Ministry of Energy, Mines & Petroleum Resources
Mining & Minerals Division
BC Geological Survey

ASSESSMENT REPORT
TITLE PAGE AND SUMMARY

TITLE OF REPORT [type of survey(s)]	**TOTAL COST**
Prospecting Report on the Salal Property	$5733.27

AUTHOR(S) G. Owsiacki, P.Geo. SIGNATURE(S)

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S) YEAR OF WORK 2007

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S) 4186043

PROPERTY NAME Salal

CLAIM NAME(S) (on which work was done) Salal (549311)

COMMODITIES SOUGHT Molybdenum

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN

MINING DIVISION Lillooet NTS 92J/14W

LATITUDE 50 ° 45 ' 21 " LONGITUDE 123 ° 24 ' 45 " (at centre of work)

OWNER(S)

1) G. Owsiacki 2)

MAILING ADDRESS

1350 Kristine Rae Lane
Victoria, B.C. V8Z 7L1

OPERATOR(S) [who paid for the work]

1) AAA Energy Inc. 2)

MAILING ADDRESS

3841 Amador Way
Reno, Nevada 89502

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):

Miocene, quartz monzonite, quartz-molybdenite-pyrite veins, quartz-sericite alteration

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS 709, 24684, 24819

(OVER)

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping			
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for ...)			
Soil			
Silt			
Rock	2	Salal	104.35
Other			
DRILLING (total metres; number of holes, size)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale, area)	1:4200 (2 ha)	Salal	5628.92
PREPARATORY/PHYSICAL			
Line/grid (kilometres)			
Topographic/Photogrammetric (scale, area)			
Legal surveys (scale, area)			
Road, local access (kilometres)/trail			
Trench (metres)			
Underground dev. (metres)			
Other			
		TOTAL COST	5733.27

Assessment Report

BC Geological Survey
Assessment Report
29573

Prospecting Report
Salal Property
Tenure No. 549311

Lillooet Mining Division
NTS Map 92J/14W TRIM Map 92J.073, 74
Latitude: 50°45'21" N
Longitude: 123°24'45" W

Owner: G. Owsiacki
Operator: AAA Energy Inc.

Report prepared by:
G. Owsiacki, P.Geo.

January 11, 2008

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SUMMARY

The Salal property is located 169 kilometres north of Vancouver, B.C. at the headwaters of Salal Creek, a tributary to the Lillooet River. The Salal Creek stock has numerous features similar to the Endako, Kitsault and Quartz Hill (Alaska) porphyry molybdenum deposits and is a very large differentiated quartz monzonite that has the potential to host economic quartz-molybdenite rich ore zones.

The Salal claim is underlain by medium grained quartz monzonitic intrusive rocks that are variably quartz-sericite altered and exhibit numerous fractures and extensive jointing. Anomalous molybdenum values in rock grab samples from the 2007 prospecting program occur in quartz-molybdenite-pyrite veins hosted in altered quartz monzonite. The information gained from the 2007 prospecting work and interpretation of data from previous work suggests that the Float Creek area is worthy of further detailed mapping, sampling, and core drilling.

LOCATION, ACCESS AND PHYSIOGRAPHY

The Salal claim is located 65 kilometres north-northwest of the community of Pemberton or 169 kilometres north of Vancouver, B.C. at the headwaters of Salal Creek, a tributary to the Lillooet River (Figures 1, 2). The claim is located on NTS map sheet 92J/14W (TRIM maps 92J.073, 74) at latitude 50°45'21" N and longitude 123°24'45" W. Road access is via Lillooet River valley logging road that runs 68 kilometres northwest of Pemberton. The road ends on a logging spur road 1 kilometre north of the mouth of Salal Creek. The bridge across Salal Creek on the main logging haulage road is a wide flat area suitable for staging helicopter loads into the property. Alternate access is via a 45 minute helicopter ride from Pemberton airport.

The property is within the rugged Coast Mountain Range where the combined rapid erosion effects of alpine and continental glaciation and Quaternary volcanism have carved out steep slopes with abundant talus. Regional direction of ice movement averages a 200 degree trend. Extensive ice fields still occur at higher elevations and slopes rise from 1400 metres elevation in Salal Creek valley to more than 2300 metres. The entire claim is above tree line. Since there are heavy snowfall accumulations in winter the recommended field season is June to October.

HISTORY

1960: The first claims staked in the Salal Creek area covered a prominent stain zone that was discovered by Phelps Dodge during airborne reconnaissance. Phelps Dodge carried out prospecting and sampling on a trail from upper Trail Creek towards upper Float Creek.

1962: The claims lapsed and Pemberton Prospecting and Mining Syndicate acquired new claims before Phelps Dodge could renew them.

Figure 1. General Location Map, Salal Property.

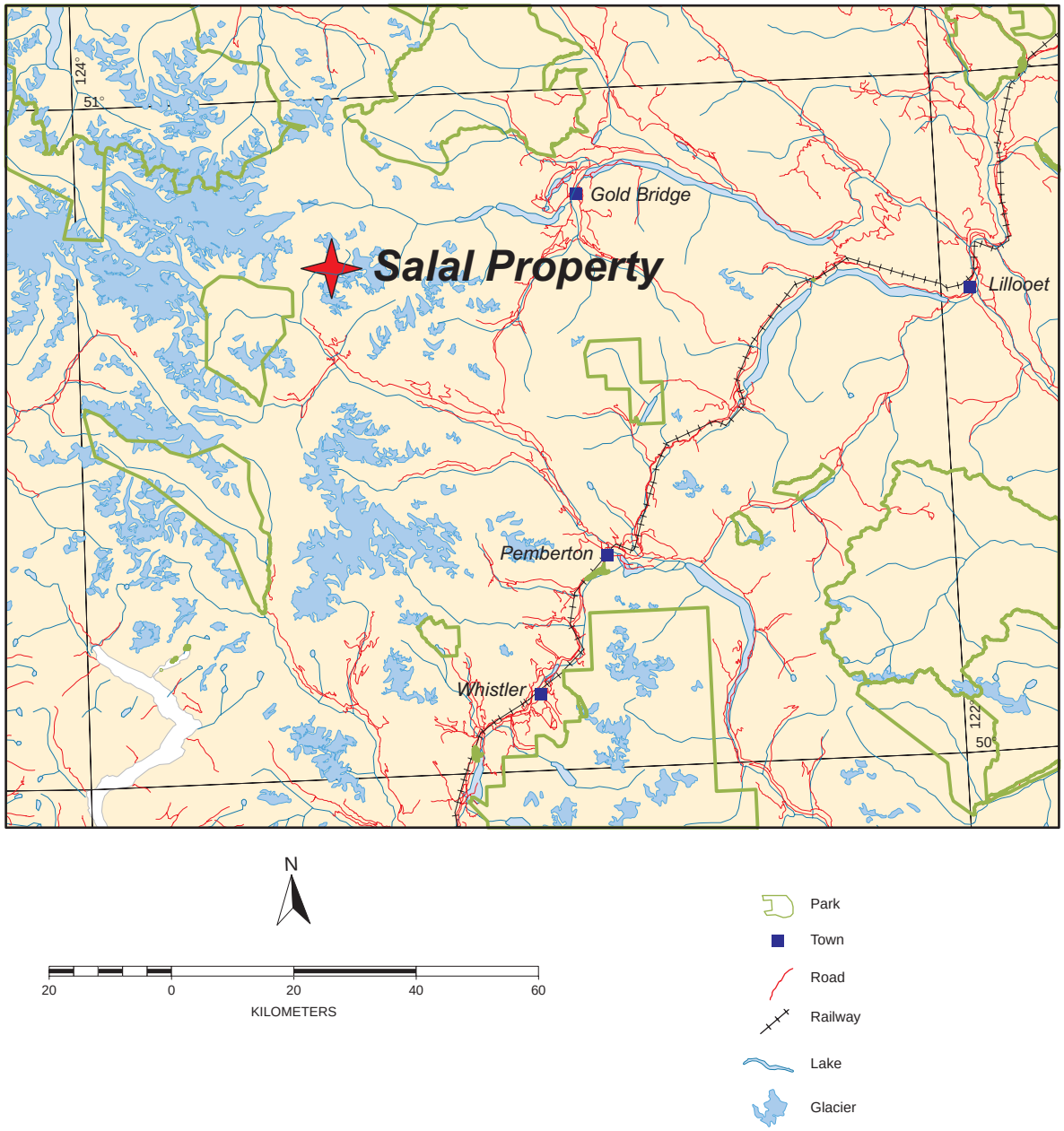

Figure 2. Access routes, Salal Property.

1964: Norpax Nickel Mines optioned the property and staked additional claims. Norpax sampled in the Float Creek area and reported continuous mineralization for 76.2 metres. Samples gave results ranging from 0.03 - 0.22 per cent MoS2 and averaged 0.13 per cent MoS2 over 26.5 metres. A diamond-drill hole was attempted near the Float Creek zone, but was abandoned due to rock slides from a side gulley, not the main Float Creek gulley. A horizontal diamond-drill hole stopped at 238 metres depth, at azimuth 000, on the East Fork of Salal Creek upstream from the confluence with Float Creek. Molybdenite mineralization was observed in some sections of the core, but assay results are not available. It was reported that this drillhole did not penetrate the target depth which was predicted to be in the 914 metre range.

1965-66: Southwest Potash Corp. optioned the claim group and additional ground staked. A program of surveying, geological mapping, reconnaissance geochemistry and diamond drilling was carried out. The option was terminated at the end of 1966; Norpax Nickel Mines and Pemberton Prospecting and Mining Syndicate form Salal Molybdenum Mines Ltd.

1970: Cerro Mining of Canada Ltd. optioned the property and produced geological and geochemical data.

1971: Silver Standard Mines carried out helicopter-borne magnetometer surveys over the Salal Creek stock. A dominant 915 by 1829 metre northeast trending magnetic high (500-1000 gamma relative increase) occurs in the area south of “Red Mountain” which is about 2 kilometres northeast of Float Creek. The strong magnetic relief is interpreted as a possible southwest dipping “feeder zone” centred between Float Creek and Lost Creek (Red Mountain).

1972: Dr. George C. Stephens published a Ph.D. thesis, at Lehigh University, on the Salal Creek Pluton.

1973: BP Minerals optioned the property from Salal Molybdenum Mines Ltd.

1975-76: BP Minerals entered into joint exploration of the property on a 50/50 basis with Utah Mines Ltd. DDH 75-1,2 were collared at 2208 metres elevation in a small gulley at the head of Float Creek. Hole #1 reached a depth of 421.2 metres and was abandoned. Hole #2 reached 686.9 metres and a downhole survey indicated the hole began at -56 degrees and ended up steepening to -68 degrees and veered slightly to the west; molybdenite mineralization is relatively sparse for the first 579 metres, but increases markedly over the last 106 metres.

1979: A drillhole is located on the West Fork of Salal Creek. Results from this drillhole are not available.

1984: BP Minerals performs a regional geochemical sampling program.

1995-96: Verdstone Gold Corp./Molycor Gold Corp. staked the Salal 1-6 claims in 1995 and carried out geological mapping, rock and soil sampling, and diamond drilling in 1996. Two diamond-drill holes were completed from the same setup and totalled 489 metres of BQ size core; molybdenite fracture filling and quartz-pyrite-molybdenite vein/shear mineralization was intersected in both holes. A total of 374 rock chip and 47 soil samples were also taken.

TENURE

The Salal property is comprised of one claim totalling 511.066 hectares with tenure number 549311, located in the Lillooet Mining Division. The claim was staked using Mineral Titles Online in January 2007 and is owned by G. Owsiacki. Claim boundaries relative to topographic features are shown on Figure 3. The 2007 prospecting program was conducted on behalf of the operator, AAA Energy Inc.

REGIONAL GEOLOGY

The Miocene Salal Creek Pluton lies within the Tertiary to Jurassic Coast Plutonic Complex which extends along the west edge of British Columbia. The geology of the Coast Range Belt is generally uniform *(i.e.* massive quartz diorite, granodiorite, diorite and granite with rare gabbro and quartz monzonite). Regionally metamorphosed, older volcanic and sedimentary rocks form northwest trending roof pendants overlying the plutonic rocks (Figure 4).

Quartz monzonites form small stocks with sharp margins. They are generally leucocratic, free of inclusions and appear to have been emplaced at a very high level in the crust. The largest quartz monzonite/granite body is the Salal Creek stock with a K/Ar age date of 8.0 million years. The Salal stock is one of a number of granitic bodies emplaced along the eastern margin of the Coast Range in the Late Tertiary. The north to north-northwest trending Pliocene to Holocene Garibaldi Group volcanic belt forms impressive lava domes at Mount Meager, 12 kilometres south of the Salal property.

PROPERTY GEOLOGY

The Salal property is predominantly underlain by Miocene quartz monzonite with lesser granite and granodiorite. The Salal stock intrudes foliated and regionally metamorphosed Coast Plutonic Complex rocks. The Salal Creek stock is oval in plan and covers an area of 64 square kilometres. The Salal claim covers the southern half of the Salal stock. Massive flows, necks and dikes/sills of Quaternary basalt to rhyolite and related glacio-lacustrine varve clay/silt was deposited at higher elevations (above 2000 metres), covering about 30 per cent of the southern portion of the Salal stock. This volcanic event probably coincided with the Mount Meager complex. Vertical spires of columnar jointed basalt and breached lava ring features are visible at the head of Float Creek.

Two types of molybdenite mineralization have been recognized on the property: 1) vein and shear fillings associated with quartz and/or pyrite; 2) molybdenite joint and vein

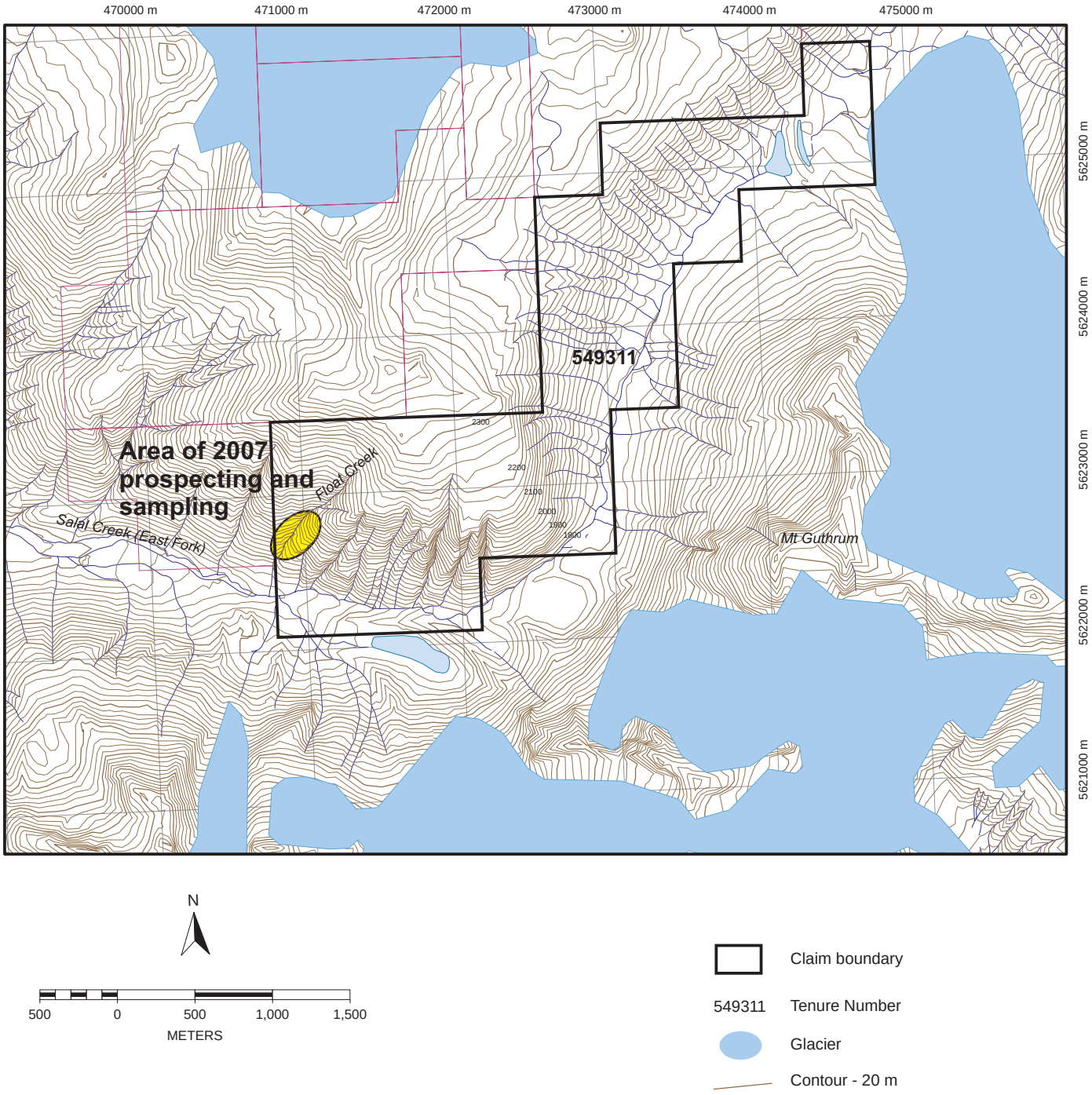

Figure 3. Claim Location Map. Claim information taken from Mineral Titles Online.

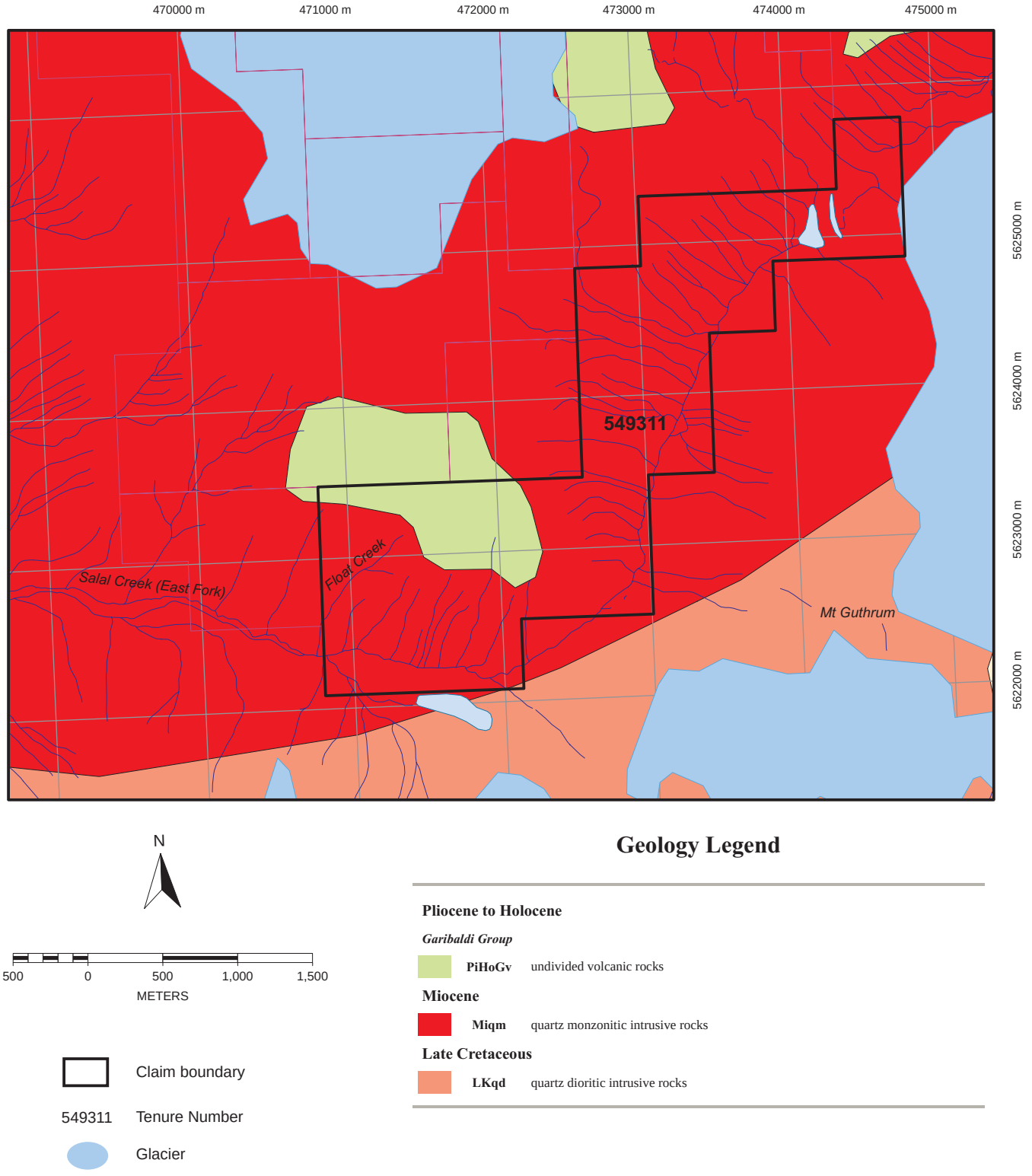

Figure 4. Regional Geology. Source of information: B.C. Ministry of Energy, Mines and Petroeum Resources digital geology map of B.C.

fillings with no associated gangue minerals. Mineralization is generally peripheral to the fine grained quartz monzonite core and coeval with at least some silicic dikes.

WORK PERFORMED

In 2007, the main focus of work on the property was to prospect the lower reaches of Float Creek for molybdenite mineralization (Figure 5). A 2-hectare area was explored and two rock grab samples of quartz-molybdenite +/- pyrite mineralization were taken and sent to ALS Chemex in North Vancouver, B.C. for analysis (Tables 1 and 2). This preliminary phase of exploration was to ascertain what levels of metal concentration might be expected relative to mineralization intersected in the 1996 drilling.

A Garmin GPS 60CSx was used to determine the UTM coordinates of sample site locations. Copies of the original analytical certificates and results for 51 elements analysed by ICP-MS are given in Appendix C.

TABLE 1. LITHOGEOCHEMICAL SAMPLE DESCRIPTIONS

Sample No.	Location Coordinates	Rock Type
07GOW001	5622648 N, 470850 E	Grab sample of quartz-molybdenite vein mineralization with some limonitic staining; hostrock is medium-grained quartz monzonite
07GOW002	5622630 N, 470835 E	Grab sample of quartz-molybdenite-pyrite veinlets with limonite staining; hostrock is medium-grained quartz monzonite

**all UTM coordinates are NAD 83, UTM Zone 10, in metres.*

TABLE 2. SELECTED LITHOGEOCHEMICAL ANALYTICAL RESULTS

Sample No.	Mo ppm	Ag ppm	W ppm	Zn ppm
07GOW001	1285	0.14	0.46	13
07GOW002	233	4.65	89.2	1470

Note: Analytical work done by ALS Chemex of North Vancouver, BC using ICP-MS. See Appendix C for a copy of the original analytical certificate.

RESULTS

Prospecting and lithogeochemical sampling has corroborated the results obtained by previous operators. Molybdenum mineralization in the form of quartz-molybdenite +/- pyrite veins occur in a medium grained, variably quartz-sericite altered quartz monzonite. Molybdenum values yielded a high of 0.12% (233 and 1285 ppm). Silver is also

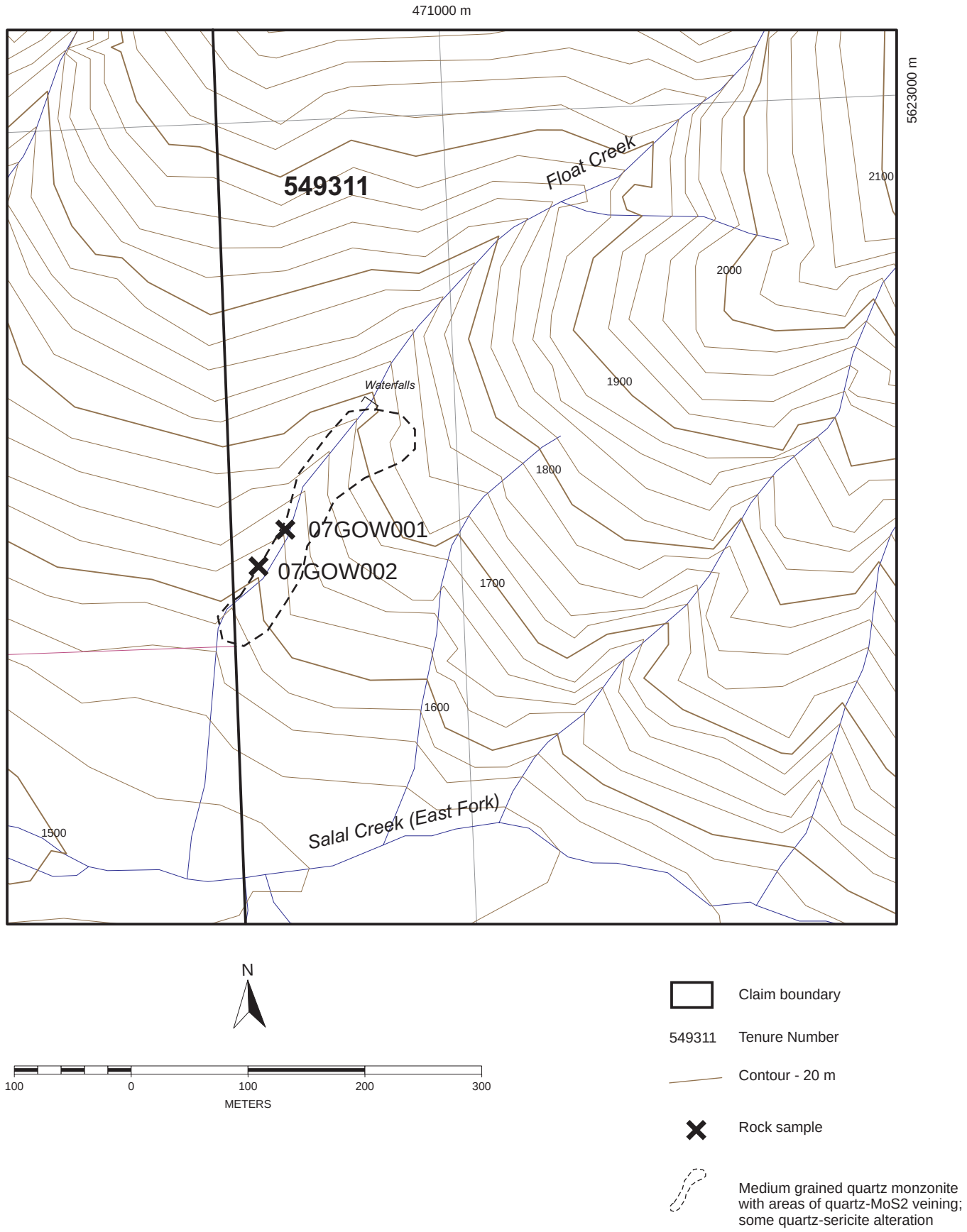

Figure 5. Location of 2007 prospecting and sampling.

anomalous with values up to 4.65 g/t. Tungsten and zinc concentrations are moderately anomalous (Table 2). These results are consistent with the results obtained by Verdstone Gold Corp./Molycor Gold Corp. in 1996.

CONCLUSIONS AND RECOMMENDATIONS

The Salal property covers several zones of porphyry molybdenum mineralization associated with Miocene quartz monzonitic intrusive rocks, similar to those hosting the Endako and Kitsault deposits. Prospecting has indicated that mineralization is widespread and that the Float Creek area in particular represents a significant exploration target and is considered a primary target for future exploration.

REFERENCES

Kikauka, A. (1996a): Geological, Geochemical, and Diamond Drilling Report on the Salal 1-6 Claims, Pemberton, B.C.; *B.C. Ministry of Energy, Mines and Petroleum Resources*, Assessment Report 24819.

Kikauka, A. (1996b); Geological, Geochemical, and Diamond Drilling Report on the Salal 1-6 Claims, Pemberton, B.C.; *B.C. Ministry of Energy, Mines and Petroleum Resources*, Assessment Report 24684.

Mustard, D.K., Fox, P.E. and Barker, R.A. (1965): Report on the Salal Creek Molybdenite Property; *B.C. Ministry of Energy, Mines and Petroleum Resources*, Assessment Report 709.

APPENDIX A – SUMMARY OF EXPENDITURES

Field Crew:	
Geologist, G. Owsiacki (3 days @ $ 600/day)	$ 1800.00
September 8-10, 2007	
Field Costs:	
Helicopter charter, TRK Helicopters	1800.00
Analytical (2 rock samples)	104.35
Report	1500.00
Food, travel and accommodation	528.92
TOTAL =	**$ 5733.27**
PAC Withdrawal from G. Owsiacki account	**$ 399.52**
Total applied to claims	**$ 6132.79**

APPENDIX B – STATEMENT OF QUALIFICATIONS

GEORGE OWSIACKI
1350 Kristine Rae Lane, Victoria, British Columbia V8Z 7L1
Tel: 250.704.0060
Email: george@tessco.ca

I, George Owsiacki, am a self-employed Professional Geoscientist and do hereby certify that:

1. I graduated with an Honours Bachelor of Science degree in Geology from Queen's University, Kingston, Ontario in 1981.

2. I am registered as a Professional Geoscientist with the Association of Professional Engineers and Geoscientists of the Province of British Columbia member number 18,309.

3. I have worked as a geologist for twenty-six years since my graduation from university.

4. I am responsible for all sections of the assessment report titled "Prospecting Report on the Salal Property" and dated January 11th, 2008. I prospected and sampled the property between September 8-10, 2007.

Dated this 11th day of January 2008.

George Owsiacki, P.Geo.

APPENDIX C - ANALYTICAL CERTIFICATES

ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
ALS Canada Ltd.
212 Brooksbank Avenue
North Vancouver BC V7J 2C1
Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

To: TOTAL EARTH SCIENCE SERVICES
1350 KRISTINE RAE LANE
VICTORIA BC V8Z 7L1

Finalized Date: 31-DEC-2007
This copy reported on 4-JAN-2008
Account: TOEASC

CERTIFICATE VA07152198

Project: SALAL

P.O. No.:

This report is for 2 Rock samples submitted to our lab in Vancouver, BC, Canada on 19-DEC-2007.

The following have access to data associated with this certificate:

GEORGE OWSIACKI

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
CRU-QC	Crushing QC Test
LOG-22	Sample login - Rcd w/o BarCode
CRU-31	Fine crushing - 70% <2mm
SPL-21	Split sample - riffle splitter
PUL-31	Pulverize split to 85% <75 um

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION
ME-MS41	51 anal. aqua regia ICPMS

To: TOTAL EARTH SCIENCE SERVICES
ATTN: GEORGE OWSIACKI
1350 KRISTINE RAE LANE
VICTORIA BC V8Z 7L1

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:

Colin Ramshaw, Vancouver Laboratory Manager

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Project: SALAL

CERTIFICATE OF ANALYSIS VA07152198

Sample Description	Method	WEI-21	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41
	Analyte	Recvd Wt.	Ag	Al	As	Au	B	Ba	Be	Bi	Ca	Cd	Ce	Co	Cr	Cs
	Units	kg	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm
	LOR	0.02	0.01	0.01	0.1	0.2	10	10	0.05	0.01	0.01	0.01	0.02	0.1	1	0.05
07G0W-001		2.54	0.14	0.17	0.3	<0.2	<10	<10	0.09	0.34	0.02	<0.01	14.8	0.4	7	0.12
07G0W-002		2.18	4.65	0.6	<0.1	<0.2	<10	10	0.44	19.2	0.37	7.9	12.35	0.4	6	0.23

***** See Appendix Page for comments regarding this certificate *****

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Sample Description	Method	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41
	Analyte	Cu	Fe	Ga	Ge	Hf	Hg	In	K	La	Li	Mg	Mn	Mo	Na	Nb
	Units	ppm	%	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	%	ppm	ppm	%	ppm
	LOR	0.2	0.01	0.05	0.05	0.02	0.01	0.005	0.01	0.2	0.1	0.01	5	0.05	0.01	0.05
07G0W-001		20	0.43	1.1	0.05	0.05	<0.01	0.018	0.11	7.7	0.4	0.01	127	1285	0.04	2.61
07G0W-002		321	1	2.18	<0.05	<0.02	0.06	1.84	0.36	5.9	1	0.01	191	233	0.02	0.91

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	Analyte	Ni	P	Pb	Rb	Re	S	Sb	Sc	Se	Sn	Sr	Ta	Te	Th	Tl
	Units	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%
	LOR	0.2	10	0.2	0.1	0.001	0.01	0.05	0.1	0.2	0.2	0.2	0.01	0.01	0.2	0.005
07G0W-001		0.8	10	7.5	5.1	0.089	0.08	<0.05	1.3	0.5	0.3	0.9	<0.01	0.06	7.4	0.009
07G0W-002		0.7	20	119	26.5	0.022	0.94	<0.05	0.8	0.2	2	0.9	<0.01	0.58	5.3	<0.005

***** See Appendix Page for comments regarding this certificate *****

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Sample Description	Method	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41	ME-MS41
	Analyte	Tl	U	V	W	Y	Zn	Zr
	Units	ppm	ppm	ppm	ppm	ppm	ppm	ppm
	LOR	0.02	0.05	1	0.05	0.05	2	0.5
07G0W-001		0.03	3.37	1	0.46	9.19	13	0.7
07G0W-002		0.23	2.83	1	89.2	4.1	1470	<0.5

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Method	CERTIFICATE COMMENTS
ME-MS41	Gold determinations by this method are semi-quantitative due to the small sample weight used (0.5g).
ME-MS41	Interference: Mo>400ppm on ICP-MS Cd,ICP-AES results shown.