MAMMOTH
GEOLOGICAL LTD.
612 Noowick Road
Mill Bay, B.C. Canada V0R 2P4
Phone : (250) 743-8228 Fax : (250) 743-8228
email : mammothgeo@shaw.ca

DUMP PROPERTY
Vancouver Island Carbonate Project

2005 Phase I Exploration Program

TRIM 092L056
Latitude 50 17 Longitude 127 52

FOR

R1120 HOLDINGS LTD.
1502 – 1228 West Hastings Street
Vancouver, B.C. V6E 4S2

R.Tim Henneberry, P.Geo.
June 30, 2005

SUMMARY

The Dump property is one of the three properties comprising R1120 Holdings Ltd.'s north Island Carbonate Project. The Dump property consists of one map claim totalling 247.765 hectares in the Nanaimo Mining Division. This property lies on TRIM claim sheet 092L046, 40 kilometres to the south of Port McNeill.

The Dump property was originally explored for dimension stone and white limestone in the early to mid 1990's. A potential low-end filler was identified though follow-up exploration was never completed. Subsequently, Canfor proceeded to log the area of the old Dump 2 claim and the area immediately to the northwest. This roads constructed prior to the logging opened several road cuts of white to grey-white limestone, totaling an area of 1200 by 300 metres.

Preliminary sampling and mapping of this limestone has identified what appears to be a higher quality stone than previously found. Further exploration is required to evaluate this newly found limestone.

A small drilling program in the order of 1,000 metres is recommended to test the limestone along strike and down dip and to establish a preliminary probable reserve. The core should be sampled at regular intervals to establish the optical and chemical properties of the limestone.

Preliminary marketing should also be initiated to evaluate the limestone for use as decorative stone, as filler and extender material and as coarse riprap.

A follow-up program of bulk testing should be initiated if the drilling and marketing programs meet with favorable results.

Dump Property - Recommended Budget

Drilling	$62,000
Marketing	$16,000
Bulk text	$109,000
Dump property total	$187,000

The cost of the 2005 assessment work was $2,999.69

TABLE OF CONTENTS

LIST OF FIGURES

INTRODUCTION

The Dump property forms part of the North Island Carbonate Project of R 1120 Holdings Ltd. The exploration target is white limestone for filler and extender applications within the Triassic Quatsino Formation. The Quatsino limestones form three thin, semi-continuous belts on northern Vancouver Island. They belts range from 3 to 8 kilometres in width.

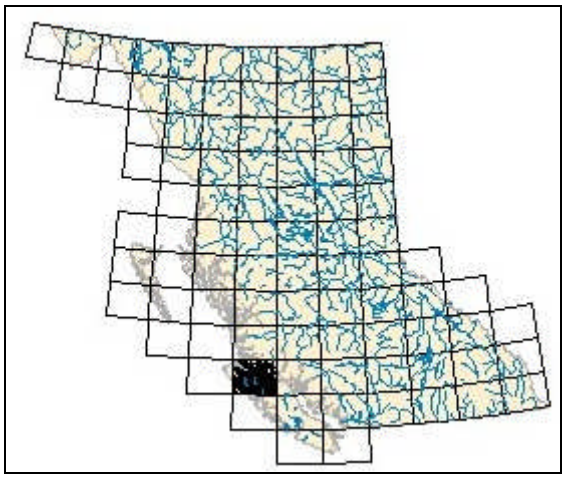
White limestone is presently being mined at the Benson Lake quarry southeast of Port Alice. White limestone is also recovered in the high volume limestone quarrying operations on Texada Island.

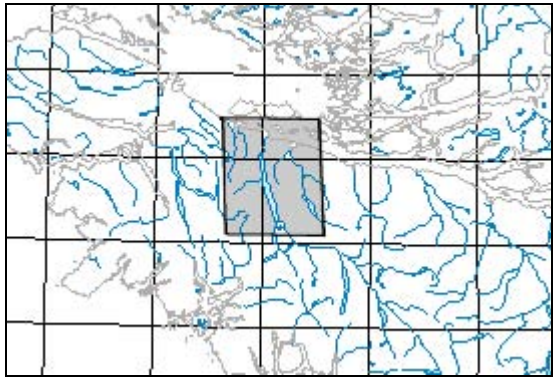
There are two key aspects to consider in the evaluation of white limestone deposits. The first is the geology of the deposit and the stones ability to meet minimum standards with respect to color, insolubles and impurities to be considered for filler applications. The second aspect is location. Limestone is a bulk commodity so ready access to relatively cheap transportation is equally important to grade.

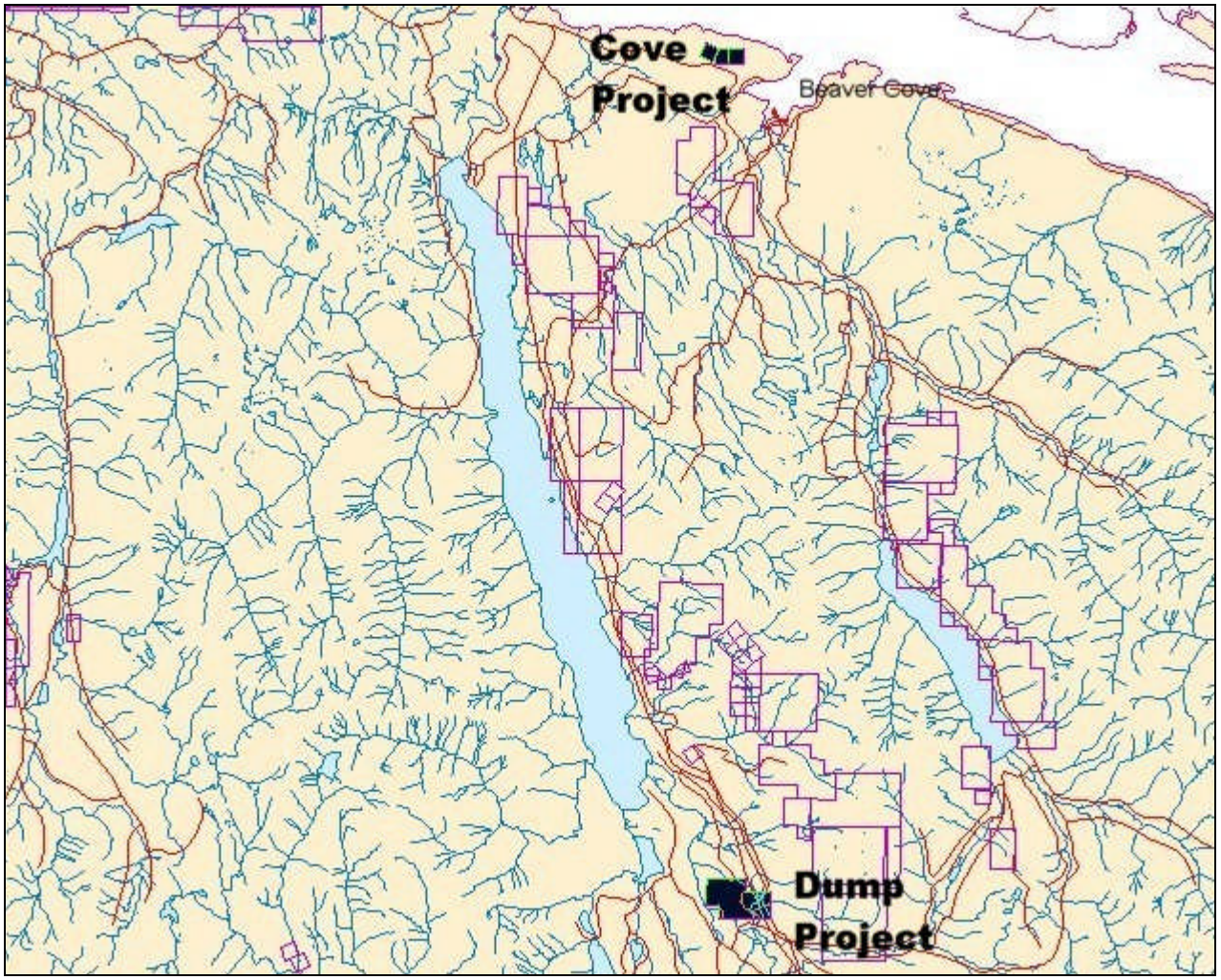
While the Dump project is approximately 40 kilometres from tidewater, the Canadian Forest Products Ltd. (Canfor) logging railway lies on the eastern edge of the property. This line connects with tidewater at Beaver Cove. Northland Power has recently opened a wood chip processing facility adjacent to Canfor's Beaver Cove log sort. This facility includes barging facilities for the large Seaspan barges.

Northland Power's woodchip and barging facility at Beaver Cove.

This report was commissioned by Mr. Jim Ericksteen, president of R 1120 Holdings Ltd.







SCALE 1 : 250,000

2 0 2 4 6

MILES

N

Dump Project
Location
Figure 1

LOCATION, ACCESS

The northern Vancouver Island carbonate project lies in the northern section of Vancouver Island, between latitudes 49° 45' and 50° 45' and longitudes 126° 30' and 127° 55'. Topography ranges from Sea Level to 1050 metres, with valleys generally less than 300 metres. There are numerous lakes, creeks and streams where water for diamond drilling is readily obtainable. Heavy-duty equipment for trenching, road building and quarrying will be accessible locally, in either Port Hardy or Port McNeill.

The climate on the north island is relatively mild. The summers are warm and generally dry, while the winters are cool and wet. Snow will accumulate on the higher peaks, but generally the valley bottoms and lower hills are clear for year round work.

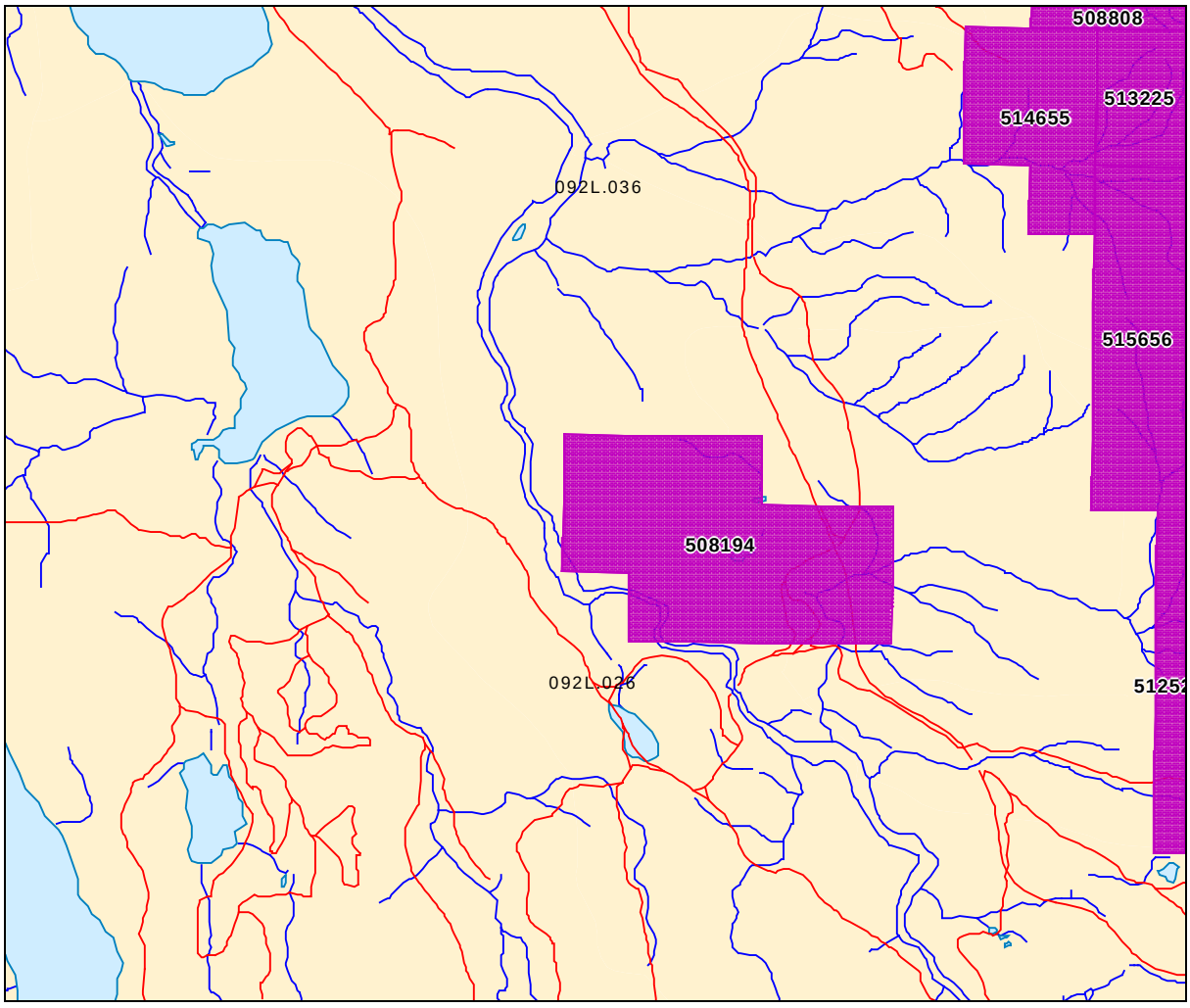
There are several towns and lesser communities in the map area where accommodation and lodging can be readily obtained, including Port Hardy, Port McNeill and Woss. The Island Highway cuts through much of the map area. The numerous logging roads of Canadian Forest Products, Timberwest Forest and Canadian Pacific Forest Products provide access to different claim groups.

This area is served by barge loading facilities at Beaver Cove.

The Dump property lies on TRIM Claim Sheet 092L026, 40 kilometres south of Port McNeill. Access is 40 kilometres south along the Island Highway to Zeballos Road, then 0.5 kilometres along the road to the property. Recent logging of the NI 022 road system has opened up the Dump property, with mot of the claims clear cut. The Camp Reload spur of the Canfor Logging Railway lies on the eastern boundary of the claims.

Access through the entire claim group via logging roads is excellent. Diamond drilling water is available from Woodengle Creek, or the unnamed pond on the eastern boundary of the property. The low elevation (30 to 120 metres) poses no problem to year round work.

A diamond drilling permit is in place and a security bond has been posted.



DUMP PROJECT
Claim Location (092L026)

Figure 2

PROPERTY HOLDINGS

The Dump property consisted of four two-post claims, which were converted under map staking provisions of the Mineral Tenure Act to one map claim. The claim is registered in the name of R1120 Holdings Ltd. of Vancouver, B.C. The claim is subject to a royalty of $0.25 per ton in favor of R.Tim Henneberry of Mill Bay, B.C.

Name	Record Number	Anniversary Date	Hectares
	508194	17-Jul-2008 *	247.765

* pending approval of 2005 assessment credits

PREVIOUS EXPLORATION

Part of the present Dump claim was originally staked as the Dump 1 and Dump 2 mineral claims in 1993 to cover a grey-white limestone exposed in an old garbage dump. Mapping along the Camp spur of the Canfor Logging Railway highlighted the grey-white stone and also discovered a grey-black and a white stone. (Henneberry, 1993; 1996).

ECC International Inc. examined and sampled the Dump claims as part of an on-going assessment of the northern Vancouver Island Carbonate Project in 1996. A series of 8 samples were taken in a cross stratigraphy traverse. These samples were tested both chemically and optically. (Henneberry, 1997).

These mapping programs described the grey-white marble as a "dirty" grey-white, dense, coarsely crystalline stone. Bedding was at 124/30-50SW. The main exposure was 40 metres long by 15 metres high by 10 metres wide. A second exposure behind the first on the far side of a second gravel pit was also mapped. In this location the marble is intruded by a 2 metre thick andesite dyke, intruded along a bedding plane. The outcrop is grey-white in color and shows numerous zones of limonite, confined primarily to weathered surfaces and fractures.

Logging at the turn of the century to the west of the old Dump claims opened up an elongate ridge of white to grey-white limestone. This area was originally staked for R 1120 Holdings in 2003. The ground lapsed and was reacquired by R 1120 Holdings in July of 2004.

The Quatsino limestones have been the continual focus of exploration, both for marble dimension stone and for white limestone. R 1120 Holdings is exploring for white limestone at the north end of the East Band in two locations. Homegold Resources Ltd. is also exploring for white limestone at the north end of the East Band. Leo D'or Mining opened a diamond wire marble quarry in the East Band at Bonanza Lake in the early 1990's. IMASCO opened an adit to the north of the Leo D'or testing for white limestone in the late 1980's. Much of the remaining limestone in the East Band is held by Oyama (Canada) Inc.

Weyerhauser continues to hold the old IM4 quarry at the north end of the Centre Band. This grey-white limestone was used for riprap at the Weyerhauser facility at Port McNeill. Ecowaste Management maintains a large holding on the northeast shore of Nimpkish Lake for chemical lime. Homegold Resources Ltd. is exploring for white in the central section of the Centre Band east of Nimpkish Lake. R 1120 Holdings Ltd.'s Dump property lies at the south end of the Centre Band.

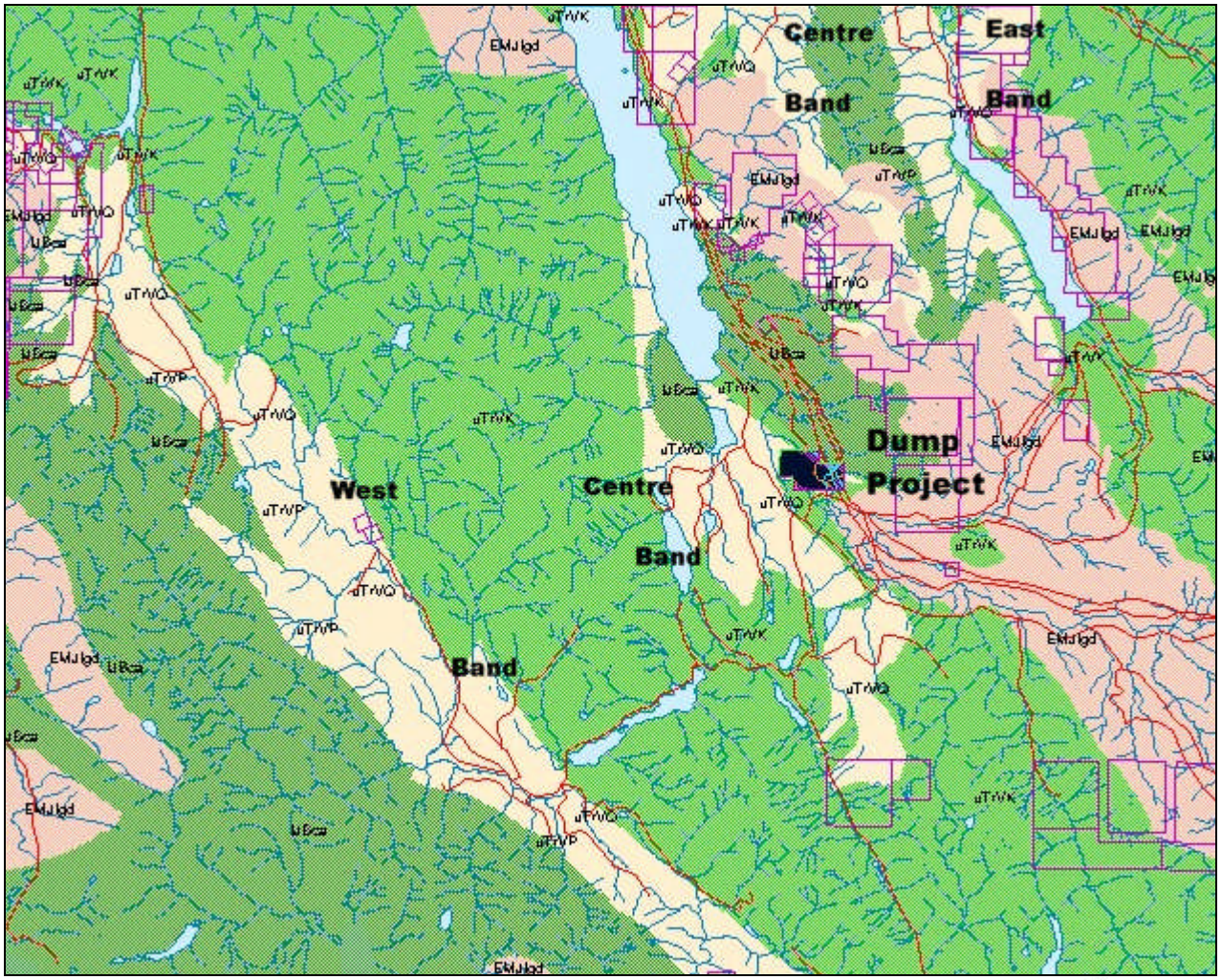
The West Band has undergone only sporadic exploration. IMASCO continues to mine white limestone at their Benson Lake quarry, shipping the stone through their barge facility at Port Alice. Matrix Marble (or Cowichan Terrazo and Ceramic Tile) quarries white marble at Hisnet Inlet at the south end of the West Band.

LEGEND

Jurassic
EMJIgd Island Intrusions – granodiorite
lJBca Bonanza Group – calc alkaline volcanics

Triassic
Vancouver Group
uTrVP Parson Bay Formation – fine clastic sediments
uTrVQ Quatsino Formation – limestone
uTrVK Karmutsen Formation – basaltic volcanics

(Geology from MapPlace)



SCALE 1 : 250,000

2 0 2 4 6

MILES

N

Dump Project
Regional Geology
Figure 3

REGIONAL GEOLOGY

The geology of northeast Vancouver Island has been described by Muller et al (1974). The area lies in the Insular Belt of the Canadian Cordillera. The map area is chiefly underlain by the middle to upper Triassic Vancouver Group, overlain by the lower Jurassic Bonanza Group. The Vancouver Group is intruded by large and small bodies of middle Jurassic Island. The region may be divided into several great structural blocks, separated mainly by important near-vertical faults and themselves fractured into many small fault segments.

The Vancouver Group is comprised of the lower Karmutsen Formation, middle Quatsino Formation and upper Parson Bay Formation. The Karmutsen Formation, the thickest and most widespread of the Vancouver Group formations, consists of basaltic pillow lavas, pillow breccias and lava flows with minor interbedded limestones, primarily in the upper part of the formation. Karmutsen rocks outcrop throughout northeastern Vancouver Island.

The Quatsino Formation overlies the basalts. The lower part of the Quatsino Formation consists of thick bedded to massive, brown-grey to light grey, grey to white weathering, fine to microcrystalline, commonly stylolithic limestone. The upper part is thin to thick bedded, darker brown and grey limestone, with fairly common layers of shell debris. The formation is in gradational contact with the overlying Parson Bay Formation by an increase in layers of calcareous pelites. Quatsino limestone outcrops as three narrow belts on the north part of Vancouver Island.

The Parson Bay Formation consists of a series of interbedded silty limestones and calcareous shales and sandstones, and occasional beds of pure limestone. Parson Bay rocks outcrop sporadically overlying the Quatsino limestone.

The Bonanza Group overlies the Vancouver Group. Bonanza Group rocks are primarily a Jurassic assemblage of interbedded lava, breccia and tuff with compositions ranging from basalt through andesite and dacite to rhyolite, deposited in a volcanic island arc environment. The Bonanza Group outcrops throughout the map area.

Granitoid batholiths and stocks of the Island Intrusions underlie the central core of Vancouver Island from one end to the other. These intrusions range in composition from quartz diorite and tonalite to granodiorite and granite. Island Intrusions outcrop throughout the map area.

The network of faults displayed on the north end of Vancouver Island appears to be the super position of two or more fracture patterns, each with a characteristic directions and of different age and origin.

Quatsino Formation

The Quatsino Formation limestones are the main focus of the carbonate exploration. The larger, massive beds of limestone are white to grey in color and distinctly crystalline. Exceedingly fine-grained beds form a small percentage of the whole and siliceous or cherty varieties are likewise sparingly developed (Gunning, 1930). The Quatsino formation consists almost entirely of limestone, with a few thin flows of andesite or basalt. The limestone is fine to coarsely crystalline, and ranges from white to black, with various intermediate colors. Towards the base, it tends to be exceedingly fine grained, and grey and brownish or buff colors are characteristic. Midway of the formation the colors are predominantly white or grey, but towards the top the limestone becomes dark grey to black, due to a varying quantity of carbonaceous matter, and the formation grades upward into argillites and impure limestones of the overlying Parson Bay Formation. Even at the top, however, light grey or even white beds are interbedded with the darker varieties. The bedding, as represented by colour banding, is generally well preserved in the upper part of the formation but in the lower part, where white to brownish grey and buff colors predominate, it is poorly preserved. In the upper part, too, the beds are generally thin, thicknesses of 1-2 centimetres being common and more than 60-100 centimetres uncommon. The formation as a whole is dominantly a high-calcium limestone (Hoadley, 1953).

Within 1-3 kilometres of bodies of the Coast Intrusions, the limestone may be highly contorted and extremely jointed and fractured, cut by many acidic dykes, and partly to completely skarnified (Hoadley, 1953).

Limestone outcrops in three relatively narrow discontinuous bands of varying lengths on the north end of Vancouver Island (McCammon, 1968). The East Band reaches from the hill just west of Beaver Cove southeast across Tsulton River to Bonanza Lake and down the west side of the lake to its west end. The Centre Band extends from 5 kilometres south of Port McNeill southeast to 15 kilometres past the south end of Nimpkish Lake. The West Band extends from west of Nahwitti Lake southeast to Tlupana Inlet. An additional limestone occurrence extends along the south shore of Holberg Inlet.

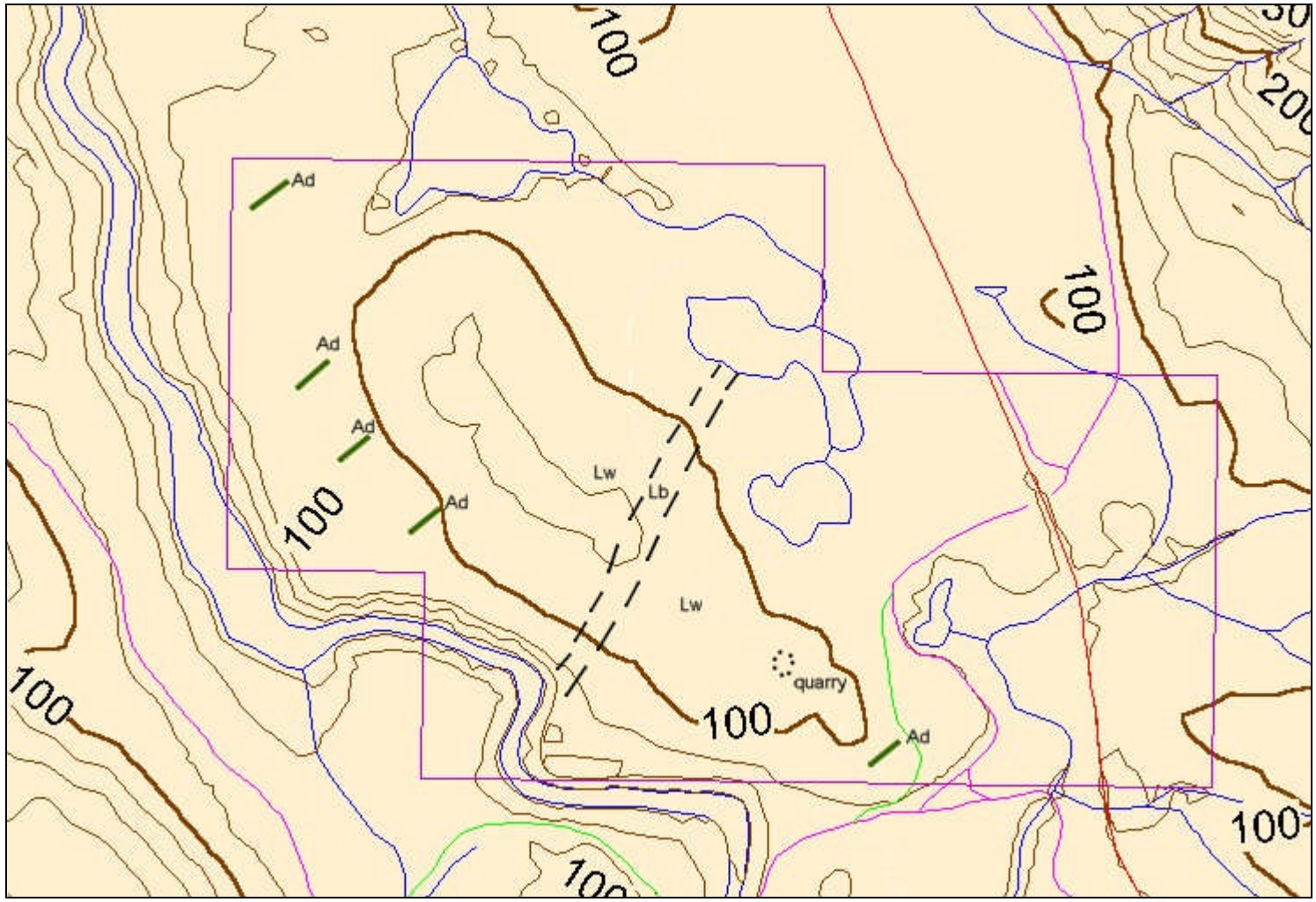
The Dump property lies in the south end of the Centre Band. Limestone from the Centre Band is generally medium grey to black or dark brown to black. The limestone becomes darker and argillaceous towards the top of the formation (Gunning, 1932a). White to dark grey limestones occur at several places on Nimpkish Lake where they are recrystallized and somewhat faulted and obtain a thickness of 150 to 300 metres (Gunning, 1930). Along the east side of Nimpkish Lake a section of "dirty" sugary grey white limestone was observed. Both Gunning (1930) and Hoadley (1953) consider the outcroppings along Nimpkish Lake too jointed in many places to serve as a building stone.

LEGEND

Ad andesite dykes

Lw white to grey white limestone
Lb black to grey limestone

Contour interval is 200 metres



SCALE 1 : 15,000

1,000 0 1,000 2,000 3,000

FEET

N

Dump Project
Property Geology
Figure 4

PROPERTY GEOLOGY

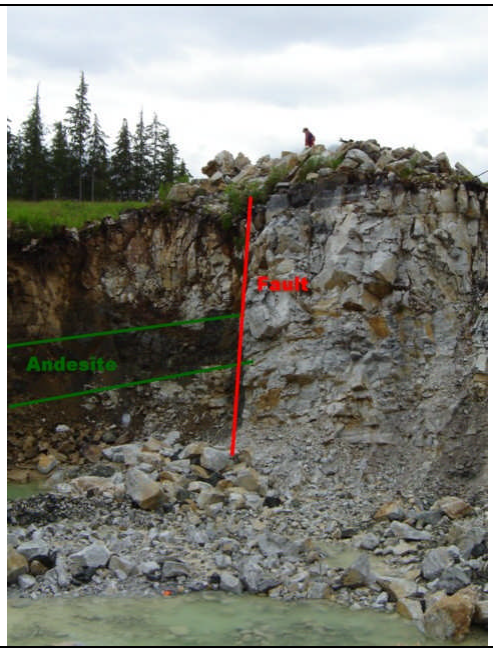
The Dump property appears to be entirely underlain by limestone. The topography clearly shows a northwest trending knoll that mapping has shown to be composed primarily of white to grey white limestone. Mapping identified three primary types of limestone.

The most common limestone varies in color from white through white-grey to grey-white. Texture ranges from fine (1mm) to coarse (4-5mm), though generally lies in the medium range (2-3mm). The stone ranges from clean to traces of fracture clays and limonite. Occasionally blebs of darker grey limestone (10-15mm) are encountered forming 1-2% of the total mass of the sample. Toward the northwest end of the property, the limestone commonly shows a slightly brownish hue giving the stone an ivory color. This may just be a phenomenon of near surface weathering.

A sugary grey medium grained limestone was sampled at several locations throughout the property. This limestone is generally clean looking with few impurities. It seems to form thin beds and in two locations yields a mottled texture of intermixing of grey and white stone. These occurrences seem to be very local in nature. This stone would give an interesting look on polished surface and may have some appeal as a sculpture stone.

A fine-grained black limestone was mapped on all three roads and appears to strike across the property. Locally the limestone appears almost grey in color, generally with a sugary texture.

A series of thin (centimetres to a few metres in thickness) andesitic dykes were also mapped. These dykes appear to exhibit this contact aureole, which may carry small amounts of pyrite.



Andesite in road cut quarry. The andesite could be considered a sill in this location. Note the presence of limestone both above and below the sill..

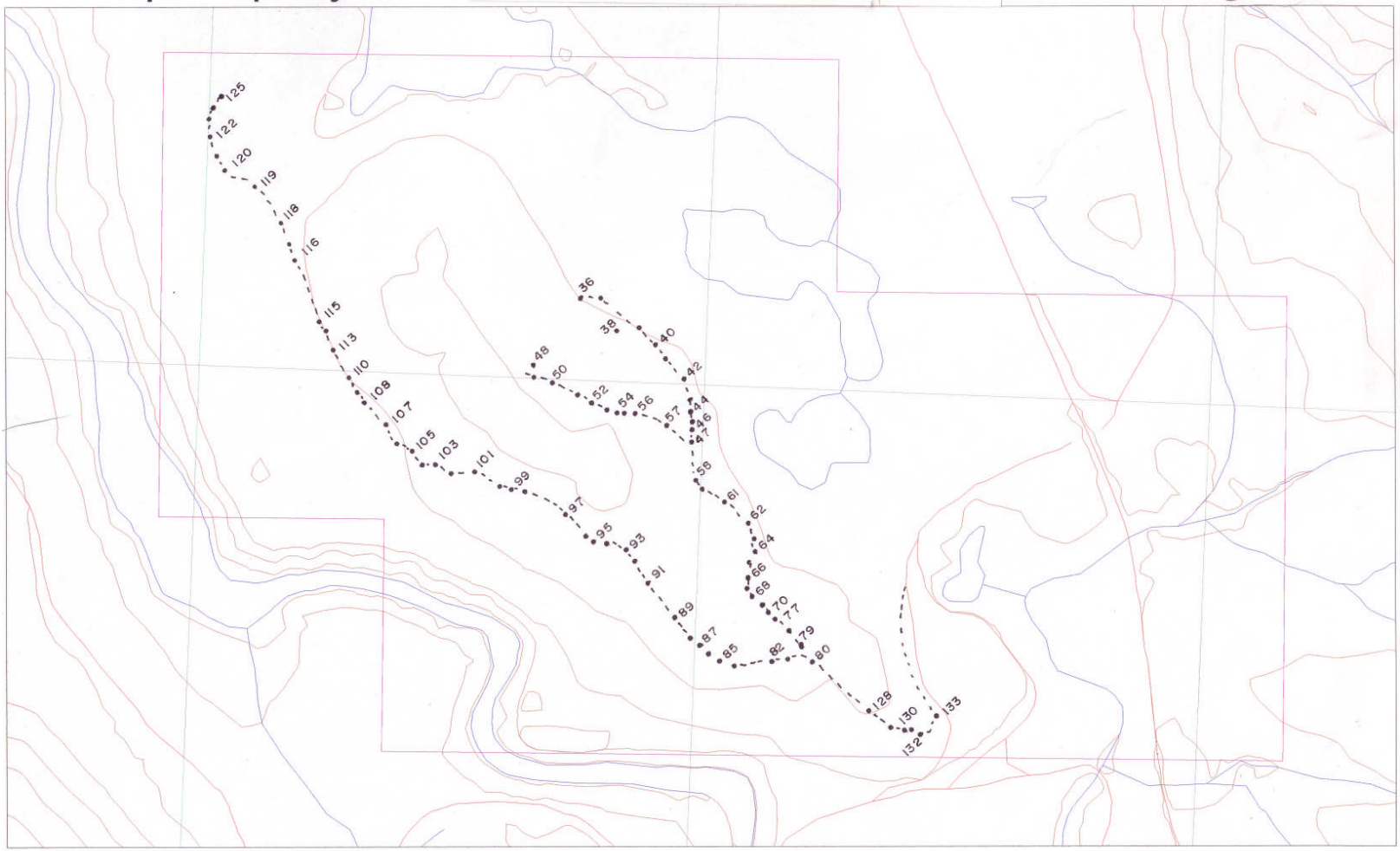
The sill appears to be cut off by a near vertical fault.

The dimensions of the quarry are 35 by 20 metres. The depth of the quarry is approximately 25 metres.

Dump Property

2005 Sample Locations

Figure 5



http://webmap.em.gov.bc.ca/mapplace/maps/minpot/mtitles.mwf

Monday, June 27, 2005 4:21 PM

2005 EXPLORATION PROGRAM

The 2005 exploration program consisted of mapping the outcrop exposures throughout the property. Recent logging by Canfor in the early 2000's opened up a previously unknown white limestone occurrence with the development of the NI022 road system. The road system actually rims an elongate northwest trending knoll, shown to be composed of limestone. The mapping showed several continuous exposures of limestone in excess of 200 metres.

The mapping and sampling program consisted of collecting 105 samples from the outcrop exposures. One sample was taken from each outcrop, while samples were taken at approximately 25 metre intervals along zones of continuous outcrop. The sampling allowed for comparisons of color, texture and impurities throughout the property.

A complete sample record is appended. Color, texture, and grain size were recorded for each sample location, as was the presence of fracture clay, fracture limonite or sulfides. Finally, the nature of the outcrop exposure was also recorded.

Each sample location was assigned a distinct Waypoint number. The sample locations are plotted at 1:10,000 on the accompanying map (Figure 5).

Sampling Summary

Section	**Total**	**white**	**white-grey**	**ivory**	**grey-white**	**grey**	**black**
WP 36-47	12	0	6	0	3	3	0
WP 48-57	10	3	5	0	0	1	1
WP 58-79	25	1	11	0	12	1	0
WP 80-125	53	20	15	8	1	7	2
WP 128-133	5	1	3	0	1	0	0
Total samples	**105**	**25**	**40**	**8**	**17**	**12**	**3**

The mapping identified a dense limestone varying in color from white to grey-white throughout the knoll, an area in excess of 1200 metres by 300 metres. The stone varies in grain size from 1-2mm to 4-5mm, a medium fine to coarse texture. Impurities are generally confined to fracture related clays and limonite. Sulfides were noted in only 1 sample, adjacent to a large andesite dyke.

Bedding was measured in several locations ranging from 140º-150º and dipping 15º-24º SW. A distinctive black limestone has been mapped and identified as a marker horizon, confirming the general strike and dip.

Five distinct andesite dykes were mapped ranging in thickness to 5 metres.

The mapped area shows a gentle relief of approximately 25 metres from the rail bed to the top of the knoll, suggesting the limestone must attain at least that thickness over the property. This has been confirmed at the quarry, where the pit is in excess of 25 metres deep.

MARKETING

The primary market for the limestone from the Cove property is in industrial applications and to a lesser extent, in landscape applications. The white color of the limestone and the brightness results suggest a potential market as industrial fillers. The insolubles and fracture limonite suggest lower end applications. The white color would also be suitable for crushed landscape stone.

The first stage of the marketing program is to ascertain product suitability. Initially, random 10 kilogram grab samples of + 2 inch minus should be collected. These samples can than be forwarded to prospective industrial filler firms for testing. These samples could also be shown to landscape supply and gravel supply firms for comments on suitability. The key aspect of this phase of the marketing is to generate interest in the limestone, and to get the target firms to try the limestone.

The second stage will be a small scale bulk test of 500 to 5000 tons. The stone will be quarried, crushed and sent to the industrial filler plant for a full scale test. As well, a 200 to 500 ton sample can be supplied to landscaping firms for job site tests.

The other key aspect to be completed by this time is to establish transportation logistics. Small (<50 tons) tonnages can be trucked by Super B Trains, while samples of 500 tons or larger will need some type of mass transportation, likely water barge.

This information can than be compiled into a preliminary feasibility study to ensure the economics of the proposed operation are feasible.

DISCUSSION

The Dump property was first identified in 1993 during a regional evaluation of the dimension stone potential of the northern Vancouver Island Quatsino limestones. Subsequent examination proved the marble to be too broken for dimension. Chemical and optical analyses completed in the mid-1990's yielded results within the limits acceptable for industrial filler applications (from Henneberry, 1997).

Results Reported in Henneberry, 1997

Sample	CaCO3	MgCO3	Insoluble	Sample	Brightness	Insoluble
120911	95.72%	2.80%	3.71%	D1	90.8	0.66%
130701	98.10%	0.32%	0.32%	D2	90.5	0.98%
011101	96.20%	4.46%	0.97%	D3	90.5	0.82%
				D4	89.2	1.20%
				D5	89.0	1.84%
				D6	90.0	1.10%
				D7	90.1	1.41%
				D8	89.7	1.58%

2005 Sampling Results

Sample	CaO	MgO	Insoluble	Brightness
WP 44	85.60%	1.54%	0.88%	87.1
WP 48	83.50%	6.00%	1.02%	89.3
WP 101	80.50%	6.41%	1.49%	90.1
WP 119	80.90%	2.89%	2.78%	88.4

The recent logging has shown the white limestone to be much more extensive than previously mapped. The new exposures show the limestone to be much cleaner than the stone noted in the earlier mapping along the spur line and in the dump.

The next step of the exploration program should be a combination of marketing and drilling. The primary market appears to be filler applications, though the blasting of road cuts left numerous large blocks of limestone, suggesting the stone may be suitable for rip rap applications.

The first stage of the marketing program is to ascertain product suitability. Initially, random 10 kilogram grab samples of $\pm$ 2 inch minus should be collected. These samples can then be forwarded to prospective industrial filler firms for testing. These samples could also be shown to landscape supply and gravel supply firms for comments on suitability. The key aspect of this phase of the marketing is to generate interest in the limestone, and to get the target firms to try the limestone.

The purpose of the diamond drilling is two-fold. The main objective will be to prove continuity of the stone along strike and dip and to establish a probable reserve. The core will be sampled at regular intervals for chemical and optical properties.

The second objective will be to locate a site to undertake a preliminary bulk sample of 10,000 tonnes.

CONCLUSIONS AND RECOMMENDATIONS

The Dump property was originally explored for dimension stone and white limestone in the early to mid 1990's. A potential low-end filler was identified though follow-up exploration was never completed. Subsequently, Canfor proceeded to log the area of the old Dump 2 claim and the area immediately to the northwest. This roads constructed prior to the logging opened several road cuts of white to grey-white limestone, totaling an area of 1200 by 300 metres.

Preliminary sampling and mapping of this limestone has identified what appears to be a higher quality stone than previously found. Further exploration is required to evaluate this newly found limestone.

A small drilling program in the order of 1000 metres is recommended to test the limestone along strike and down dip and to establish a preliminary probable reserve. The core should be sampled at regular intervals to establish the optical and chemical properties of the limestone.

Preliminary marketing should also be initiated to evaluate the limestone for use as decorative stone, as filler and extender material and as coarse riprap.

A follow-up program of bulk testing should be initiated if the drilling and marketing programs meet with favorable results.

Dump Property - Recommended Budget

Drilling	$62,000
Marketing	$16,000
Bulk text	$109,000

Dump property total	**$187,000**

The cost of the 2005 assessment work was $2,999.69

REFERENCES

Gunning,H.C. (1930). Geology and Mineral Deposits of Quatsino-Nimpkish Area, Vancouver Island, British Columbia. Geological Survey of Canada Summary Report 1929A. pp.94A-143A

Gunning,H.C. (1932a). Preliminary Report of the Nimpkish Lake Quadrangle, Vancouver Island, British Columbia. Geological Survey of Canada Summary Report 1931A. pp.22A-35A.

Henneberry,R.T.(1993). Initial Report 1993 Exploration Program for the Dump Property, Vancouver Island, B.C. British Columbia Ministry of Energy, Mines and Petroleum Resources Assessment Report 23327.

Henneberry,R.T.(1996). Carbonate Potential of the Dump Property, Vancouver Island, B.C. British Columbia Ministry of Energy, Mines and Petroleum Resources Assessment Report 24347.

Henneberry,R.T.(1993). 1996 Exploration Program for the Dump Property, Vancouver Island, B.C. British Columbia Ministry of Energy, Mines and Petroleum Resources Assessment Report 24922.

Hoadley,J.W. (1953). Geology and Mineral Deposits of the Zeballos-Nimpkish Area, Vancouver Island, British Columbia. Geological Survey of Canada Memoir 272. 82p.

McCammon,J.W. (1968). Limestone Deposits at the North End of Vancouver Island. British Columbia Ministry of Mines Annual Report for 1968. pp.312-318.

Muller,J.E., Northcote,K.E. and Carlisle,D. (1974). Geology and Mineral Deposits of Alert - Cape Scott Map-Area (92L-102I) Vancouver Island, British Columbia. Geological Survey of Canada Paper 74-8. 77p.

Stevenson,J.S. (1950). Geology and Mineral Deposits of the Zeballos Mining Camp, British Columbia. British Columbia Department of Mines Bulletin 27. 145p.

STATEMENT OF QUALIFICATIONS

I, R.Tim Henneberry, am the principle of Mammoth Geological Ltd., a geological consulting firm with offices at 612 Noowick Road, Mill Bay, B.C.

I earned a Bachelor of Science Degree majoring in geology from Dalhousie University, graduating in May 1980.

I have practiced my profession continuously since graduation.

I am registered with the Association of Professional Engineers and Geoscientists in the Province of British Columbia as a Professional Geoscientist. I am also a Fellow of the Geological Association of Canada.

I retain a $0.25 per ton royalty interest in the Dump property.

I directed and undertook the exploration program on which this report is based on July 17, 2004 and June 17 and 18, 2005.

This report may be used for any purpose normal to the business of R1120 Holdings Ltd., provided no part is used in such a manner to convey a meaning different than that set out in the whole.

Dated this _____ day of _____ in the Town of Mill Bay, British Columbia.

_____

R.Tim Henneberry, P.Geo.

COST ESTIMATES

Diamond Drilling

Drill 1000 metres 10-15 holes
Calculate mineral resource
Delineate initial bulk test site
Document results

Drilling					
Mob/Demob				$	2,500
Metre cost	100 metres	@	$70 /metre	$	7,000
Cat Tractor					
Mob/Demob				$	1,000
Cat hours	50 hours	@	$125 /hour	$	6,250
Analysis					
Strength tests	4 samples	@	$400 /sample	$	1,600
Whole Rock	30 samples	@	$35 /sample	$	1,050
Brightness	50 samples	@	$70 /sample	$	3,500
Supervision					
Geologist	20 days	@	$450 /day	$	9,000
Assistant	30 days	@	$200 /day	$	6,000
Vehicle	30 days	@	$75 /day	$	2,250
Fuel				$	2,500
Room and board	50 days	@	$125 /manday	$	6,250
Documentation					
Reports				$	5,000
Reproduction				$	750
Sub-total				$	54,650
Contingency				$	7,350
Diamond Drilling Budget				**$**	**62,000**

COST ESTIMATES
(Continued)

Marketing

Obtain + 10 kg buckets of 2 inches minus limestone
Visit varies end users to display product and generate interest
Document results

Secure samples					
Geologist	2 days	@	$450 /day	$	900
Assistant	2 days	@	$200 /day	$	400
Vehicle	2 days	@	$75 /day	$	150
Fuel				$	150
Room and board	4 days	@	$125 /manday	$	500
Marketing					
Marketing materials				$	1,000
Geologist	10 days	@	$450 /day	$	4,500
Vehicle	10 days	@	$75 /day	$	750
Fuel				$	1,500
Room and board	10 days	@	$200 /manday	$	2,000
Documentation					
Reports				$	2,000
Reproduction				$	100
Sub-total				$	13,950
Contingency				$	2,050
Marketing Budget				**$**	**16,000**

COST ESTIMATES
(Continued)

Bulk Testing

Strip area 25 m by 25 m
Drill off and blast this area to a depth of 3 metres
Crush limestone to 2 inch minus
Truck stone to load out facility
Load onto barge
Barge load to Seattle

Stripping					
(75*75*8 = 45,000 ft3)					
(45,000 / 1400 ft3 per hour = 33 hours)					
Cat Mob/Demob				$	1,000
Cat hours	33 hours	@	$140 /hour	$	4,620
Drilling					
(75*75*10 foot block -> 16*16 = 256 holes)					
(256/30holes per day = 9 days)					
Airtrack Mob/Demob				$	5,000
Airtrack hours	9 days	@	$400 /day	$	3,600
Stick powder	5 boxes	@	$136 /box	$	680
Caps	256 caps	@	$4 /cap	$	1,024
Anfo (256/4)	64 bags	@	$24 /bag	$	1,536
Crushing					
Crusher Mob/Demob				$	1,000
Crusher hours	8 days	@	$300 /day	$	2,400
Loader Mob/Demob				$	1,000
Loader hours	60 hours	@	$140 /hour	$	8,400
Trucking					
(move 60 tons per hour -> 5000/60 = 85 hours)					
Loader hours	85 hours	@	$140 /hour	$	11,900
Dump truck	85 hours	@	$90 /hour	$	7,650
Loading					
(allow 15 hours to load)					
Loader hours	15 hours	@	$140 /hour	$	2,100
Dump truck	15 hours	@	$90 /hour	$	1,350

COST ESTIMATES
(Continued)

Transportation					
(quote is $15,000 to Seattle from Beaver Cove)					
As per quote				$	15,000
Supervision					
Geologist	12 days	@	$450 / day	$	5,400
Assistant	32 days	@	$200 / day	$	6,400
Vehicle	32 days	@	$75 / day	$	2,400
Fuel				$	2,400
Room and board	44 days	@	$125 / manday	$	5,500
Documentation					
Reports				$	5,000
Reproduction				$	500
Sub-total				$	95,860
Contingency				$	13,140
Bulk Testing Budget				**$**	**109,000**

STATEMENT OF COSTS

Dump - July 17, 2004; June 17, 18			991.06 / year		$2,973.18	3 years		
Cove - July 18, 2005; June 17 - 2005			30 /year		$900.00	3 years		
							Apportioned	
							Dump	Cove
Supervision								
Geologist	2 days	@	$450 /day	$	900.00	$	600.00	$ 300.00
Assistant	2 days	@	$225 /day	$	450.00	$	300.00	$ 150.00
Support								
Vehicle	2 days	@	$75 /day	$	150.00	$	100.00	$ 50.00
Fuel				$	155.28	$	103.52	$ 51.76
Room and board				$	340.26	$	226.84	$ 113.42
Analysis								
Whole Rock	5 samples	@	$30 /sample	$	150.00	$	120.00	$30
Brightness	5 samples	@	$54 /sample	$	270.00	$	216.00	$54
Documentation								
Reports				$	2,000.00	$	1,333.33	$ 666.67
Assessment Credit Subtotal				**$**	**4,415.54**	**$**	**2,999.69**	**$ 1,415.85**

The total costs of the program were apportioned 2/3 to Dump and 1/3 to Cove.

Eco Tech Laboratory Ltd.

ASSAYING
GEOCHEMISTRY
ANALYTICAL CHEMISTRY
ENVIRONMENTAL TESTING

[illegible] Dallas Drive Kamloops BC V2C 6T4
Phone (250) 573-5700 Fax (250) 573-4557
E-mail: [illegible]@ecotechlab.com
www.ecotechlab.com

WHOLE ROCK CERTIFICATE OF ANALYSIS AK 2005-600

R1120 Holdings Ltd.
612 Noowick Road
Mill Bay, BC
V0R 2P4

19-Jul-05

No. of samples received: 5
Sample type:
Project #:Cove /Dump
Shipment #:n/a
Samples submitted by: RT. Henneberry

Note: Values expressed in percent

ET #.	Tag #	BaO	P205	SiO2	MnO	Fe203	MgO	Al203	CaO	TiO2	Na2O	K20	L.O.I.
1	WP 34	0.02	0.03	4.92	0.03	0.30	0.34	0.66	84.1	0.02	0.06	0.31	9.20
2	WP 44	0.01	0.01	0.66	0.04	0.11	1.54	0.10	85.6	0.01	0.01	0.11	11.7
3	WP 48	0.02	0.01	0.82	0.01	0.09	6.00	0.10	83.5	0.01	0.01	0.05	9.38
4	WP 101	0.02	0.01	1.13	0.01	0.12	6.41	0.23	80.5	0.01	0.01	0.14	11.4
5	WP 119	0.00	0.02	2.35	0.02	0.28	2.89	0.13	80.9	0.02	0.04	0.09	13.3
QC DATA:													
Repeat:													
1	WP 34	0.01	0.03	4.97	0.03	0.15	0.25	0.43	84.6	0.01	0.03	0.21	9.30
Standard:													
sy4		0.03	0.22	50.4	0.11	6.43	0.54	20.7	8.16	0.28	7.03	1.54	4.56
tdb1		0.04	0.26	50.2	0.19	14.6	5.83	13.2	9.77	2.33	2.18	0.99	0.30

JJ/ll
df:wr600
XLS '05

ECO TECH LABORATORY LTD.
Jutta Jealouse
B.C. Certified Assayer

FROM: Norm Weber, 604 817 4612
Webco Tech. Services
324 – 560 Ravenwoods Drive
North Vancouver BC V7G 2T3

TO: R 1120 Holdings Ltd.
1502 - 1228 W. Hastings Street
Mill Bay, B.C. V6E 4S2

Sample Description:

Ground Calcium Carbonate Samples Received July 12th 2005 Labeled:
05-R1120 Holdings: WP 34, WP44, WP48, WP101, WP119

Results

Sample label	**WP 34**	**WP44**	**WP 48**	**WP 101**	**WP 119**
Brightness % ISO @ 457 nm	**84.19**	**87.13**	**89.30**	**90.52**	**88.43**
R (X)	88.89	90.09	91.62	92.31	90.62
R (Y)	87.70	89.44	90.96	91.78	90.04
R (Z)	83.83	86.84	89.02	90.27	88.16
X	86.18	87.71	89.34	90.13	88.39
Y	87.70	89.44	90.96	91.78	90.04
Z	99.11	102.67	105.24	106.73	104.24
L	93.65	94.57	95.37	95.80	94.89
A	0.38	0.05	0.31	0.28	0.21
B	2.81	1.84	1.33	1.01	1.29
L*	95.04	95.77	96.39	96.73	96.01
a*	0.31	-0.01	0.24	0.22	0.15
b*	2.86	1.89	1.39	1.07	1.35

Experimental:

Samples were pressed into tablets and scanned for brightness and color properties using a Technibrite Micro TB-1C brightness meter. This meter conforms to ISO Standards 2469, 2470 and 2471. The instrument is professionally calibrated annually by the manufacturer and its calibration is checked prior to each use.

Color Measurement

There are several different systems in use today for the description and specification of color using colorimeters. The three most commonly used color systems in industry are:

1) CIE, L*a*b* - known as CIELAB or STARLAB (originated 1976)
2) Hunter L,a,b system
3) CIE Dominant wavelength, purity and luminosity. (originated 1931)

All three of these are based on numbers measured by a tristimulus colorimeter based on the internationally accepted CIE standard observer. Once the three CIE tristimulus values are obtained for a sample, relatively simple calculations can transform them into any of the three color systems mentioned above.
Although the CIE Tristimulus functions X(red), Y(green), and Z(blue) are the basic fundamental measurements on which most color scales are based, very few people in industry use X,Y and Z directly for color control or specifications. The 1931 CIE color space is complex and not easy to understand.

Richard Hunter developed a transformation of the CIE color space into what he described as L,a,b space which is more uniform and easily understood:

L,a,b Color Space:

L is the measure of lightness and varies from 100 for a perfect white to 0 for absolute black.

+a indicates redness and –a indicates greenness.

+b indicates yellowness and –b indicates blueness.