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**ANNUAL REPORT
ON THE
ARASTRAEA CLAIM
OMINECA MINING DIVISION, BC**

NTS 93 0/001 and 093J/091

Zone 10, (s.w.) easting 449519,894, northing 6094605.675

**OWNER:
Dave Forshaw
Box 419
Mackenzie, B.C.
V0J 2C0**

**BY:
Dave Forshaw**

JANUARY, 2005

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LOCATION AND ACCESS

The property is located approximately 85 miles northwest of Prince George and 55 kilometers west of Windy Point, B.C. on the Finlay Philip Forest Service Road. The Arastraea claim is centered on, zone 10 (sw) easting 449519.894, northing 6094605.675, on NTS sheet 093 O 001 and 093J 091. It is accessible by logging roads from spring to fall or by helicopter from Mackenzie.

TOPOGRAPHY AND VEGETATION

The topography of the area is rolling hills and meadows, ranging in elevation from 980 meters (2990 ft.) above sea level (ASL) to 1250 meters (3800 ft.) ASL covered with economic stands of spruce and pine. The best exposure of bedrock is found in logging cuts and along road cuts in the south of the claim.

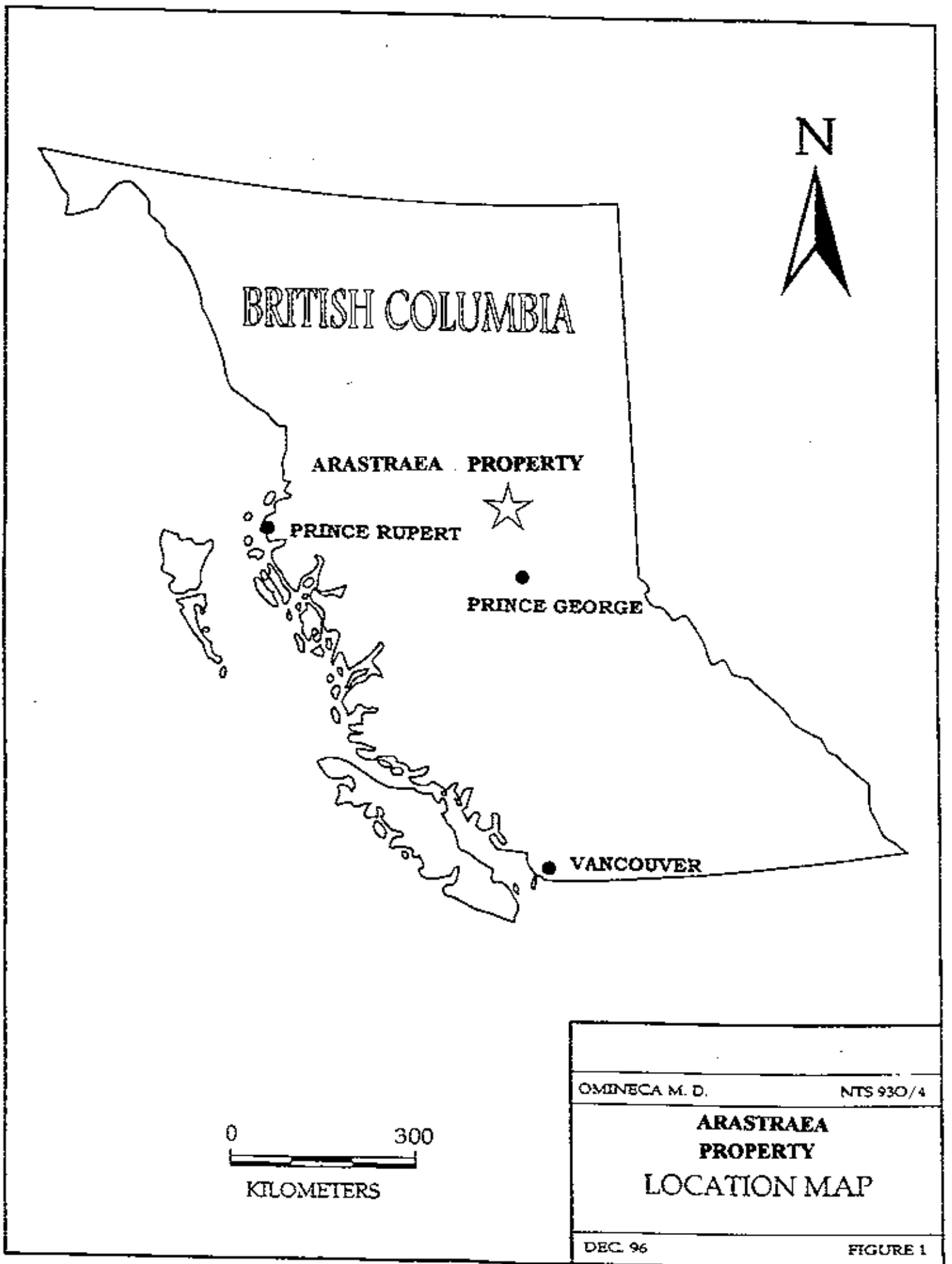
PROPERTY STATUS

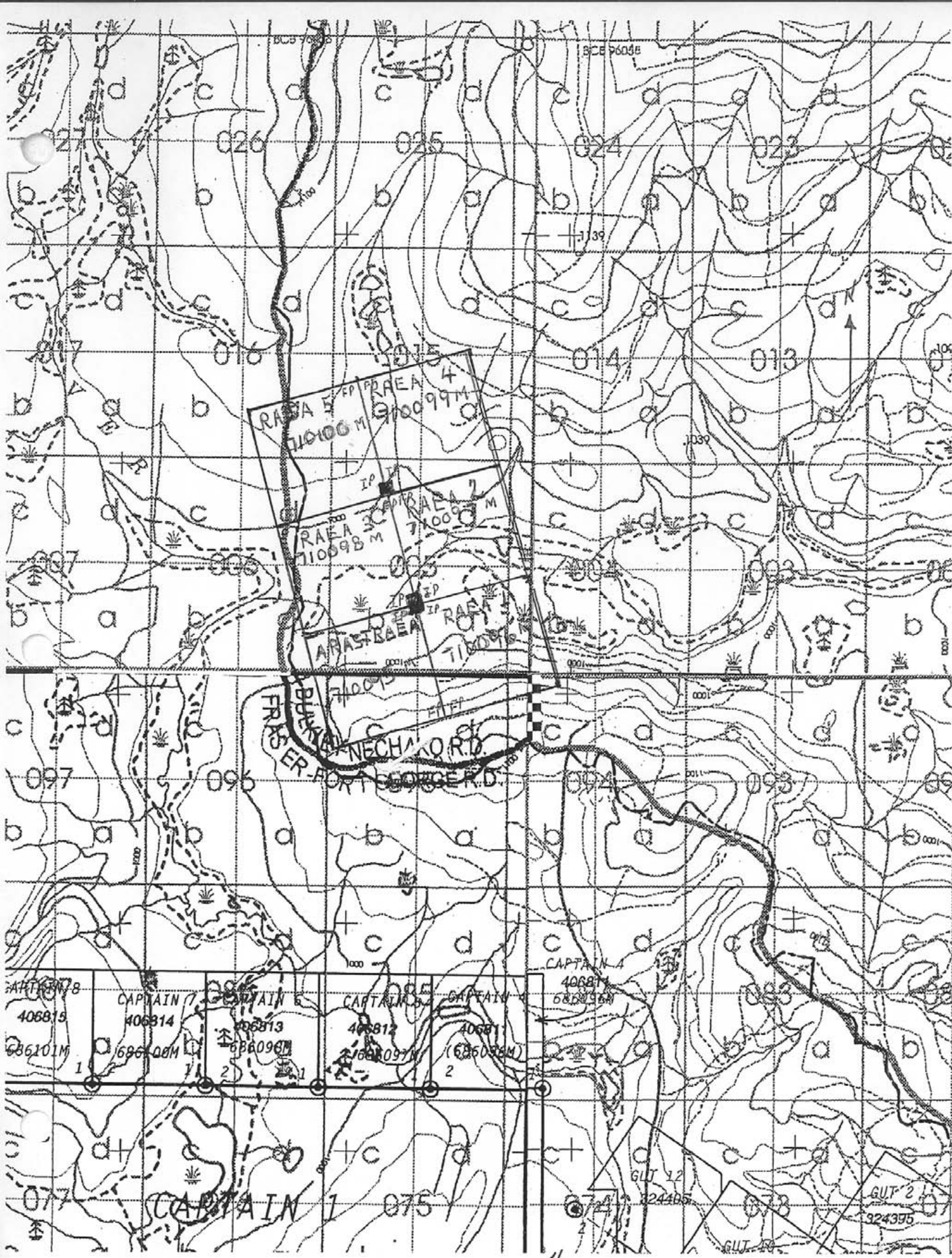
Claim List:

| Claim Name | Record No. | Units | Expiry Date | Owner |
|------------|------------|-------|-----------------|---------------|
| Arastraea | 413483 | 1 | August 12, 2005 | David Forshaw |
| Raea 1 | 413484 | 1 | August 12, 2005 | David Forshaw |
| Raea 2 | 413485 | 1 | August 12, 2005 | David Forshaw |
| Raea 3 | 413486 | 1 | August 12, 2005 | David Forshaw |
| Raea 4 | 413487 | 1 | August 12, 2005 | David Forshaw |
| Raea 5 | 413488 | 1 | August 12, 2005 | David Forshaw |

HISTORY

The Arastraea property is located south/east of Placer Dome's Mt. Milligan copper/gold porphyry deposit. David Forshaw became interested in this area in 1996, after finding small veins containing copper/ gold. Too the south of this he recognized a contact between Wolverine and Takla Volcanics, a fault intersection, and more copper mineralization. He continued to prospect this area until in 2004 David staked the initial six units.





REGIONAL GEOLOGY

The following has been culled from the capsule geology on Minfile number 093N 194 of the Mount Milligan deposit:

The claims lie within the Quesnel Belt, composed of Upper Triassic Takla Group andesitic to basaltic massive volcanic flows, sills and volcanoclastic rocks that have been metamorphosed to greenschist facies and intruded by intermediate to mafic subvolcanic and plutonic rocks. Lithologies within the Takla Group include augite and plagioclase porphyritic flows and tuffs and their subvolcanic equivalents, massive non-porphyritic flows and crystal lapilli tuffs. The intrusive suite includes a complex mix of syenite, monzonite, diorite/monzodiorite and gabbro/monzogabbro from the Late Triassic - Early Jurassic and Late Cretaceous granite.

The Mount Milligan deposit is underlain by coarse-grained labradorite diorite and biotite-bearing monzodiorite in the north, and central segment of quartz porphyritic and megacrystic feldspar porphyritic phases, and a southern segment of biotite quartz diorite. The pluton is complicated by several complex sheeted and pegmatitic dyke phases and xenoliths and rafts of biotite hornfels wallrock.

The dominant structural trend is north-northwest with most rock units subvertically oriented, probably due to block faulting and rotation. Faults and shear zones are mainly oriented northeast and north west.

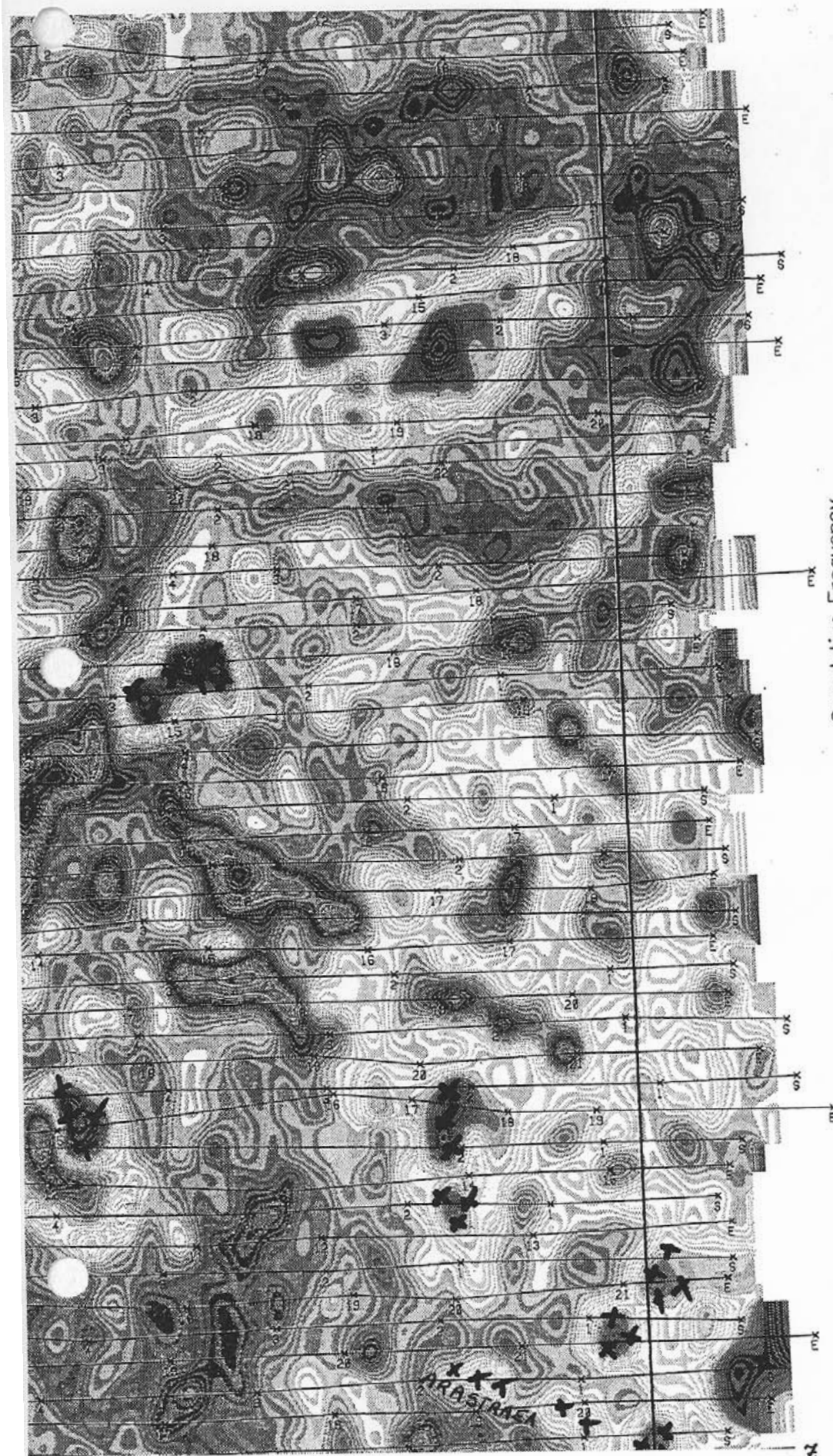
PROPERTY GEOLOGY

The property is located within the northern part of a narrow northwesterly trending assemblage of lower late Triassic island arc volcanics and associated sedimentary facies known as the Quesnel belt and defined locally as the Takla Group. These rocks are intruded by coeval plutons which range up to Early Jurassic in age (Nelson et al., 1991). The large Multiphase Hogem Batholith, located approximately 30 kilometers west of the property, is the largest pluton in the area. The property is located near the eastern margin of Quesnellia which is marked by a complex zone of faults that separate the Takla rocks from the Late Paleozoic Slide Mountain Terrain and , metamorphic rocks of autochthonous North America.

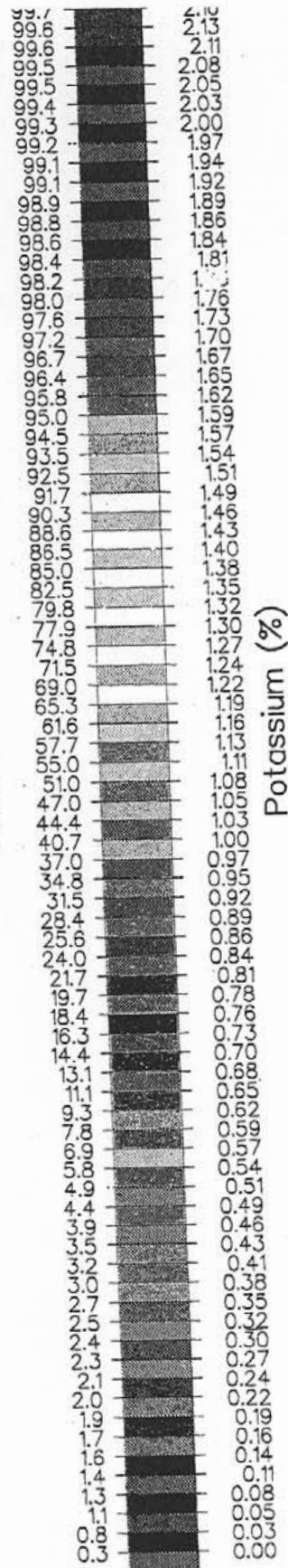
The Quesnel belt is known to host a number of copper-gold porphyry deposits associated with alkalic magmatism, including the Afton, Kemess, Mt. Polley mines, and the Mt. Milligan deposit. Mt. Milligan contains geologic reserves of 400 million tonnes grading 0.48grams per tonne gold and 0.2% copper, and is located 20 kilometers northwest of the Arastrea property.

There is a north/east trending fault running through the center of the claim, following this the rock contains high potassium. Along this fault is the contact of the Wolverine geology and the Takla Volcanics, and bordering the claims on the east is a magnetic high. Magnetic highs and potassium anomalies of this nature are often related to mineralization. It was also noted that a north/west trending fault intersects in the south east part of the claim.

Two areas of outcrop have been located, (1) in the north central part of the claims which contains a northwesterly trending carbonate altered and silicified shear zone, approximately 2 meters wide, that contains some disseminated chalcopyrite, disseminated pyrite, and minor gold. (2) in the south/central part of the claims, gabbros, containing malachite was observed.



Cumulative Frequency



Potassium (%)

x x • Designates:
High Potassium
Low Thorium

WORK PROGRAM

I started line AS 75 at the initial post of the Arastraea mineral claim, the line going in the direction of 75 . Three samples were sent for analysis, samples taken at 50 m , 240 m, and at 283 m. Line AS 345 started at the initial post of the Arastraea mineral claim, the line going in the direction of 345 . Ten samples were sent for analysis from this line, at 0 m, 50 m, 100 m, 150 m, 195 m, 250 m, 300 m, 350 m, 400 m, and 440 m . These samples were chosen for analysis to learn if mineralization was indicated at any point to the south of the north/west trending fault and west of the intersecting fault. This gives an understanding of the mineral potential in the south west part of the claim. The highest copper number was 218 ppm at sample point AS 345 - 100. More work is required to gain a full understanding of the mineral potential.

GEOCHEMICAL SURVEY METHODS

The soil samples were taken primarily from an area that had been logged in the past, spruce and pine have been planted and are approximately four meters high at this time. We limited samples to areas that had not been disturbed. Sample stations are at fifty meter intervals and marked with flagging tape. Soil samples were taken from the "B" horizon, found at depths of five to forty centimeters, using a spade. The samples were placed in Kraft soil sample bags and dried prior to shipping to Acme Analytical Laboratories for analysis. Each sample was tested for gold, copper, and twenty nine other minerals using I.C.P. group ID -.5 gm, and for the gold, group 3A - AU - 15.0 gm

GEOCHEMICAL SURVEY RESULTS

The results of the survey on the Arastraea mineral claim this year did not give any definite indications of significant mineralization. The re was one higher copper number 218 ppm at, AS 345 - 100, and the low being 20.0 ppm at AS 345 - 0, The highest gold was 17.6 ppb at, AS 345 - 250. I plan to add to the sample grid in the northern and eastern parts of the mineral claim. This will be done in the summer of 2005.

AREA 5 710100 M
AREA 4 710099 M

IP IP

AREA 3 710098 M

AREA 2 710097 M

AS 75-283
Cu(ppm) 49, Au(ppb) 7.7

AS 75-240
Cu(ppm) 50, Au(ppb) 14.6

AS 75-50
Cu(ppm) 29, Au(ppb) 14.6

AS 345-0 Cu(ppm) 20, Au(ppb) 2.1
AS 345-50 Cu(ppm) 54, Au(ppb) 11.5

AREA 1 710095 M

AS 345-100 Cu(ppm) 218, Au(ppb) 4
AS 345-150 Cu(ppm) 61, Au(ppb) 6.8
AS 345-195 Cu(ppm) 73, Au(ppb) 6

AS 345-250 Cu(ppm) 212, Au(ppb) 12.6
AS 345-300 Cu(ppm) 27, Au(ppb) 5.1

AS 345-350 Cu(ppm) 26, Au(ppb) 9.8
AS 345-400 Cu(ppm) 51, Au(ppb) 9.4

AS 345-440 Cu(ppm) 37, Au(ppb) 3.6

710096 M

NECHAKO RD

SUMMARY AND CONCLUSIONS

The Arastraea mineral claims are underlain by rocks of the Quesnel Belt which are known to host a number of copper - gold porphyry deposits associated with alkalic magnetism including the Mount Milligan deposit which lies just ten kilometers to the northwest. A potassic anomaly covers the mineralized areas found on the Mount Milligan deposit. A potassic trend exists on the Arastraea claims. The geochemical sampling program provided anomalous copper numbers, but I require more information to understand the potential of this property.

The recommendations for the 2005 work program are to extend the grid and sample to the east and north section of the claim. In doing so, it is hoped to more clearly define the mineralization associated with the potassic trend, identified in the AGRS survey.

GEOCHEMICAL ANALYSIS CERTIFICATE

Edgeman, David File # A5012182 Page 1

P.O. Box 179 Jackson, MS 39201 Analyzed by: ASD/DF/chen



| SAMPLE# | Au* ppb |
|------------|------------|
| AS 75-50 | 8.6 |
| AS 75-240 | 14.6 |
| AS 75-283 | 7.7 |
| AS 345-0 | 2.1 |
| AS 345-50 | 11.5 |
| AS 345-100 | 4.0 |
| AS 345-150 | 6.8 |
| AS 345-195 | 6.0 |
| AS 345-250 | 17.6 |
| AS 345-300 | 5.1 |
| AS 345-350 | 8.8 |
| AS 345-400 | 9.4 |
| AS 345-440 | 3.6 |

STANDARD DS6 47.9

GROUP 3A - 15 GM SAMPLE LEACHED WITH 90 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 300 ML, ANALYSED BY ICP-MS.
 UPPER LIMITS - Au* = 100 PPM.
 - SAMPLE TYPE: Soil Pulp Samples beginning 'RE' are Retuns and 'ARE' are Reject Retuns.



CA L FA DATE RECEIVED: APR 26 2005 DATE REPORT MAILED: *M. May 2/05*

Results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of the analysis only.

GEOCHEMICAL ANALYSIS CERTIFICATE

Forshaw, David File # A501218 Page 1
P.O. Box 419, Mackenzie BC V0J 2C0



| SAMPLE# | Mo | Cu | Pb | Zn | Ag | Ni | Co | Mn | Fe | As | U | Au | Th | Sr | Cd | Sb | Bi | V | Ca | P | La | Cr | Mg | Ba | Ti | B | Al | Na | K | W |
|---------------|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|------|-----|-----|------|-----|-----|-----|------|-----|-----|-----|
| | ppm | ppm | ppm | ppm | ppm | ppm | ppm | ppm | % | ppm | ppm | ppm | ppm | ppm | ppm | ppm | ppm | ppm | % | % | ppm | ppm | % | ppm | % | ppm | % | % | % | ppm |
| AS 75-50 | 1 | 23 | 4 | 42 | .4 | 19 | 8 | 214 | 2.85 | 7 | <8 | <2 | 2 | 24 | .6 | <3 | <3 | 87 | .34 | .151 | 7 | 53 | .53 | 59 | .09 | 7 | 1.61 | .01 | .03 | <2 |
| AS 75-240 | 2 | 50 | 6 | 52 | <.3 | 28 | 15 | 491 | 3.31 | 7 | <8 | <2 | <2 | 32 | .6 | <3 | 3 | 87 | .41 | .101 | 7 | 72 | .99 | 83 | .11 | 6 | 1.66 | .01 | .10 | <2 |
| AS 75-283 | 1 | 49 | 5 | 54 | .4 | 37 | 15 | 481 | 3.35 | 10 | <8 | <2 | 2 | 41 | .5 | <3 | <3 | 90 | .59 | .100 | 9 | 85 | .99 | 94 | .10 | 9 | 1.87 | .01 | .06 | <2 |
| AS 345-0 | 1 | 20 | 10 | 66 | .6 | 20 | 9 | 286 | 3.05 | 9 | <8 | <2 | <2 | 23 | .7 | <3 | <3 | 89 | .27 | .073 | 6 | 66 | .66 | 56 | .08 | 8 | 1.49 | .01 | .04 | <2 |
| AS 345-50 | 1 | 54 | 3 | 64 | <.3 | 37 | 18 | 663 | 4.28 | 18 | <8 | <2 | <2 | 75 | .5 | <3 | <3 | 102 | 1.09 | .100 | 7 | 93 | 1.00 | 83 | .06 | <3 | 2.12 | .01 | .05 | <2 |
| AS 345-100 | 3 | 218 | 10 | 155 | 1.0 | 40 | 23 | 424 | 3.71 | 12 | <8 | <2 | 2 | 87 | 1.9 | <3 | 3 | 94 | 1.29 | .109 | 25 | 108 | .83 | 164 | .04 | 5 | 2.27 | .01 | .04 | <2 |
| AS 345-150 | 1 | 61 | 7 | 53 | 1.1 | 31 | 13 | 496 | 3.19 | 11 | <8 | <2 | 2 | 59 | .8 | <3 | <3 | 85 | .85 | .072 | 11 | 80 | .98 | 102 | .06 | 10 | 1.72 | .01 | .05 | <2 |
| AS 345-195 | <1 | 73 | 3 | 39 | .4 | 22 | 10 | 486 | 2.32 | 7 | <8 | <2 | <2 | 96 | .7 | <3 | <3 | 64 | 1.64 | .090 | 8 | 63 | .65 | 86 | .05 | 3 | 1.27 | .01 | .05 | <2 |
| AS 345-250 | 1 | 22 | 5 | 61 | .3 | 29 | 9 | 251 | 3.53 | 9 | <8 | <2 | 2 | 24 | .6 | <3 | <3 | 99 | .31 | .236 | 7 | 98 | .84 | 80 | .07 | 5 | 1.69 | .01 | .04 | <2 |
| AS 345-300 | <1 | 27 | <3 | 50 | <.3 | 24 | 9 | 257 | 3.57 | 9 | <8 | <2 | <2 | 25 | .5 | <3 | <3 | 100 | .36 | .223 | 6 | 73 | .71 | 62 | .08 | <3 | 1.97 | .01 | .04 | <2 |
| AS 345-350 | <1 | 26 | 6 | 45 | .6 | 23 | 8 | 258 | 2.68 | 5 | <8 | <2 | <2 | 31 | .5 | <3 | <3 | 80 | .44 | .076 | 8 | 62 | .71 | 64 | .09 | 5 | 1.62 | .01 | .04 | <2 |
| RE AS 345-350 | <1 | 25 | 8 | 46 | .6 | 23 | 9 | 252 | 2.64 | 7 | <8 | <2 | 2 | 31 | .5 | <3 | <3 | 79 | .43 | .074 | 8 | 61 | .70 | 63 | .10 | 3 | 1.57 | .01 | .04 | <2 |
| AS 345-400 | 1 | 51 | 9 | 85 | .3 | 38 | 14 | 464 | 3.26 | 12 | <8 | <2 | 2 | 45 | .5 | <3 | <3 | 92 | .65 | .088 | 11 | 89 | .94 | 101 | .10 | 5 | 1.68 | .01 | .06 | <2 |
| AS 345-440 | <1 | 37 | 5 | 41 | .3 | 28 | 10 | 449 | 2.71 | 7 | <8 | <2 | <2 | 58 | <.5 | <3 | 3 | 79 | .86 | .103 | 9 | 80 | .85 | 82 | .07 | 6 | 1.41 | .01 | .05 | <2 |

12.

ARASTRAEA CLAIM – EXPENDITURES

SALARIES

| | |
|-----------------------------------|--------|
| Dave Forshaw 2 man days @ 150/day | 300.00 |
| 2 Assistants 1 day @ 150/day | 300.00 |

REPORT PREPARATION

| | |
|--------------------------|--------|
| Dave and Valerie Forshaw | 180.00 |
|--------------------------|--------|

LOGISTICAL COSTS

| | |
|-------------------------------|--------|
| Food and Lodging | 200.00 |
| Vehicle, Fuel and Maintenance | 250.00 |

ANALYSIS - SOIL TESTING

| | |
|--|-------|
| 13 Samples @ 6.75 (Group ID) | 87.75 |
| 13 Samples @ 7.50 (Group 3A AU -15 gm) | 97.50 |
| 13 SS80 Soil Preparation @ 1.65 | 21.45 |
| Tax | 14.47 |

EQUIPMENT COSTS

| | |
|------------------------------------|--------|
| Chain Saw , Supplies and Equipment | 250.00 |
|------------------------------------|--------|

| | |
|---------------------------|-------|
| <u>FILING FEES</u> | 60.00 |
|---------------------------|-------|

| | |
|------------------------|---------|
| <u>SUBTOTAL</u> | 1761.17 |
|------------------------|---------|

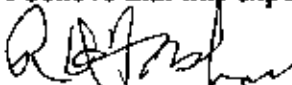
| | |
|--|--------|
| <u>ADMINISTRATION FEE (15%)</u> | 264.18 |
|--|--------|

| | |
|---------------------|---------|
| <u>TOTAL</u> | 2025.35 |
|---------------------|---------|

STATEMENT OF QUALIFICATIONS – FOR DAVID FORSHAW

1. Thirty-four years of active prospecting experience.
2. I have completed courses in the following: Basic Prospecting, Advanced Prospecting, Drift Prospecting, Radiometric Geology, Geochemical, Placer, Industrial Minerals and Carlin Geology, (Microscopic Gold in Sediments), Type Au Deposits. I have attended the Cordilleran Roundup Mining Convention in Vancouver and the Minerals North Conference each year. I have also attended a great number of talks given by specialists in the mining field.
3. I have organized and assisted in twelve Basic Prospecting Courses, one advanced Prospecting Course, one Placer Course, instructed one Basic Prospecting Course, led field trips, and assisted instructors in a number of Prospecting courses.
4. I am the mining representative for the District of Mackenzie Economic Development Advisory Committee.
5. I represented the B. C. & Yukon Chamber of Mines in the Mackenzie L.R.M.P. process.
6. I assist teachers in Mackenzie and Prince George Elementary and High Schools with their Geology related subjects, in the classroom and on field trips. I now do this through the CAST Program (Scientists & Innovators in the Schools).
7. I am a member of the Omineca Exploration Group and actively work to bring the prospectors in our area educational courses, field trips, and interesting speakers from all aspects of the mining field.
8. I have also taken courses in Holistic Forestry and other forest related courses to further my understanding of our environment and for reclamation purposes.
9. I have staked numerous mineral, placer, and industrial mineral claims, then done different types of surveys on them. I then wrote reports regarding these surveys.
10. I have negotiated option agreements on a number of mineral claims with mining companies.

I believe that this experience and training qualifies me as a prospector.


R.D. Forshaw

BIBLIOGRAPHY

NELSON, J. BELLEFONTAINE, K. GREEN, K. and MACLEAN, M. ; Regional geological mapping near the Mount Milligan copper-gold deposit, B. C. Ministry of Energy Mines and Petroleum Resources, Geological Fieldwork 1990, Paper 1991-1, pages 89-110

PLOUFFE, A., BALLANTYNE, S.B.; Regional till geochemistry, Manson River and Fort Fraser area, British Columbia (93K, 93N), silt plus clay and clay size fractions; Geological Survey of Canada, Open File 2593, 1993.

SHIVES, R.B.K., BALLANTYNE, S.B. and HARRIS, D.C.; Gamma ray spectrometry: Applications to the search for ore; part of promotional display of Geological Survey of Canada Open File 2535 - Airborne Geophysical Survey of the Mount Milligan Area, British Columbia, Sept. 1991, NTS 93 0/4W, 93 N/1 and 93 N/2E.