST, of which \$19,600 has been paid and is non-refundable (the "Corporate Finance Fee"), with the balance of \$19,600, due on the Closing Date. The Agent will be reimbursed for all out-of-pocket expenses of the Offering, of which \$5,400 has been paid in advance as a deposit. See "Plan of Distribution".
- (3) Before deducting the balance of the expenses of the Offering estimated to be \$65,000, and the \$19,600 balance of the Corporate Finance Fee.

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

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 Company has applied to list its issued and outstanding Common Shares, the Unit Shares distributed under this Prospectus and all other Common Shares issuable as described in this Prospectus on the TSX Venture Exchange (the "Exchange"). The Unit Warrants will not be listed on the Exchange. Listing of the Company's Common Shares will be subject to the Company fulfilling all of the listing requirements of the Exchange.

### **RISK FACTORS**

Investment in the Units is considered highly speculative and subject to certain risk factors such as the Company's limited operating history and the speculative nature of mineral exploration and development. Investors must be willing to rely almost exclusively upon the ability, expertise, judgment, discretion, integrity and good faith of the Issuer's management. An investment in these securities should only be made by persons who can afford the total loss of their investment. See "Risk Factors".

### **DILUTION**

The Unit Shares offered under this Prospectus will be subject to a dilution of \$0.04273 per common share (28.5%).

Upon completion of the Offering, and assuming all the Units are subscribed for, the Unit Shares issued under the Offering will represent 51.0% of the Company's issued and outstanding Common Shares and 17.1% of the Company's issued and outstanding Common Shares will be owned by the promoters, insiders, and holders of escrowed shares. One or more of the directors of the Company has an interest, direct or indirect, in other natural resource companies. Reference should be made to the items "Risk Factors" and "Directors and Executive Officers - Conflicts of Interest" herein for further details.

Victor McCall, a director of the Company, resides outside of Canada. Although Mr. McCall has appointed Macdonald Tuskey, Suite 400-570 Granville Street, Vancouver, British Columbia, Canada V6C 3P1, as his agent for service of process in Canada, it may not be possible for investors to enforce judgments obtained in Canadian courts predicated upon civil liability provisions of applicable Canadian securities laws against Mr. McCall.

### AGENT'S POSITION

The Agent's position is as follows:

Agent's Position	Maximum Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Deemed Acquisition Price
Agent's Options <sup>(1)</sup>	300,000	24 months from the Closing Date	\$0.15

- (1) The Agent's Options will entitle the holder to purchase Agent's Units at a purchase price of \$0.15 per Agent's Unit at any time up to the close of business 24 months from the Closing Date. Each Agent's Unit is comprised of one Agent's Share and one Agent's Warrant. Each Agent's Warrant entitles the holder to purchase one Agent's Warrant Share at a price of \$0.25 per Agent's Warrant Share at any time up to the close of business 24 months from the Closing Date.

### PLAN OF DISTRIBUTION

The Agent, as exclusive agent of the Company for the purposes of this Offering, or registered sub-agents who assist the Agent in the distribution of the Units, conditionally offers the Units on a commercially reasonable efforts basis, subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the Agency Agreement referred to under "Plan of Distribution", and subject to the approval of certain legal matters on behalf of the Company by Macdonald Tuskey and on behalf of the Agent by Thomas, Rondeau LLP. Subscriptions offered under this Prospectus 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. The Offering will remain open until such date as may be agreed upon by the Company and the Agent, but no later than the date that is 90 days after a receipt is issued by the principal regulator pursuant to National Policy 11-202 ("NP 11-202") *Process for Prospectus Review in Multiple Jurisdictions* for the Prospectus, unless an amendment to the final Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the final Prospectus. Notwithstanding the above, the total period of the Offering must not end more than 180 days from the date of the initial receipt for the final Prospectus. All funds received from subscriptions will be held in trust until the closing of the Offering. Certificates representing the Unit Shares and the Unit Warrants will be available for delivery to the Agent at the closing of the Offering. If the minimum subscription is not attained on or before 90 days following the issuance of the final receipt for this Prospectus or, if an amendment to the final Prospectus has been filed and a receipt has been issued for such amendment, within 90 days of the issuance of the receipt for the amendment to the final Prospectus and, in any event, not later than 180 days after the issuance of a receipt for the final Prospectus, all funds raised hereunder will be returned to subscribers without interest or deduction.

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

### JORDAN CAPITAL MARKETS INC.

1920-1075 West Georgia Street  
Vancouver, BC, Canada V6E 3C9

Phone: (778) 373-4100  
Fax: (778) 373-4101

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## GLOSSARY OF NON-TECHNICAL TERMS

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

"Agency Agreement" means the agency agreement dated ♦ between the Company and the Agent relating to the Offering.

"Agent" means Jordan Capital Markets Inc.

"Agent's Commission" means the fee equal to 10% of the gross proceeds from the sale of Units under the Offering payable in cash to the Agent by the Company.

"Agent's Options" means the non-transferable options to be granted by the Company to the Agent and any sub-agents to purchase that number of Agent's Units as is equal to 6% of the Units sold under the Offering, each Agent's Option entitling the holder to purchase one Agent's Unit at a price of \$0.15 per Agent's Unit at any time up to the close of business 24 months from the Closing Date.

"Agent's Shares" means the Common Shares comprising the Agent's Units.

"Agent's Units" means the units of the Company to be issued to the Agent upon exercise of the Agent's Options, each unit comprised of one Agent's Share and one Agent's Warrant.

"Agent's Warrant Shares" means the Common Shares to be issued to the holder of the Agent's Warrants upon the exercise of the Agent's Unit Warrants.

"Agent's Warrant" means the transferable share purchase warrants of the Company comprising the Agent's Units, each Agent's Warrant entitling the holder to acquire one Agent's Warrant Share at a price of \$0.25 per Agent's Warrant Share at any time up to the close of business 24 months from the Closing Date.

"Author" means John Poloni, P.Eng., the author of the Technical Report.

"Board" means the Board of Directors of the Company.

"Closing" means the closing of the Offering.

"Closing Date" means such date or dates that the Company and the Agent mutually determine to close the sale of the Units offered pursuant to this Prospectus.

"Common Shares" means the Class A common shares in the capital of the Company and "Common Share" means any one of them.

"Company" means Pantheon Ventures Ltd.

"Corporate Finance Fee" means a non-refundable payment of \$35,000 plus HST payable by the Company to the Agent in accordance with the Agency Agreement.

"Effective Date" means the date on which the securities regulatory authority that is the principal regulator in accordance with Multilateral Instrument 11-102 *Passport System* issues a final receipt for this Prospectus pursuant to National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdiction*.

"Escrow Agent" means Computershare Investor Services Inc.

"Escrow Agreement" means the NP 46-201 escrow agreement dated March 4, 2011 among the Company, the Escrow Agent and various Principals of the Company.

"Exchange" means the TSX Venture Exchange.

"Flow Through Common Share" means a Common Share issued on a flow-through basis.

"Flow Through Private Placement" means the private placements of 1,125,000 Flow Through Private Placement Units carried out by the Company in December 2006 at \$0.10 per Flow Through Private Placement Unit.

"Flow Through Private Placement Units" means the 1,125,000 flow-through units issued by the Company in the Flow Through Private Placement at \$0.10 per Flow Through Private Placement Unit, consisting of one Flow Through Common Share and one Flow Through Private Placement Warrant.

"Flow Through Private Placement Warrants" means the 1,125,000 transferable warrants issued by the Company in the Flow Through Private Placement each Flow Through Private Placement Warrant entitling the holder thereof to purchase one Common Share at the exercise price of \$0.15 for a period of twenty four (24) months from the Listing Date.

"Kokoko Property" means the 14 mineral claims, located approximately ten kilometres west-northwest of Temagami, Ontario.

"Listing Date" means the date on which the Common Shares of the Company are listed for trading on the Exchange.

"Named Executive Officers" means the following individuals:

- (a) the Company's Chief Executive Officer (CEO);
- (b) the Company's Chief Financial Officer (CFO);
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose individual total compensation exceeds \$150,000 for that financial year; and
- (d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

"NI 41-101" means National Instrument 41-101 *General Prospectus Requirements* of the Canadian Securities Administrators.

"NI 43-101" means National Instrument 43-101 *Standards of Disclosure for Mineral Properties* of the Canadian Securities Administrators.

"NI 52-110" means National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators.

"NI 58-101" means National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators.

"NP 46-201" means National Policy 46-201 *Escrow for Initial Public Offerings* of the Canadian Securities Administrators.

"NP 58-201" means National Policy 58-201 *Corporate Governance Guidelines* of the Canadian Securities Administrators.

"NSR" means the 3% net smelter returns royalty interest from the sale of mineral products from the Kokoko Property following the commencement of commercial production less allowable deductions, to be vested in David Laronde upon the exercise of the option contemplated in the Option Agreement, subject to a buy-back right of the Company to repurchase up to 3/6<sup>th</sup> of the NSR at a price of \$500,000 per 1/6<sup>th</sup>.

"Offering" means the offering of 5,000,000 Units of the Company as described in this Prospectus.

"Offering Price" means \$0.15 per Unit.

"Option Agreement" means the property option agreement dated December 29, 2006, between the Company and David Laronde, as amended and restated on February 17, 2010, pursuant to which the Company was granted an exclusive right and option to acquire an undivided 100% of the right, title and interest in and to the Kokoko Property, subject to the NSR.

"Option Plan" means the Company's stock option plan adopted on August 15, 2010 by the Board, and providing for the granting of incentive options to the Company's directors, officers, employees and consultants in accordance with the rules and policies of the Exchange.

"Options" means the 480,000 incentive stock options granted to directors and officers of the Company to acquire Common Shares at an exercise price of \$0.20. See "Options to Purchase Securities".

"Pooling Agent" means W.L. Macdonald Law Corporation.

"Principal" of an issuer means:

- (a) a person or company who acted as a promoter of the issuer within two years before the prospectus;
- (b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the prospectus;
- (c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's initial public offering; or
- (d) a 10% holder – a person or company that:
  - (i) holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's initial public offering, and
  - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

"Primary Private Placement" means the non-brokered private placement financings by the Company conducted in December 2007, March 2008, February 2010 and March 2010 consisting of an aggregate of 3,675,000 Primary Private Placement Units at a price of \$0.05 (December 2007, February 2010 and March 2010) or \$0.055 (March 2008) per Primary Private Placement Unit, each Primary Private Placement Unit consisting of one Common Share and one Primary Private Placement Warrant.

"Primary Private Placement Units" means the 3,675,000 units issued by the Company in the Primary Private Placements at a price of \$0.05 (December 2007, February 2010 and March 2010) or \$0.055 (March 2008) per Primary Private Placement Unit, each Private Placement Unit consisting of one Common Share and one Primary Private Placement Warrant.

"Primary Private Placement Warrants" means the 3,675,000 transferable warrants issued by the Company in the Primary Private Placement, each Primary Private Placement Warrant entitling the holder thereof to purchase one Common Share at the exercise price of \$0.15 for a period of twenty four (24) months from the Listing Date.

"Private Placements" means the Flow-Through Private Placement and the Primary Private Placement.

"Private Placement Warrants" means the Primary Private Placement Warrants and the Flow-Through Private Placement Warrants.

"Prospectus" means this amended and restated prospectus dated August 31, 2011 in British Columbia and Alberta and preliminary prospectus dated August 31, 2011 in Ontario.

"Qualified Person" means an individual who:

- (a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these;
- (b) has experience relevant to the subject matter of the Kokoko Property and of the Technical Report; and
- (c) is in good standing with a professional association and, in the case of a foreign association listed in Appendix A of NI 43-101, has the corresponding designation in Appendix A of NI 43-101.

"Securities Commissions" means the Alberta Securities Commission, the British Columbia Securities Commission and the Ontario Securities Commission.

"Seed Share Resale Restrictions Pooling Agreement" means the seed share resale restrictions pooling agreement dated March 4, 2011 entered into among the Company, the Escrow Agent and a shareholder of the Company.

"Subscriber" means a person, company or other entity that subscribes for Units under the Offering.

"Technical Report" means the report on the Kokoko Property entitled "Technical Report on the Kokoko Property Cynthia and Chambers Twps. Temagami Area, Ontario Sudbury Mining Division 47° 05' North Latitude; 79° 58' West Longitude", prepared for the Company by John Poloni, P.Eng., in accordance with NI 43-101.

"Units" means the 5,000,000 units of the Company offered for sale under this Prospectus, with each Unit comprised of one Unit Share and one Unit Warrant.

"Unit Shares" means the Common Shares of the Company offered for sale as part of the Units under this Prospectus.

"Unit Warrants" means the transferable warrants of the Company offered for sale as part of the Units under this Prospectus, each Unit Warrant entitling the holder thereof to purchase one Unit Warrant Share at the exercise price of \$0.25 per Unit Warrant Share for a period of twenty four (24) months from the Closing Date.

"Unit Warrant Shares" means the Common Shares issued to the holders of the Unit Warrants upon the exercise of the Unit Warrants.

"Voluntary Pooling Agreement" means the voluntary pooling agreement dated March 4, 2011 among the Company, the Pooling Agent and certain shareholders of the Company.

## GLOSSARY OF TECHNICAL TERMS

aqua regia	Nitric acid, used in the sample preparation process to digest common rock-forming minerals.
As	Chemical symbol for arsenic.
assay	To analyze the proportions of metals in an ore; to test an ore or mineral for composition, purity, weight, or other properties of commercial interest.
Au	Chemical symbol for gold.
basalt	A mafic volcanic rock composed chiefly of plagioclase, pyroxene, and olivine with a finegrained texture indicating that it is an extrusive rock, formed at or near the surface. Basalt can be considered to be roughly the same as gabbro in composition, but different in texture.
chalcopyrite	A sulphide mineral of copper and iron; the most important ore mineral of copper.
Co	Chemical symbol for cobalt.
core	The long cylindrical piece of rock, generally one to five inches in diameter, brought to surface by diamond drilling.
Cu	Chemical symbol for copper.
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 ore reserves, until final legal, technical, and economic factors have been resolved.
fire assay	Fire assaying is the quantitative determination in which precious metals are separated from impurities by fusion processes and weighed in order to determine the amount present in the original sample. Modern fire assay methods include ICP-AES and ICP-MS finish.
float	Loose, disconnected pieces of rock lying on the surface.
flow	Lava extruded on the earth's surface or on the sea floor.
Ga	Billion years ago.
gabbro	A mafic, coarse-grained igneous rock formed deep within the Earth. Gabbro can be considered to be roughly the same as basalt in composition, but different in texture.
geophysical survey	The exploration of an area through the use of physical properties relating to geology. Geophysical methods include magnetic, electromagnetic, radiometric, gravity, seismic, and other techniques.
gossan	A general term to describe the iron oxide stained surface of an outcrop, often caused by the oxidation of primary sulfide minerals.
g/t	Grams per tonne.
grade	The amount of valuable metal in each tonne of ore, expressed as grams per tonne for precious metals and percent for base metals.
ICP-AES	Inductively Coupled Plasma - Atomic Emission Spectroscopy. Analytical method of determining certain element concentrations in rocks and soils.
ICP-MS	Inductively Coupled Plasma - Mass Spectrometry. Analytical method of determining certain element concentrations in rocks and soils.
intrusive	A body of igneous rock formed by the consolidation of magma intruded into other rocks, in contrast to lavas, which are extruded upon the surface.
Ma	Million years ago.
mafic	Igneous rocks composed mostly of dark, iron and magnesium-rich minerals.
mag/EM survey	Magnetic and electromagnetic geophysical surveys.
magma	The molten material deep in the Earth from which rocks are formed.
mineralization	A natural aggregate of one or more metallic minerals.

mineralized	Mineral-bearing; the minerals may have been either a part of the original rock unit or injected at a later time.
mining claim/ mineral claim	That portion of public or private mineral lands which a party has staked or marked out in accordance with federal, provincial or state mining laws to acquire the right to explore for and exploit the minerals under the surface.
Mo	Chemical symbol for molybdenum.
Ni	Chemical symbol for nickel.
olivine	Silicate mineral common in mafic and ultramafic rocks.
pentlandite	Nickel iron sulphide, the most common nickel ore.
Pb	Chemical symbol for lead.
Pd	Chemical symbol for palladium.
peridotite	Dense, coarse-grained, ultramafic igneous rock, consisting mostly of the minerals olivine and pyroxene.
PGE	The platinum group elements, including platinum, palladium, rhodium, iridium, ruthenium and osmium.
PGM	Platinum group metals, metals derived from PGE.
ppb	Parts per billion.
Precambrian	The very long time period beginning with the formation of the earth at about 4.5 Ga and lasting until the Cambrian at about 542 Ma.
Pt	Chemical symbol for platinum.
pyrite	Iron sulfide, a common accessory mineral in rocks.
pyrrhotite	An iron sulfide mineral with a variable iron content that is weakly magnetic.
sample	A small portion of rock or a mineral deposit taken so that the metal content can be determined by assaying.
sampling	Selecting a fractional but representative part of mineralization for analysis.
sedimentary rocks	Rocks formed from material derived generally by erosion of other rocks and laid down by a chemical or mechanical process i.e., limestone, shale and sandstone.
sill	An approximately horizontal sheet of igneous rock intruded between older rock beds.
sulfide	A compound of sulfur and some other element.
Te	Chemical symbol for tellurium.
terrane	A block of the Earth's crust that differs from the surrounding material, and is separated from it by faults.
tholeiitic	A type of basalt, chemically described as subalkaline basalt, produced by submarine volcanism at mid-ocean ridges, that makes up much of the ocean crust.
ultramafic	Igneous rock with very low silica content (less than 45%) composed of usually greater than 90% mafic (dark colored) minerals. Also referred to as ultrabasic.
Zn	Chemical symbol for zinc.

## CURRENCY

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to \$ are to Canadian dollars.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain statements in this Prospectus may constitute forward-looking information, future oriented financial information, or financial outlooks (collectively, "forward

looking information") within the meaning of Canadian securities laws. Forward-looking information may relate to this Prospectus, the Company's future outlook and anticipated events or results and, in some cases, can be identified by terminology such as "may", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "targeted", "possible", "continue" or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to commodity prices, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, the timing and amount of future production, the timing of construction of any proposed mine and process facilities, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable. In particular, this Prospectus contains forward-looking statements pertaining to the following:

- Proposed expenditures for exploration work, and general and administrative expenses (see "Property Description and Location" and "Use of Proceeds" for further details);
- Expectations generally regarding completion of this Offering and the ability to raise further capital for corporate purposes; and
- Treatment under applicable governmental regimes for permitting and approvals (see "Risk Factors").

Such forward-looking statements are based on a number of material factors and assumptions, and include the ultimate determination of mineral reserves, if any, the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop and operate any proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated costs of funds, availability of a qualified work force, and the ultimate ability to mine, process and sell mineral products on economically favourable terms. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Prospectus. See "Risk Factors". Forward-looking statements are based upon management's beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Company does not intend, and undertakes no obligation to update any forward looking information to reflect, among other things, new information or future events.

Following the closing of the Offering and the listing on the Exchange, the Company intends to discuss in its quarterly and annual reports referred to as the Company's Management's Discussion & Analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in the Prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

Investors are cautioned against placing undue reliance on forward-looking statements.

## PROSPECTUS SUMMARY

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

**Principal Business of the Company:** The Company is currently engaged in the business of exploration of mineral properties in Canada. The Company holds a sole and exclusive right and option to acquire an undivided 100% right, title and interest in and to the Kokoko Property described herein. The Company's objective is to explore and, if warranted, develop the Kokoko Property. See "Description of the Business".

**Management, Directors & Officers:**

Mitchell Adam	President, Chief Executive Officer, Secretary and Director
David Grandy	Chief Financial Officer and Director
Cameron Watt	Director
Victor McCall	Director
Thomas W. Clarke	Director

See "Directors and Executive Officers".

**The Property:** The Kokoko Property is an exploration stage property that consists of 14 mineral claims located approximately 10 kilometres west-northwest of the town of Temagami, Ontario. See "Property Description and Location".

**The Offering:** The Company, through its Agent, is offering 5,000,000 Units on a commercially reasonable efforts basis at a price of \$0.15 per Unit. See "Plan of Distribution"

**Listing:** The Company has applied to have its Common Shares listed on the Exchange. Listing is subject to the Company fulfilling all of the requirements of the Exchange, including minimum public distribution requirements. See "Plan of Distribution".

**Use of Proceeds:** The Company will receive aggregate gross proceeds of \$750,000 from the sale of Units pursuant to the Offering. After deducting the Agent's Commission of \$75,000, the balance of estimated costs of the Offering of \$65,000 and the \$19,600 balance of the Corporate Finance Fee, the Company anticipates it will have net proceeds of \$590,400. The Company anticipates that total funds available to the Company, consisting of net proceeds of \$590,400 minus an estimated working capital deficiency of \$87,141 as at July 31, 2011 will provide the Company with available funds of approximately \$503,259 which will be used as follows:

- To pay for the Phase I exploration program expenditures on the Kokoko Property <sup>(1)</sup>	\$174,000
- To provide funding sufficient to meet administrative, legal, audit and office overhead costs for 12 months	\$80,000
- To fund interest expense on long term debt <sup>(2)</sup>	\$11,025
- Unallocated working capital	<u>\$238,234</u>
<b>TOTAL:</b>	<u>\$503,259</u>

(1) The Technical Report recommends a Phase 1 exploration program of \$224,000, of which \$50,000 has been expended by the Company as at the date of this Prospectus, thereby leaving a balance of approximately \$174,000 to be expended on the Kokoko Property.

(2) Pursuant to a loan agreement with Cameron Watt, a director of the Company, dated June 26, 2011, the Company is required to pay interest on a principal sum of \$220,500 at the prime rate of interest plus 2%. See "Material Contracts".

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. See "Use of Proceeds".

**Risk Factors:**

An investment in the Units of the Company should be considered highly speculative and investors may incur a loss on their investment. The Company has no history of earnings. Resource exploration is a speculative business, characterized by a number of significant risks, including among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. If the Company loses its interest in the Kokoko Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. The Kokoko Property is in the exploration stage only and is without a known body of commercial ore. The Company and its assets may become subject to uninsurable risks. The Company's future operations may require permits which may not be granted to the Company. Additional Common Shares may be issued which will cause dilution to the ownership interests of the Company's shareholders. Environmental laws and regulations may affect the operations of the Company. The Company does not maintain key person insurance on any of its directors or officers. There is also no guarantee of the Company's title to the Kokoko Property. The Kokoko Property may in the future be the subject of first nations land claims. The Company has an option only to acquire an interest in the Kokoko Property and failure to keep its property interest in good standing could result in the partial or total loss of the Company's interest in the Kokoko Property. The economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. The Company competes with other companies with greater financial resources and technical facilities. The Company is currently largely dependent on the performance of its directors and there is no assurance the Company can maintain their services. There is no assurance that additional funding will be available to the Company. There is currently no market for the Company's Common Shares and there can be no assurance that an active market will develop or be sustained after this Offering. Furthermore, in recent years, the price of publicly traded securities prices has fluctuated widely. Situations may arise where directors and officers who are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, will be in direct competition with the Company. See "Risk Factors".

**Summary of Financial Information:**

The following selected financial information is subject to and more fully explained in the detailed information contained in the financial statements of the Company and notes thereto incorporated into this Prospectus. The selected financial information is derived from audited and unaudited financial information for the Company. The Company has established September 30 as its fiscal year end.

**Statement of Operations, Comprehensive Loss and Deficit Data**

	<b>Nine Months Ended June 30, 2011</b> (\$) <b>(unaudited)</b>	<b>Year Ended September 30, 2010</b> (\$) <b>(audited)</b>	<b>Year Ended September 30, 2009</b> (\$) <b>(audited)</b>	<b>Year Ended September 30, 2008</b> (\$) <b>(audited)</b>
Revenue	Nil	Nil	Nil	Nil
Total Expenses	58,474	33,429	28,863	32,224
Future Income Tax Recovery	Nil	7,600	7,800	8,400
Net income (loss) for the period	(58,474)	(25,829)	(21,063)	(23,824)
Income (loss) per share (basic and diluted)	(0.01)	(0.01)	(0.01)	(0.01)

**Balance Sheet Data**

	<b>Nine Months Ended June 30, 2011 (\$) (unaudited)</b>	<b>As at September 30, 2010 (\$) (audited)</b>	<b>As at September 30, 2009 (\$) (audited)</b>
Current Assets	10,840	6,974	10,615
Total Assets	462,294	317,172	243,966
Current Liabilities	115,471	132,375	40,740
Long Term Debt	220,500	Nil	7,600
Shareholders' Equity	126,323	184,797	195,626

See "Selected Financial Information" and "Management's Discussion and Analysis".

## CORPORATE STRUCTURE

### Name and Incorporation

Pantheon Ventures Ltd. was incorporated under the *Business Corporations Acts* (British Columbia) on December 28, 2006 as 0778557 B.C. Ltd. It changed its name on February 6, 2007. The Company's registered and records office is located at Suite 400, 570 Granville Street, Vancouver, BC V6C 3P1. The Company's head office is located at Suite 4006 - 1011 West Cordova Street, Vancouver, B.C. V6C 0B2.

### Inter-corporate Relationships

The Company has no subsidiaries.

## DESCRIPTION OF THE BUSINESS

The Company is engaged in the business of mineral exploration in Canada and its objective is to locate and, if warranted, develop economic mineral properties.

On December 29, 2006, the Company entered into the Option Agreement with David Laronde, for the Kokoko Property, which is located approximately ten kilometres west-northwest of Temagami, Ontario, which agreement was amended and restated on February 17, 2010. The Kokoko Property is the sole material property of the Company at this time, and the Company seeks to list its Common Shares on the Exchange with the Kokoko Property as its qualifying property.

### Stated Business Objectives

The Company's property, the Kokoko Property, is in the exploration stage. The Company intends to use \$174,000 from the net proceeds raised under the Offering to carry out the balance of the planned \$224,000 Phase I exploration program for the Kokoko Property. See "Property Description and Location" and "Use of Proceeds".

The exploration, and if warranted, development of the Kokoko Property may depend on specialized skills and knowledge possessed by directors and officers of the Company that are applicable to the mining industry. As at the most recent financial year, the Company did not have any employees other than Mitchell Adam, Chief Executive Officer, President and Secretary and David Grandy, Chief Financial Officer. The mineral exploration and development industry is very competitive. As an emerging issuer, the Company is subject to numerous competitive conditions such as need for additional capital and commercial viability of the Kokoko Property.

## THREE-YEAR HISTORY

Following incorporation, the Company capitalized the Company by raising an aggregate of \$112,500 through the Flow-Through Private Placement and an aggregate of \$188,750 through the Primary Private Placement, which funds have been used for exploration activities and for general working capital. The Company has also entered into the Kokoko Option Agreement as described below.

### *The Option Agreement*

On December 29, 2006, the Company entered into the Option Agreement with David Laronde, P.Eng of Temagami, Ontario with respect to the Kokoko Property, which agreement was amended on February 17, 2010. The Option Agreement covers 14 claims located approximately ten kilometres west-northwest of Temagami, Ontario. The total area of the claims is 4,191 acres. Pursuant to the Option Agreement, the Company has been granted the exclusive right and option to acquire an undivided 100% right, title and interest in and to the Kokoko Property by making the cash payments as set forth below to David Laronde, and by incurring aggregate cumulative expenditures on the Kokoko Property of \$375,000 by December 29, 2012 in accordance with the following schedule:

- First Phase work commitment (on or prior to December 29, 2010): \$150,000 (completed);
- Second Phase work commitment (on or prior to December 29, 2011): \$150,000; and
- Third Phase work commitment (on or prior to December 29, 2012): \$75,000.

Pursuant to the terms of the Option Agreement the Company is also required to make an aggregate of \$65,000 in cash payments as set forth below:

- \$10,000 upon the execution of a letter of intent (paid);
- \$15,000 on December 29, 2007 (paid);
- \$15,000 on March 1, 2010 (paid); and
- \$25,000 on March 1, 2011 (paid).

On February 24, 2011, David Laronde granted a partial extension to the Company for the \$25,000 option payment due on March 1, 2011. Pursuant to such extension, the Company paid \$12,500 on March 1, 2011 and paid the balance of \$12,500 on April 6, 2011.

The Kokoko Property is subject to the NSR. The NSR grants a 3% net smelter returns royalty interest from the sale of mineral products from the Kokoko Property following the commencement of commercial production less allowable deductions, to be vested in David Laronde upon the exercise of the option contemplated in the Option Agreement. The NSR is subject to a buy-back right of the Company to repurchase up to 3/6<sup>th</sup> of the NSR at the price of \$500,000 per 1/6<sup>th</sup> of the NSR.

## **PROPERTY DESCRIPTION AND LOCATION**

The information in this Prospectus with respect to the Kokoko Property is derived from a National Instrument 43-101 compliant report entitled "Technical Report on the Kokoko Property Cynthia and Chambers Twps., Temagami Area, Ontario, Sudbury Mining Division" prepared by John R. Poloni dated September 1, 2008 as revised August 20, 2009, May 5, 2010, June 1, 2010, April 27, 2011 and June 17, 2011 (the "Technical Report"). Mr. Poloni is an independent and "Qualified Person" for purposes of National Instrument 43-101. The full text of the Technical Report is available for review at the office of the Company at Suite 4006-1011 West Cordova Street, Vancouver, B.C. and may also be accessed online, under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### **Kokoko Property Area and Location**

The Kokoko Property consists of fourteen contiguous unpatented mining claims, totaling 106 units (1888 hectares) located at approximately 47°05' North Latitude; 79°58' West Longitude in the Temagami area of Northeastern Ontario. The claims are situated in Chambers and Cynthia Townships, in the Sudbury Mining Division, 10 kilometres west-northwest of the Town of Temagami and approximately 100 kilometres north of North Bay.

The location of the Kokoko Property is shown in Figure 1.

Figure 1: Location of the Kokoko Property



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**Kokoko Property Claim Status****Township:** Chambers (1696 Hectares)

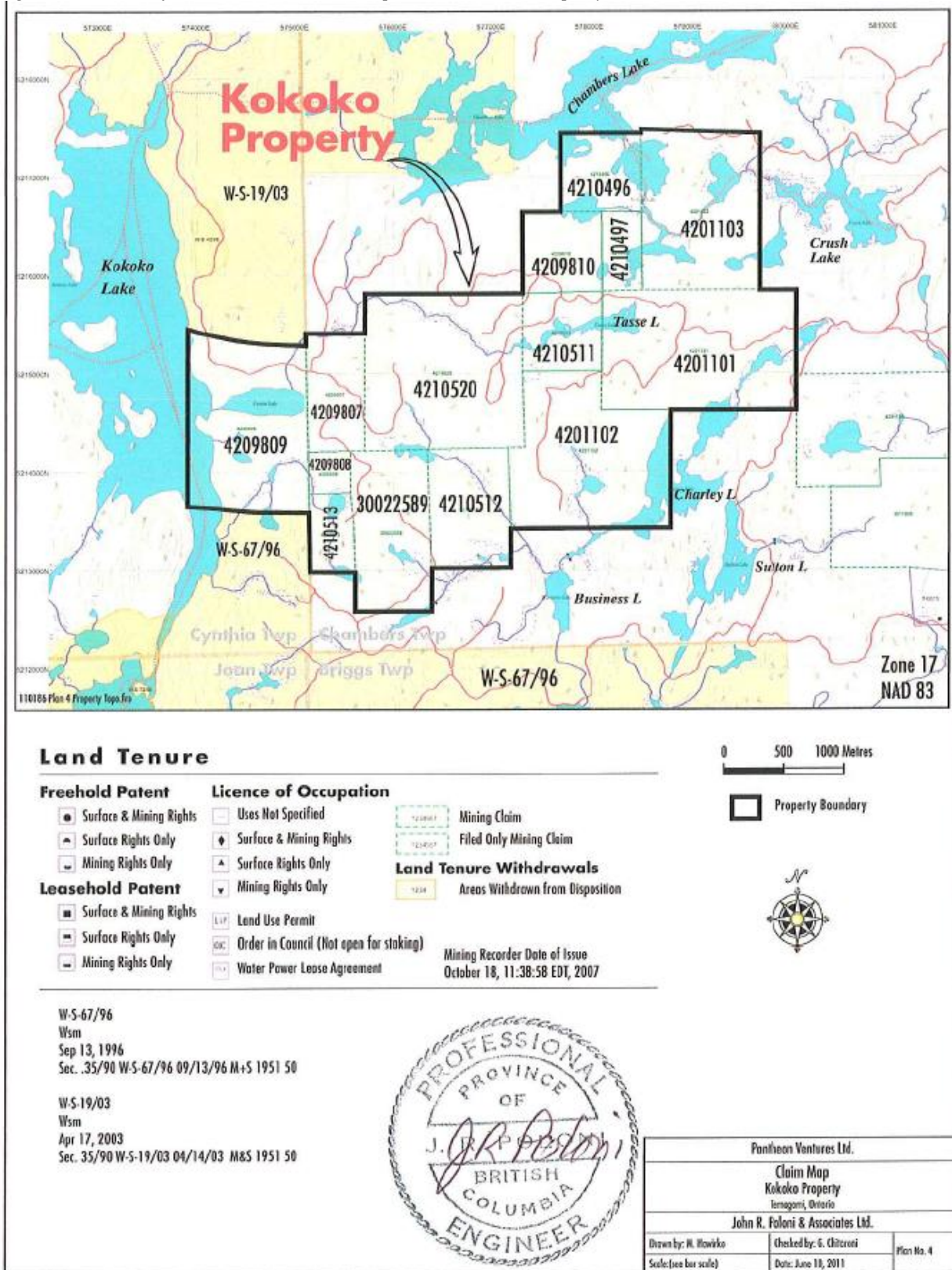
<b>Record No.</b>	<b>Units</b>	<b>Expiry Date</b>
30022589	8	March 2, 2012
4201101	15	Jan. 20, 2012
4201102	14	Jan. 27, 2012
4201103	13	March 30, 2012
4209807	5	June 15, 2012
4209808	1	June 15, 2012
4209810	4	March 30, 2012
4210496	4	Feb. 23, 2012
4210497	2	Feb. 23, 2012
4210511	4	Feb. 23, 2012
4210512	6	Feb. 7, 2012
4210513	2	Feb. 7, 2012
4210520	16	March 16, 2012

**Township:** Cynthia (192 hectares)

<b>Record No.</b>	<b>Units</b>	<b>Expiry Date</b>
4209809	12	June 15, 2012

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Figure 2 Location of Mineral Claims that comprise the Kokoko Property



### **Nature and Extent of Company's Title**

The Company has an exclusive option to acquire the Kokoko Property as described under the heading "Three-Year History" above.

### **Royalties, Agreements and Encumbrances**

The Kokoko Property is subject to the NSR. The NSR grants a 3% net smelter returns royalty interest from the sale of mineral products from the Kokoko Property following the commencement of commercial production less allowable deductions, to be vested in David Laronde upon the exercise of the option contemplated in the Option Agreement. The NSR is subject to a buy-back right of the Company to repurchase up to 3/6<sup>th</sup> of the NSR for an aggregate of \$1,500,000 or \$500,000 per 1/6<sup>th</sup> of the NSR. Other than annual fees or as otherwise disclosed in this Prospectus, there are no other known royalties, back-in rights, payments or encumbrances to which the Kokoko Property is subject.

### **Environmental Liabilities**

Management is not aware of any environmental liabilities, which may have effect on the Company. The Company intends to fully comply with all environmental regulations.

### **Accessibility, Climate, Local Resources Infrastructure and Physiography**

#### *Accessibility*

Access to the claims is from Provincial Highway #11 at Goward, 5 kms north of Temagami, then westerly along the Kanichee Mine access road along Alfreda Cr. beyond the Kanichee Mine. An ATV or small 4-wheel drive truck could be used beyond the mine along old logging roads for 13 kms. to the east shore of Tasse Lake and the survey grid. Alternate access is by boat on Lake Temagami to the west side of the property and then portaging into KoKoK Lake and then to Ferrim Lake. Additional access is northerly from Temagami beyond Goward to Owaissa along Highway #11, a distance of approximately 11 kms., then westerly along Red Squirrel Lake access road for about 14 kms. then southerly past Jackpine Lake for about 10 kms. to join old logging roads extending to Tasse Lake. The Red Squirrel Lake road has been upgraded to an excellent gravel roadway.

#### *Climate, Local Resources, Infrastructure and Physiography*

Climatic conditions are typical of the easterly areas of the clay belt of Northeastern Ontario with hot humid summer temperatures (15° – 30° C) with ample rainfall and cold winters (0° – -30° C) with moderate snow fall. Exploration activities can generally be undertaken year around with diamond drilling being easier to complete during winter months because of frozen bogs and swamps.

The Town of Temagami exists principally as a tourist resort centre with numerous cottages located along the shores of Lake Temagami. In the recent past, mining activities at Teck Corporation Copperfield Mine and the Sherman iron mine were beneficial additions to the local economy. Both mines are presently closed. Logging has also been added to the economy but is presently reduced in nature. The local labour pool is small.

Good access is available to the hydro electric power grid and the Northern Ontario natural gas line which supply the Town of Temagami and Northern Ontario. The Ontario Northern rail line parallels Hwy. #11, and has facilities in Temagami and Cobalt to the north.

At one time the area was the centre of an active mining environment but presently little exists, which necessitates that all exploration and mining supplies and equipment must be obtained from Cobalt, Kirkland Lake, Timmins, and Sudbury.

There are adequate sites on the property for potential tailings storage, waste disposal, heap leach pads, and plant sites.

Lake Temagami and most of the other lakes and streams within the area form part of the drainage basin of Lake Nipissing to the south. To the north and east, Kanichee Lake, Net Lake and other lakes east of Highway #11 drain eastward into Lake Temiskaming. The elevation at Temagami is 962 feet (293m) above sea level.

The Temagami area generally has only a thin veneer of soil cover influenced in part by products of glaciation. Drainage patterns are largely controlled by pronounced bedrock structural features. Maximum topographic relief in the area is about 90 meters with slopes being gentle. Steeper slopes or scarps are locally developed in areas underlain by Nipissing diabase.

The Kokoko Property has been logged and is presently covered with a variety of small trees consisting of Fir, Spruce, Cedar, Birch and Willow. There is ample water for drilling requirements.

## **History**

Documentation on the geological history of the area dates from the initial governmental mapping in 1887 to a detailed report by G. Bennett in 1978, interspersed from 1951 to 1974 with exploratory surveys by various owners and optioners on claims including those presently held by the Company.

During the period 1978 to 1996 a "land caution" was imposed by the government on certain townships within the Temagami – Matachewan areas, Larder Lake Mining Division, restricting mineral development and retaining the land as a possible settlement for First Nation land claims. The caution was lifted in 1996 and the Kokoko Property was staked as well as most other properties within the Temagami Greenstone belt.

### *Early History (1880 – 1941)*

The Lake Nipissing and Lake Temagami area was geologically mapped by A.E. Barlow between 1887 and 1895 with a final report and map being published in 1907. The northeast Temagami area was included. In 1901, W.G. Miller examined the iron formation of the area providing a more detailed description. These deposits became the Sherman Mine. The Big Dan arsenic deposit and others at Arsenic Lake as well as the Kanichee deposit were examined and described by C.W. Knight in 1919. Further examinations of the area were completed by E.W. Todd in 1925 and W.S. Savage in 1934. During 1941, W.W. Moorhouse completed mapping of Strathcona and Briggs Townships and several surrounding townships.

### *Recent History (1942 – 1998)*

In 1968, Robert Thomson, O.D.M. Resident Geologist completed an Open File Report No. 5016, Ontario Department of Mines "Geology Adjacent to Highway #11 in Best Township and the South Part of Gillies Limit Township, Districts of Temiskaming and Nipissing" which is a detailed description of the history, geology, mineral exploration of occurrences of the area. Mr. Thomson assigned copper-nickel occurrences in the map area as three types: 1) Nickel-Copper in association with mafic and ultramafic intrusions as those near Whitney Lake; 2) Copper-Nickel in pyrrhotite-chalcopyrite-pyrite along fractured and sheared zones in Keewatin rocks in Best Township (Acona occurrence); and 3) Copper in quartz veins younger than Huronian (Sutherland occurrence). Mr. Thomson reports platinum has been found in copper-nickel deposits of pyrrhotite-chalcopyrite-pyrite mineralization along fractures in sheared zones as evidenced near Whitney Lake, and that a chalcopyrite occurrence was discovered near Dieter Lake in the 1940's.

The most detailed description of the geology and mineral occurrences of the area was prepared by G. Bennett in 1978, Report 163, Ontario Geological Survey, "Geology of the Northeast Temagami Area".

The early history of exploration work is poorly documented prior to 1960 with prospecting and limited diamond drilling being undertaken on various properties. This work was stimulated by the Temagami Copper Mine (Teck Corporation) discovery and development, as well as the Sherman Mine development in the (1950-1960's).

### *History (2007-2011)*

In April 2007 line cutting was commenced on the property in preparation for geophysical surveys with were designed top map and test areas of interest, using magnetic and electromagnetic methods with the purpose of identifying potential exploration targets. The geophysical surveying was done by David Laronde, Kevin Picard, Curtis Charlton and Jacques Poirier of Meegwich Consultants Inc. A total of 58 line km. was cut and surveyed. The line cutting was completed by Theberge Linecutting providing chainsaw cut survey lines.

Quantec Geoscience Inc. was contracted in May 2008 to complete IP/Resistivity Surveys on the property with the results being reported in July 2008. Realsection detail was provided and results were positive, necessitating further work.

In order to maintain assessment requirements, Meegwich Consultants Inc. were contracted to complete magnetometer and HLEM surveys in 2010-2011. The results of these surveys are included in sections 12.2 and 12.3 of the Technical Report.

## **Geological Setting**

### *Regional Geology*

Early Precambrian (Archean) metavolcanic-metasedimentary northeast trending rocks are the principal geological feature of the northeast Temagami area. The belt along the northeast arm of Temagami Lake averages about 13 kilometres wide and 29 kilometres long with the dominant structure being a northeast trending syncline called the Tetapaga Syncline that has been modified by the emplacement of granitic plutons.

The metavolcanic and metasedimentary units are composed of a differential suite of theolitic to calc-alkaline volcanic rocks and clastic chemically precipitated sedimentary rocks (Bennett 1978).

The metasedimentary and metavolcanic rocks along the southern limb of the Tetapaga Syncline consist of massive to pillowed Fe-rich theolitic basalts in the lowest unit and intermediate to felsic effusive and fragmental rocks with banded iron formation within the central unit. Ref: Map 2324 O.D.M., Briggs and Strathcona Townships and Map 2323 O.D.M. Chambers and Strathy Townships, Report 163. Bennett, F. 1978.

The metasedimentary and metavolcanic rocks along the northern limb of the Syncline consist of greywacke siltstone, slate, conglomerate, and tuffaceous sandstone with banded silicate-oxide sulphide facies iron formation, and felsic intermediate to mafic intermediate metavolcanics.

This whole sequence is underlain by mudstone and turbidic wackes and is bounded by the Iceland Lake Pluton to the south, the Chambers Strathy Batholith to the north and in part the Spawning Lake Stock to the west. Intrusions into the Temagami Greenstone belt have a varying range in composition including pyroxenite, gabbroic trondhjemite, quartz feldspar porphyry, hornblende-quartz diorite and granite. This belt of "Greenstone" rocks has hosted the past producers Temagami Copper Mine (Teck) 684,000 tons @ 6.48% Cu, 0.02 oz/T Au, 0.03 oz/T Ag; Kanichee Mine near Kanichee Lake with current reserves of 2 million tons @ 0.412% Cu, 0.257% Ni; and the Diadem deposit (non producer) with 450,000 tons @ 0.5% Cu, 0.1% Ni.

Iron formations within the Temagami Greenstone belt were mined at the Sherman Mine, (90% Dofasco, 10% Cleveland Cliffs) between 1967-90. This oxide facies type iron formation was estimated, initially, to contain greater than 150,000,000 short tons in 1967. Operations ceased in 1990 with approximately 100,000,000 tons having been mined. Unmined iron formation is greater than 50,000,000 short tons.

The reserve estimates reported for the Kanichee Mine located to the east of the property, the Diadem deposit to the south-east and the Sherman Mine to the south are considered as being non-compliant under NI 43-101 industry standards and can not be relied upon and there is no guarantee that economic deposits are present.

### *Structural Geology*

The most prominent structural feature of the northeast Temagami area is an east-northeast trending syncline within the Archean metavolcanic-metasedimentary belt. The syncline has a pronounced marked asymmetry of the axes with respect to iron formation units that are the main marker horizon. To the north, the axis lies within 300 meters of the iron formation while to the south it lies about 3000 meters from the iron formation.

The dominant fracture directions are north-northeast, northwest and northeast. North trending fractures are indicated by the occurrence of altered gabbro dikes while an extensive northwest striking fracture system is indicated by diabase dikes, altered gabbro dikes, as well as topographic lineaments as indicated by drainage systems.

The major topographic feature of the area, the northeast arm of Lake Temagami, is underlain by a strong fault zone of sheared felsic to intermediate metavolcanics that is approximately 1200 metres wide. Generally, a common feature of the major shear zones of the area is carbonatization, extensive width of the zones and an association with felsic metavolcanics.

A major northeast-striking shear zone which locally is over 600m (2000 feet) in width, consisting mainly of ankeritized and sheared rhyolite, extends from north of O'Connor Lake in southwestern Strathy Township towards Net Lake to the east.

An additional similar shear zone in Chamber Township is located near Tasse Lake but appears to pinch out to the east.

### *Property Geology*

The Kokoko Property is underlain by an Archean age, east-west trending arcuate band of intermediate metavolcanics both felsic and mafic consisting of dacite, rhyodacite, andesite, foliated andesite and basalt, volcanic breccia and tuff breccia.

Granitic plutonic rocks of the Spawning Lake Stock consisting principally of porphyritic quartz monzonite occur in the south easterly part of the property with quartz porphyry located centrally. Ultramafic intrusives, gabbro, diorite and altered equivalents also occur.

Banded silicate oxide iron formation, (Kokoko Occurrence) crosses the southwesterly part of the property. This "Iron Formation" is similar in character to iron formation mined at Sherman Mine 1967-1990. The Meegwich magnetic survey outlines the Iron Formation for 2.4 kilometers but the Ferrin Lake Grid does not cover the entire length of the iron ore occurrence.

As described by G. Chitaroni B.Sc. Geology, and summarized as follows: Falconbridge completed magnetic surveying in the late 1990's but the KoKoKo Iron Formation was previously explored by Dominion Gulf Company in 1951, and later held by Jones and Laughlin Steel Corporation with work being halted by the Temagami Indian Land Caution in 1971. The iron formation is described as Algoma Type "oxide facies" containing magnetite and quartz iron formation (jasper and chert) which is northwest trending in two parallel zones, 2.2 km. long in Chambers Twp. And 1.1 km. long in Cynthia Twp.

Four zones were outlined by the magnetometer survey, North Zone (344m. x 41m.); South Zone (469m. x 113m.); Central Zone (938m. x 130m.); and the East Zone (438m. x 53m.).

Pantheon Ventures Ltd. Claims in Chambers Twp. Cover the entire KoKoKo Iron Formation with the westerly extension of the iron formation covered by the company's claim #4209809 in Cynthia Twp. In Cynthia Twp. the iron formation is partially covered by the Ferrin Lake Grid, however, Ferrin Lake itself was not covered by geotechnical surveying, although it is probable that iron formation extends to lake bottom of Ferrin Lake and beyond to KoKoKo Lake and westerly under this lake.

A description of the iron formation as reported by in the O.G.S. report 163, Geology of the Northeast Temagami Area 1978 by G. Bennet is as follows:

The following description is taken from the report by H. Reiner:

*"The iron formation forms a ridge trending in a general NW-SE direction through the property. It varies in width from 300 feet (90 m) to 1,000 feet (300 m). It is composed of well-banded magnetite, some hematite and silica, the magnetite comprising 10 to 50 percent by volume, of the total. The banding varies from infinitesimal to 2 inches (5cm) in width, with an average width of 1/4 to 1/2 inch (0.7 to 1.2 cm).*

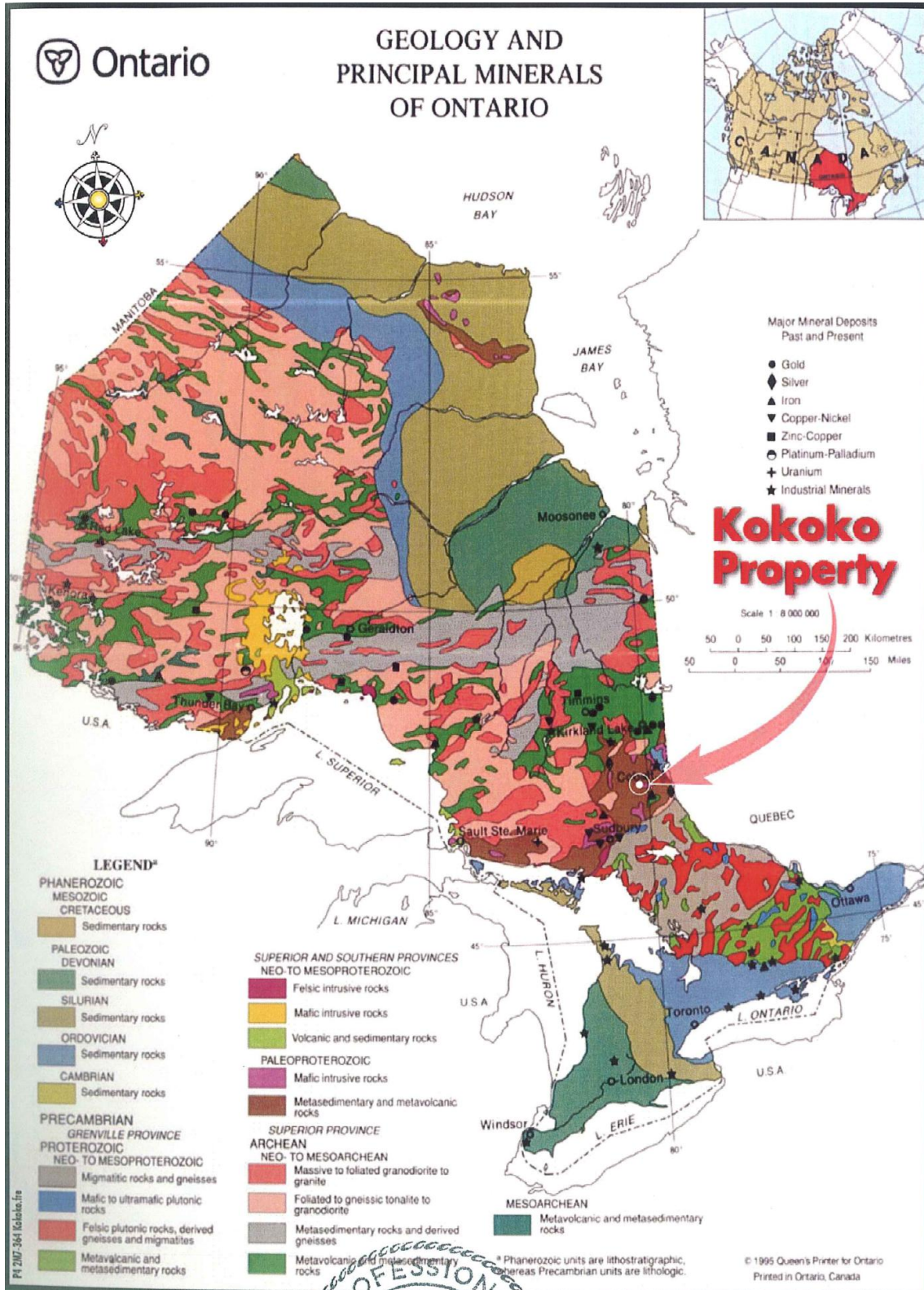
*For mapping purposes it was divided into three groups depending on estimated percent magnetite content as follows: 0-15 percent, 15-25 percent, over 25 percent. The first grouping, occurring mainly along the outer margins, is composed of alternating bands of white quartzite and limonitic bands. Magnetite occurs in small quantities in the limonitic bands and probably is sparsely disseminated through the quartzite. This rock has been termed a ferruginous quartzite. The second and third groupings are composed of banded magnetite, white silica, black chert, and bright red jasper. Banded jasper and black chert with magnetite are characteristic of the lighter grade zones and often grade from one to the other. The banded jasper is a very striking rock making very attractive ornaments on polishing. Magnetite bands often form 30 to 40 percent of the higher grade sections. Appreciable amounts of magnetite occur finely disseminated throughout the interbanded silica.*

*Brecciation is often noted with fragments of iron formation cemented by silica and magnetite. The silica is of the same type that occurs in the iron formation. This suggests that brecciation has taken place, probably during initial deformation of and prior to final recrystallization of the iron formation."*

O.D.M. Map 2323 Chambers and Strathy Townships indicates several fault structures and lineaments trending mostly northerly and northeasterly in the central and easterly part of the property, and one arcuate lineament extending from Business Lake towards the west.

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Figure 3 Geology and Principal Minerals of Ontario



## Deposit Types

The target models for the Kokoko Property are defined as magmatic copper-nickel-cobalt (+PGE) with gold and silver bearing deposits related to mafic and ultramafic intrusions along the contact zone between ultramafic rocks and felsic volcanic rocks. Typical deposit types for the Temagami Greenstone belt are Temagami Copper Mine, the Kanichee Mine and the Diadim deposit.

These deposit types could have significance to exploration on the Issuers property. Ontario Geological Survey Open File reports indicate tonnage grade estimates but these are considered as being non-compliant as defined by NI 43-101 industry standards. No mineral reserves or resources are known to occur on the property and there is no guarantee that economic deposits will be present. The other principal target model for the Company's property is the Algoma Type "Oxide Facies" iron formation containing magnetite and quartz (jasper and chert) known to exist on claims 420989, 4209808, 30022589 and 4210512. While no resource has been established the iron formation is well exposed and will be the principal of prime focus for exploration.

Additional targets on the Kokoko Property are gold-silver arsenide deposits similar to the Little Dan (Leckie Deposit) near Arsenic Lake, east of the claims, and diamond deposits such as at the Temex and Sudbury Contact kimberlites within the Temiskaming Rift Valley System, which are characterized by either low or high bullseye type magnetic anomalies.

Diamonds are also known to occur within heterolithic breccias and associated lamprophyre dikes such as at the Cobalt GQ property of Cabo Mining Corporation Lorraine Twp. (Cobalt). A heterolithic breccia has been identified along Highway #11 at approximately 20 kilometers east of the property. A Provincial Governmental map released in April 2001 indicates an anomalous sample location for potential diamond K.I.M. grains (G10 and D1 Chromites) situated near Whitney Lake, northeast of the claims.

## Mineralization

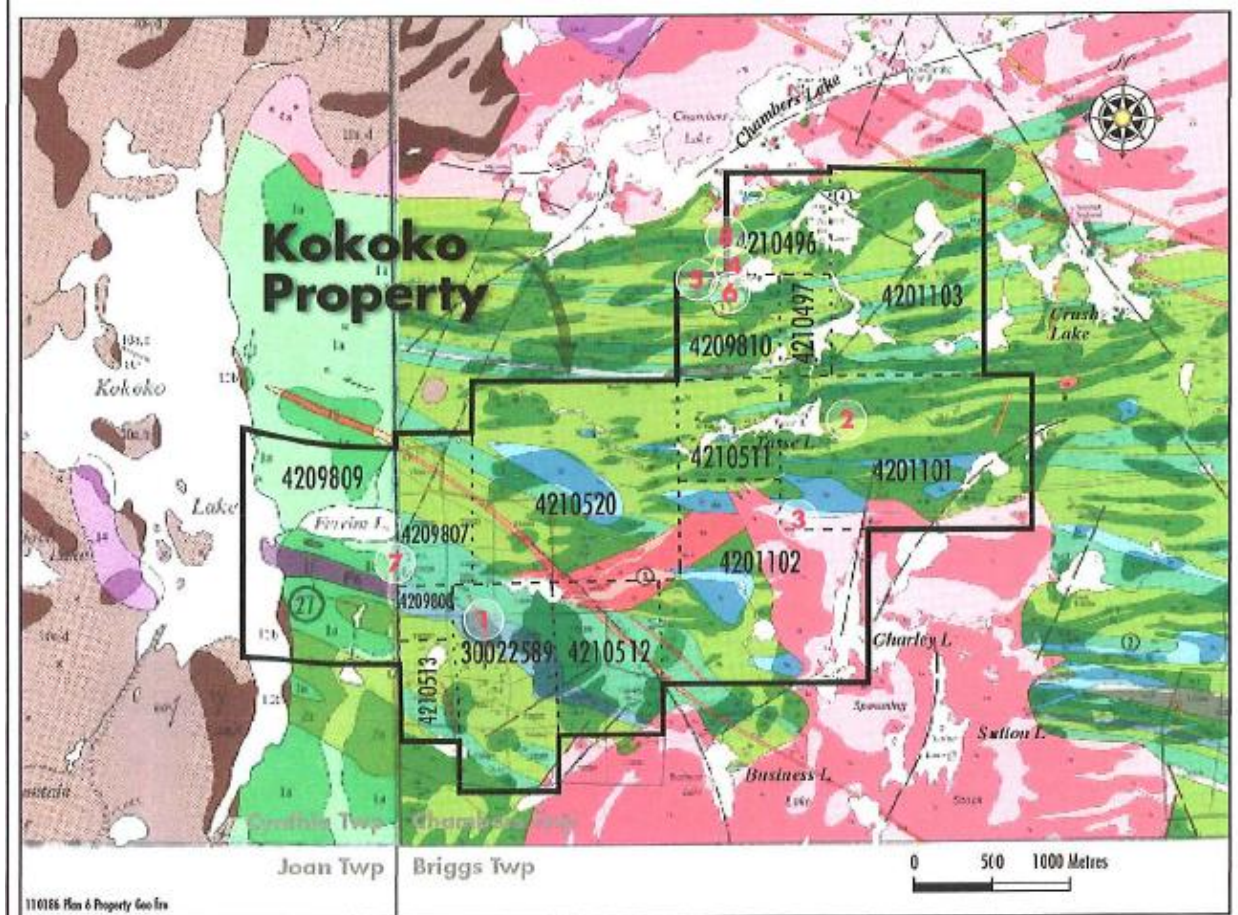
The Temagami Greenstone Belt is the host for numerous precious metal and base metal deposits and occurrences as well as large Banded Iron Formation deposits. Bennett (1978) lists a total of 130 mineral occurrences which are interpreted as fissure fillings or veins, those of hydrothermal origin, sulphide facies iron formation, with 70 occurrences within metamorphic mafic flows, 22 occurrences within metamorphic dacitic flows, 24 occurrences within rhyolitic breccias and flows, 8 occurrences within mafic intrusions and six others within metamorphosed sedimentary rocks (1), Granite plutons (4) and Gowganda formation (1).

Much attention has been placed on a Pyritic Zone, which occurs along the footwall of the Temagami Island gabbro. The zones with a thickness of a few inches to several tens of feet occurs consistently, as massive pyrite, irregular dissemination, veins and stringers of pyrite, nickel-bearing pyrite with minor amounts of millerite and abundant chalcopyrite. The host rocks are intensely fractured and brecciated, with dense rhyolite less altered than the mafic rocks which appear highly saussuritized and chloritized and often strongly dolomitized and silicified within the pyrite ore zone. This zone may be a regional feature and it is not known if it exists on the Company's property.

Historical exploration on the Kokoko Property during the period 1952 – 98 is indicated on plans on pages 17, 18 and plan #6 of the Technical Report (which is Figure 4 in this Prospectus). During 1971 – 1996 no work was undertaken due to legal action brought on by the Temagami Indian Land Caution. Seven companies and one prospector (OPAP) completed work as follows – Falconbridge completed geophysics and drilling examining for VMS mineralization; Ag Armeno completed geophysics and drilling; Copperfields investigated for gabbroic bodies; Goldray Mines drilled 2680 feet in three holes testing altered volcanics; Canadian Astoria drilled 2000 feet testing mineralized rhyolite; Dominion Gulf completed trenching, mapping and magnetics, and Halkia Mines drilled three short holes. The best gold assay was obtained by R.G. Gilson near Archie Lake in volcanics, assaying 0.13 oz/T Au with pyrite sphalerite and galena. This area as well as the Tasse Lake deformation zone has received very little attention.

The strongest mineralized feature on the Kokoko Property is the Kokoko Iron Formation which is to be considered as one of the prime exploration targets in the claims.

Figure 4 Summary of Past Work on the KoKoKo Property



**SUMMARY OF PAST WORK ON THE KOKOKO PROPERTY**

MAP No.	COMPANY	TWP.	YEAR	TYPE OF WORK	OBJECTIVE/RESULTS	Assessment File No.	AFRI No.
1	Falconbridge	Chambers Cynthia	1997-98	geophysics Mag and HLEM approx 80 km diamond drilling total 1804 m -10 holes with assays and geochem analysis	test HLEM anomalies, graphite horizons, sulphides I.E., alteration, silicification, py and po common VMS model evaluation		
2	Ag Arseno	Chambers	1998	geophysics Mag and HLEM approx. 100 km diamond drilling with assays and geochemical	a few weak conductors drill tested, several magnetic highs volcanic environment with diss sulphides		
3	Copperfields	Chambers	1971	geological mapping	investigate gabbroic bodies		31M04SW0154 31M04SW0151
4	R.G. Gilson	Chambers	1971	trenching south shore Archie Lake	heavily mineralized volcanic suite with py, sphal, galena, chalcopy, 0.13 oz/1 Au, qtz vein, qtz. Porphyry, trace Ag		31M04SW0148 31M04SW9747
5	Goldroy Mines	Chambers	1963	diamond drilling total 2680 feet (3 holes)	detected altered volcanics, ZnS, PbS, calcopy, diss. and massive py, silicification, chlorite alteration		
6	Canadian Astoria	Chambers	1956	diamond drilling total 2,000 feet (10 holes) note: vague drill hole logs	mineralized rhyolite, quartz stringers, Feldspar porphyry py and po		
7	Dominion Gulf	Chambers Cynthia	1952	trenching 2927 feet over 5 cross-sections I.E. geological mapping and magnetic survey	sulphide occurrences common approx 60 km grid - drilling I.E. recommended		
8	Halkin Mines	Chambers	1952	3 short holes length 210 assays	best trace Ag, 0.40% Pb, 4.00% Zn, 0.15% Cu (no details)		

Note: See AFRI No. under Geology Ontario [www.mndm.gov.on.ca/mndm/mines/geology/ontario/datasets.asp](http://www.mndm.gov.on.ca/mndm/mines/geology/ontario/datasets.asp)  
(Actual report can be viewed)



Partheon Ventures Ltd.		
Geology Map Kokoko Property Temagami, Ontario		
John R. Poloni & Associates Ltd.		
Drawn by: R. Kovalev	Checked by: G. Chiriac	Plan No. 6
Scale: (see bar scale)	Date: June 10, 2011	

# Geology Legend

## Schedule A

### LEGEND

#### PHANEROZOIC

##### CENOZOIC<sup>a</sup>

###### QUATERNARY

###### PLEISTOCENE AND RECENT

Swamp and stream deposits, till, sand and gravel.

###### UNCONFORMITY

##### PALEOZOIC<sup>b</sup>

###### CAMBRIAN (1)

12 Carbonate.<sup>‡</sup>

###### INTRUSIVE CONTACT

##### PRECAMBRIAN<sup>b</sup>

###### LATE PRECAMBRIAN

###### MAFIC INTRUSIVE ROCKS

11a Olivine diabase (Sudbury type).  
11b Granophyric diabase.<sup>‡</sup>  
11c Intrusive breccia.<sup>‡</sup>

###### INTRUSIVE CONTACT

###### MIDDLE PRECAMBRIAN

###### MAFIC INTRUSIVE ROCKS

(Nipissing type)

10a Quartz diabase, gabbro.  
10b Pegmatitic gabbro, diorite.

###### INTRUSIVE CONTACT

###### HURONIAN SUPERGROUP

###### COBALT GROUP

###### GOWGANDA FORMATION

9 Unsubdivided.  
9a Greywacke, siltstone, argillite.  
9b Feldspathic quartzite.  
9c Polymictic paraconglomerate, minor pebbles and boulders conglomerate.  
9d Sedimentary breccia.<sup>‡</sup>

###### UNCONFORMITY

##### EARLY PRECAMBRIAN (ARCHEAN)

###### MAFIC INTRUSIVE ROCKS

8 Unsubdivided.  
8a Altered diorite and gabbro (dikes).  
8b Chlorite mafic dikes.  
8c Biotite and hornblende-rich lamprophyre.

###### INTRUSIVE CONTACT

###### INTERMEDIATE TO FELSIC INTRUSIVE ROCKS

###### GRANITIC PLUTONIC ROCKS

7 Unsubdivided.  
7a Porphyritic quartz monzonite.  
7b Quartz monzonite.  
7c Quartz monzonite, trondhjemite (border phase).<sup>‡</sup>  
7d Trondhjemite.  
7e Hornblende-trondhjemite, quartz diorite.<sup>‡</sup>  
7f Hornblende-quartz diorite, trondhjemite.<sup>‡</sup>  
7g Chlorite trondhjemite.<sup>‡</sup>  
7h Quartz diorite, granodiorite (conglomerated phases).  
7i Fine-grained leucogranite.<sup>‡</sup>  
7c Aplite, pegmatite.<sup>‡</sup>  
7m Hybrid rocks, agmatite, migmatite.

###### INTRUSIVE CONTACT

##### HYPABYSSAL FELSIC INTRUSIVE ROCKS<sup>d</sup>

6a Quartz porphyry.  
6b Quartz-feldspar porphyry.

###### INTRUSIVE CONTACT

##### INTERMEDIATE TO ULTRAMAFIC INTRUSIVE ROCKS

5 Unsubdivided.  
5a Diorite, quartz diorite (Broom Island diorite).  
5b Altered gabbro, quartz gabbro (Tonogami Island gabbro).<sup>‡</sup>  
5c Gabbro, diorite and altered equivalents.  
5d Serpentine, pyroxene, peridotite.  
5e Quartz diorite.  
5f Anorthositic gabbro.<sup>‡</sup>

###### INTRUSIVE CONTACT

##### METAVOLCANICS AND METASEDIMENTS<sup>e</sup>

###### DETRITAL METASEDIMENTS

4 Unsubdivided.  
4a Lithic greywacke, siltstone.  
4b Siltstone, slate (argillitic in part).  
4c Conglomerate, volcanic conglomerate.  
4d Tuffaceous sandstone.

###### IRON FORMATION<sup>g</sup>

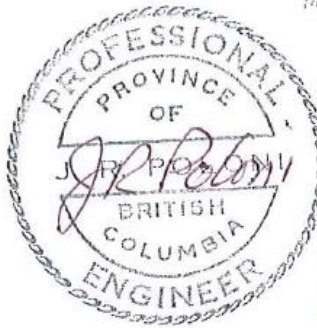
3 Unsubdivided.  
3a Banded silicate-oxide facies.  
3b Sulphide facies.

##### FELSIC TO INTERMEDIATE METAVOLCANICS

2 Unsubdivided.  
2a Rhyolite.  
2b Rhyolite, dacite, minor andesite.<sup>f</sup>  
2c Felsic volcanic breccia, tuff-breccia, minor agglomerate.  
2d Felsic tuff, lapilli-tuff.  
2e Carbonatized, sheared metavolcanics.  
2f Intermediate volcanic breccia, tuff-breccia.  
2g Intermediate lapilli tuff, crystal tuff.

##### MAFIC TO INTERMEDIATE METAVOLCANICS

1 Unsubdivided.  
1a Massive to foliated andesite and basalt.  
1b Porphyritic andesite and basalt.  
1c Pillowed mafic flows.  
1d Fine-grained amphibolite, hornfels.  
1e Anorthositic basalt and andesite.  
1g Massive, coarse-grained amphibolite.  
1i Mafic lapilli-tuff, agglomerate.



Pantheon Ventures Ltd.		
Geology Map Legend Kokoko Property Tonogami, Ontario		
John R. Poloni & Associates Ltd.		
Drawn by: M. Kovtchko	Checked by: G. Chitwood	Schedule A
Scale: (see bar scale)	Date: June 10, 2011	

## **Company Exploration**

The initial geophysical surveying was completed during the period April 11 – September 15, 2007. Fifty-eight line km. of grid was established by Theberge Linecutting (chain saw cut lines) with geophysical surveys utilizing magnetic and electromagnetic methods being undertaken by Meegwich Consultants Inc. Reports were completed by D. Laronde, a graduate in Geology Engineering Technology - 1979 Cambrian College in Sudbury.

### **Survey Grid: Meegwich Inc. - Contract**

For the 2007 – 2008 surveys, two grid were established, the Tasse Lake and the Ferrim Lake. Meegwich Inc. completed geophysical surveys over both grids. Quantec Geoscience Inc. established IP/Resistivity surveys over two smaller grid areas of the Ferrim Lake Grid, Ferrim Lake Grid #1 and Ferrim Lake Grid #2. Compilation Plan #13 indicates the location of the particular grid areas.

In undertaking the 2010 – 2011 geophysical surveys the original grids were enlarged to expand areas of exploration interest and also to establish assessment credits. Plan #7, 2010 – 2011 Survey Grids shows the grid enlargement.

A total of 39.5 km. of line was cut and surveyed on the two grids (Ferrim Lake Grid – 24.5km. and Tasse Lake Grid 15.0 km.).

### **Magnetometer Survey: Meegwich Inc. - Contract**

For both surveys 2007/2008 and 2011, Gem Systems GSM-19 Overhauser magnetometers Serial No. 58479 were used: 11,600 readings at 5m. spacing in 2007/2008; 3950 readings at 10m. spacing in 2011 were taken. An EDA Omni IV base station was used to monitor and correct for diurnal variation in both survey periods.

### **Ferrim Lake Grid**

For the Ferrim Lake Grid, the KoKoKo iron formation appears as an intense linear magnetic high trending southeast with widths ranging between 100 – 300 meters and a length of 2.4 km. in both surveys.

### **Tasse Lake Grid**

For the Tasse Lake Grid the background range is 800-900nt. mostly underlain by a volcanic suite of rocks. In the south east section of the grid area, an intense, semi-massive magnetic high with values ranging up to 17,000 – 20,000nt. could be suggestive of pyrrhotite or other highly magnetic mineralogy related to an ultrabasic intrusive body

### **Horizontal Loop EM: Meegwich Inc. - Contract**

For the 2007/2008 survey an Apex Maxmin II unit serial #1174 was used with three frequencies being read: 444, 1777 and 3555 Hz and for the 2011 survey an Apex Maxmin I unit Serial #5309 was used and two frequencies read: 440 and 1760 Hz. Coil spacing for both surveys was 150m. with station readings taken at 25 meter intervals.

### **Ferrim Lake Grid**

The Ferrim Lake Grid was covered by a total of 1720 readings over 43km. of survey in the 2007/2008 and 1232 readings over 30.8km. in 2011.

In 2007/2008, eight conductors were detected in this survey A, B, C, D, E, F, G, and H. Conductors A-D appear to be related to the KoKoKo iron formation with conductor A extending for one kilometer at the southern limits of the grid necessitating grid extension and additional geophysics. Conductor B is similar to A, at 500m. north, with strong conductivity confined to a length of 600m. Conductor C is to the east of A and B and extends for 700 meters while Conductor D, a multiple anomaly, appears to be directly related to the iron formation. Conductor E is interpreted as being fault related. Conductors F and G are situated within older volcanic rocks in close proximity to a quartz porphyry contact and could represent a sulphide source. Conductor H is a weak response with magnetic association possibly related to sulphides within a mafic to ultramafic intrusion.

The 2011 HLEM survey defined six conductors with conductor A being continuous for 1.2 km. along the southern flank of the iron formation; conductor B being similar only weaker and closely associated to A; conductor C and C-1 being weak irregular electromagnetic responses, related to magnetite in the iron formation with C-1 being an interpreted section faulted from C; and conductor D and D-1 being strong and 800 meters in length with D-1 possibly being faulted from D.

The Tasse Lake Grid showed little response from the HLEM survey with conductor E being suggestive of a lake bottom sediment anomaly.

#### **IP Resistivity Survey: Quantec Geoscience Inc. - Contract**

The survey was completed by a Quantec Geoscience Inc. crew of six people, for a period of 14 survey days covering areas of one square km. for the Ferrim Lake Grid #1 and 0.48 square km. for the Ferrim Lake Grid #2. Plans 9-13 are included in Appendix 1 of the report covering the surveys.

During the period May 7-20, 2008, Quantec Geoscience Inc. completed 19.875 line kilometers of survey covering the two Ferrim Lake Grids. Apparent resistivity and total chargeability results were defined and realsection displays completed. Results were reported by Quantec Geoscience Inc. in July, 2008.

For this survey an IP Receiver (Iris Elrec IP-6 6-Channel/Time Domain); IP Transmitter (Phoenix IPT-1, 3KW/75-1200V output); and IP Power supply (MG-2, 2KVA Leece-Neville, 60V, 3-phase 400HZ) were used. The RX dipole spacing and sampling intervals were 25 meters with measurement accuracy and repeatability being: -Chargeability – generally less than +/- 0.5mv/v but acceptable to +/- 1.0 mv/v; Resistivity – less than 5% cumulative error from Primary voltage and Input current measurements. Two survey grids were covered, the Ferrim Lake Grids #1 and #2. For the Ferrim Lake Grid #1 apparent resistivity ranged from less than 1000 ohm-m to almost 100,000 ohm-m with chargeability results ranging from less than 5 mv/v to 30 mv/v. For the Ferrim Lake Grid #2 apparent resistivity ranges from approximately 2000 ohm-m to 30,000 ohm-m with chargeability ranging from less than 5mv/v to almost 30 mv/v.

Several moderate to strong chargeability anomalies have been delineated on the Ferrim Lake Grid #1, having coincidence with apparent resistivity signatures generally lower than the surrounding area. Anomalies A, B, C, D, E, F & G range in chargeability from 22.0 – 29.7 mv/v. Anomaly C is the strongest and most extensive (greater than 25 mv/v). Multiple gradient Realsection surveys were completed on Line 2000E to further define this anomaly with depth. An increase in total magnetic field suggests that magnetic mineralization contributes to the chargeability anomaly. Anomaly B, in part, coincides with an electromagnetic conductor from previous work. A similar relationship may exist with anomalies D, E and G.

Survey results for the Ferrim Lake Grid #2 have delineated apparent resistivity ranging from 2,000 ohm-m to 30,000 ohm-m with apparent chargeability being 5mv/v to almost 30 mv/v. Three anomalous zones are indicated from the survey, A, B and C. Anomaly A, located at 800E, 3137N has a chargeability of 23.55 mv/v, Anomaly B, located at 900E, 3300N has a chargeability of 27.25 mv/v and is in proximity to an electromagnetic conductor from previous surveys; and Anomaly C located at 1300E, 2575N having a chargeability of 29.9 mv/v. Anomaly C is the strongest anomaly on this grid. The axis of an electromagnetic conductor as indicated from previous EM surveys is located north of Anomaly C.

Quantec completed Realsections over areas of the Ferrim Grids so as to define apparent chargeability and resistivity over depths from surface to as much as 300 meters. The results of the work reflect features which are related to variations of overburden, lithology, alteration, mineralization and structure.

Horizontal Loop (Maxmin), and magnetic surveys indicated the presence of several conductors as described in Sections 12.2 and 12.3.

The IP Resistivity surveys have defined a total of 10 anomalies which in part, are shown to have some relationship with previous anomalies or are in close proximity to them.

## **Drilling**

The History section contains information about previous drilling. There has not been any drilling on any of the areas comprising the Kokoko Property by the Company.

## **Sample Method and Approach**

No samples were collected by the Author.

## **Sample Preparation Analysis and Security**

Not pertinent, as no samples were collected.

## **Data Verification**

Exploration consisting of line grid establishment, geophysical surveys of magnetometer, IP Resistivity, HLEM, and geological reconnaissance was completed by qualified geologists and engineering technicians under the supervision of the Author. Data verification has been limited to reading and referencing Governmental reports, examination of historical assessment reports for reasonability, and a review of contractor reports that were prepared for the Company.

The Author was employed at Sherman Mine as Chief Geologist/Engineer from 1966-68 and also in mill operations at Temagami Copper Mine (Teck Corporation) prior to attending university and is thus familiar with the Temagami area of the Province of Ontario. The Author is confident that any information included in the Technical Report is accurate and reliable and can be used as a basis for the planning and undertaking of future exploration.

## **Adjacent properties**

The Ontario Geological Survey Map 2361, Sudbury-Cobalt at a scale of 1"=4 miles shows the location of numerous Cu, Ni, Pb, Zn, Au, Co and iron formation occurrences within the Temagami Greenstone Belt. Known reserves and resources are Teck Copperfield (Cu, Au), Diadem deposit (Cu, Ni), Kanichee deposit (Cu, Ni, Au, Pt, Pd), and the Leckie prospect (Au). Iron formation along the northside of the northeast arm of Temagami Lake was the local of extensive production at Sherman Mine in recent history.

The Author has not been able to verify definitive information on these properties and the information is not necessarily indicative of the mineralization that is on the Kokoko Property.

## **Mineral Processing and Metallurgical Testing**

Due to the nature of the surveys undertaken no mineral processing or metallurgical testing has been undertaken by the Company, and there is no history of any having been undertaken in the past.

## **Mineral Resource and Mineral Reserve Estimates**

No mineral resource or mineral reserves are presently known to occur on the Kokoko Property but the Kokoko Iron occurrence could be established as a mineral resource with additional exploration, including systematic drill testing and trenching.

## **Other Relevant Data and Information**

The Temagami Greenstone Belt consisting of Archean metavolcanic-metasedimentary rocks, averages about 13 kilometres wide and 29 kilometres long with the dominant structure being, a north-easterly trending syncline modified by the emplacements of granitic plutons. The belts northerly extension parallels the westerly side of Rib Lake then stretching in a westerly direction towards Mountain Lake. Numerous base metal and precious metal deposits and occurrences are known, some of which have become producers. Exploration in the area was halted for a period from 1974 until September 1996 when the Temagami Land Caution was in effect. After lifting of the

Temagami Land Caution, mineral exploration activity was renewed and several of the known mineral occurrences and deposits are being re-examined and evaluated.

In April 2001 the Provincial Government released regional maps of potential KIM grains, (kimberlite indicator mineral grains G10 and D1 chromites) which identify an anomaly near Rib Lake northeast of the claims.

### **Interpretation and Conclusions**

The Kokoko Property lies within the west extension of the Temagami Greenstone metallogenic belt which hosts a prolific number of mineral occurrences, two of which have become producer, Temagami Copper Mine and Sherman Mine. The occurrences consist of a wide variety of mineral assemblages, with base metals being of prime significance. Gold is known as a resource at the Leckie prospect east of the Kokoko Property and has been sampled on the south shore of Archie Lake on the claims (0.13 oz/t Au).

Historical exploration on the property has included geological reconnaissance, trenching and sampling, geophysical surveys of magnetics, HLEM, IP Resistivity, and diamond drilling between 1952 – 1998.

Data density is sparse but reliability of work by major mining companies should be good – ie: Falconbridge, Copperfields, etc. Recent surveys undertaken as part of the Company's program completed by Meegwich Inc. and Quantec Geoscience Inc. are considered detailed and professional although not extensive over much of the Kokoko Property. The targets involved require additional testing. In defining targets, geophysical interpretation was concentrated on HLEM, Magnetics and IP Resistivity where conductive zones and magnetics show coincidence, which is an indicator of disseminated to massive sulphides. Based on the concept of shear hosted and magmatic sulphide targets, both HLEM and IP Resistivity have achieved some success which could indicate valued exploration targets.

In particular, the Tasse Lake Deformation zone covered by the Company's Kokoko Property is described by Bennett, 1978, Report 163 O.G.S. as consisting principally of ankerized and sheared rhyolite containing numerous occurrences of lenses and seams of pyrite which contain gold and silver. The magnetometer survey completed by the company outlined a series of strong magnetic high anomalies trending east-west which could represent ultra-mafic or gabbro units similar to those at the Kanichee Mine to the east.

The Kokoko Iron Formation covered in part by the Ferrim Lake grid has characteristics similar to the iron deposits mined at Sherman Mine (1967-1990). This occurrence was well outlined by the magnetic survey completed by the contractor. Eight HLEM/Maxmin conductors were outlined ranging from fair to high strengths with four being directly related to the iron formation.

In April 2001, the Provincial Government released regional maps of the potential KIM (Kimberlite Indicator Mineral) grains, G10 and D1 chromites which identify an anomaly near Rib Lake northeast of the claims. Temex and Sudbury Contact have discovered Kimberlites in the area within the Temiskaming structural zone.

It appears that the exploration completed by the Company has been successful in meeting the original objectives of the surveys in locating targets of Temagami type zones as defined by geophysical methods which may be indicators of disseminated to massive sulphide and quartz stringer mineralization and also defining targets on the Kokoko iron formation.

### **Exploration and Development**

Based upon the recommendations of the Author in the Technical Report, the Company intends to carry out the Phase 1 exploration program with respect to the Kokoko Property as set out below:

#### **Phase I**

Camp cost, food, supplies, transportation	\$ 3,000.00
Survey Grid extensions	\$ 5,000.00
Geophysical Surveys	\$ 25,000.00

Power stripping and washing	\$ 3,000.00
Rock sampling, assaying	\$ 5,000.00
Geological Mapping	\$ 8,000.00
Diamond Drilling 1000m @\$120.00/metre	\$120,000.00
Drill Core Assays	\$ 15,000.00
Report and Engineering	\$ 20,000.00
Contingencies	<u>\$ 20,000.00</u>

**Total Phase I** **\$224,000.00**

As at the date of this Prospectus, the Company has expended \$50,000 on the recommended Phase 1 work program.

In addition to Phase 1, the Technical Report also recommends a Phase 2 drilling program as set out in the Technical Report, subject to success in Phase 1. At this time, the Company intends to complete the Phase 1 program and if results are satisfactory and if the Company obtains additional funds, the Company may proceed with the Phase 2 drilling program. The Company can offer no assurance, however, that the results from Phase 1 will warrant completion of Phase 2 or that the Company will obtain the funds necessary to complete Phase 2.

## USE OF PROCEEDS

### Funds Available and Principal Purposes

The estimated net proceeds to be received by the Company from the Offering will be \$590,400 after deducting the Agent's Commission of \$75,000, the balance of the estimated remaining costs of the Offering estimated at \$65,000 and the balance of the Corporate Finance Fee of \$19,600 from the gross proceeds of the Offering of \$750,000. As the Company had a working capital deficiency of \$87,141 as at July 31, 2011, the Company anticipates there will be total available funds of approximately \$503,259 after the Offering. The Company expects to use the total funds available set forth above for the purposes described below:

	Offering
Complete recommended Phase 1 exploration program on the Kokoko Property <sup>(1)</sup>	\$174,000
General and administrative costs for next 12 months <sup>(2)</sup>	\$80,000
Long Term Debt Interest expense <sup>(3)</sup>	\$11,025
Unallocated working capital	\$238,234
<b>TOTAL:</b>	<b><u>\$503,259</u></b>

#### Notes:

- (1) The Technical Report recommends a Phase 1 exploration program of \$224,000, of which \$50,000 had been expended by the Company as at the date of this Prospectus, thereby leaving a balance of approximately \$174,000 to be expended on the Kokoko Property.
- (2) Please see the table below for a description of the estimated administrative costs of the Company for the next 12 month period.
- (3) Pursuant to a loan agreement with Cameron Watt, a director of the Company, dated June 26, 2011, the Company is required to pay interest on a principal sum of \$220,500 at the prime rate of interest plus 2%. See "Material Contracts"

Upon completion of the Offering, the Company estimates that its working capital will be sufficient to meet its administrative costs and exploration expenditures for the 12 month period following the Closing Date. Administrative costs for the 12 month period following the Closing Date are comprised of the following:

General and Administrative Costs for 12 Month Period Following the Closing Date	(\$)
Transfer Agent, Listing, Filing and Legal Fees	\$35,000
Accounting and Auditing	\$20,000
Office and Miscellaneous	\$15,000
Travel	\$10,000
<b>TOTAL:</b>	<b><u>\$80,000</u></b>

### Business Objectives and Milestones

The Company's sole intended business objective and milestone following the Offering is to complete the Phase 1 exploration program on the Kokoko Property. Based upon the recommendations of the Author in the Technical

Report, the Company intends to carry out the Phase 1 exploration program with respect to the Kokoko Property as set out below.

### **Phase I**

Camp cost, food, supplies, transportation	\$ 3,000.00
Survey Grid extensions	\$ 5,000.00
Geophysical Surveys	\$ 25,000.00
Power stripping and washing	\$ 3,000.00
Rock sampling, assaying	\$ 5,000.00
Geological Mapping	\$ 8,000.00
Diamond Drilling 1000m @\$120.00/metre	\$120,000.00
Drill Core Assays	\$ 15,000.00
Report and Engineering	\$ 20,000.00
Contingencies	<u>\$ 20,000.00</u>

**Total Phase I** **\$224,000.00<sup>(1)</sup>**

- (1) The Technical Report recommends a Phase 1 exploration program of \$224,000, of which \$50,000 had been expended by the Company as at the date of this Prospectus, thereby leaving a balance of approximately \$174,000 to be expended on the Kokoko Property.

The Company intends to spend a significant portion of the funds available to it for the Kokoko Property, as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary. The Company intends to complete the Phase 1 exploration program by the end of the calendar year 2011.

## **DIVIDENDS OR DISTRIBUTIONS**

### **Dividends**

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following discussion of the operating results and financial position of the Company should be read in conjunction with the audited financial statements and related notes as at and for the years ended September 30, 2010, 2009 and 2008, and the unaudited interim financial statements and related notes for the nine months ended June 30, 2011, included in and forming part of this Prospectus. The Company's financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The information below is as at August 30, 2011 (unless otherwise specified below).

### **Overview**

The Company is engaged in the business of mineral exploration in Canada and its objective is to locate and, if warranted, develop economic mineral properties. The Company holds an option on an exploration stage property pursuant to the Kokoko Option Agreement. The Kokoko Property is the sole property of the Company at this time, and the Company seeks to list its Common Shares on the Exchange with the Kokoko Property as its qualifying property.

### **Overall Performance**

Following incorporation on December 28, 2006, the Company capitalized itself through the issuance of securities on a private placement basis. The Company raised an aggregate of \$301,250 through the issuance of its securities and used approximately \$346,974 in exploration expenditures with respect to the Kokoko Property. The Company holds an option on the Kokoko Property, an exploration stage property, and has not generated revenues to date.

Management anticipates that it will incur considerably more expenses following the Offering and the listing of the Common Shares on the Exchange. These funds will include increased professional fees necessary to comply with applicable securities rules and increased exploration fees as the Company carries out expenditures on the Kokoko Property in anticipation of exercising the option contemplated under the Option Agreement.

### Selected Financial Information

The following table sets out selected financial information for the Company for each of the fiscal years ended September 30, 2010, 2009 and 2008 and for the nine months ended June 30, 2011. The selected financial information should only be read in conjunction with the Company's financial statements, including the notes thereto, included elsewhere in this Prospectus.

#### *Statement of Operations, Comprehensive Loss and Deficit Data*

	<b>Nine Months Ended June 30, 2011 (\$) (unaudited)</b>	<b>Year Ended September 30, 2010 (\$) (audited)</b>	<b>Year Ended September 30, 2009 (\$) (audited)</b>	<b>Year Ended September 30, 2008 (\$) (audited)</b>
Revenue	Nil	Nil	Nil	Nil
Total Expenses	58,474	33,429	28,863	32,224
Future Income Tax Recovery	Nil	7,600	7,800	8,400
Net income (loss) and comprehensive loss for the period	(58,474)	(25,829)	(21,063)	(23,824)
Earnings (loss) per share, basic and diluted	(0.01)	(0.01)	(0.01)	(0.01)

#### *Balance Sheet Data*

	<b>June Months Ended June 30, 2011 (\$) (unaudited)</b>	<b>As at September 30, 2010 (\$) (audited)</b>	<b>As at September 30, 2009 (\$) (audited)</b>
Current Assets	10,840	6,974	10,615
Total Assets	462,294	317,172	243,966
Current Liabilities	115,471	132,375	40,740
Long Term Debt	220,500	Nil	7,600
Shareholders' Equity	126,323	184,797	195,626

As an exploration stage company, the Company has not generated revenue from its property interest and does not anticipate it will do so for the foreseeable future. The Company currently only holds an option on one mineral property. Management anticipates that expenses related to mineral exploration and administration of the Company will materially increase following closing of the Offering. Management anticipates that such expenses will include increased exploration expenditures with respect to the Kokoko Property in accordance with the Option Agreement and increased professional fees, and other costs associated with compliance with applicable securities laws following closing of the Offering.

## Results of Operations

### *Nine Months Ended June 30, 2011 Compared to Nine Months Ended June 30, 2010*

During the nine months ended June 30, 2011, the Company generated no revenues and incurred total expenses of \$58,474 compared to \$15,981 in the nine months ended June 30, 2010. During the nine months ended June 30, 2011, the Company spent \$67,543 in exploration expenditures compared to \$Nil during the nine months ended June 30, 2010. Expenses consisted of professional fees of \$20,700 (2010 - \$11,296), management fees of \$Nil (2010 - \$1,500), and office and miscellaneous of \$2,623 (2010 - \$3,185) and interest on long term debt of \$151 (2010 - Nil). The net loss for the nine months ended June 30, 2011 was \$58,474 compared to a net loss of \$15,981 in the nine months ended June 30, 2010. Professional fees in the period were higher than last year due to legal and audit costs associated with the Company's proposed initial public offering. There were no management fees compared to the comparative period because the Company had ceased payment of management fees to certain former directors. The Company incurred interest expense in the period under the terms of a loan agreement entered into as of June 26, 2011 whereas the Company had no interest obligations on its debt in the same period of 2010.

### *Fiscal Year Ended September 30, 2010 Compared to Fiscal Year Ended September 30, 2009*

During the fiscal year ended September 30, 2010, the Company generated no revenue and incurred total expenses of \$33,429 compared to generating no revenue and incurring total expenses of \$28,863 in the fiscal year ended September 30, 2009. During the fiscal year ended September 30, 2010, the Company spent \$6,080 in exploration expenditures compared to \$11,601 during the fiscal year ended September 30, 2009. Expenses consisted of professional fees of \$28,296 (2009 - \$14,283), management fees of \$1,500 (2009 - \$7,500), and office and miscellaneous costs of \$3,633 (2009 - \$1,080). Professional fees in the period were higher than last year due to legal and audit costs associated with the Company's proposed initial public offering. Management fees were lower than in the comparative period because the Company had ceased payment of management fees to certain former directors. The net loss for the fiscal year ended September 30, 2010 was \$25,829. Management anticipates that expenses will materially increase following the Closing Date including mineral exploration costs, administration costs and professional costs. Following the closing of the Offering, the Company intends to carry out the Phase 1 exploration program as set out in the Technical Report, incur increased administrative costs as set out in the heading "Use of Proceeds" and incur increased professional costs as the Company complies with applicable securities laws.

### *Fiscal Year Ended September 30, 2009 Compared to Fiscal Year Ended September 30, 2008*

During the fiscal year ended September 30, 2009, the Company generated no revenue and incurred total expenses of \$28,863 compared to generating no revenue and incurring total expenses of \$32,224 in the fiscal year ended September 30, 2008. During the fiscal year ended September 30, 2009, the Company spent \$11,601 in exploration expenditures compared to \$15,000 during the fiscal year ended September 30, 2008. Expenses consisted of management fees of \$7,500 (2008 - \$12,180), professional fees of \$14,283 (2008 - \$11,970), rent \$6,000 (2008 - \$6,000), and office and miscellaneous costs of \$1,080 (2008 - \$2,074). The net loss for the fiscal year ended September 30, 2009 was \$21,063 compared to a net loss of \$23,824 for the fiscal year ended September 30, 2008.

## Summary of Quarterly Results

The Company is not a reporting issuer and has not prepared quarterly financial statements.

## Liquidity

As at June 30, 2011, the Company had cash of \$1,394 compared to cash of \$5,023 as at September 30, 2010. As at June 30, 2011, the Company had a working capital deficit of \$104,631 compared to a working capital deficit of \$125,401 as at September 30, 2010. As the Company will not generate funds from operations for the foreseeable future, the Company is primarily reliant upon the sale of equity securities in order to fund operations. Since inception, the Company has funded limited operations through the issuance of equity securities on a private placement basis. This has permitted the Company to carry out limited exploration on its Kokoko Property and address preliminary costs associated with the Offering. The Company anticipates that the estimated net proceeds of

\$590,400 from the Offering will be sufficient to satisfy the Company's cash requirements during the next 12 month period.

### **Capital Resources**

As set out under the heading "Use of Proceeds", the Company anticipates spending \$174,000 to carry out the remainder of the Phase 1 exploration program on the Kokoko Property, \$80,000 to cover anticipated administrative costs for the next 12 month period and approximately \$238,234 for unallocated general working capital. The Company cannot offer any assurance that expenses will not exceed management's expectations. The Company will require additional funds and will be dependent upon its ability to secure equity and/or debt financing, the availability of which cannot be assured.

Although the Company currently has limited capital resources, management currently believes that, following the closing of the Offering, the Company will not have to rely upon the sale of its equity and/or debt securities for cash required to fund operations for the next 12 month period, other than as disclosed in this Prospectus. The Company is required to incur an additional \$150,000 of exploration expenditures on or prior to December 29, 2011 under the Option Agreement which amount is expected to be satisfied by completion of the recommended Phase 1 exploration program.

### **Off Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements.

### **Transactions with Related Parties**

During the fiscal years ended September 30, 2010, 2009 and 2008, the following transactions with related parties occurred:

- a) The Company paid or accrued management fees of \$1,500 (2009 - \$7,500, 2008 - \$12,180) to Mauro Baessato and Jeff Poloni, former directors of the Company.
- b) The Company received funds advanced for share subscriptions of \$Nil (2009 - \$10,000, 2008 - \$10,000) from a former director of the Company.
- c) Accounts payable and accrued liabilities of the Company include \$500 (2009 - \$Nil) payable to a company, MGA Capital Corp., controlled by Mitchell Adam, a director of the Company and \$Nil (2009 - \$500) payable to a former director of the Company.
- d) The Company has \$50,000 (2009 - \$Nil, 2008 - \$Nil) due to Cameron Watt, a director of the Company.

During the nine months ended June 30, 2011, the following transaction with related parties occurred:

- a) Paid or accrued management fees of \$Nil (June 30, 2010 - \$1,500) to Mauro Baessato and Jeff Poloni, former directors of the Company.
- b) Accounts payable and accrued liabilities include \$11,500 (September 30, 2010 - \$500) payable to MGA Capital Corp., a company controlled by Mitchell Adam a director of the Company.
- c) The Company entered into a loan agreement with Cameron Watt, a director of the Company, as described below.

On June 26, 2011, the Company has entered into a loan agreement with Cameron Watt (the "Loan Agreement"), a director of the Company with respect to a loan in the principal amount of \$220,500 which has previously been advanced to the Company by Mr. Watt. The Loan Agreement provides for an interest rate of prime rate plus 2%

and interest is accrued on a daily basis and payable on the last day of each month. As of June 30, 2011, interest of \$151 (September 30, 2010 - \$Nil) has been accrued on the loan. Full repayment of the loan is due on July 1, 2014. The terms of the Loan Agreement permit the Company to repay the principal amount at any time and from time to time without bonus, penalty or premium.

As at the date of this Prospectus, Cameron Watt, a director of the Company, had advanced \$18,500 in addition to the principal amount owing pursuant to the Loan Agreement, which additional amount is not subject to the terms of the Loan Agreement.

As at the date of this Prospectus, the account payable to MGA Capital Corp., a company controlled by Mitchell Adam, a director of the Company had increased from \$6,500 as at December 31, 2010, to \$11,500 as at the date of this Prospectus.

The transactions with related parties were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the parties. Other than the amount owing to Cameron Watt pursuant to the Loan Agreement, the amounts due to related parties are non-interest bearing, with no fixed terms of repayment.

### **Significant Accounting Policies**

A detailed summary of all of the Company's significant accounting policies is included in Note 2 to the financial statements included in and forming part of this Prospectus.

#### ***Future Changes in Accounting Standards***

##### *Business combinations; consolidated financial statements; and non-controlling interests*

The CICA issued three new accounting standards in January 2009: Section 1582 – Business combinations; Section 1601 – Consolidated financial statements; and Section 1602 – Non-controlling interests. These standards will be effective for fiscal years beginning after January 1, 2011 (the Company's 2012 fiscal year). Early adoption of these standards is permitted. The Company is in the process of evaluating the potential effects of the requirements of these new standards.

Section 1582 replaces Section 1581 and establishes standards for the accounting for a business combination and essentially provides the Canadian equivalent of International Financial Reporting Standards IFRS 3 – Business Combinations.

Sections 1601 and 1602 together replace Section 1600 – Consolidated financial statements. Section 1601 establishes the standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary within consolidated financial statements subsequent to a business combination and is substantially equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27 – Consolidated and separate financial statements.

##### *International financial reporting standards ("IFRS")*

In 2006, the CICA published a strategic plan that outlines the convergence of GAAP with IFRS over an expected five year transitional period. In February 2008, the CICA announced that 2011 is the year during which publicly-listed companies are to use IFRS. The transition date of October 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended September 30, 2011. While the Company is assessing the effects of adopting IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

The Company expects its first financial statements presented in accordance with IFRS to be for the three month period ended December 31, 2011, which includes presentation of its comparative results for the same period in 2010 under IFRS. In order to prepare for the changeover to IFRS, the Company has developed an IFRS conversion plan comprised of various phases as follows:

**Preliminary Planning and Scoping** – This phase involves development of an internal diagnostic review designed to understand, identify and assess the overall effort required to produce financial information under IFRS. The review will include high level consideration of the impacts of IFRS on the Company's consolidated financial statements, internal control over financial reporting and information systems. Based on management's preliminary review and current Company processes, minimal impact is expected on information systems. The IFRS diagnostic review includes a high level impact assessment of IFRS, as relevant to the Company. This initial assessment will identify standards of high or medium priority to the Company. The Company will assess any such changes required as a component of its detailed Impact Assessment phase and update its IFRS conversion plan as appropriate.

**Detailed Impact Assessment** - This phase involves detailed review of IFRS relevant to the Company and identification of all differences between existing Canadian GAAP and IFRS that may or will result in accounting and/or disclosure differences in the Company's consolidated financial statements, along with quantification of impact on key line items and disclosures. The phase includes identification, evaluation and selection of accounting policies necessary for the Company's conversion to IFRS. The Company will complete a detailed review of IFRS relevant to the Company and identification of key differences. The Company expects to complete this phase in through the remainder of fiscal 2011.

**Implementation** - This phase will embed the required changes for conversion to IFRS into the underlying financial close and reporting process and business process. This will include finalization and approval of accounting policy changes, collection of financial information necessary to prepare IFRS compliant financial statements, implementation of additional internal controls, and preparation and approval of completed IFRS financial statements. The IFRS changeover is expected to impact the presentation and/or valuations of balances and transactions in the Company's, however continued progress on the IFRS conversion plan is necessary before the Company is able to describe or quantify those effects.

### ***Impact of Adopting IFRS***

The adoption of IFRS will result in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements.

The following provides a summary of the Company's evaluation to date of potential changes to accounting policies in key areas. This summary is intended only to highlight the areas the Company believes to be most significant based on its evaluations to date, and is not necessarily a complete list of changes that will result from adoption of IFRS.

In addition, the International Accounting Standards Board has significant ongoing projects related to potential changes to IFRS that could affect the potential for changes to the Company's current accounting policies on adoption of IFRS.

***Impairment of (Non-financial) Assets*** — IFRS requires a write down of assets if the higher of the fair market value and the value in use of a group of assets is less than its carrying value. Value in use is determined using discounted estimated future cash flows. Current Canadian GAAP requires a write down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value. The Company's accounting policies related to impairment of non-financial assets will be changed to reflect these differences, however the Company does not expect that this change will have an immediate impact to the carrying value of its assets. The Company will perform impairment assessments in accordance with IFRS at the transition date.

***Share-based Payments*** — In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP. The Company does not expect any changes to its accounting policies related to share-based payments that would result in a significant change to line items within its financial statements.

***Asset Retirement Obligations (Decommissioning Liabilities)*** — IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations

that it will take certain actions. The Company's accounting policies related to decommissioning liabilities will be changed to reflect these differences, however the Company does not expect this change will have an immediate impact to the carrying value of its assets.

*Income Taxes* — IFRS contains some different guidance related to recognition and measurement of future (deferred) income taxes. One of those differences relates to accounting for "flow-through" common shares, for which IFRS does not include the same level of specific guidance provided under current Canadian GAAP. The Company has not completed its detailed evaluation of the differences between IFRS and current Canadian GAAP related to accounting for income taxes. These differences could require changes to accounting policies that may impact the Company's financial statements and require adjustments to future (deferred) income taxes and shareholders' equity.

### **Financial Instruments and Other Instruments**

Financial instruments of the Company consist of cash, amounts receivable, accounts payable and accrued liabilities, and amounts due to related parties. Unless otherwise noted, management believes that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The carrying amounts of cash, amounts receivable, accounts payable and accrued liabilities and amounts due to related parties approximate their fair values due to the short-term nature of these instruments.

### **Disclosure of Outstanding Security Data**

#### *Common Shares*

As at September 30, 2010 and the date of this Prospectus, the Company had 4,800,000 Common Shares issued and outstanding.

#### *Stock Options*

As at the date of this Prospectus, the Company had an aggregate of 480,000 Options outstanding. Each Option entitles the holder to acquire one Common Share at the exercise price of \$0.20 per Common Share for a period of ten years from the Listing Date.

#### *Share Purchase Warrants*

As at the date of this Prospectus, the Company had 4,800,000 share purchase warrants outstanding, each warrant of which entitles the holder to acquire one Common Share at the exercise price of \$0.15.

### **Additional Disclosure for Junior Issuers**

The Company anticipates that estimated net proceeds of \$590,400 from the Offering minus an estimated working capital deficiency of \$87,141 as at July 31, 2011 will fund operations for the next 12 month period. Management estimates that the total operating costs necessary for the Company to achieve its stated business objective during the next 12 month period will be \$265,025 leaving unallocated working capital of \$238,234. The operating costs necessary for the Company to achieve its stated business objectives consist of \$174,000 to carry out the remainder of the Phase 1 exploration program on the Kokoko Property and \$80,000 to cover anticipated administrative costs for the next 12 month period. Other than the costs stated above and as required under the Option Agreement, the Company does not anticipate incurring any other material capital expenditures during the next 12 month period.

## **DESCRIPTION OF SECURITIES DISTRIBUTED**

### **Unit Shares**

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value. The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders

of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the board of directors of the Company may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. See "Consolidated Capitalization".

### Unit Warrants

On closing of the Offering, the Company will issue the Unit Warrants to subscribers in the Offering, each of which will entitle the holder to acquire one Common Share at the exercise price of \$0.25 for a period of 24 months from the Closing Date. Until exercised by the holder, the Unit Warrants do not entitle the holder to any dividend rights, rights of liquidation, dissolution or winding-up, or voting rights with respect to election of the Board or other matters generally brought before the shareholders of the Company.

The Unit Warrants are transferable but will not be listed on any stock exchange. Holders of the Unit Warrants will not, as such, have any voting right or other right attaching to the Common Shares until the Unit Warrants are properly exercised and Common Shares issued upon such exercise. No fractional Common Shares will be issued upon the exercise of the Unit Warrants. If any fraction of a Common Share would otherwise be issuable, the number of Common Shares so issued shall be rounded down to the nearest whole Common Share without compensation therefor.

## CONSOLIDATED CAPITALIZATION

The following table sets out the share capitalization of the Company as at the dates specified below.

Description	Authorized	Outstanding as at September 30, 2010	Outstanding as at the date of this Prospectus	Outstanding after giving effect to the Offering
Common Shares	Unlimited	4,800,000 <sup>(1)</sup>	4,800,000 <sup>(1)(2)</sup>	9,800,000 <sup>(3)</sup>

**Notes:**

- (1) See "Prior Sales".
- (2) On an undiluted basis. Does not include any Common Shares issuable upon exercise of the Options or the Private Placement Warrants.
- (3) On an undiluted basis. Does not include any Common Shares issuable upon exercise of the Unit Warrants, Options, Private Placement Warrants Agent's Options or Agent's Warrants.

### Fully Diluted Share Capitalization

Common Shares	Offering of 5,000,000 Units	
	Amount of Securities	Percentage of Total
Issued and outstanding as at the date of this Prospectus	4,800,000	23.2%
Unit Shares reserved for issuance pursuant to the Offering	5,000,000	24.2%
Common Shares reserved for issuance upon the exercise of the Unit Warrants	5,000,000	24.2%
Common Shares reserved for issuance upon exercise of the Private Placement Warrants	4,800,000	23.2%
Common Shares reserved for issuance upon exercise of the Options	480,000	2.3%
Common Shares reserved for issuance upon exercise of the Agent's Options	300,000	1.5%
Common Shares reserved for issuance upon exercise of the Agent's Warrants	300,000	1.5%
<b>Total Fully Diluted Share Capitalization after the Offering</b>	<b>20,680,000</b>	<b>100%</b>

## OPTIONS TO PURCHASE SECURITIES

### Outstanding Options

The following table summarizes the options of the Company that will be outstanding as of the Listing Date.

Name of Optionee	Designation of Securities under Option	Number of Common Shares under Option	Exercise price per Common Share	Expiry Date
Executive officers of the Company as a group (2 persons)	Common Shares	320,000	\$0.20	10 years from the Listing Date <sup>(1)(2)</sup>
Directors of the Company who are not also executive officers as a group (1 person)	Common Shares	160,000	\$0.20	10 years from the Listing Date <sup>(1)(3)</sup>
<b>TOTAL:</b>		<b>480,000</b>		

**Notes:**

- (1) These Options will be exercisable from the Listing Date to the date that is 10 years from the Listing Date.
- (2) Mitchell Adam (Chief Executive Officer, President and Secretary) and David Grandy (Chief Financial Officer) have each been granted 160,000 Options.
- (3) Cameron Watt has been granted 160,000 Options.

All of the Options listed in the table above have been granted pursuant to the Option Plan. The Option Plan was adopted by the Company's board of directors on August 15, 2010. The purpose of the Option Plan is to advance the interests of the Company and its shareholders and subsidiaries by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Company of high caliber and potential and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of its stock. The Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance, set aside and made available for issuance under the Option Plan may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of options (including all options granted by the Company to date). The number of Common Shares which may be reserved in any 12 month period for issuance to any one individual upon exercise of all stock options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company at the time of the grant. The number of Common Shares which may be reserved in any 12 month period for issuance to any one consultant may not exceed 2% of the issued and outstanding Common Shares and the maximum number of Common Shares which may be reserved in any 12 month period for issuance to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding Common Shares of the Company. The Option Plan provides that options granted to any person engaged in investor relations activities will vest in stages over 12 months with no more than ¼ of the stock options vesting in any three month period.

The Option Plan will be administered by the Board or a special committee of directors, either of which will have full and final authority with respect to the granting of all stock options thereunder. Stock options may be granted under the Option Plan to such directors, officers, employees or consultants of the Company, as the board of directors may from time to time designate.

The exercise price of any stock options granted under the Option Plan shall be determined by the Board, but may not be less than the market price of the Common Shares on the Exchange on the date of the grant (less any discount permissible under Exchange rules). The term of any stock options granted under the Option Plan shall be determined by the Board at the time of grant but, subject to earlier termination in the event of termination or in the event of death, the term of any stock options granted under the Option Plan may not exceed ten years. Options granted under the Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. Subject to certain exceptions, in the event that a director or officer ceases to hold

office, options granted to such director or officer under the Option Plan will expire 90 days after such director or officer ceases to hold office.

Subject to certain exceptions, in the event that an employee, or consultant ceases to act in that capacity in relation to the Company, stock options granted to such employee, consultant or management company employee under the Option Plan will expire 90 days after such individual or entity ceases to act in that capacity in relation to the Company.

Stock options granted to optionees engaged in investor relations activities on behalf of the Company expire 30 days after such optionees cease to perform such investor relations activities for the Company. In the event of death of an option holder, options granted under the Option Plan expire the earlier of one year from the date of the death of the option holder and the expiry of the term of the option.

### PRIOR SALES

The following table summarizes all sales of securities of the Company since the date of incorporation:

Date of Issue	Price per Security	Number of Securities
March 26, 2010	\$0.05	300,000 Primary Private Placement Units
February 1, 2010	\$0.05	200,000 Primary Private Placement Units
March 8, 2008	\$0.055	1,000,000 Primary Private Placement Units
December 15, 2007	\$0.05	2,175,000 Primary Private Placement Units
December 30, 2006	\$0.10	1,125,000 Flow Through Private Placement Units

### ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at the date of this Prospectus, the Common Shares and Private Placement Warrants subject to contractual restriction and escrow are as shown in the following table:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Shares	3,005,000 <sup>(1)</sup>	62.6% <sup>(2)</sup>
Private Placement Warrants	3,005,000 <sup>(3)</sup>	62.6% <sup>(4)</sup>

**Notes:**

- (1) An aggregate of 1,680,000 of these Common Shares are held under the Escrow Agreement in accordance with NP 46-201. The Escrow Agent is Computershare Services Inc. Additionally, 500,000 of these Common Shares are held under the Seed Share Resale Restrictions Pooling Agreement with Computershare Services Inc. as the Escrow Agent and 825,000 of these Common Shares are held under the Voluntary Pooling Agreement with W. L. Macdonald Law Corporation as the Pooling Agent.
- (2) Based on 4,800,000 Common Shares issued and outstanding as at the date of this Prospectus.
- (3) An aggregate of 1,680,000 of these Private Placement Warrants are held under the Escrow Agreement in accordance with NP 46-201. The Escrow Agent is Computershare Services Inc. Additionally, 500,000 of these Private Placement Warrants are held under the Seed Share Resale Restrictions Pooling Agreement with Computershare Services Inc. as the Escrow Agent and 825,000 of these Private Placement Warrants are held under the Voluntary Pooling Agreement with W. L. Macdonald Law Corporation as the Pooling Agent.
- (4) Based on 4,800,000 Private Placement Warrants issued and outstanding as at the date of this Prospectus.

## Escrow Agreement

NP 46-201 provides that all shares of an issuer owned or controlled by its Principals will be escrowed at the time of the issuer's initial public offering, unless the shares held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal collectively represent less than 1% of the total issued and outstanding shares of the issuer after giving effect to the initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer" as those terms are defined in NP 46-201.

Uniform terms of automatic timed release escrow apply to Principals of exchange listed issuers, differing only according to the classification of the issuer. As the Company anticipates that its Common Shares will be listed on the Exchange, it will be classified as an "emerging issuer". As such, the following automatic timed releases will apply to the securities held by its Principals:

<b>Date of Automatic Timed Release</b>	<b>Amount of Escrowed Securities Released</b>
On the Listing Date	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities
36 months after the Listing Date	The remaining escrowed securities

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

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

Pursuant to the terms of the Escrow Agreement, 168,000 Common Shares will be released from escrow on the Listing Date.

## Seed Share Resale Restrictions Pooling Agreement

An aggregate of 500,000 Common Shares and 500,000 Primary Private Placement Warrants (the "SSRR Securities") issued pursuant to the Primary Private Placement in February and March 2010, are subject to resale restrictions under Exchange Policy 5.4 *Escrow, Vendor Consideration and Resale Restrictions* ("Policy 5.4") as they were issued at less than the Offering Price and have been held for less than one year. In accordance with Policy 5.4, the holder of the SSRR Securities has entered into the Seed Share Resale Restrictions Pooling Agreement pursuant to which the SSRR Securities will be subject to a four month hold period commencing on the Listing Date with 20% of the SSRR Securities released each month with the first release on the Listing Date.

## Voluntary Pooling Agreement

Additionally, certain shareholders of the Company who acquired an aggregate of 825,000 Common Shares and 825,000 Private Placement Warrants (the "Pooled Securities") at a price of \$0.01 per Common Share pursuant to

share transfer agreements and who are not also insiders of the Company, have entered into the Voluntary Pooling Agreement pursuant to which their Pooled Securities will be held in escrow for a period of 12 months from the Listing Date with 20% of such Pooled Securities released on the Listing Date and 20% every three months thereafter.

## PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Company, as of the date of this Prospectus no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Common Shares except for the following:

Prior to the Offering			After Giving the Effect to the Offering		
Name	Number of Common Shares Held and Type of Ownership	Percentage of Common Shares Held <sup>(1)</sup>	Number of Common Shares Held <sup>(2)</sup>	Percentage of Common Shares Held after giving effect to the Offering <sup>(3)</sup>	Percentage of Common Shares Owned After Giving Effect to the Offering on a Fully Diluted Basis <sup>(4)</sup>
Mitchell Adam	800,000 (direct and beneficial)	16.7%	800,000	8.2%	3.9%
Cameron Watt	880,000 (direct and beneficial)	18.3%	880,000	9.0%	4.3%
Talia Alexander	640,000 (direct and beneficial)	13.3%	640,000	6.5%	3.1%
Scott Jeffrey	500,000 (direct and beneficial)	10.4%	500,000	5.1%	2.4%

**Notes:**

- (1) Based on 4,800,000 Common Shares issued and outstanding on the date of this Prospectus.  
(2) Assuming these individuals do not subscribe for any Units under the Offering or exercise any Options.  
(3) Based on 9,800,000 Common Shares issued and outstanding, assuming issuance of the Unit Shares.  
(4) Based on 20,680,000 Common Shares issued and outstanding, assuming completion of the Offering, exercise of the Unit Warrants, the Private Placement Warrants, Options, the Agent's Options and the Agent's Warrants.

## DIRECTORS AND EXECUTIVE OFFICERS

### Name, Occupation and Security Holdings

The following table provides the names, municipalities of residence, position, principal occupations and the number of voting securities of the Company that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof:

Name and Municipality of Residence and Position with the Company	Director Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly <sup>(1)</sup>
Mitchell Adam Vancouver, B.C. Canada  <i>Chief Executive Officer, President, Secretary and Director</i>	February 10, 2010	President, MGA Capital Corp., a private consulting firm	800,000  16.7%

David Grandy <sup>(2)</sup> Vancouver, B.C. Canada  <i>Chief Financial Officer and Director</i>	March 1, 2010	Consultant, International Standard Consulting Corp., a private consulting firm	Nil
Cameron Watt <sup>(2)(3)</sup> Vancouver, B.C. Canada  <i>Director</i>	February 10, 2010	Real Estate Developer	880,000  18.3%
Thomas Clarke <sup>(3)</sup> Vancouver, B.C. Canada  <i>Director</i>	April 29, 2011	Chief Executive Officer of Twillar Resources Limited, a private geological consulting firm	Nil
Victor McCall <sup>(2)(3)</sup> Dallas, TX, USA  <i>Director</i>	March 1, 2010	Lawyer	Nil

**Notes:**

- (1) Percentage is based on 4,800,000 Common Shares issued and outstanding as of the date of this Prospectus and does not include Options to purchase Common Shares held by directors and executive officers. See "Options to Purchase Securities".
- (2) Denotes a member of the Audit Committee of the Company.
- (3) Denotes an independent director.

The term of office of the directors expires annually at the time of the Company's annual general meeting. The term of office of the executive officers expires at the discretion of the Company's directors. None of the Company's directors or executive officers have entered into non-competition or non-disclosure agreements with the Company.

As at the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercised control or discretion over an aggregate of 1,680,000 Common Shares of the Company, which is equal to 35.0% of the Common Shares issued and outstanding as at the date hereof.

**Background**

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date hereof, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

*Mitchell Adam – Director, President, Chief Executive Officer and Secretary, 42 years old* – Mr. Adam is currently the President of MGA Capital Corp., a private consulting firm founded by Mr. Adam in 2008. Mr. Adam is also currently and has been since May 2009 the President and director of Bonterra Resources Inc., a TSX Venture listed junior mining company (TSXV:BTR) exploring for minerals in Quebec and British Columbia. Mr. Adam has also since June 2009 been the President and a director of Weststar Resources Corp., a TSX Venture listed junior mining company (TSXV:WER). In January, 1989, Mr. Adam completed the Canadian Securities Course. Mr. Adam is also a director of a number of other TSX Venture listed companies. Mr. Mitchell will devote 20% of his time to the affairs of the Company.

*David Grandy – Director and Chief Financial Officer, 44 years old* – Mr. Grandy is currently President of International Standard Consulting Corp. and has been since 2000, a consultant for International Standard Consulting Corp. Mr. Grandy holds a Bachelor of Arts degree from Memorial University in St. John's, Newfoundland. Mr. Grandy will devote 15% of his time to the affairs of the Company.

*Cameron Watt – Director, 49 years old* – Mr. Watt is a self-employed real estate developer and currently owns and operates the Keefer Hotel in Vancouver British Columbia. Mr. Watt has been involved in a number of other commercial real estate ventures over the last 12 years. Prior thereto, Mr. Watt spent ten years founding and operating the Canadian Springs Water Company in Vancouver, British Columbia. Mr. Watt holds a Bachelor of Arts degree from the University of British Columbia. Watt will devote 15% of his time to the affairs of the Company.

*Thomas Clarke – Director, 36 years old* – Mr. Clarke has diverse experience in mineral exploration working on gold, platinum group metal, molybdenum-tungsten deposits. He has worked as a geologist in five countries (Canada, South Africa, Madagascar, Russia and Guyana) and five Canadian provinces and territories for various public and private resource companies. Mr. Clarke is currently the Chief Executive Officer of Twillar Resources Limited, a private geological consulting firm. Previously, Mr. Clarke served as Chairman and CEO of Nanoose Gold Limited, a private company, from its inception in February 2007 until its acquisition by Golden Share Mining Corporation, a TSX Venture listed mining company, in October 2010. From October 2010 to February 2011 Mr. Clarke served as a director of Golden Share Mining Corporation. He is registered as a Qualified Person (Professional Natural Scientist-Geoscience) as per NI 43-101 with the South African Council for Natural Scientific Professions. Mr. Clarke holds a Bachelor of Science (Honours) in Geology and a Master of Science in Geology from the University of Witwatersrand in South Africa. Mr. Clarke is also a director of a number of other TSX Venture listed companies.

*Victor McCall – Director, 48 years old* – Mr. McCall is currently and has been since January 1998 an attorney with The McCall Law Firm, PC. Mr. McCall was previously a director of AM Gold Inc., formerly, Acero-Martin Exploration, Inc., a TSX Venture listed junior mining company (TSXV:AMG). Mr. McCall holds a law degree from Baylor Law School in Waco, Texas. Mr. McCall will devote 15% of his time to the affairs of the Company.

#### **Corporate Cease Trade Orders or Bankruptcies**

No director or executive officer of the Company is, as at the date of this Prospectus, or was within ten years before the date hereof, a director, Chief Executive Officer or Chief Financial Officer of any company, including the Company, that:

- (i) was subject to a cease trade order, an order similar to cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or
- (ii) was subject to an a cease trade order, an order similar to cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer.

#### **Penalties or Sanctions**

No director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement with a regulatory authority; or
- (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

## Bankruptcies

No director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (i) is, as at the date of this Prospectus, or has been within the ten years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (ii) has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 the director, executive officer or shareholder.

## Conflicts of Interest

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

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

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company. The directors and officers of the Company are directors and officers of other companies, some of which are in the same business as the Company. In particular, Mr. Adam will be devoting 20% of his time to the affairs of the Company and the remaining directors and officers will be devoting 15% of their respective time to the affairs of the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

## EXECUTIVE COMPENSATION

The Company was not a reporting issuer at any time during the fiscal year ended September 30, 2010, the Company's most recently completed financial year. Accordingly, and in accordance with Form 51-102F6 *Statement of Executive Compensation* ("**Form 51-102F6**"), the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to Named Executive Officers of the Company, once the Company becomes a reporting issuer, to the extent this compensation has been determined.

For the purposes hereof, the term Named Executive Officer, or NEO, means each Chief Executive Officer, each Chief Financial Officer and each of the Company's three most highly compensated executive officers, other than the Chief Executive Officer and the Chief Financial Officer, who were serving as executive officers as at the end of the Corporation's most recently completed financial period ended September 30, 2010 and whose total salary and bonus

exceeds \$150,000 and any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the Company's most recently completed financial year.

### **Compensation Discussion and Analysis**

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. With a view to minimizing its cash expenditures not directed at the exploration of the Kokoko Property, the emphasis in compensating the Named Executive Officers has been the grant of incentive stock options as set forth below. The type and amount of future compensation to be paid to NEOs and directors has not been determined.

### **Option Based Awards**

During the fiscal year ended September 30, 2010, the Company implemented the Option Plan in order to provide effective incentives to directors, officers, senior management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's shareholders. The Company has no equity incentive plans other than the Option Plan. The size of stock option grants is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success.

During the fiscal year ended September 30, 2010, the Company granted, effective on the Listing Date, an aggregate of 320,000 Options to NEOs to purchase Common Shares (480,000 Options to all Directors of the Company). Each Option entitles the holder to acquire one Common Share of the Company at a price of \$0.20 for a period of ten years from the Listing Date. See "Options to Purchase Securities".

### **Defined Benefit Plans**

The Company does not have any defined benefit or actuarial plan.

### **Termination And Change Of Control Benefits**

The Company does not have any contracts, agreements, plans or arrangements in place with any NEOs that provides for payment following or in connection with any termination (whether voluntary, involuntary or constructive) resignation, retirement, a change of control of the Company or a change in an NEOs responsibilities.

### **Director Compensation**

The Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. As with the Named Executive Officers, the Board intends to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Company.

During the fiscal year ended September 30, 2010, the Company granted, effective on the Listing Date, 160,000 Options to Cameron Watt, a current director of the Company, each Option of which entitles Mr. Watt to acquire one Common Share for the exercise price of \$0.20 per Common Share for the period from the Listing Date until expiry on the date that is ten years from the Listing Date.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

### Aggregate Indebtedness

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

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

Other than as disclosed herein, or other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5, no directors or executive officers of the Company, and associates of such directors or executive officers are or were indebted to the Company as at the date of this Prospectus.

## AUDIT COMMITTEE AND CORPORATE GOVERNANCE

### Audit Committee

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110, NI 41-101 and Form 52-110F2 require the Company, as an IPO venture issuer, to disclose certain information relating to the Company's audit committee and its relationship with the Company's independent auditors.

### Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Prospectus.

### Composition of Audit Committee

The members of the Company's Audit Committee are:

Victor McCall	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
David Grandy	Not Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Cameron Watt	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

#### Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Mr. Grandy is not independent, as he is the Chief Financial Officer of the Company.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

### Relevant Education and Experience

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and

complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and

- (c) an understanding of internal controls and procedures for financial reporting.

See "Directors and Executive Officers" for further details.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### **Pre-Approval Policies and Procedures**

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

### **External Auditor Service Fees**

The fees billed by the Company's external auditors in each of the last two fiscal years for audit and non-audit related services provided to the Company or its subsidiaries (if any) are as follows:

<b>Financial Year End</b>	<b>Audit Fees</b>	<b>Audit Related Fees<sup>(1)</sup></b>	<b>Tax Fees<sup>(2)</sup></b>	<b>All other Fees<sup>(3)</sup></b>
September 30, 2010	\$7,500	Nil	Nil	Nil
September 30, 2009	\$7,500	Nil	Nil	Nil

#### **Notes:**

- (1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.  
 (2) Fees charged for tax compliance, tax advice and tax planning services.  
 (3) Fees for services other than disclosed in any other column.

### **Exemption**

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which states that the Company, as an IPO Venture Issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

## **CORPORATE GOVERNANCE**

### **General**

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. NP 58-201 provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the

Company. In addition, NI 58-101 prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

### **Board of Directors**

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. The Board is comprised of five (5) directors: Mitchell Adam, David Grandy, Cameron Watt, Thomas Clarke and Victor McCall. As the size of the Board is small, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company.

Mr. Adam is not independent as he is the Chief Executive Officer, President and Secretary of the Company. Mr. Grandy is not independent as he is the Chief Financial Officer of the Company. Messrs. Watt, Jackson and McCall are independent.

### **Directorships**

Currently, the following directors are also directors of the following other reporting issuers:

Mitchell Adam	Bonterra Resources Inc. Quantum Rare Earth Resources Corp. Weststar Resources Corp. Highpointe Exploration Inc.
Thomas Clarke	Bonterra Resources Inc. Weststar Resources Corp.

### **Orientation and Continuing Education**

New Board members receive an orientation package which includes reports on operations and results, and any public disclosure filings by the Company, as may be applicable. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

### **Ethical Business Conduct**

The Board 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 an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation**

The Board is responsible for determining compensation for the directors of the Company to ensure it reflects the responsibilities and risks of being a director of a public company.

### **Other Board Committees**

The Board has no committees, other than the Audit Committee.

### **Assessments**

Due to the minimal size of the Board, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

## **PLAN OF DISTRIBUTION**

### **Unit Offering**

The Company, through its Agent, is offering 5,000,000 Units for sale to the public under this Prospectus at a price of \$0.15 per Unit. Each Unit consists of one (1) Unit Share and one (1) transferable Unit Warrant. Each Unit Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.25 per Common Share for a period of twenty-four (24) months from the Closing Date. The completion of this Offering is subject to a minimum subscription of 5,000,000 Units.

The Agent for the Offering is Jordan Capital Markets Inc. The Agent, or registered sub-agents who assist the Agent in the distribution of the Units, conditionally offers these securities for sale on a commercially reasonable efforts basis, subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the Agency Agreement and subject to the approval of certain legal matters on behalf of the Company by Macdonald Tuskey and on behalf of the Agent by Thomas Rondeau LLP. Subscriptions for the Units offered hereunder 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. The Offering will remain open until such date as may be agreed upon by the Company and the Agent, but no later than the date that is 90 days after a receipt is issued by the principal regulator pursuant to NP 11-202 for the Prospectus, unless an amendment to the final Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the final Prospectus. Notwithstanding the above, the total period of the Offering must not end more than 180 days from the date of the initial receipt for the final Prospectus. All funds received from subscriptions will be held in trust until the Closing Date. Certificates representing the Unit Shares and Unit Warrants will be available for delivery to the Agent at the closing of the Offering. If the minimum subscription is not attained on or before 90 days following the issuance of the final receipt for this Prospectus or, if any amendment to the final Prospectus has been filed and a receipt has been issued for such amendment, within 90 days of the issuance of the receipt for the amendment to the final Prospectus and, in any event, not later than 180 days after the issuance of a receipt for the final Prospectus, all funds raised hereunder will be returned to subscribers without interest or deduction.

Pursuant to the Agency Agreement, the Agent will be paid the Agent's Commission equal to 10% of the gross proceeds from the sale of the Units pursuant to the Offering. In addition, the Company will pay the Agent the Corporate Finance Fee and pay the Agent for the Agent's expenses, including the Agent's legal fees in connection with the Offering. This Prospectus qualifies for distribution the Unit Shares and the Unit Warrants.

The Agent will also receive non-transferable Agent's Options equal to 6% of the number of Units sold under the Offering. The Agent's Options will entitle the holder to purchase Agent's Units a purchase price of \$0.15 per Unit at any time up to the close of business 24 months from the Closing Date. Each Agent's Unit is comprised of one Agent's Share and one Agent's Warrant, Each Agent's Warrant entitles the holder to purchase one Agent's Warrant Share at a price of \$0.15 per Agent's Warrant Share at any time up to the close of business 24 months from the Closing Date.

This prospectus qualifies the distribution of the Agent's Options and the distribution of the Agent's Units issuable upon exercise of the Agent's Options.

The obligations of the Agent under the Agency Agreement may be terminated prior to the Listing Date at the Agent's discretion based on its assessment of the state of the financial markets or upon the occurrence of certain other stated events (including the occurrence of a material adverse change with respect to the Company). In addition, the Agency Agreement may terminate if a final receipt for the Prospectus is not issued on or before the date as may be agreed upon by the Company and the Agent.

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

### **Determination of Price**

The price of the Offering was established through negotiation between the Company and the Agent based upon several factors, including the history of, and prospects for, the Company's business, and the industry in which it competes, and an assessment of the Company's management, operations and financial results.

### **Listing of Common Shares**

The Company has applied to list its issued and outstanding Common Shares, the Unit Shares distributed under this Prospectus and all other Common Shares issuable as described in this Prospectus on the TSX Venture Exchange. Listing of the Company's Common Shares will be subject to the Company fulfilling all of the listing requirements of the Exchange. The Unit Warrants will not be listed on the Exchange.

### **IPO Venture Issuer**

As at the date of the 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 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. See "Risk Factors".

## **RISK FACTORS**

### **General**

The Company is in the business of exploring and, if warranted, developing mineral properties, which is a highly speculative endeavor. A purchase of any of the securities offered hereunder involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities offered hereunder should not constitute a significant portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective Subscribers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the securities offered hereunder.

### **Limited Operating History**

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned by the Company. The purpose of the Offering is to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties optioned by the Company in the near future or at all. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and you may lose your investment.

### **Speculative Nature of Mineral Exploration**

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and 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 funds required for development can be obtained on a timely basis.

### **Acquisition Of Additional Mineral Properties**

If the Company loses or abandons its interest in the Kokoko Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

### **Commercial Ore Deposits**

The Kokoko Property is in the exploration stage only and is without a known body of commercial ore. Development of this property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

### **Uninsurable Risks**

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

### **Permits And Government Regulations**

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Kokoko Property.

### **Dilution**

Purchasers of the Units will experience immediate and substantial dilution in net tangible book value per Common Share of \$0.04273 or 28.5%. The Company may in the future grant to some or all of its key employees and consultants options to purchase Common Shares at exercise prices equal to market prices at times when the public

market is depressed. To the extent that significant numbers of such options are granted and exercised, the interests of then existing shareholders of the Company will be subject to additional dilution.

### **Environmental And Safety Regulations And Risks**

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

### **Key Person Insurance**

The Company does not maintain key person insurance on any of its directors or officers, and in result the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

### **Mineral Titles**

The claims on the Kokoko Property have not been legally surveyed. The Kokoko Property may be subject to prior unregistered agreements, transfers or claims and title may be affected by undetected defects. The Company is satisfied, however, that evidence of title to the Kokoko Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Kokoko Property. The Company may face challenges to the title to the Kokoko Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

### **First Nations Land Claims**

The Kokoko Property or other properties optioned by the Company may in the future be the subject of first nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the properties optioned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties optioned by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the properties optioned by the Company.

### **Loss of Interest In Properties**

The Company's ability to maintain an interest in the properties optioned by the Company will be dependent on its ability to raise additional funds by equity financing. The Company is required to incur an additional \$150,000 of expenditures on or prior to December 29, 2011 under the Option Agreement. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep the property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the Kokoko Property.

**Fluctuating Mineral Prices**

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

**Competition**

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

**Management**

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

**Financing Risks**

The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties optioned by the Company. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the property optioned by the Company, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

**Resale of Common Shares**

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

**Price Volatility of Publicly Traded Securities**

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of Common Shares distributed hereunder will be affected by such volatility. There is no public market for the Common Shares. An active public market for the Common Shares might not develop or be sustained after the Offering. The initial public offering price of the

Common Shares has been determined by negotiations between the Company and representatives of the Agent and this price will not necessarily reflect the prevailing market price of the Common Shares following the Offering. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial public offering price.

### **Conflicts of Interest**

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the British Columbia *Business Corporations Act*. Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

- Participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
- No commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

### **Tax Issues**

Income tax consequences in relation to the Units and the Unit Shares will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers prior to subscribing for the Units.

### **Dividends**

The Company does not anticipate paying any dividends on its Common Shares in the foreseeable future.

## **PROMOTER**

Mitchell Adam may be considered to be the Promoter of the Company in that he took the initiative in organizing the business of the Company.

Other than as disclosed above, no person who was a Promoter of the Company:

1. received anything of value directly or indirectly from the Company;
2. sold or otherwise transferred any asset to the Company within the last 2 years;
3. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO;
4. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the person ceased to be a director, CEO or CFO and which resulted from an event that occurred while the person was acting in the capacity as director, CEO or CFO;

5. is at of the date hereof, or was within 10 years before the date hereof, a director or executive officer of any person or company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;
6. has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 the person;
7. has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
8. has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
9. has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

## **LEGAL PROCEEDINGS**

### **Legal Proceedings**

The Company is not currently a party to any legal proceedings, nor is the Company currently contemplating any legal proceedings, which are material to its business. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

### **Regulatory Actions**

From incorporation to the date of this Prospectus, management knows of no:

- (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;
- (ii) other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and
- (iii) 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 noted in this Prospectus, from incorporation on December 28, 2006 to the date of this Prospectus, none of the following persons or companies has had any material interest, direct or indirect, in any transaction which has materially affected or is reasonably expected to materially affect the Company:

- (a) any director or executive officer of the Company;

- (b) any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class or series of the Company's outstanding voting securities; and
- (c) any associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

As noted in the sections entitled "Material Contracts" and "Directors and Executive Officers", the directors and executive officers have entered into subscription agreements and stock option agreements with respect to the issuance of Common Shares and Options, respectively. See "Material Contracts".

### **RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT**

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

### **AUDITORS**

The auditors of the Company are Davidson & Company LLP, Chartered Accountants, at 1200 – 609 Granville Street, Pacific Centre, Vancouver, B.C. V7Y 1G6.

### **REGISTRAR AND TRANSFER AGENT**

The registrar and transfer agent of the Company is Computershare Investor Services at 510 Burrard Street, 3<sup>rd</sup> Floor Vancouver, B.C. 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 from incorporation on December 28, 2006 to the date of this Prospectus which are currently in effect and considered to be currently material:

1. The Option Agreement dated December 29, 2006 as amended and restated on February 17, 2010;
2. The Registrar and Transfer Agent Agreement dated June 21, 2010;
3. Stock option certificates dated August 18, 2010 for each of Mitchell Adam, David Grandy and Cameron Watt;
4. The Escrow Agreement dated March 4, 2011;
5. The Seed Share Resale Restrictions Pooling Agreement dated March 4, 2011;
6. The Voluntary Pooling Agreement dated March 4, 2011; and
7. The Loan Agreement between the Company and Cameron Watt dated June 26, 2011.

A copy of any material contract and the Technical Report may be inspected during distribution of the Units being offered under this Prospectus and for a period of 30 days thereafter during normal business hours at the Company's offices at Suite 4006 - 1011 West Cordova Street, Vancouver, British Columbia V6C 0B2.

### **LEGAL MATTERS**

Certain legal matters related to the Offering have been passed upon on behalf of the Company by Macdonald Tuskey Corporate and Securities Lawyers and on behalf of the Agent by Thomas, Rondeau LLP.

## **EXPERTS**

### **Names of Experts**

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

Davidson & Company LLP, Chartered Accountants, auditors of the Company, who prepared the audit report on the Company's audited financial statements included in and forming part of this Prospectus.

The Technical Report on the Kokoko Property was prepared by John Poloni, P.Eng. of British Columbia. Mr. Poloni has no interest in the Company, the Company's securities or the Kokoko Property.

Certain legal matters relating to the Offering will be passed upon on behalf of the Company by Macdonald Tuskey. At the date hereof, the principal and associates of Macdonald Tuskey do not own beneficially, directly or indirectly, any class of securities of the Company.

Davidson & Company, LLP, Chartered Accountants is the auditor of the Company. Davidson & Company LLP has informed the Company that it is independent of the Company within the meaning of the rules of professional conduct of the Institute of Chartered Accountants of British Columbia (ICABC).

### **Interests of Experts**

Other than as disclosed herein, none of the persons set out under the heading "Experts – Names of Experts" have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person prepared the report, valuation, statement or opinion aforementioned or thereafter.

## **OTHER MATERIAL FACTS**

Other than as disclosed in this Prospectus, there are no other material facts about the securities being distributed pursuant to this Offering that are not disclosed under any other items and are necessary in order for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Units to be distributed.

## **LIST OF EXEMPTIONS**

As contemplated by Part 19 of NI 41-101 *General Prospectus Requirements*, the Company has applied for and has received exemptive relief from the requirement to file its final prospectus 90 days from April 14, 2011 pursuant to section 2.3(1) of NI 41-101.

## **RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in the Provinces of British Columbia, Alberta and Ontario 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 some provinces, the securities legislation further provides a purchaser with remedies for rescission, revisions of the price, or damages if this Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

**FINANCIAL STATEMENTS**

Audited financial statements of the Company for each of the three fiscal years ended September 30, 2010, 2009 and 2008 and unaudited financial statements of the Company for the period ended June 30, 2011, are included in this Prospectus.

## Schedule "A"

### Audit Committee Charter

The following Audit Committee Charter was adopted by the Audit Committee of the Board of Directors and the Board of Directors of Pantheon Ventures Ltd. (the "Company")

#### *Mandate*

The primary function of the audit committee (the "Committee") is to assist the Company's Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### *Composition*

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

#### *Meetings*

The Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

#### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### *Documents/Reports Review*

- review and update this Audit Committee Charter annually; and

- review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

#### *External Auditors*

- review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;
- review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,
  - such services were not recognized by the Company at the time of the engagement to be non-audit services, and
  - such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

#### *Financial Reporting Processes*

- in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;

- review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;
- following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- review certification process;
- establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

*Other*

- review any related-party transactions;
- engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- to set and pay compensation for any independent counsel and other advisors employed by the Committee.

**AUDITORS' CONSENT**

We have read the prospectus of Pantheon Ventures Ltd. (the "Company") dated \_\_\_\_\_ relating to the sale and issue of 5,000,000 units at a price of \$0.15 per unit of the Company. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above mentioned prospectus of our report to the directors of the Company on the balance sheets of the Company as at September 30, 2010 and 2009 and the statements of operations, comprehensive loss and deficit, cash flows and changes in shareholders' equity for the years ended September 30, 2010, 2009 and 2008. Our report is dated \_\_\_\_\_.

Vancouver, Canada

Chartered Accountants

DATE



**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Financial Statements**

**September 30, 2010, 2009 and 2008**

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Index to Financial Statements**

**September 30, 2010, 2009 and 2008**

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## **AUDITORS' REPORT**

To the Directors of  
Pantheon Ventures Ltd.

We have audited the balance sheets of Pantheon Ventures Ltd. as at September 30, 2010 and 2009 and the statements of operations, comprehensive loss and deficit, cash flows and changes in shareholders' equity for the years ended September 30, 2010, 2009 and 2008. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2010, 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.

Vancouver, Canada

Chartered Accountants

DATE

**PANTHEON VENTURES LTD.**  
(an exploration stage company)

**Balance Sheets**

**As at September 30**

	<i>2010</i>	<i>2009</i>
<b>ASSETS</b>		
Current:		
Cash	\$ 5,023	\$ 10,005
Receivables	1,951	610
	6,974	10,615
Deferred financing costs	55,767	-
Resource properties (Note 5)	254,431	233,351
	\$ 317,172	\$ 243,966
 <b>LIABILITIES</b>		
Current:		
Accounts payable and accrued liabilities (Note 7)	\$ 82,375	\$ 40,740
Due to related party (Note 7)	50,000	-
	132,375	40,740
Future income tax liabilities (Note 10)	-	7,600
	132,375	48,340
 <b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 6)	266,950	241,950
Share subscriptions received in advance (Note 7)	-	10,000
Deficit	(82,153)	(56,324)
	184,797	195,626
	\$ 317,172	\$ 243,966

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

APPROVED ON BEHALF OF THE BOARD:

/s/ Mitchell Adam Director

/s/ Cameron Watt Director

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

**PANTHEON VENTURES LTD.**  
(an exploration stage company)

**Statements of Operations, Comprehensive Loss and Deficit**  
**Years ended September 30**

	<i>2010</i>	<i>2009</i>	<i>2008</i>
<b>EXPENSES</b>			
General and administrative expenses:			
Management fees ( <i>Note 7</i> )	\$ 1,500	\$ 7,500	\$ 12,180
Office and miscellaneous	3,633	1,080	2,074
Professional fees	28,296	14,283	11,970
Rent	-	6,000	6,000
<b>Loss before income taxes</b>	<b>(33,429)</b>	<b>(28,863)</b>	<b>(32,224)</b>
<b>Future income tax recovery (<i>Note 10</i>)</b>	<b>7,600</b>	<b>7,800</b>	<b>8,400</b>
<b>Loss and comprehensive loss for the year</b>	<b>\$ (25,829)</b>	<b>(21,063)</b>	<b>(23,824)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding</b>	<b>4,596,614</b>	<b>4,300,000</b>	<b>3,513,425</b>

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

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*  
**Statements of Changes in Shareholders' Equity**  
**Years ended September 30**

	<i>Share Capital</i>		<i>Share subscriptions received in advance</i>	<i>Deficit</i>	<i>Shareholders' Equity</i>
	<i>Number of Shares</i>	<i>Amount</i>			
Balance, September 30, 2007	1,125,000	\$ 78,200	\$ 31,050	\$ (11,437)	\$ 97,813
Issued for cash	3,175,000	163,750	(31,050)	-	132,700
Funds advanced for share subscriptions	-	-	10,000	-	10,000
Net loss and comprehensive loss for the year	-	-	-	(23,824)	(23,824)
Balance, September 30, 2008	4,300,000	241,950	10,000	(35,261)	216,689
Net loss and comprehensive loss for the year	-	-	-	(21,063)	(21,063)
Balance, September 30, 2009	4,300,000	241,950	10,000	(56,324)	195,626
Issued for cash	500,000	25,000	(10,000)	-	15,000
Net loss and comprehensive loss for the year	-	-	-	(25,829)	(25,829)
<b>Balance, September 30, 2010</b>	<b>4,800,000</b>	<b>\$ 266,950</b>	<b>\$ -</b>	<b>\$ (82,153)</b>	<b>\$ 184,797</b>

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

**PANTHEON VENTURES LTD.***(an exploration stage company)***Statements of Cash Flows****Years ended September 30**

	<i>2010</i>	<i>2009</i>	<i>2008</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss and comprehensive loss for the year	\$ (25,829)	\$ (21,063)	\$ (23,824)
Item not affecting cash:			
Future income tax recovery	(7,600)	(7,800)	(8,400)
Changes in non-cash working capital			
Increase in receivables	(1,341)	(610)	-
Increase in accounts payable and accrued liabilities	15,868	16,680	7,530
Net cash used in operating activities	<u>(18,902)</u>	<u>(12,793)</u>	<u>(24,694)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Resource properties	<u>(21,080)</u>	<u>(11,601)</u>	<u>(111,750)</u>
Net cash used in investing activities	<u>(21,080)</u>	<u>(11,601)</u>	<u>(111,750)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issuance of common shares	15,000	-	132,700
Deferred financing costs	(30,000)	-	-
Due to related party	50,000	-	-
Share subscriptions received in advance	-	-	10,000
Net cash provided by financing activities	<u>35,000</u>	<u>-</u>	<u>142,700</u>
<b>Increase (decrease) in cash during the year</b>	<b>(4,982)</b>	<b>(24,394)</b>	<b>6,256</b>
<b>Cash, beginning of year</b>	<b>10,005</b>	<b>34,399</b>	<b>28,143</b>
<b>Cash, end of year</b>	<b>\$ 5,023</b>	<b>\$ 10,005</b>	<b>\$ 34,399</b>

Supplementary disclosure with respect to cash flows (*Note 8*)*The accompanying notes are an integral part of these financial statements.*

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Pantheon Ventures Ltd. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on December 28, 2006. Its principal business activities include the investigation and acquisition of natural resource properties and the exploration of such properties.

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

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing on reasonable terms and to commence profitable operations in the future. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. To the extent financing is not available, work commitments, rental payments and option payments may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company. Management is closely monitoring commodity prices of precious metals, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. The financial statements do not include any adjustments to the recoverability and classification of reduced asset amounts and classification of liabilities that might be necessary should the Company be unable to continue.

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	<b>2010</b>	<b>2009</b>
Working capital deficiency	<b>\$(125,401)</b>	\$ (30,125)
Deficit	<b>\$(82,153)</b>	\$ (56,324)

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**2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”) and reflect the following significant accounting policies.

Estimates

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

Significant accounts that require estimates as the basis for determining the stated amounts include resource properties and future income taxes.

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Resource properties

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs relating to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be an impairment. These costs will be amortized on the basis of units produced in relation to the probable and proven reserves available on the related property following commencement of production. Mineral properties which are sold before that property reaches the production stage will have all revenues from the sale of the property credited against the cost of the property. Properties which have reached the production stage will have a gain or loss calculated based on the portion of that property sold. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

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

Asset retirement obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability.

Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the statement of operations. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amount of the liability for an asset retirement obligation and the related asset retirement cost capitalized as part of the carrying amount of the related long-lived asset. The Company does not have any significant asset retirement obligations.

Future income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and losses carried forward. Future tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in operations in the period in which the change is enacted or substantially assured. The amount of future income tax assets is limited to the amount of the benefit that is more likely than not to be realized.

**PANTHEON VENTURES LTD.**

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**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

*Flow-through common shares*

Canadian tax legislation permits a company to issue flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. Recording these expenditures for accounting purposes gives rise to taxable temporary differences. When flow-through expenditures are renounced, a portion of future income tax assets not recognized in previous years, due to the recording of a valuation allowance will be recognized as a recovery of income taxes in the statement of operations.

*Stock-based compensation*

The fair value of stock options is determined using the Black-Scholes option pricing model and recorded as stock-based compensation expense over the vesting period of the related options.

*Basic and diluted loss per share*

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year and does not include outstanding options and warrants. Diluted loss per share is not presented separately from loss per share as the conversion of outstanding stock options and warrants into common shares would be anti-dilutive. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year.

*Impairment of long-lived assets*

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

*Deferred financing costs*

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

**PANTHEON VENTURES LTD.**

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**Notes to Financial Statements**  
**September 30, 2010, 2009 and 2008**

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**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

*Financial instruments - recognition and measurement*

All financial instruments are designated into one of the five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale assets, or other financial liabilities. Financial instruments, included on the balance sheet are measured at fair market value upon inception with the exception of certain related party transactions. Subsequent measurement and recognition of change in the fair value of financial instruments depends on their initial classification. Held-for-trading financial investments and liabilities are measured at fair value and all gains and losses are included in operations in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the asset is removed from the balance sheet. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost using the effective interest method. Amortization of premiums or discounts and losses due to impairment are included in current year net earnings (loss).

The Company classified its cash as held-for-trading which is measured at fair value. Receivables are classified as loans and receivables. Accounts payable and accrued liabilities and due to related party are classified as other liabilities, all of which are measured at amortized cost.

*Comprehensive income*

Comprehensive income is the change in the Company's shareholders' equity that results from transactions and other events from other than the Company's shareholders and includes items that would not normally be included in net earnings, such as unrealized gains and losses on available-for-sale investments. This standard requires certain gains and losses that would otherwise be recorded as part of net earnings to be presented in other "comprehensive income" until it is considered appropriate to recognize into net earnings.

This standard requires the presentation of comprehensive income and its components in a separate financial statement that is displayed with the same prominence as the other financial statements. Accumulated other comprehensive income is presented as a new category in shareholders' equity. The presentation of "accumulated other comprehensive loss" in the shareholders' equity section of the balance sheet is not required because the opening and closing balances are \$Nil.

*Accounting policy changes*

The Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA"):

*i) Goodwill and intangible assets*

The CICA issued Handbook Section 3064, "Goodwill and Intangible Assets", replacing Section 3062, "Goodwill and Intangible Assets", and Section 3450, "Research and Development Costs". This section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The new section was effective for the Company on October 1, 2009 and did not have a significant impact on the financial statements.

**PANTHEON VENTURES LTD.**

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**Notes to Financial Statements**  
**September 30, 2010, 2009 and 2008**

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**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Accounting policy changes *(continued)*

*ii) Financial instruments – disclosures*

In June 2009, the CICA Handbook Section 3862, Financial Instruments – Disclosures (“Section 3862”) was amended to require disclosures about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of cash is based on level 1 inputs of the fair value hierarchy.

**Recent accounting pronouncements**

*Business combinations; consolidated financial statements; and non-controlling interests*

The CICA issued three new accounting standards in January 2009: Section 1582 – Business combinations; Section 1601 – Consolidated financial statements; and Section 1602 – Non-controlling interests. These standards will be effective for fiscal years beginning after January 1, 2011 (the Company’s 2012 fiscal year). Early adoption of these standards is permitted. The Company is in the process of evaluating the potential effects of the requirements of these new standards.

Section 1582 replaces Section 1581 and establishes standards for the accounting for a business combination and essentially provides the Canadian equivalent of International Financial Reporting Standards IFRS 3 – Business Combinations.

Sections 1601 and 1602 together replace Section 1600 – Consolidated financial statements. Section 1601 establishes the standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary within consolidated financial statements subsequent to a business combination and is substantially equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27 – Consolidated and separate financial statements.

*International financial reporting standards (“IFRS”)*

In 2006, the CICA published a strategic plan that outlines the convergence of GAAP with IFRS over an expected five year transitional period. In February 2008, the CICA announced that 2011 is the year during which publicly-listed companies are to use IFRS. The transition date of October 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended September 30, 2011. While the Company is assessing the effects of adopting IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**3. CAPITAL MANAGEMENT**

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the year. The Company does not currently have adequate sources of capital to repay its current liabilities and will need to raise adequate capital by obtaining equity financing or debt financing.

**4. FINANCIAL INSTRUMENTS**

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 potential loss of the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote.

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 September 30, 2010, the Company had cash balances of \$5,023 (2009 - \$10,005) and current liabilities of \$132,375 (2009 - \$40,740). The Company does not have adequate financial resources to settle its current liabilities.

The Company has historically relied on equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing market conditions. With the economy slowly recovering from recession, the Company may continue to face significant challenges in 2011.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash and no interest-bearing debt and therefore is not exposed to risk in the event of interest rate fluctuations.

Currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign currency risk.

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**4. FINANCIAL INSTRUMENTS (continued)**

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected by credit risk, liquidity risk, interest rate risk, currency risk and price risk.

**5. RESOURCE PROPERTIES**

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	Total
Acquisition cost, balance September 30, 2008 and 2009	\$ 25,000
Additions, during the year	<u>15,000</u>
Acquisition cost, balance September 30, 2010	<u>40,000</u>
Deferred exploration costs, September 30, 2008	196,750
Additions, during the year	
Consulting	3,780
Geological	<u>7,821</u>
Deferred exploration costs, September 30, 2009	208,351
Additions, during the year	
Geological	<u>6,080</u>
Deferred exploration costs, end of year	<u>214,431</u>
Ko-Ko-Ko Property, September 30, 2010	<u>\$ 254,431</u>

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**Title to mineral property interests**

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers and rights of ownership may be affected by undetected defects.

**Ko-Ko-Ko Property**

On February 17, 2010 the Company entered into an amended and restated Option Agreement to acquire a 100% interest in certain mineral claims located in Ontario. On February 24, 2011, the Company was granted a partial extension of the \$25,000 option payment due on or before March 1, 2011.

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**5. RESOURCE PROPERTIES *(continued)***

**Ko-Ko-Ko Property *(continued)***

The Option may be exercised by the Company by:

- i) paying the Optionor an aggregate of \$65,000 as follows:
  - a) \$10,000 upon execution of the Letter of Intent (paid);
  - b) an additional \$15,000 on or before December 29, 2007 (paid);
  - c) an additional \$15,000 on or before March 1, 2010 (paid); and
  - d) an additional \$12,500 on or before March 1, 2011 (subsequently paid); and
  - e) an additional \$12,500 on or before April 12, 2011 (subsequently paid).
  
- ii) incurring minimum exploration costs of \$375,000 on the Property, as follows:
  - a) a first phase work program of at least \$150,000 (incurred) on or before December 29, 2010;
  - b) a second phase work program of \$150,000 on or before December 29, 2011; and
  - c) a third phase work program of \$75,000 on or before December 29, 2012.

The Property is subject to a 3% Net Smelter Returns (“NSR”) royalty on mineral production from the property subject to the Company’s right to purchase, at any time on or before twelve (12) months from the commencement of commercial production from the Property, the following portions of the NSR royalty:

- a) one-sixth (1/6) of the NSR royalty from the Optionor for the sum of \$500,000;
- b) an additional one-sixth (1/6) of the NSR royalty from the Optionor for the sum of \$500,000;
- c) an additional one-sixth (1/6) of the NSR royalty from the Optionor for the sum of \$500,000.

**6. SHARE CAPITAL**

Authorized: Unlimited common shares without par value

**September 30, 2010**

The Company issued 500,000 units by way of a private placement at a price of \$0.05 per unit for total proceeds of \$25,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of \$0.15 per common share expiring 24 months from the date of the Company’s listing on the TSX Venture Exchange.

**September 30, 2009**

The Company had no share capital transactions during the year ended September 30, 2009.

**September 30, 2008**

The Company issued 2,175,000 units by way of a private placement at a price of \$0.05 per unit for total proceeds of \$108,750. Each unit consisted of one common share and one share purchase warrant exercisable at a price of \$0.15 per common share expiring 24 months from the date of the Company’s listing on the TSX Venture Exchange.

The Company issued 1,000,000 units by way of a private placement at a price of \$0.055 per unit for total proceeds of \$55,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of \$0.15 per common share expiring 24 months from the date of the Company’s listing on the TSX Venture Exchange.

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**6. SHARE CAPITAL (continued)**

**Warrants**

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	Weighted Average Exercise Price	Outstanding Warrants
Balance, September 30, 2008 and 2009	\$ 0.15	4,300,000
Issued	<u>0.15</u>	<u>500,000</u>
Balance, September 30, 2010	\$ 0.15	4,800,000

---

At September 30, 2010, the Company had the following warrants outstanding:

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Number of Warrants	Exercise Price	Expiry Date
4,800,000	\$ 0.15	24 months from the Company's listing on the TSX Venture Exchange

---

**Stock Options**

The Company has a stock option plan in place under which it is authorized to grant options to executive officers, directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option shall not be less than the discounted market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

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	Weighted Average Exercise Price	Outstanding Options
Balance, September 30, 2008 and 2009	\$ -	-
Granted	<u>0.20</u>	<u>480,000</u>
Balance, September 30, 2010	\$ 0.20	480,000
Options exercisable, September 30, 2010	\$ -	-

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**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**6. SHARE CAPITAL (continued)**

**Stock Options (continued)**

At September 30, 2010, the Company had the following options outstanding:

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Number of Options	Exercise Price	Expiry Date
480,000	\$ 0.20	10 years from the Company's listing on the TSX Venture Exchange

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**7. RELATED PARTY TRANSACTIONS**

During the year ended September 30, 2010, the Company incurred the following charges with related parties that include directors or companies with common directors of the Company as follows:

- a) Paid or accrued management fees of \$1,500 (2009 - \$7,500, 2008 - \$12,180) to former directors of the Company.
- b) Share subscriptions received in advance of \$Nil (2009 - \$10,000, 2008 - \$10,000) from a former director of the Company.
- c) Accounts payable and accrued liabilities include \$500 (2009 - \$Nil) payable to a company controlled by a director of the Company and \$Nil (2009 - \$500) payable to a former director of the Company.
- d) Due to related party of \$50,000 (2009 - \$Nil, 2008 - \$Nil) is due to a director of the Company.

The transactions with related parties were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the parties. The amounts due to related parties are non-interest bearing, with no fixed terms of repayment.

**8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS:**

---

	2010	2009	2008
Cash paid during the year for income taxes	\$ -	\$ -	\$ -
Cash paid during the year for interest	\$ -	\$ -	\$ -

---

The Company's significant non-cash transactions during the year ended September 30, 2010 were as follows:

- a) Included in deferred financing costs is \$25,767 which relates to accounts payable and accrued liabilities.
- b) Reallocated \$10,000 from share subscriptions received in advance to share capital.

## 8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS: (continued)

The Company did not have any significant non-cash transactions during the year ended September 30, 2009.

The Company's significant non-cash transaction during the year ended September 30, 2008 was as follows:

- a) Reallocated \$31,050 from share subscriptions received in advance to share capital.

## 9. SEGMENTED INFORMATION

The Company currently conducts substantially all of its operations in Canada in one business segment being the exploration and development of resource properties.

## 10. FUTURE INCOME TAXES

- a) A reconciliation of current income taxes at statutory rates with the reported taxes is as follows:

	2010	2009	2008
Loss before income taxes	\$ (33,429)	\$ (28,863)	\$ (32,224)
Expected tax recovery	\$ (9,652)	\$ (8,694)	\$ (10,281)
Unrecognized benefits of non-capital losses	<u>2,052</u>	<u>894</u>	<u>1,881</u>
Total income tax recovery	<u>\$ (7,600)</u>	<u>\$ (7,800)</u>	<u>\$ (8,400)</u>

- b) Details of future income tax assets (liabilities) are as follows:

	2010	2009
Future income tax assets (liabilities):		
Non-capital loss carry-forwards	\$ 29,100	\$ 20,800
Resource properties	<u>(28,400)</u>	<u>(28,400)</u>
	700	(7,600)
Valuation allowance for future income tax assets	<u>(700)</u>	<u>-</u>
Net future tax assets (liabilities)	<u>\$ -</u>	<u>\$ (7,600)</u>

The Company has non-capital losses of approximately \$116,000 which may be carried forward and applied against taxable income in future years. These losses, if unutilized, will expire through to 2030. Subject to certain restrictions, the Company has further resource development and exploration expenditures totalling approximately \$141,000 available to reduce taxable income of future years. The future income tax benefits of these losses, resource deductions and other tax assets have not been reflected in these financial statements and have been offset by a valuation allowance.

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Notes to Financial Statements**

**September 30, 2010, 2009 and 2008**

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**11. SUBSEQUENT EVENTS**

- a) The Company intends to file with the securities regulatory authorities in the provinces of British Columbia and Alberta and with the TSX Venture Exchange a prospectus for the distribution of 5,000,000 Units at a price of \$0.15 per Unit of the Company (the "Offering") on a commercially reasonable efforts basis, pursuant to an agency agreement to be entered into between the Company and Jordan Capital Markets Inc. (the "Agent"). Each Unit will be comprised of one common share and one transferable share purchase warrant exercisable at a price of \$0.25 per common share for a period of 24 months from the date of closing of the Offering.

Pursuant to the terms of an engagement letter dated June 10, 2011 between the Company and the Agent and the terms of the agency agreement to be entered into, the Company has agreed to pay the Agent a cash commission of 10% of the gross proceeds raised from the Offering and non-transferable Agent's options equal to 6% of the Units sold under the Offering. The Agent's Options will entitle the holder to purchase Agent's Units at a purchase price of \$0.15 per Agent's Unit at any time up to the close of business 24 months from the Closing Date. Each Agent's Unit is comprised of one Agent's Share and one Agent's Warrant. Each Agent's Warrant entitles the holder to purchase one Agent's Warrant Share at a price of \$0.25 per Agent's Warrant Share at any time up to the close of business 24 months from the date of closing of the Offering. This prospectus qualifies the distribution of the Agent's Options and the distribution of the Agent's Units issuable upon exercise of the Agent's Options. In addition, the Company will pay the Agent a corporate finance fee of \$35,000 plus HST, of which \$19,600 has been paid in advance. The Company will also reimburse the Agent for all of its expenses incurred pursuant to the Offering, of which \$5,400 has been paid in advance. The fees paid in advance to the Agent have been recorded in deferred financing costs.

- b) Pursuant to an escrow agreement dated March 4, 2011, 1,680,000 common shares and 1,680,000 warrants of the Company will be held in escrow. 10% of the escrow shares and warrants will be released on the date the Company's shares are listed on the TSX Venture Exchange and the remainder will be released in equal tranches of 15% every six months thereafter.
- c) Pursuant to a seed share resale restrictions pooling agreement dated March 4, 2011, 500,000 common shares and 500,000 warrants of the Company will be held in escrow and subject to a four month hold period. 20% of the pooled shares and warrants will be released each month with the first release on the date the Company's shares are listed on the TSX Venture Exchange.
- d) Pursuant to a voluntary pooling agreement dated March 4, 2011, 825,000 common shares and 825,000 warrants of the Company will be held in escrow. 20% of the pooled shares and warrants will be released every three months with the first release on the date the Company's shares are listed on the TSX Venture Exchange.
- e) The Company received further advances of \$170,500 from a director for a total of \$220,500. On June 26, 2011, the Company agreed to a loan agreement with the director for the principal amount of \$220,500, with an interest rate of prime plus 2%. The principal is due on July 1, 2014 and the interest is to be accrued on a daily basis and payable on the last day of each month.
- f) The Company received advances of \$11,000 from a company controlled by a director to fund operations and resource properties. The advances are non-interest bearing and have no fixed terms of repayment.

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Interim Financial Statements**

**June 30, 2011**

**PANTHEON VENTURES LTD.**

*(an exploration stage company)*

**Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

**PANTHEON VENTURES LTD.**  
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**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Balance Sheets**

*(unaudited)*

	<i>June 30,</i> <b>2011</b>	<i>September 30,</i> <b>2010</b>
<b>ASSETS</b>		
Current:		
Cash	\$ 1,394	\$ 5,023
Receivables	<u>9,446</u>	<u>1,951</u>
	<b>10,840</b>	6,974
Deferred financing costs	<b>104,480</b>	55,767
Resource properties <i>(Note 5)</i>	<u><b>346,974</b></u>	<u>254,431</u>
	<u><b>\$ 462,294</b></u>	<u><b>\$ 317,172</b></u>
<b>LIABILITIES</b>		
Current:		
Accounts payable and accrued liabilities <i>(Note 8)</i>	\$ 115,320	\$ 82,375
Interest payable on related party loan <i>(Note 6)</i>	151	-
Due to related party <i>(Note 6)</i>	<u>-</u>	<u>50,000</u>
	<b>115,471</b>	132,375
Due to related party <i>(Note 6)</i>	<u><b>220,500</b></u>	<u>-</u>
	<u><b>335,971</b></u>	<u>132,375</u>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital <i>(Note 7)</i>	<b>266,950</b>	266,950
Deficit	<u><b>(140,627)</b></u>	<u>(82,153)</u>
	<u><b>126,323</b></u>	<u>184,797</u>
	<u><b>\$ 462,294</b></u>	<u><b>\$ 317,172</b></u>

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

APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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

**PANTHEON VENTURES LTD.**  
(an exploration stage company)

**Statements of Operations, Comprehensive Loss and Deficit**

(unaudited)

	<i>Three Months</i> <i>Ended</i> <i>June 30,</i> <i>2011</i>	<i>Three Months</i> <i>Ended</i> <i>June 30,</i> <i>2010</i>	<i>Nine Months</i> <i>Ended</i> <i>June 30,</i> <i>2011</i>	<i>Nine Months</i> <i>Ended</i> <i>June 30,</i> <i>2010</i>
<b>EXPENSES</b>				
General and administrative expenses				
Financing costs	\$ 35,000	\$ -	\$ 35,000	\$ -
Interest on long term debt	151	-	151	-
Management fees (Note 8)	-	-	-	1,500
Office and miscellaneous	621	2,030	2,623	3,185
Professional fees	17,200	-	20,700	11,296
<b>Loss and comprehensive loss for the period</b>	<b>(52,972)</b>	<b>(2,030)</b>	<b>(58,474)</b>	<b>(15,981)</b>
Basic and diluted loss per common share	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding	4,800,000	4,800,000	4,800,000	4,514,652

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

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*  
**Statements of Changes in Shareholders' Equity**  
*(unaudited)*

	<i>Share Capital</i>		<i>Share subscriptions received in advance</i>	<i>Deficit</i>	<i>Shareholders' Equity</i>
	<i>Number of Shares</i>	<i>Amount</i>			
Balance, September 30, 2009	4,300,000	\$ 241,950	\$ 10,000	\$ (56,324)	\$ 195,626
Issued for cash	500,000	25,000	(10,000)	-	15,000
Net loss and comprehensive loss for the year	-	-	-	(25,829)	(25,829)
Balance, September 30, 2010	4,800,000	266,950	-	(82,153)	184,797
Net loss and comprehensive loss for the period	-	-	-	(58,474)	(58,474)
<b>Balance, June 30, 2011</b>	<b>4,800,000</b>	<b>\$ 266,950</b>	<b>\$ -</b>	<b>\$ (140,627)</b>	<b>\$ 126,323</b>

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

**PANTHEON VENTURES LTD.***(an exploration stage company)***Statements of Cash Flows***(unaudited)*

	<i>Three Months Ended June 30, 2011</i>	<i>Three Months Ended June 30, 2010</i>	<i>Nine Months Ended June 30, 2011</i>	<i>Nine Months Ended June 30, 2010</i>
Cash flows from operating activities				
Net loss and comprehensive loss for the period	\$ (52,972)	\$ (2,030)	\$ (58,474)	\$ (15,981)
Item not affecting cash:				
Interest on long term debt	151	-	151	-
Changes in non-cash working capital				
Receivables	(6,955)	-	(7,495)	-
Accounts payable and accrued liabilities	(4,287)	2,000	26,872	11,738
Cash used in operating activities	\$ (55,489)	\$ (30)	\$ (38,946)	\$ (4,243)
Cash flows from investing activities				
Resource properties	(30,043)	-	(92,543)	(15,000)
Cash used in investing activities	\$ (30,043)	\$ -	\$ (92,543)	\$ (15,000)
Cash flows from financing activities				
Issuance of shares	-	-	-	15,000
Deferred financing cost	(11,873)	-	(42,640)	-
Due to related party	98,000	-	170,500	-
Cash provided by financing activities	\$ 86,127	\$ -	\$ 127,860	\$ 15,000
Increase (decrease) in cash during the period	595	(30)	(3,629)	(4,243)
Cash, beginning of period	799	5,792	5,023	10,005
Cash, end of period	\$ 1,394	\$ 5,762	\$ 1,394	\$ 5,762

**Supplementary disclosure with respect to cash flows (Note 9)***The accompanying notes are an integral part of these financial statements.*

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Pantheon Ventures Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on December 28, 2006. Its principal business activities include the investigation and acquisition of natural resource properties and the exploration of such properties.

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

These interim financial statements should be read in conjunction with the financial statements of the Company's most recently completed year ended September 30, 2010. These interim statements do not include all disclosures required in annual financial statements but rather are prepared in accordance with recommendations for interim financial statements in conformity with Canadian generally accepted accounting principles. These interim financial statements follow the same accounting policies and methods of their application as those followed in the September 30, 2010 financial statements.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing on reasonable terms and to commence profitable operations in the future. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. To the extent financing is not available, work commitments, rental payments and option payments may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company. Management is closely monitoring commodity prices of precious metals, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. The financial statements do not include any adjustments to the recoverability and classification of reduced asset amounts and classification of liabilities that might be necessary should the Company be unable to continue.

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	<b>June 30, 2011</b>	September 30, 2010
Working capital deficiency	\$ (104,631)	\$ (125,401)
Deficit	\$ (140,627)	\$ (82,153)

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**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and reflect the following significant accounting policies.

Estimates

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

Significant accounts that require estimates as the basis for determining the stated amounts include resource properties and future income taxes.

Resource properties

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs relating to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be an impairment. These costs will be amortized on the basis of units produced in relation to the probable and proven reserves available on the related property following commencement of production. Mineral properties which are sold before that property reaches the production stage will have all revenues from the sale of the property credited against the cost of the property. Properties which have reached the production stage will have a gain or loss calculated based on the portion of that property sold. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

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

Asset retirement obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability.

Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the statement of operations. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amount of the liability for an asset retirement obligation and the related asset retirement cost capitalized as part of the carrying amount of the related long-lived asset. The Company does not have any significant asset retirement obligations.

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

*Future income taxes*

The Company follows the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and losses carried forward. Future tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in operations in the period in which the change is enacted or substantially assured. The amount of future income tax assets is limited to the amount of the benefit that is more likely than not to be realized.

*Flow-through common shares*

Canadian tax legislation permits a company to issue flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. Recording these expenditures for accounting purposes gives rise to taxable temporary differences. When flow-through expenditures are renounced, a portion of future income tax assets not recognized in previous years, due to the recording of a valuation allowance will be recognized as a recovery of income taxes in the statement of operations.

*Stock-based compensation*

The fair value of stock options is determined using the Black-Scholes option pricing model and recorded as stock-based compensation expense over the vesting period of the related options.

*Basic and diluted loss per share*

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year and does not include outstanding options and warrants. Diluted loss per share is not presented separately from loss per share as the conversion of outstanding stock options and warrants into common shares would be anti-dilutive. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year.

*Impairment of long-lived assets*

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

*Deferred financing costs*

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

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

*Financial instruments - recognition and measurement*

All financial instruments are designated into one of the five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale assets, or other financial liabilities. Financial instruments, included on the balance sheet are measured at fair market value upon inception with the exception of certain related party transactions. Subsequent measurement and recognition of change in the fair value of financial instruments depends on their initial classification. Held-for-trading financial investments and liabilities are measured at fair value and all gains and losses are included in operations in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the asset is removed from the balance sheet. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost using the effective interest method. Amortization of premiums or discounts and losses due to impairment are included in current year net earnings (loss).

The Company classified its cash as held-for-trading which is measured at fair value. Receivables are classified as loans and receivables. Accounts payable and accrued liabilities and due to related party are classified as other liabilities, all of which are measured at amortized cost.

The CICA Handbook Section 3862, Financial Instruments – Disclosures requires disclosures about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
- and
- Level 3 – Inputs that are not based on observable market data.

The fair value of cash is based on level 1 inputs of the fair value hierarchy.

*Comprehensive income*

Comprehensive income is the change in the Company's shareholders' equity that results from transactions and other events from other than the Company's shareholders and includes items that would not normally be included in net earnings, such as unrealized gains and losses on available-for-sale investments. This standard requires certain gains and losses that would otherwise be recorded as part of net earnings to be presented in other "comprehensive income" until it is considered appropriate to recognize into net earnings.

This standard requires the presentation of comprehensive income and its components in a separate financial statement that is displayed with the same prominence as the other financial statements. Accumulated other comprehensive income is presented as a new category in shareholders' equity. The presentation of "accumulated other comprehensive loss" in the shareholders' equity section of the balance sheet is not required because the opening and closing balances are \$Nil.

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Accounting policy changes

The Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA"):

*ii) Goodwill and intangible assets*

The CICA issued Handbook Section 3064, "Goodwill and Intangible Assets", replacing Section 3062, "Goodwill and Intangible Assets", and Section 3450, "Research and Development Costs". This section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The new section was effective for the Company on October 1, 2009 and did not have a significant impact on the financial statements.

**Recent accounting pronouncements**

*Business combinations; consolidated financial statements; and non-controlling interests*

The CICA issued three new accounting standards in January 2009: Section 1582 – Business combinations; Section 1601 – Consolidated financial statements; and Section 1602 – Non-controlling interests. These standards will be effective for fiscal years beginning after January 1, 2011 (the Company's 2012 fiscal year). Early adoption of these standards is permitted. The Company is in the process of evaluating the potential effects of the requirements of these new standards.

Section 1582 replaces Section 1581 and establishes standards for the accounting for a business combination and essentially provides the Canadian equivalent of International Financial Reporting Standards IFRS 3 – Business Combinations.

Sections 1601 and 1602 together replace Section 1600 – Consolidated financial statements. Section 1601 establishes the standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary within consolidated financial statements subsequent to a business combination and is substantially equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27 – Consolidated and separate financial statements.

*International financial reporting standards ("IFRS")*

In 2006, the CICA published a strategic plan that outlines the convergence of GAAP with IFRS over an expected five year transitional period. In February 2008, the CICA announced that 2011 is the year during which publicly-listed companies are to use IFRS. The transition date of October 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended September 30, 2011. While the Company is assessing the effects of adopting IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**3. CAPITAL MANAGEMENT**

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the period. The Company does not currently have adequate sources of capital to repay its current liabilities and will need to raise adequate capital by obtaining equity financing or debt financing.

**4. FINANCIAL INSTRUMENTS**

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 potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote.

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 June 30, 2011, the Company had cash balances of \$1,394 (September 30, 2010 - \$5,023) and current liabilities of \$115,471 (September 30, 2010 - \$132,375). The Company does not have adequate financial resources to settle its current liabilities.

The Company has historically relied on equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing market conditions.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash and an interest-bearing debt with an interest rate based on prime rate.

Currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign currency risk.

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**4. FINANCIAL INSTRUMENTS** *(continued)*

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected by credit risk, liquidity risk, interest rate risk, currency risk and price risk.

**5. RESOURCE PROPERTIES**

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	Total
Acquisition cost, balance September 30, 2009	\$ 25,000
Additions, during the year	<u>15,000</u>
Acquisition cost, balance September 30, 2010	40,000
Additions, during the period	<u>25,000</u>
Acquisition cost, balance June 30, 2011	<u>65,000</u>
Deferred exploration costs, September 30, 2009	208,351
Additions, during the year	
Geological	<u>6,080</u>
Deferred exploration costs, September, 30, 2010	214,431
Additions, during the period	
Geological	<u>67,543</u>
Deferred exploration costs, June 30, 2011	<u>281,974</u>
Ko-Ko-Ko Property, June 30, 2011	\$ 346,974

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**Title to mineral property interests**

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers and rights of ownership may be affected by undetected defects.

**Ko-Ko-Ko Property**

On February 17, 2010 the Company entered into an amended and restated Option Agreement to acquire a 100% interest in certain mineral claims located in Ontario. On February 24, 2011, the Company was granted a partial extension of the \$25,000 option payment due on or before March 1, 2011.

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**5. RESOURCE PROPERTIES** *(continued)*

**Ko-Ko-Ko Property** *(continued)*

The Option may be exercised by the Company by:

iii) paying the Optionor an aggregate of \$65,000 as follows:

- a) \$10,000 upon execution of the Letter of Intent (paid);
- b) an additional \$15,000 on or before December 29, 2007 (paid);
- c) an additional \$15,000 on or before March 1, 2010 (paid);
- d) an additional \$12,500 on or before March 1, 2011 (paid); and
- e) an additional \$12,500 on or before April 12, 2011 (paid).

iv) incurring minimum exploration costs of \$375,000 on the Property, as follows:

- a) a first phase work program of at least \$150,000 (incurred) on or before December 29, 2010;
- b) a second phase work program of \$150,000 on or before December 29, 2011; and
- c) a third phase work program of \$75,000 on or before December 29, 2012.

The Property is subject to a 3% Net Smelter Returns ("NSR") royalty on mineral production from the property subject to the Company's right to purchase, at any time on or before twelve (12) months from the commencement of commercial production from the Property, the following portions of the NSR royalty:

- a) one-sixth (1/6) of the NSR royalty from the Optionor for the sum of \$500,000;
- b) an additional one-sixth (1/6) of the NSR royalty from the Optionor for the sum of \$500,000;
- c) an additional one-sixth (1/6) of the NSR royalty from the Optionor for the sum of \$500,000.

**6. DUE TO RELATED PARTY**

On June 26, 2011, the Company entered into a loan agreement ("Loan Agreement") with a director of the Company for a principal amount of \$220,500 with an interest rate of prime rate plus 2%. The principal is due on July 1, 2014. Interest is accrued on a daily basis and payable on the last day of each month. As of June 30, 2011, interest of \$151 (September 30, 2010 - \$Nil) has been accrued on the loan. As at September 30, 2010, \$50,000 of the funds had been advanced to the Company. Subsequent to the period ended June 30, 2011, the Company received further advances of \$18,500 from the director. These amounts have the same terms and conditions as the Loan Agreement.

**7. SHARE CAPITAL**

Authorized: Unlimited common shares without par value

**September 30, 2010**

The Company issued 500,000 units by way of a private placement at a price of \$0.05 per unit for total proceeds of \$25,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of \$0.10 per common share expiring 24 months from the date of the Company's listing on the TSX Venture Exchange.

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

**7. SHARE CAPITAL (continued)**

**Warrants**

	Weighted Average Exercise Price	Outstanding Warrants
Balance, September 30, 2008 and 2009	\$ 0.15	4,300,000
Issued	<u>0.15</u>	<u>500,000</u>
Balance, September 30, 2010 and June 30, 2011	\$ 0.15	4,800,000

At June 30, 2011, the Company had the following warrants outstanding:

Number of Warrants	Exercise Price	Expiry Date
4,800,000	\$ 0.15	24 months from the Company's listing on the TSX Venture Exchange

**Stock Options**

The Company has a stock option plan in place under which it is authorized to grant options to executive officers, directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option shall not be less than the discounted market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

	Weighted Average Exercise Price	Outstanding Options
Balance, September 30, 2009	\$ -	-
Granted	<u>0.20</u>	<u>480,000</u>
Balance, September 30, 2010 and June 30, 2011	\$ 0.20	480,000
Options exercisable, June 30, 2011	\$ -	-

At June 30, 2011, the Company had the following options outstanding:

Number of Options	Exercise Price	Expiry Date
480,000	\$ 0.20	10 years from the Company's listing on the TSX Venture Exchange

**PANTHEON VENTURES LTD.**  
*(an exploration stage company)*

**Notes to Interim Financial Statements**

**June 30, 2011**

*(unaudited)*

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**8. RELATED PARTY TRANSACTIONS**

During the period ended June 30, 2011, the Company incurred the following charges with related parties that include directors or companies with common directors of the Company as follows:

- e) Paid or accrued management fees of \$Nil (June 30, 2010 - \$1,500) to former directors of the Company.
- f) Accounts payable and accrued liabilities include \$11,500 (September 30, 2010 - \$500) payable to a company controlled by a director.
- g) The Company entered into a loan agreement with a director of the Company in the amount of \$220,500 as outlined in Note 6.

The transactions with related parties were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the parties. The amounts due to related parties are non-interest bearing, with no fixed terms of repayment.

**9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS:**

	<i>Three Months Ended June 30, 2011</i>	<i>Three Months Ended June 30, 2010</i>	<i>Nine Months Ended June 30, 2011</i>	<i>Nine Months Ended June 30, 2010</i>
Cash paid during the period for income taxes	\$ -	\$ -	\$ -	\$ -
Cash paid during the period for interest	\$ -	\$ -	\$ -	\$ -

The Company's significant non-cash transaction during the nine months ended June 30, 2011:

- Included in deferred financing costs is \$31,840 which relates to accounts payable and accrued liabilities;
- Due to related party of \$50,000 was reclassified as long-term as outlined in Note 6.

The Company's significant non-cash transaction during the nine months ended June 30, 2010:

- Reallocated \$10,000 from share subscriptions received in advance to share capital;
- Included in deferred financing costs is \$10,682 which relates to accounts payable and accrued liabilities.

**10. SEGMENTED INFORMATION**

The Company currently conducts substantially all of its operations in Canada in one business segment being the exploration and development of resource properties.

## 11. SUBSEQUENT EVENTS

- a) The Company intends to file with the securities regulatory authorities in the provinces of British Columbia and Alberta and with the TSX Venture Exchange a prospectus for the distribution of 5,000,000 Units at a price of \$0.15 per Unit of the Company (the "Offering") on a commercially reasonable efforts basis, pursuant to an agency agreement to be entered into between the Company and Jordan Capital Markets Inc. (the "Agent"). Each Unit will be comprised of one common share and one transferable share purchase warrant exercisable at a price of \$0.25 per common share for a period of 24 months from the date of closing of the Offering.

Pursuant to the terms of an engagement letter dated June 10, 2011 between the Company and the Agent and the terms of the agency agreement to be entered into, the Company has agreed to pay the Agent a cash commission of 10% of the gross proceeds raised from the Offering and non-transferable Agent's options equal to 6% of the Units sold under the Offering. The Agent's Options will entitle the holder to purchase Agent's Units at a purchase price of \$0.15 per Agent's Unit at any time up to the close of business 24 months from the Closing Date. Each Agent's Unit is comprised of one Agent's Share and one Agent's Warrant. Each Agent's Warrant entitles the holder to purchase one Agent's Warrant Share at a price of \$0.25 per Agent's Warrant Share at any time up to the close of business 24 months from the date of closing of the Offering. This prospectus qualifies the distribution of the Agent's Options and the distribution of the Agent's Units issuable upon exercise of the Agent's Options. In addition, the Company will pay the Agent a corporate finance fee of \$35,000 plus HST, of which \$19,600 has been paid in advance. The Company will also reimburse the Agent for all of its expenses incurred pursuant to the Offering, of which \$5,400 has been paid in advance. The fees paid in advance to the Agent have been recorded in deferred financing costs.

- b) Pursuant to an escrow agreement dated March 4, 2011, 1,680,000 common shares and 1,680,000 warrants of the Company will be held in escrow. 10% of the escrow shares and warrants will be released on the date the Company's shares are listed on the TSX Venture Exchange and the remainder will be released in equal tranches of 15% every six months thereafter.
- c) Pursuant to a seed share resale restrictions pooling agreement dated March 4, 2011, 500,000 common shares and 500,000 warrants of the Company will be held in escrow and subject to a four month hold period. 20% of the pooled shares and warrants will be released each month with the first release on the date the Company's shares are listed on the TSX Venture Exchange.
- d) Pursuant to a voluntary pooling agreement dated March 4, 2011, 825,000 common shares and 825,000 warrants of the Company will be held in escrow. 20% of the pooled shares and warrants will be released every three months with the first release on the date the Company's shares are listed on the TSX Venture Exchange.

**CERTIFICATE OF THE COMPANY AND PROMOTER**

**Date: August 31, 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.

*/s/ Mitchell Adam*

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Mitchell Adam  
President, Chief Executive Officer, Secretary and  
Director

*/s/ David Grandy*

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David Grandy  
Chief Financial Officer and Director

**ON BEHALF OF THE BOARD OF DIRECTORS**

*/s/ Victor McCall*

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Victor McCall  
Director

*/s/ Cameron Watt*

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Cameron Watt  
Director

**PROMOTERS**

*/s/ Mitchell Adam*

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Mitchell Adam

## CERTIFICATE OF THE AGENT

**Dated: August 31, 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 securities legislation of British Columbia, Alberta and Ontario.

**JORDAN CAPITAL MARKETS INC.**

**Per:** /s/ Mark Redcliffe  
Mark Redcliffe  
President and CEO