ASSESSMENT REPORT ON THE LADNER GOLD PROPERTY

BRITISH COLUMBIA

LATITUDE: 49° 36' N LONGITUDE: 121° 22' W

FOR

MODULE RESOURCES INC.

By

Agzim Muja, P. Geo., MBA
Module Resources Inc.
Blaine, WA, 98230

OCTOBER 02, 2008

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1.0 INTRODUCTION

1.1 Location

The Carolin Ladner Claims are located approximately 18 kilometres northeast of the community of Hope, which lies approximately 150 kilometres east of Vancouver in southwestern British Columbia, (Figure 1.0). The property includes the historic producing Carolin and Emancipation Mines, both with significant recorded past production. The Carolin Mine operated from 1982 to 1984 as an underground operation producing approximately 45,000 ounces of gold from approximately 900,000 tonnes mined. The Emancipation mine operated intermittently from 1913 to 1941 producing an estimated 2,897 ounces of gold.

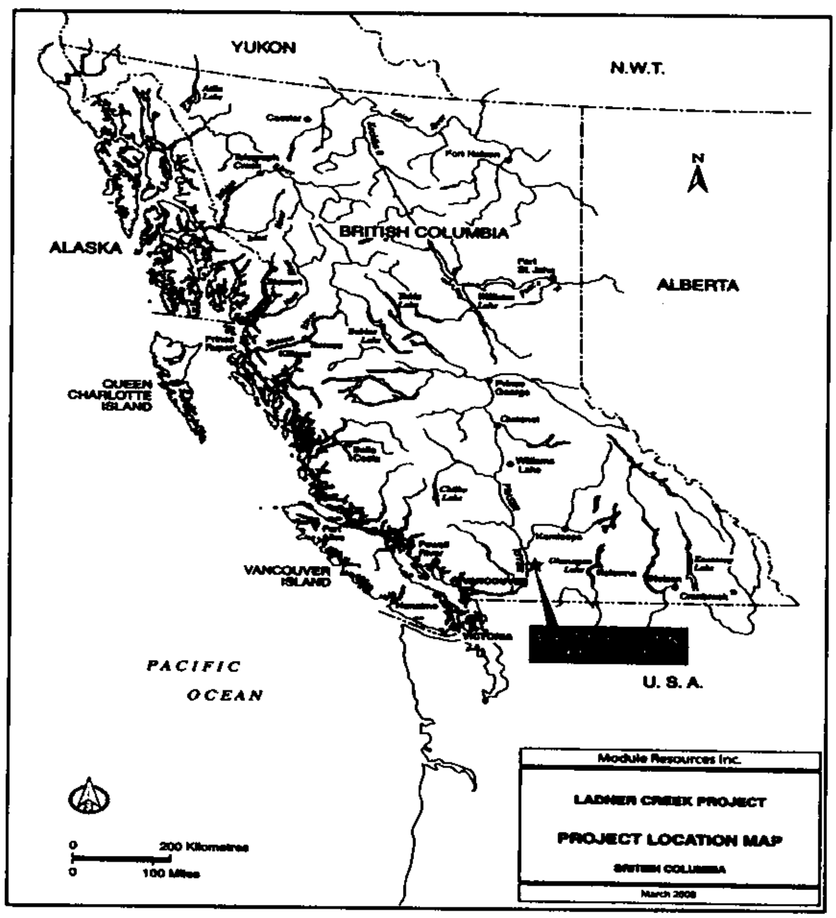

Figure 1.0 Location Map

1.2 Work in 2008

The 2008 work program consisted of an extensive literature review and consultation with previous property operators. This was followed by several site visits to examine access, infrastructure and state of underground adits, location of any useable drillcore and review property stratigraphy and mineralization.

2.0 CLAIM STATUS

The Ladner Gold property consists of two claim groups. The larger contains 158 claims and is subject to an option agreement with Century Mining Corporation. These claims total 7,004 hectares and include the Carolin Mine workings and infrastructure. The smaller claim group contains 15 claims wholly owned by Module Resources Inc. These claims total 1,341 hectares, including the Emancipation Mine workings and are contiguous with the Carolin Mine group.

The southern portion of the property lies directly north of the Coquihalla Highway, the major east-west highway connecting Hope to the British Columbia interior. The exit to the Carolin Mine from the Coquihalla Highway is marked by two signs on the east bound lane.

The Carolin Mine is located at 49° 32′ N and 121° 17′ W at an elevation of 796 metres. The UTM shows 616828 E/5496773 N.

The property is located on topographic map sheets NTS 92H6 and 92H 11 and claim maps 092H044, 092H054 and 092H064.

2.1 Map sheet

The property is located on topographic map sheets NTS 92H6 and 92H 11.

2.2 Claim Map

The property is located on claim maps 092H044, 092H054 and 092H064.

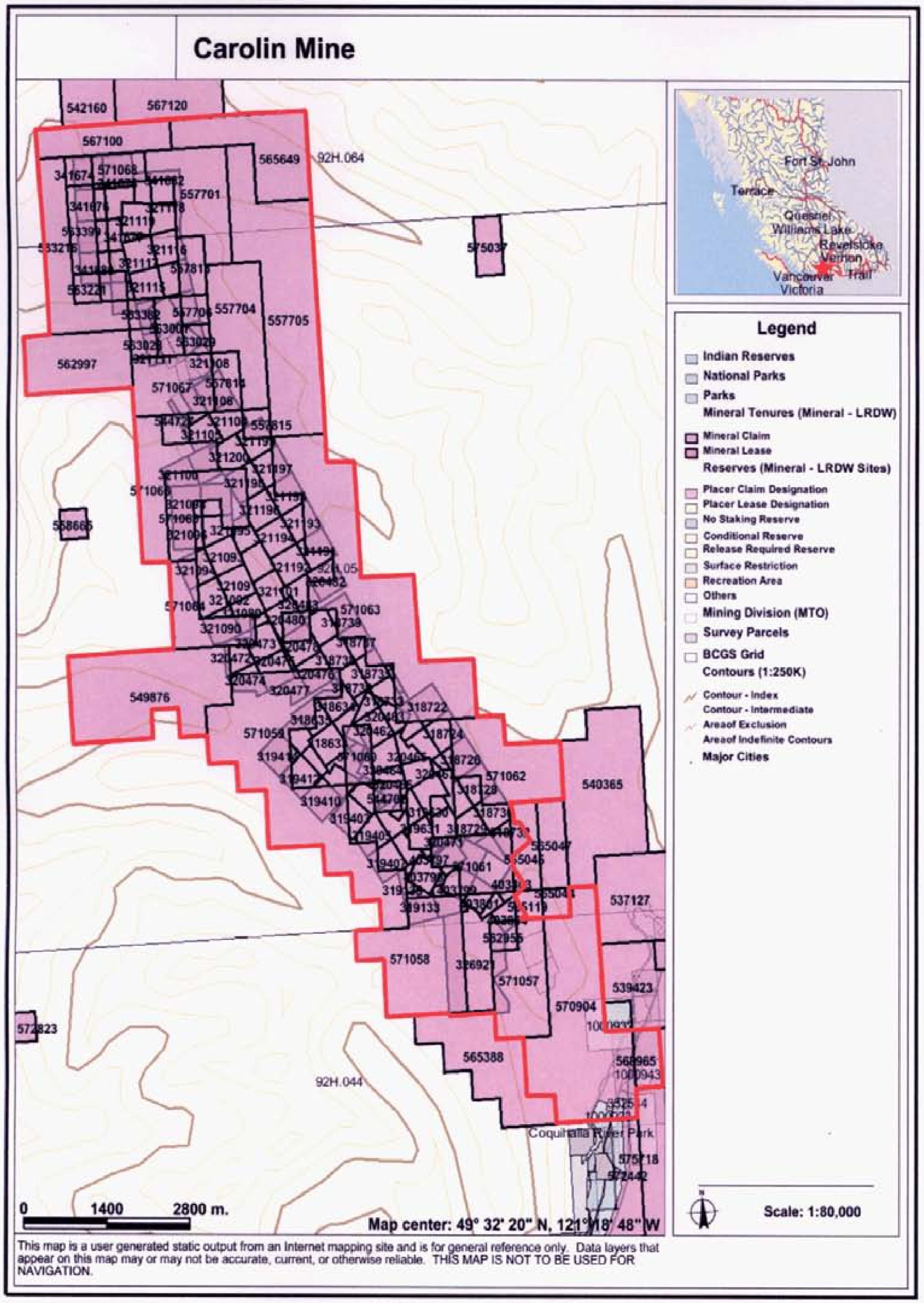

Figure 2.0 General Claim Map

3.0 OBJECTIVE

The purpose of this assessment report is to examine property records and reports, and compile a database to be used in targeting areas for more detailed work such as surface survey, mapping, drilling and/or trenching. This report describes the work program and transmits the conclusions and recommendations of the recently completed Technical Report.

The 2008 work program described in this report was employed during the period between June 1, 2008 and August 15, 2008. It takes into account the work report being accepted for assessment credit as applied to the Claims No: 562955, 562997, 563001, 563028, 563029, 563216, 563218, 563221, 563382, 563399, and 563449, Figure 3. The claims are wholly owned by Module Resources Inc.

This technical report has been prepared in compliance with National Instrument 43-101 and will follow Form 43-101F1. The Technical Report was required by Module Resources Inc. and has been prepared by an Independent Qualified Person (IQP). It was not the purpose of the report to recalculate any historic resource figures, all of which are noncompliant to NI 43-101 standards.

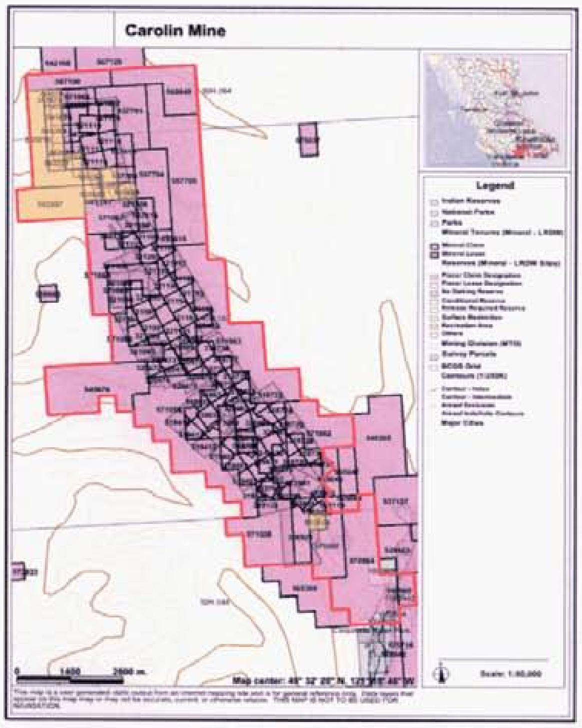

Figure 3.0 Specific Claim Map (shadow)

4.0 SOURCES of INFORMATION

The author has reviewed the technical report prepared by Independent Qualified Person on the Ladner Gold Property. The material found in this technical report is an amalgamation of the previous reports, program updates, consultant reports, government reports and historic corporate press releases available for review. Most of these were obtained from Athabaska's files on the Carolin Mine. A list of all references is included in Section 12, References.

5.0 REGIONAL GEOLOGY

The geology of the area is summarized by Cavey and Gunning (2003) as follows: "The most prominent feature of the area is the Coquihalla Serpentine Belt, an elongate serpentine belt that hosts the Coquihalla Gold Belt, bounded by the east and west Hozameen faults. It separates the Hozameen Group to the west, an obducted ophiolite sequence, from the andesitic greenstones of the Spider Peak Formation and the much larger Ladner Group sedimentary rocks to the east."

The serpentine belt trends north-northwesterly through the area for upwards of 60 kilometres and is steeply dipping. The belt attains a maximum width of approximately 2 kilometres near the Carolin Mines area and gradually pinches out to the south and north until in the Siwash Creek and Manning Park areas the Hozameen and Ladner groups are in direct fault contact (Ray, 1983). The east and west margins of the serpentine belt are believed to represent two major sutures or fractures (Ray 1983) with both faults having gone through recurrent vertical and transcurrent movement (Ray 1984).

The Hozameen Group is an oceanic supracrustal sequence (Ray 1990) of Permian to Triassic age comprised mainly of cherts, pelites and basaltic greenstones. The rocks have been metamorphosed to lower greenschist facies, with deformation increasing towards the serpentine and the fault boundaries. Serpentine along the West Hozameen fault is commonly sheared to a crumbly, talcose schist and/or gouge.

The Spider Peak Formation is in direct contact with the East Hozameen fault and can be traced for approximately 15 kilometres (Ray 1990). Its contact with the overlying Ladner Group is unconformable and tentative fossil dating has yielded an age of Early Triassic. At its typical section the Formation is comprised of a basal portion of massive medium-grained gabbro, which in turn is overlain by a thick succession massive and pillowed greenstone.

The Jurassic age Ladner Group represents a sedimentary sequence of poorly to well bedded turbiditic wackes, siltstones and slaty argillites. A simplified stratigraphic sequence (Ray 1983) consists of a thin layer of coarse clastic partly volcanogenic sedimentary rocks passing upward into a thicker sequence of well-bedded siltstones which are overlain in turn by a thick unit of carbon and iron rich argillites.

The Ladner Group sedimentary rocks, which host the gold mineralized zones, are comprised of clastic sediments including turbidities, conglomerates, greywacke, siltstone, and argillite. The sequence is believed to be overturned based on evidence seen in graded bedding and sedimentary scouring. A detailed stratigraphic section from the Carolin Mine area (G.E. Ray & P. Desjardins, Bulletin 79) is presented as (Figure 5.0).

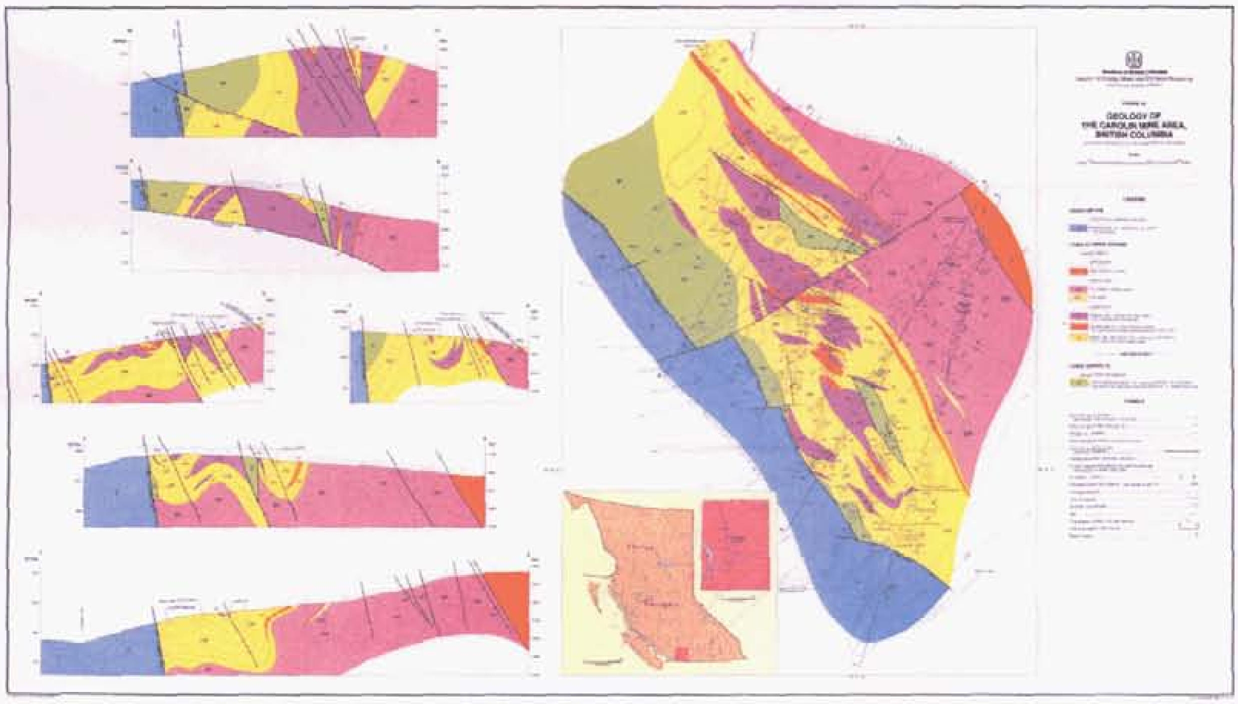

Figure 5.0 Detailed Stratigraphic Section of Carolin Mine

6.0 PROPERTY DESCRIPTION and HISTORY

6.1 Carolin Mine

The Idaho claim was located August 9, 1915; by T. DeAngelis adjacent to the existing Pitsburg claim (Shearer, 1982A). The Idaho group was under option from December 1945 to 1946, during which time the first geophysical surveys were done. Then, in 1945 and 1946, nine shallow diamond drill holes were drilled in the Idaho zone, resulting in mineralized intersections averaging 5.4 metres grading 0.19 ounces of gold per ton. Then, in 1966, 2,400 metres of trenching was completed by Summit Mining Ltd., this work extended the known mineralized zone for a strike length of 75 metres.

Carolin Mines Ltd. conducted a major exploration and drilling program on the property in 1973.

By the end of 1974, the mining potential of the Idaho zone was realized and in 1975 a similar gold-bearing zone of economic potential, the McMaster zone, was discovered 2 kilometres northnorthwest of the Idaho zone. The Idaho zone was developed and operated from 1982-1984, at which time operations ceased and the property lay idle for some years.

Athabaska Gold Resources Ltd. completed an underground exploration drilling and development program in 1995. This program included 110 metres of new drifting to extend the workings on the 875 level, 1630 metres of underground drilling in 19 holes and 564 metres of surface drilling in six holes. The company also conducted metallurgical testing using freshly mined bulk samples (T. Schroeter, G. Cavey communication, 1995).

The database at Carolin Mine includes a total of 39,993.40 metres of drilling and 10 kilometres of underground workings.

6.2 Emancipation Mine

The Emancipation Mine is situated 15 km northeast of the town of Hope. The property is in the New Westminster Mining Division of Latitude 49º 30' N and Longitude 121 º 15 W on the NTS Map Sheets 92H/6W and 92H/11W. The Emancipation property is contiguous on its northern boundary with the Ladner Property.

The Emancipation Mine (documented by the B.C Department of Mines) operated intermittently between 1913 and the early 1941 and has a small recorded production (2,897 ounces) of gold and 605 oz of silver, from narrow, structurally controlled quartz veins carrying relatively high-grade gold values. During 1916 and 1919, some 95 tons of ore was extracted, and returned over $35,000 (averaging 15 oz/t).

6.3 McMaster Zone

In 1974 the McMaster zone was discovered approximately 1.5 kilometres northwest of the Carolin orebody. Mineralization similar to that developed at the mine was encountered in trenches and preliminary drill holes. A trenching program outlined five separate mineralized zones with similar grade and tonnage potential to the Idaho zone orebodies, as understood at the time.

In 1981, work began on a northerly extension of the main haulage level (800 metre level) at the Carolin mine towards the McMaster zone. The zone was re-evaluated in 1989, which included detail mapping, sampling and drilling. The results from this work were encouraging and a detail work program was recommended but was not pursued at that time.

A drilling program on the McMaster zone in 1995 discovered a significant new gold structure not previously identified from past drilling. No further work has been done since that time.

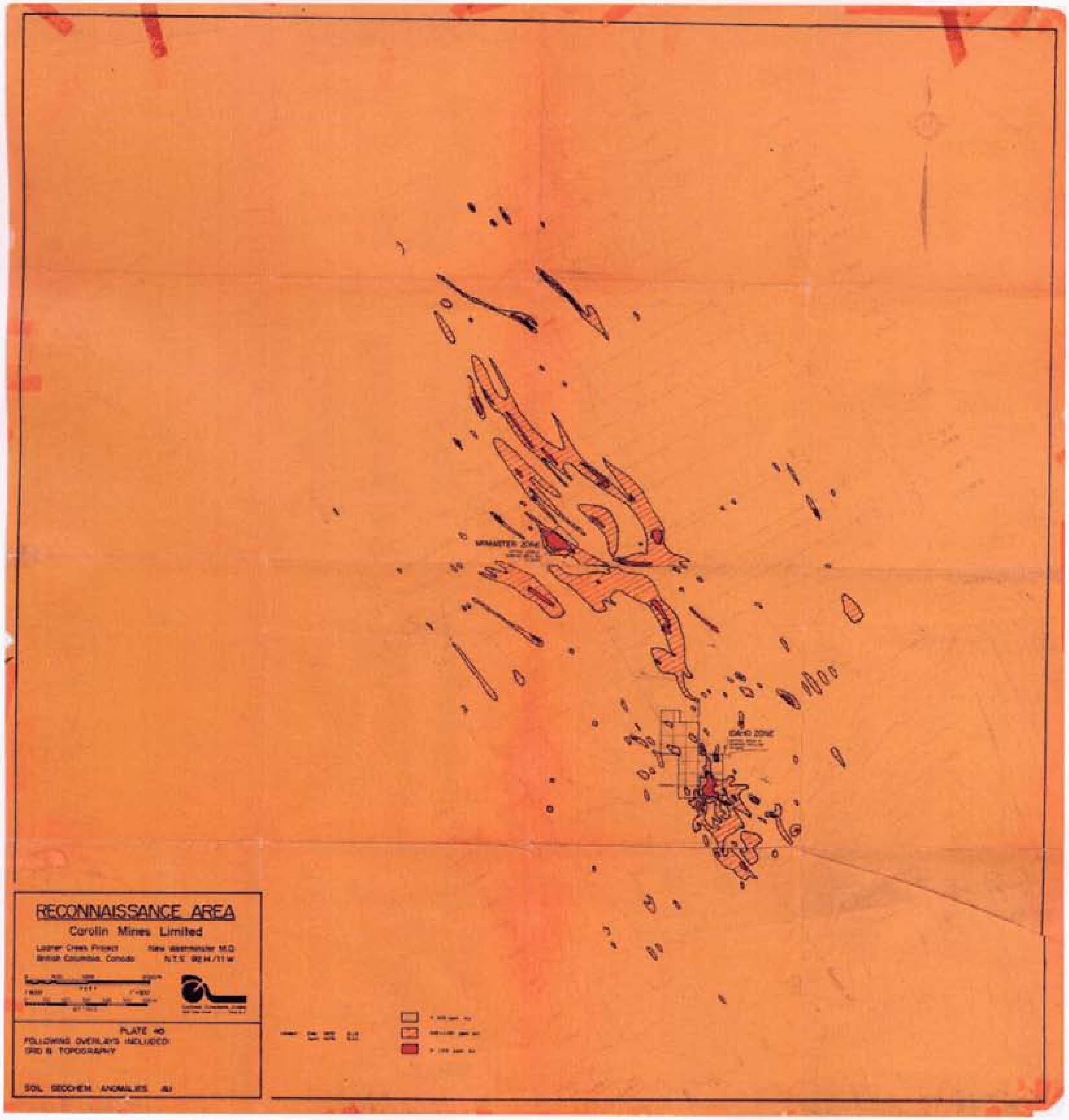

Figure 6.0 Soil Geochemistry of Carolin Mine and McMaster Zone

7.0 MINERALIZATION

The target mineralization on the properties is gold. The Hozameen Fault is of particular interest with some emphasis on contacts between rock units.

The gold mineralization is comprised of a dense network of variably deformed quartz-carbonate veins with intense albitic alteration and disseminated sulphides. The albite-quartz-carbonate-sulphide bearing veins are hosted in the more permeable and competent rocks, such as wackes, conglomerates, and siltstones; argillites are generally unmineralized.

This mineralization is focused and thickened within the hinge of a complex antiform and is narrower in the fold limbs. Sulphides consist mainly of pyrrhotite, arsenopyrite, pyrite, and magnetite and can be found in concentrations of up to 15%. Less common are traces of chalcopyrite, bornite, and sphalerite. The deposit as a whole exhibits a general vertical zonation.

The potential gold hosts yet are: Folded conglomerates, vein mineralization within volcanic rocks, unconformity between volcanics and sediments, porous sediments', and in serpentinites of Hozameen east fault.

8.0 RESULTS and CONCLUSIONS

The literature highlighted mineralization, found by underground exploration drilling late in the mine life, well west of the mineralized trends and near the Hozameen Fault.

Exploration by Athabaska in 1990s encountered significant gold mineralization in the Spider Creek volcanics, and Ladner Group sediments, to the north and west of the previously known mineralized zones.

Gold mineralization is hosted in folded sedimentary and volcanic rocks of reasonable competency. The mineralized trends are traceable throughout the property in proximity to the East Hozameen Fault, a regional structural feature.

Current exploration plans will focus on testing all the historic targets, as noted above, and seek to correlate these known targets with other gold occurrences known on the property. Current road access provides surface drilling platforms to follow the above mentioned new mineralized trend back towards the mine site.

Also, in finding the adits in good conditions, natural ventilation, blocked now but easily opened for underground exploration.

There are a number of exposed outcrops at the Carolin property where you can observe the clear contact between the Ladner Group sediments and Hozameen Fault serpentinite. Also, there are some drillcore from previous exploration programs but not in a storage facility and thus unuseable.

The potential for future development are promising with an easy access to the property from Hope, BC and it is a past gold producer with considerable historic geological data.

It has a good access to labor, electric power, logging roads and permitted tailings dam in place, extensive underground workings, and some remaining mill infrastructure.

The Module Resources Inc. has an accomplished Management Team with years of collective experience and who has a strategy to develop the Carolin gold Mine into production and continue exploration on large land position.

9.0 RECOMMENDATIONS

Re-establish survey control on the property, both on surface and underground. Access all available mine engineering and geology data and, in conjunction with the mapping and confirmatory drilling noted above, construct a computerized mine model.

Test mineralized trends between Carolin Mine and McMaster Zone, a distance of 1.2 km, with a surface drill program. A total of 2,000 meters in a year of 2008 of surface drilling would be as part of the data compilation and verification, to jointly confirm known mineralized zones and explore in proximity to them.

If possible reopen the Carolin mine underground workings for geological mapping and confirmation drilling of mineralized zones in the historical resource, both as defined before mining ceased and from subsequent drilling in 1995-1996.

Continue metallurgical testing of the mineralization and tailings to optimize gold recovery in both.

Based on the successful completion of the above recommended tasks a scoping study may be completed to determine what would be required to start an economic operation at Ladner Gold Property.

10.0 STATEMENT OF EXPENDITURES

Site Visits:	A. Muja, 3 days @ $400/day =	$1,200
	C.A. Pearson, 1 day @ $750/day =	$750
Office work:	A. Muja, 3 days @ $400/day =	$1,200
	P. David, 2 days @ $220/day =	$440
Vehicle Costs:	3 days @ $66.66/day =	$260
Office supplies:	Copy paper,	$3.67
	Ink cartridges,	$16.33

Total: $3.870

11.0 CERTIFICATE of the AUTHOR

I, A. Muja, P. Geo am a Professional Geoscientist of 305 – 1274 Barclay Street in the city of Vancouver, in province of British Columbia of Canada.

1. I am a member of the Association of Professional Engineers and Geoscientists of British Columbia
2. I am the author of the report date October 02, 2008, entitled "Assessment Report on the Ladner Gold Property" to which this Certificate applies
3. I graduated from the University of Zagreb with a Bachelor of Science degree in 1982, and have practiced my profession continuously since 1982. My experience include the following:
   (a) Mine Geologist for Trepqa Mines from 1982 until 1984
   (b) Senior Project Geologist for Ferronickel from 1984 until 1996
   (c) Exploration / Mine Geologist for Boliden-Westmin Canada Ltd. from 1998-2002
   (d) From 2002 to 2008 I was self-employed as a consulting and contract geologist
   (e) From April 2008 to the present I have been employed for Module Resources Inc
4. I visited the Ladner Gold Property of Module Resources for three repeated days on April 27, May 12, and July 25, 2008
5. I am responsible for all items of the assessment report
6. I have read MTA Regulation and the Policy and this report has been prepared in compliance with MTA Regulations
7. As of the date of this Certificate, to the best of my knowledge, information and belief, the Assessment Report contains all scientific and technical information that is required to be disclosed to make the Assessment Report not misleading

Dated at Vancouver, British Columbia, this second day of October, 2008

Qualified Person's Signature

Agzim Muja

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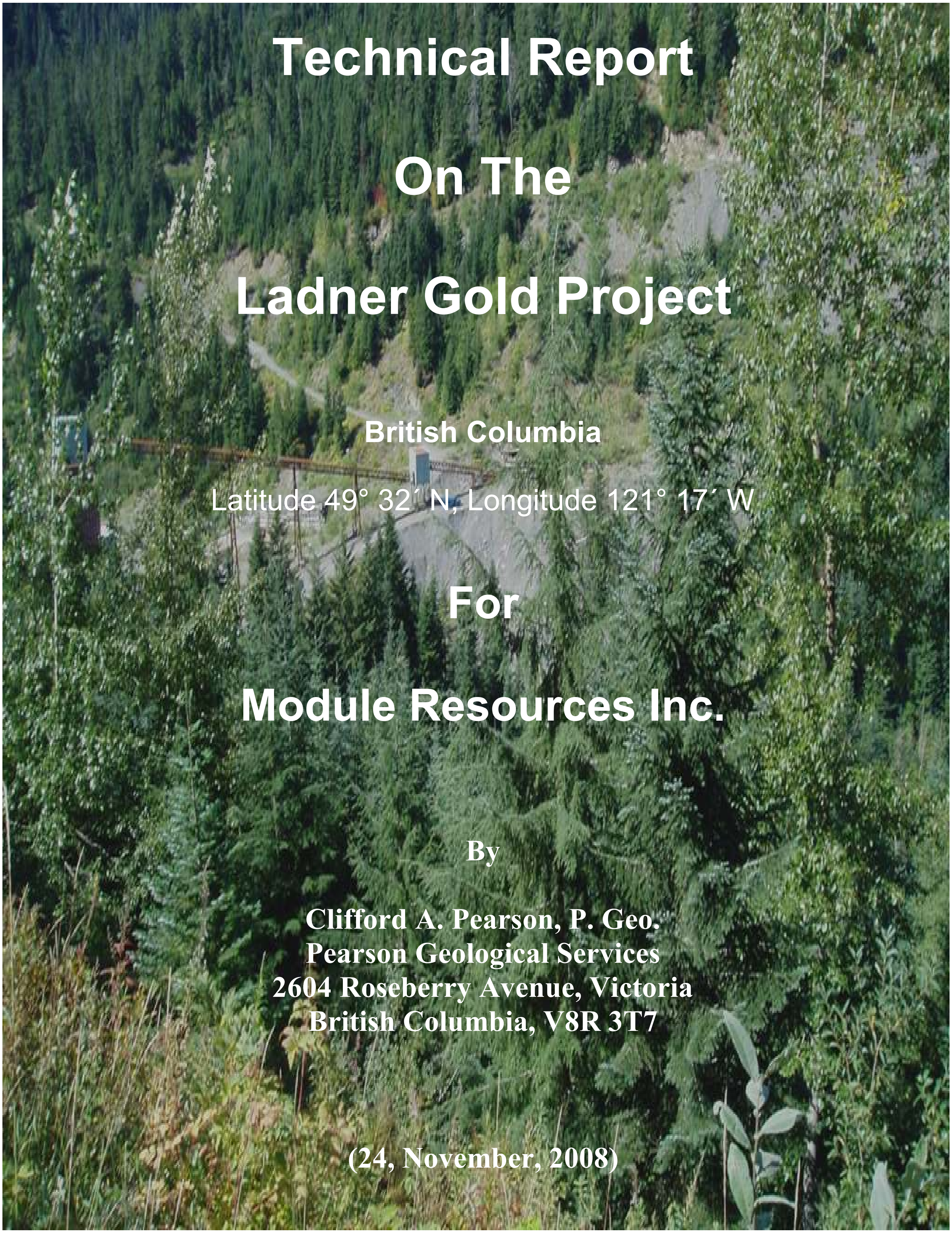

Technical Report

On The

Ladner Gold Project

British Columbia

Latitude 49° 32´ N, Longitude 121° 17´ W

For

Module Resources Inc.

By

Clifford A. Pearson, P. Geo.
Pearson Geological Services
2604 Roseberry Avenue, Victoria
British Columbia, V8R 3T7

(24, November, 2008)

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3.0 SUMMARY

Property Description

The property was established by Carolin Mines in the late 1970s to encompass several historic small gold producers along with numerous gold showings. The Ladner Gold property now includes the Carolin and Emancipation mines, both with significant recorded past production. The Carolin Mine operated from 1982 to 1984 as an underground operation producing approximately 45,000 ounces of gold from approximately 900,000 tonnes mined. The Emancipation mine operated intermittently from 1913 to 1941 producing an estimated 2,897 ounces of gold.

The Ladner Gold property consists of two claim groups. The larger contains 158 claims and is subject to an option agreement with Century Mining Corporation. These claims total 7,004 hectares and include the Carolin Mine workings and infrastructure. The smaller claim group contains 15 claims wholly owned by Module Resources Inc. These claims total 1,341 hectares, including the Emancipation Mine workings and are contiguous with the Carolin Mine group.

Location

The Module Resources Inc. Ladner Gold property is located approximately 18 kilometres northeast of the community of Hope, which lies approximately 150 kilometres east of Vancouver in southwestern British Columbia. The southern portion of the property lies directly north of the Coquihalla Highway, the major east-west highway connecting Hope to the British Columbia interior. The exit to the Carolin Mine from the Coquihalla Highway is marked by two signs on the east bound lane. The Carolin Mine is located at 49° 32' N and 121° 17' W at an elevation of 796 metres.

Property Ownership and History

The Carolin property (Ladner Gold) was assembled by Carolin Mines in the late 1970s and the property was in operation from 1982-1984. Athabaska Gold Resources Ltd. was the beneficial owner of these claims in the 1990s and conducted exploration programs on the property.

Tamerlane Ventures Inc. optioned the property from Athabaska in 2004 and sub-optioned the option to Century Mining, also in 2004. The property was purchased from Athabaska in 2006 and property ownership is now 30% Tamerlane and 70% Century.

Century optioned an up to 90% interest in the property to Module Resources Inc. (**Module**) in 2007.

Geology and Mineralization

The Ladner Gold property lies along the Coquihalla Serpentine Belt, an elongated belt of serpentinic rocks, bounded by the east and west Hozameen faults. This unit separates the

Hozameen Group to the west, an obducted ophiolite sequence, from the andesitic greenstones of the Spider Peak Formation and the Ladner Group sedimentary rocks to the east. Government geologists have determined that 95% of the gold production from the Coquihalla Gold Belt has come from within 150 metres of the east side of this contact. The Coquihalla Gold Belt is the host to five past gold producers (Carolin-Ladner Gold, Emancipation, Aurum, Pipestem and Ward) as well as 24 other gold occurrences (Figure 8.1).

Mineralization at the Carolin Mine, the major producer, is comprised of a dense network of variably deformed quartz-carbonate veins with intense albitic alteration and disseminated sulphides. Sulphides consist mainly of pyrrhotite, arsenopyrite, pyrite and magnetite and can be found in concentrations of up to 15%, with gold found as inclusions in the sulphides and as discrete grains, plates and smears.

Exploration Concept

Initial exploration focused on testing broad recumbent fold structures in the Ladner Group sedimentary rocks, with sulphide and gold mineralization being introduced into the sediments by major northwest trending faults.

Exploration by Athabaska Gold in the 1990s encountered significant gold mineralization in the Spider Creek volcanics, and Ladner Group sediments, to the north and west of the previously known mineralized zones.

Current exploration plans will focus on testing all the historic targets, as noted above, and seek to correlate these known targets with other gold occurrences known on the property.

Mine Development and Operations

The total capital expenditure by Carolin Mines was stated as $40 million (CDN$40,000,000) prior to the commissioning of the mine in late 1981. The Carolin Mine commenced production in 1982 and processed some 900,000 tonnes of ore until ceasing operations for financial reasons in 1984. The production history coincides with gold prices, which peaked in January of 1980 at over $US 800 per ounce, dropping to below $US 350 by the end of 1984.

The Carolin Mine was developed using standard rubber-tired mining equipment. The workings consist of several levels joined by a ramp. The underground workings were later extended to the north by Athabaska which used the extensions for a drill platform. Ore was mined in a room and pillar fashion, using blast hole stoping methods and hauled to an underground crusher. The crushed ore was then moved to a fine ore bin attached to the mill by a conveyor gallery. The Carolin mill, which had a rated capacity of 1,500 tonnes per day, consisted of a rod mill and a ball mill for grinding followed by a flotation circuit. The flotation concentrate was reground and then cyanided and the gold recovered by a Merrill Crowe zinc precipitation circuit.

The mill collapsed due to snow load in the winter of 1996 and was cleaned up by Century Mining in the summer of 2006. The rod mill, the ball mill and the regrind mill are the only equipment left, except for the underground crusher. This remains on the property but is currently under water. The conveyor gallery and fine ore bin also remain on the property and the tailings dam is in good condition (Knight Piesold Consulting, 2007).

Conclusions and Recommendations

The Ladner Gold property is an easily accessible historic gold producer in southwestern B.C., with historical (non-compliant to NI43-101 standards) mineral resources and some remaining infrastructure. Resources or reserves estimates have not been reviewed by a Qualified Person.

Gold mineralization is present in sediments and volcanic rocks proximal to a major structural fault system. Mineralization is localized in several stratigraphic horizons and is traceable along well defined trends, generally sub-parallel to the fault system (Hozameen Faults).

The property contains a number of known deposits, separated by largely untested stratigraphy along trend and to depth. Exploration potential is excellent and a two phase program is proposed. Phase 1 is comprised of data compilation and verification, computer modeling, surface diamond drilling and sample analysis. Total cost is calculated at $601,000. Phase 2 is predicated on successful completion of Phase 1 and will require ongoing work as described in Phase 1, combined with underground diamond drilling and technical studies. Total cost for Phase 2 is estimated as $665,000.

4.0 INTRODUCTION

4.1 Introduction

The Ladner Gold property is located approximately 18 kilometres northeast of the community of Hope, which lies approximately 150 kilometres east of Vancouver in southwestern British Columbia. The property includes the historic producing Carolin and Emancipation Mines. This report examines the Ladner Gold property under option to Module Resources Inc. and makes recommendations for further work. It has been prepared by C.A. Pearson, P. Geo. Pearson Geological Services, as Independent Qualified Person. Agzim Muja, P. Geo. Qualified Person for Module Resources Inc. provided required data and reports.

4.2 Purpose of Report

The purpose of the report is to fulfill the requirements of the TSX Venture Exchange to move the company from the NEX to the TSX Venture Exchange. The report was prepared in compliance with National Instrument 43-101 and follows Form 43-101F1. This report is required by Module Resources Inc. as supporting documentation needed for listing on the TSX Venture Exchange. It is not the purpose of this report to recalculate any historic resource figures, all of which are non-compliant to NI 43-101 standards, and have not been reviewed by a Qualified Person.

4.3 Sources of Information

The material found in this technical report is an amalgamation of the previous reports, program updates, consultant reports, government reports and historic corporate press releases available for review. Most of these were obtained from Athabasca's files on the Carolin Mine. A list of all references is included in Section 23, References.

The author has reviewed reports prepared by Athabaska Gold Resources Ltd. and its consultants, reports on the Ladner Gold area by government geologists and the previous NI 43-101 technical report on the property for Tamerlane Ventures Ltd. written by George Cavey, P.Geo. and David R. Gunning, P. Eng.

4.4 Data Gathering and Site Visits

Independent Qualified Person C.A. Pearson, P. Geo., visited the property July 25, 2008 and has spent a number of office days reviewing the data and authoring this report.

A. Muja, P. Geo., visited the property on a number of occasions, including April 27, 2008 (initial visit) and July 25, 2008 (with C. Pearson). He has extensively reviewed available reports and mine data.

4.5 Units, Conversions and Abbreviations

All reference to currency in this report is in Canadian dollars unless otherwise noted. All historic gold assays from the Ladner Gold property exploration programs from 1945-1984 were reported in ounces per ton (oz/ton) which have been converted to grams per tonne (g/t). Technical reports from 1984-1996 contain analyses in both formats, although all fire analyses were completed in grams per tonne (g/t). All historic resources are reported in the format they appeared in the various quoted references.

Imperial Units	Metric Conversion Factor
1 short ton	0.907 metric tonne (t)
1 troy ounce	31.103 grams (g)
1 troy ounce per short ton	34.286 g/t
1 foot	0.3048 metres (m)
1 mile	1.61 kilometres (km)
1 acre	0.405 hectare

Unit or Term	Abbreviation
Gold	Au
Silver	Ag
Copper	Cu
Zinc	Zn
Gram	g

Grams per tonne gold	g/t Au
Grams per tonne silver	g/t Ag
Hectare	ha
Kilogram	kg
Net Profits Interest	NPI
Kilometre	km
Metre	m
Quality Assurance/Quality Control	QA/QC
Ounces of gold	Oz. Au
Parts per million	ppm
Tonne (metric tonne)	t
United States dollars	US$
Per	/
Liter	l
Micron	µ

5.0 RELIANCE ON OTHER EXPERTS

The following people were consulted, by the author and/or A. Muja, P. Geo. in the process of completing this report:

Mr. Ross F. Burns, P. Geo., Vice President of Exploration for Century Mining Corporation.
Mr. Graham Eacott, M.Sc., P. Eng., Director and acting CEO of Module Resources Inc.
Mr. T. D. Garrow, P. Geo., Staff Geologist, Manager of Lamaque Mine Computerization Project.
Mr. J. T. Shearer, P. Geo., who was the mine geologist for Carolin Mines during its operation.
Mr. Jim Kermeen, P. Eng., Past President of Athabaska Gold Mines Inc.
Mr. Richard Billingsely, tenure consultant for Century Mining Corporation.
Mr. Dwayne Kress, previous owner of the Emancipation Mine Property.
Mr. Charles Watts, L.G., who worked as a Senior Geologist for Century Mining

6.0 PROPERTY LOCATION AND DESCRIPTION

6.1 Property Location

The Ladner Gold property is located approximately 18 kilometres northeast of the community of Hope (Figure 6.1), which lies approximately 150 km east of Vancouver in southwestern British Columbia. The old Carolin Mine is located at 49° 32’ N and 121° 17’ W at an elevation of 796 metres.

6.2 Property Description

The property consists of a northwesterly oriented group of contiguous claims extending for approximately 17.5 km with a maximum width of approximately 6.8 kilometres (Figs. 6.1 and 6.2). The property consists primarily of 173 contiguous mineral claims covering an area of 8,345 hectares (Tables 6.2 and 6.3). The property is located on topographic map sheets NTS 92H6 and 92H 11 and claim maps 092H044, 092H054 and 092H064.

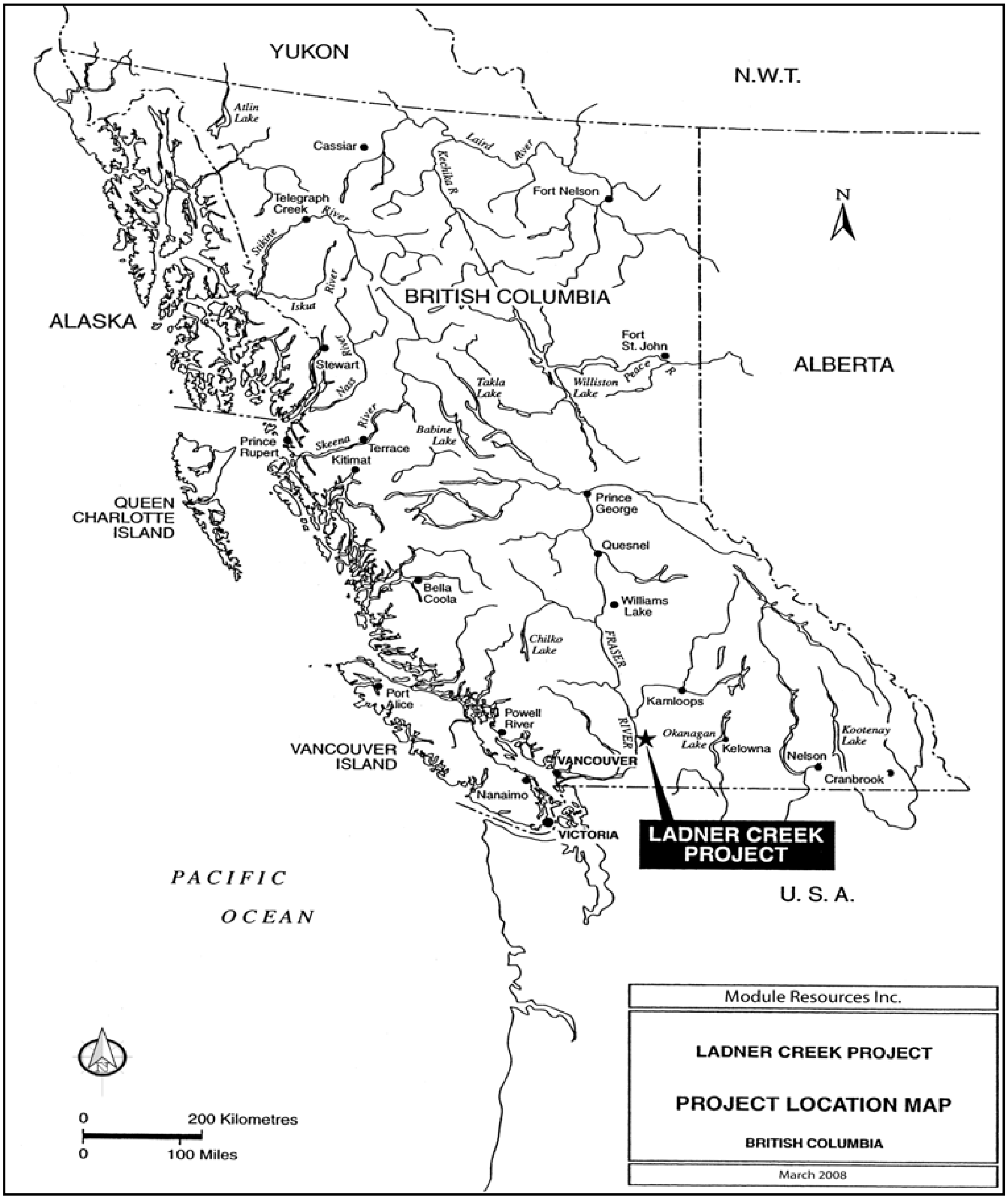

Figure 6.1 Location of the Ladner Gold Project

Table 6.1 Optioned Mineral Claims

Claims Optioned from Century Mining Corporation, total 158 and contain 7,004 hectares.

Tenure No:	Claim Name	Map No:	Expiry Date	Area
588342		092H	2009/jul/16	41.931
588389		092H	2009/jul17	209.659
588343		092H	2009/jul/16	83.775
588344		092H	2009/jul/16	41.872
588345		092H	2009/jul/16	20.939
588352	LESSONS LEARNED 1	092H	2009/jul/16	439.713
588346		092H	2009/jul/16	20.946
588353	LESSONS LEARNED 2	092H	2009/jul/16	167.585
588354	LESSONS LEARNED 3	092H	2009/jul/16	83.859
544700	CENTURY 2	092H	2008/dec/01	20.962
544702	CENTURY 5	092H	2008/dec/01	20.973
544727	CENTURY 4	092H	2008/dec/01	20.950
571057	MODULE 1	092H	2008/dec/01	146.896
571058	MODULE 2	092H	2008/dec/01	251.797
571059	MODULE 3	092H	2008/dec/01	503.317
571060	MODULE 4	092H	2008/dec/01	41.940
571061	MODULE 5	092H	2008/dec/01	104.888
571062	MODULE 6	092H	2008/dec/01	188.744
571063	MODULE 7	092H	2008/dec/01	524.003
571064	MODULE 8	092H	2008/dec/01	104.805
571065	MODULE 9	092H	2008/dec/01	125.727
571066	MODULE 10	092H	2008/dec/01	146.670
571067	MODULE 11	092H	2008/dec/01	125.682
571068	MODULE 12	092H	2008/dec/01	41.869
318629	MCMASTER 27	092H054	2015/jan/31	25.000
318630	MCMASTER 13	092H054	2015/jan/31	25.000
318631	MCMASTER 14	092H054	2015/jan/31	25.000
318632	MCMASTER 15	092H054	2015/jan/31	25.000
318633	MCMASTER 16	092H054	2015/jan/31	25.000
318634	MCMASTER 17	092H054	2015/jan/31	25.000
318635	MCMASTER 18	092H054	2015/jan/31	25.000
318721	MCMASTER 1	092H054	2015/jan/31	25.000
318722	MCMASTER 2	092H054	2015/jan/31	25.000
318723	MCMASTER 3	092H054	2015/jan/31	25.000
318724	MCMASTER 4	092H054	2015/jan/31	25.000
318725	MCMASTER 5	092H054	2015/jan/31	25.000
318726	MCMASTER 6	092H054	2015/jan/31	25.000
318727	MCMASTER 7	092H054	2015/jan/31	25.000
318728	MCMASTER 8	092H054	2015/jan/31	25.000

318729	MCMASTER 9	092H054	2015/jan/31	25.000
318730	MCMASTER 10	092H054	2015/jan/31	25.000
318731	MCMASTER 11	092H054	2015/jan/31	25.000
318732	MCMASTER 12	092H054	2015/jan/31	25.000
318733	MCMASTER 19	092H054	2015/jan/31	25.000
318734	MCMASTER 20	092H054	2015/jan/31	25.000
318735	MCMASTER 21	092H054	2015/jan/31	25.000
318736	MCMASTER 22	092H054	2015/jan/31	25.000
318737	MCMASTER 23	092H054	2015/jan/31	25.000
318738	MCMASTER 24	092H054	2015/jan/31	25.000
318739	MCMASTER 25	092H054	2015/jan/31	25.000
318740	MCMASTER 26	092H054	2015/jan/31	25.000
319133	MCMASTER #28	092H054	2015/jan/31	25.000
319134	MCMASTER #29	092H054	2015/jan/31	25.000
319135	MCMASTER #30	092H054	2015/jan/31	25.000
319136	MCMASTER #31	092H054	2015/jan/31	25.000
319403	MCMASTER 38	092H054	2015/jan/31	25.000
319404	MCMASTER 39	092H054	2015/jan/31	25.000
319405	MCMASTER 40	092H054	2015/jan/31	25.000
319406	MCMASTER 41	092H054	2015/jan/31	25.000
319407	MCMASTER 42	092H054	2015/jan/31	25.000
319408	MCMASTER 43	092H054	2015/jan/31	25.000
319409	MCMASTER 32	092H054	2015/jan/31	25.000
319410	MCMASTER 33	092H054	2015/jan/31	25.000
319411	MCMASTER 34	092H054	2015/jan/31	25.000
319412	MCMASTER 35	092H054	2015/jan/31	25.000
319413	MCMASTER 36	092H054	2015/jan/31	25.000
319414	MCMASTER 37	092H054	2015/jan/31	25.000
319629	MCMASTER 44	092H054	2015/jan/31	25.000
319630	MCMASTER 45	092H054	2015/jan/31	25.000
319631	MCMASTER 46	092H054	2015/jan/31	25.000
319632	MCMASTER 47	092H054	2015/jan/31	25.000
320460	MCMASTER 48	092H054	2015/jan/31	25.000
320461	MCMASTER 49	092H054	2015/jan/31	25.000
320462	MCMASTER 50	092H054	2015/jan/31	25.000
320463	MCMASTER 51	092H054	2015/jan/31	25.000
320464	MCMASTER 52	092H054	2015/jan/31	25.000
320465	MCMASTER 53	092H054	2015/jan/31	25.000
320466	MCMASTER 54	092H054	2015/jan/31	25.000
320467	MCMASTER 55	092H054	2015/jan/31	25.000
320468	MCMASTER 56	092H054	2015/jan/31	25.000
320469	MCMASTER 57	092H054	2015/jan/31	25.000
320470	MCMASTER 58	092H054	2015/jan/31	25.000
320471	MCMASTER 59	092H054	2015/jan/31	25.000
320472	MCMASTER 60	092H054	2015/jan/31	25.000
320473	MCMASTER 61	092H054	2015/jan/31	25.000
320474	MCMASTER 62	092H054	2015/jan/31	25.000
320475	MCMASTER 63	092H054	2015/jan/31	25.000
320476	MCMASTER 64	092H054	2015/jan/31	25.000

320477	MCMASTER 65	092H054	2015/jan/31	25.000
320478	MCMASTER 66	092H054	2015/jan/31	25.000
320479	MCMASTER 67	092H054	2015/jan/31	25.000
320480	MCMASTER 68	092H054	2015/jan/31	25.000
320481	MCMASTER 69	092H054	2015/jan/31	25.000
320482	MCMASTER 70	092H054	2015/jan/31	25.000
320483	MCMASTER 71	092H054	2015/jan/31	25.000
321089	MCMASTER 80	092H054	2015/jan/31	25.000
321090	MCMASTER 81	092H054	2015/jan/31	25.000
321091	MCMASTER 82	092H054	2015/jan/31	25.000
321092	MCMASTER 83	092H054	2015/jan/31	25.000
321093	MCMASTER 84	092H054	2015/jan/31	25.000
321094	MCMASTER 85	092H054	2015/jan/31	25.000
321095	MCMASTER 86	092H054	2015/jan/31	25.000
321096	MCMASTER 87	092H054	2015/jan/31	25.000
321097	MCMASTER 88	092H054	2015/jan/31	25.000
321098	MCMASTER 89	092H054	2015/jan/31	25.000
321099	MCMASTER 90	092H054	2015/jan/31	25.000
321100	MCMASTER 91	092H054	2015/jan/31	25.000
a321101	MCMASTER 92	092H054	2015/jan/31	25.000
321102	MCMASTER 93	092H054	2015/jan/31	25.000
321103	MCMASTER 94	092H054	2015/jan/31	25.000
321104	MCMASTER 97	092H054	2015/jan/31	25.000
321105	MCMASTER 98	092H054	2015/jan/31	25.000
321106	MCMASTER 99	092H054	2015/jan/31	25.000
321107	MCMASTER 100	092H054	2015/jan/31	25.000
321108	MCMASTER 101	092H054	2015/jan/31	25.000
321109	MCMASTER 102	092H054	2015/jan/31	25.000
321110	MCMASTER 103	092H054	2015/jan/31	25.000
321111	MCMASTER 104	092H054	2015/jan/31	25.000
321112	MCMASTER 105	092H054	2015/jan/31	25.000
321113	MCMASTER 106	092H054	2015/jan/31	25.000
321114	MCMASTER 107	092H054	2015/jan/31	25.000
321115	MCMASTER 108	092H054	2015/jan/31	25.000
321116	MCMASTER 109	092H054	2015/jan/31	25.000
321117	MCMASTER 110	092H054	2015/jan/31	25.000
321191	MCMASTER 72	092H054	2015/jan/31	25.000
321192	MCMASTER 73	092H054	2015/jan/31	25.000
321193	MCMASTER 74	092H054	2015/jan/31	25.000
321194	MCMASTER 75	092H054	2015/jan/31	25.000
321195	MCMASTER 76	092H054	2015/jan/31	25.000
321196	MCMASTER 77	092H054	2015/jan/31	25.000
321197	MCMASTER 78	092H054	2015/jan/31	25.000
321198	MCMASTER 79	092H054	2015/jan/31	25.000
321199	MCMASTER 95	092H054	2015/jan/31	25.000
321200	MCMASTER 96	092H054	2015/jan/31	25.000
326921	ELMAN CREEK #1	092H054	2015/jan/31	200.000
336994	M.M. FR. 2	092H054	2015/jan/31	25.000
337160	M.M. FR. 1	092H054	2015/jan/31	25.000

341679	MCMASTER 119	092H054	2015/jan/31	25.000
341680	MCMASTER 120	092H054	2015/jan/31	25.000
341681	MCMASTER 121	092H054	2015/jan/31	25.000
321118	MCMASTER 111	092H064	2015/jan/31	25.000
321119	MCMASTER 112	092H064	2015/jan/31	25.000
341673	MCMASTER 113	092H064	2015/jan/31	25.000
341674	MCMASTER 114	092H064	2015/jan/31	25.000
341675	MCMASTER 115	092H064	2015/jan/31	25.000
341676	MCMASTER 116	092H064	2015/jan/31	25.000
341677	MCMASTER 117	092H064	2015/jan/31	25.000
341678	MCMASTER 118	092H064	2015/jan/31	25.000
341682	MCMASTER 122	092H064	2015/jan/31	25.000
341683	MCMASTER 123	092H064	2015/jan/31	25.000
403797	IDAHO	092H054	2015/jan/31	25.000
403798	TRAMWAY	092H054	2015/jan/31	25.000
403799	AURUM No. 1	092H054	2015/jan/31	25.000
403800	AURUM No. 2	092H054	2015/jan/31	25.000
403801	AURUM No. 3	092H054	2015/jan/31	25.000
403802	AURUM No. 5	092H054	2015/jan/31	25.000
403803	AURUM No. 6	092H054	2015/jan/31	25.000
403804	MONITOR	092H054	2015/jan/31	25.000

Table 6.2 Owned Mineral Claims

Claims owned 100% by Module Resources Inc. total 15 and contain 1,341.22 hectares

Tenure No:	Claim Name	Map No:	Expiry Date	Area
562955	EMAN 2	092H	2009/jul/13	20.982
562997	MODULE AA	092H	2009/jul/15	167.565
563001	MODULE BB	092H	2009/jul/15	41.888
563028	MODULE CC	092H	2009/jul/16	20.945
563029	MODULE DD	092H	2009/jul/16	20.945
563216	MODULE DD	092H	2009/jul/20	167.520
563218	MODULE EE	092H	2009/jul/20	20.935
563221	MODULE FF	092H	2009/jul/20	20.942
563382	MODULE GG	092H	2009/jul/20	20.943
563399	MODULE HH	092H	2009/jul/20	62.814
563449	MODULE JJ	092H	2009/jul/22	20.941
565649	MODULE JJ	092H	2008/sep/06	188.403
567100	MODULE LL	092H	2009/sep/30	104.664
568965	MODULE XX	092H	2009/oct/31	41.980
570904	EMANCIPATION1	092H	2009/dec/01	419.758

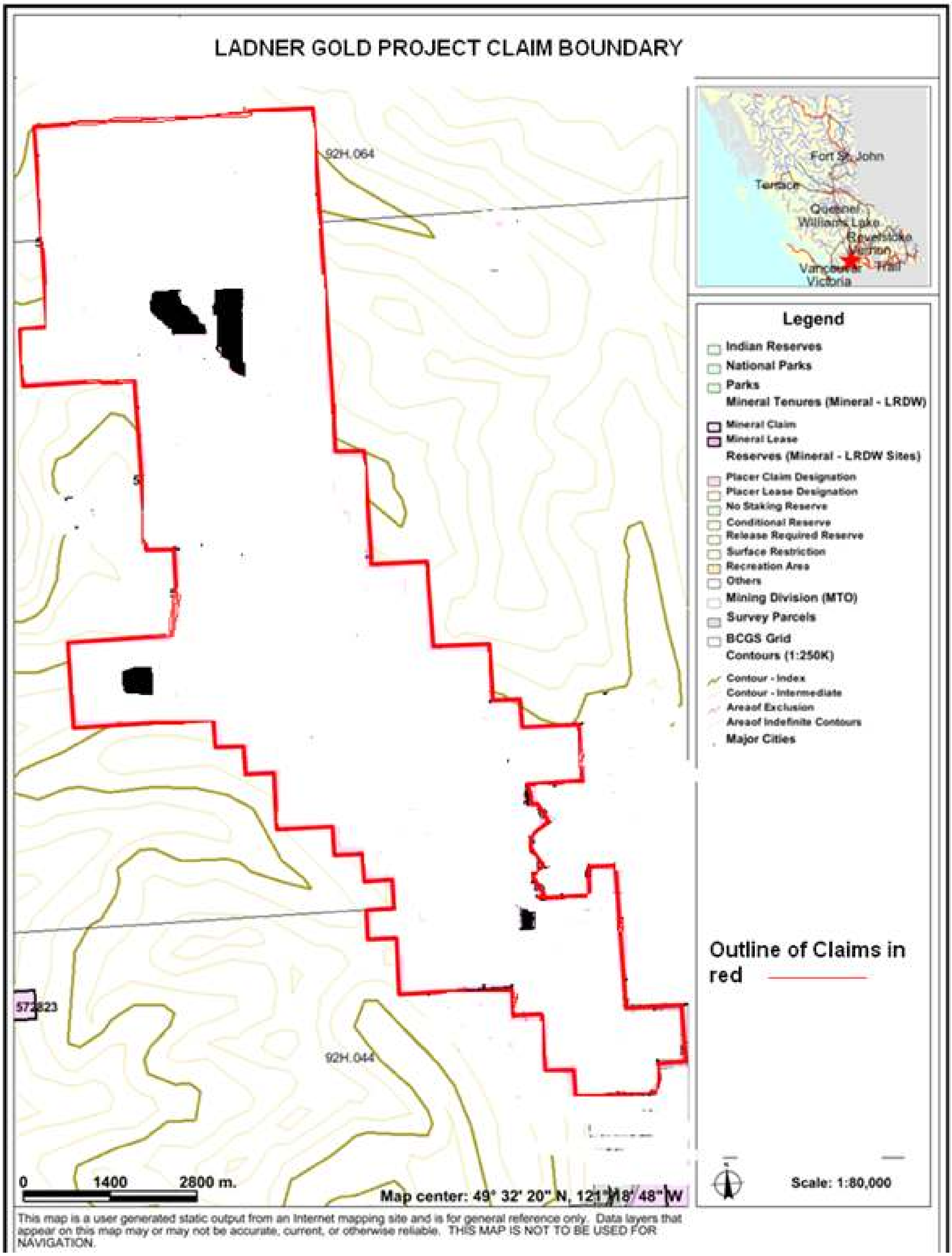

Figure 6.2 Claim boundary (shadowed areas not part of claims)

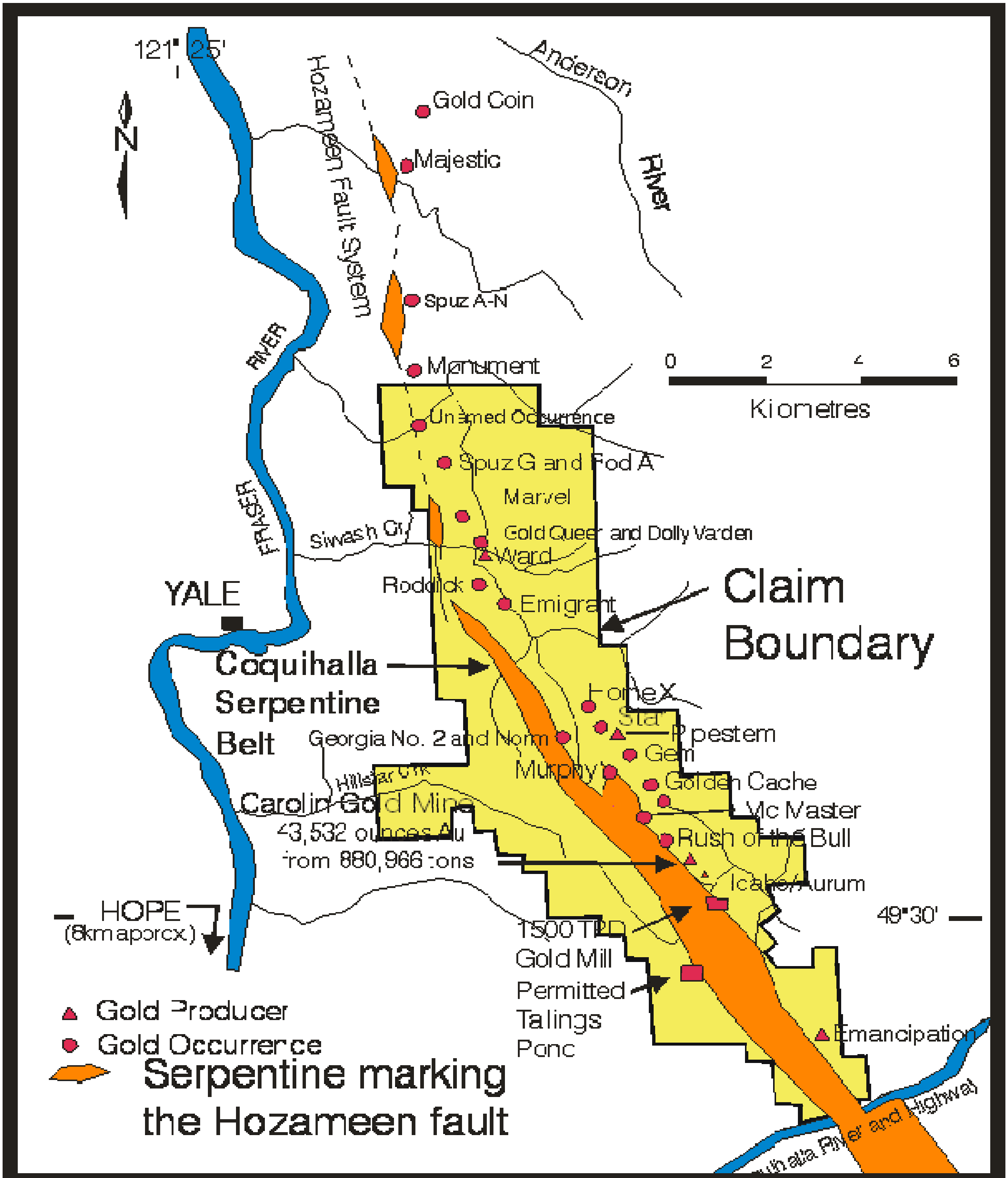

Figure 6.3 Approximate Claim Boundaries with Showings and Simplified Geology

7.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES AND PHYSIOGRAPHY

7.1 Property Access

The Ladner Gold property is located approximately 18 kilometres northeast of the community of Hope, which lies approximately 150 km east of Vancouver in southwestern British Columbia.

The Carolin mine site is accessed from the south by a 6 kilometre two-wheel drive, gravel road from exit 195 of the Coquihalla Highway. The property can be accessed from the north from the TransCanada Highway on logging roads which can be traversed only by four-wheel drive vehicles. The mine roads to the tailings area and the McMaster showing are only accessible by high clearance four-wheel drive vehicles.

7.2 Physiography and Climate

The property is situated in the northern Cascade Mountains of British Columbia. Early exploration was limited by the rugged topography and dense vegetation characteristic of the entire region, although much of the southern portion of the claim group has been logged in the past. Elevations within the claim block range from 600 metres to 1,560 metres atop Spider Peak. The Carolin mill site is located at an elevation of 796 metres with the tailings pond being located above the mill to the southwest at approximately 1,100 metres elevation.

The area can be accessed in all seasons provided snow is plowed from the road. Located in the Coast Mountains of southern British Columbia precipitation on the property is relatively high. Precipitation data for the area in the late 1970s is available in the Stage I Report prepared by Carolin Mines as a step in obtaining environmental approval. Carolin Mines collected precipitation data from 1977-1978 showing an annual precipitation rate of 1490 mm; however, apparently a few weeks of data were missing. They reported that 28% of the precipitation fell as snow. The data from the Hope weather station is probably more accurate, and up until 1978 the annual average was 1,602 mm with 162 cm of snow. At Hope almost two thirds of the precipitation fell from October through February. The maximum daily precipitation in Hope was about 100 mm (4 inches) and maximum daily snowfall was 55 cm. Due to the elevation difference between the property and Hope, total snowfall would be significantly higher at the property than at Hope. The mill collapsed under snow load in the winter of 1996.

7.3 Infrastructure and Local Resources

The Ladner Gold property, having been in production in the 1980s, has demonstrated in the past that the site has adequate surface rights to support mining operations. There are readily available sources of power, water, mining personnel, tailings storage area and waste disposal area. There are also the remains of a processing plant. The tailings pond is in good condition; however, the culverts in the access road have been removed.

The infrastructure at the mill site has been largely destroyed since the mill closed in 1984. The mill collapsed under snow load in 1996 destroying the major part of the mill. The resulting debris was cleaned up by Century Mining in 2006 leaving the rod mill, the ball mill, the regrind mill, the fine ore bin, the conveyor gallery to the crusher and the crusher at the site. Theft has removed all copper cables and any usable air and water piping from the surface and underground. Six kilometres of hydro power cables and the power poles from the Coquihalla Highway to the mine have also been stolen.

8.0 HISTORY

8.1 Prior Ownership

The Carolin **(Ladner Gold)** property was first assembled by Carolin Mines Ltd. in the late 1970s, operated from 1982 to 1984 and then closed. It was explored by Athabaska Gold Resources Ltd. **(Athabaska)** in the 1990s. Ultimately, Athabaska filed for bankruptcy and Tamerlane Ventures Inc. **(Tamerlane)** negotiated with the Trustee in the bankruptcy the right to earn a 90% interest in the property with the right to a further 10% if Athabaska did not contribute its portion to the outlined exploration programs.

Tamerlane sub-optioned their option in the Carolin Mine property, in 2004, to Century Mining Corporation **(Century),** whereby Century had the exclusive right and option to earn an undivided 70% interest in the property, with the right to purchase a further 30% for $6,666 per percent by replacing the $200,000 environmental bond and assuming the work commitments on the property.

On March 2, 2006 Tamerlane amended the 2004 option agreement with Century to give Century the exclusive right to earn an 70% interest in the property upon payment of $40,000, with the other conditions, except for exploration funding, being waived.

Tamerlane acquired Athabaska's 100% title and interest in the Property in an agreement dated April 3, 2006. Property ownership is now 30% Tamerlane and 70% Century.
.
In April 2007 Module Resources Inc. (**Module**) signed a letter of intent to option from Century 90% of the Caroline Mine and associated Ladner Creek properties, subject to approval by the TSX NEX Exchange and the TSX Venture Exchange, in exchange for a maximum payment of $4,900,000 cash, $3,500,000 in property development expenditures, 2 million common shares of Module and a Net Smelter Return Royalty of 3% payable to Century.

There has not been any recent legal survey completed on the property.

8.2 Exploration History

8.2.1 General

William Teague (1906) discovered gold in quartz veins near Ladner Creek and staked several claims by the fall of 1907.

Prospecting in the region was given a boost when the Kettle Valley railway was constructed along the Coquihalla River between 1910 and 1916. This opened up access to the south Coquihalla area that led to the discovery of a number of gold-quartz properties in the Ladner Gold basin area, the most important being the Emancipation Mine (which is now 100% owned by Module Resources Inc.).

In 1913 three prospectors named Merrick, Thompson and Beach staked the area known as Emancipation (Dawson Gold Mines).

The Idaho claim was located August 9, 1915; by T. DeAngelis adjacent to the existing Pitsburg claim (Shearer, 1982A).

The Idaho group was under option from December 1945 to 1946, during which time the first geophysical surveys were done. Then, in 1945 and 1946, nine shallow diamond drill holes were drilled in the Idaho zone, resulting in mineralized intersections averaging 5.4 metres grading 0.19 ounces of gold per ton. Then, in 1966, 2,400 metres of trenching was completed by Summit Mining Ltd., this work extended the known mineralized zone for a strike length of 75 metres.

Exploration interest was renewed in the area in 1973 when the government controlled price of gold was allowed to rise. Ensuing exploration led to the discovery of the Carolin Gold Mine located just north of the Emancipation Mine.

Extensive surface exploration work was conducted on the property in 1973 and 1974, including line cutting, geochemical and magnetometer surveys and diamond drilling. The work focused on the Idaho gold bearing zone, and by November 1978 some 44 surface holes totaling 6,908 metres had been drilled. (Collins et.al. 1982).

Approximately 19 gold showing are found vicinity of the mine. Exploration in the area north of the Ladner Gold drainage basin is not well documented, however, a number of gold occurrences have been located (Figure 8.1).

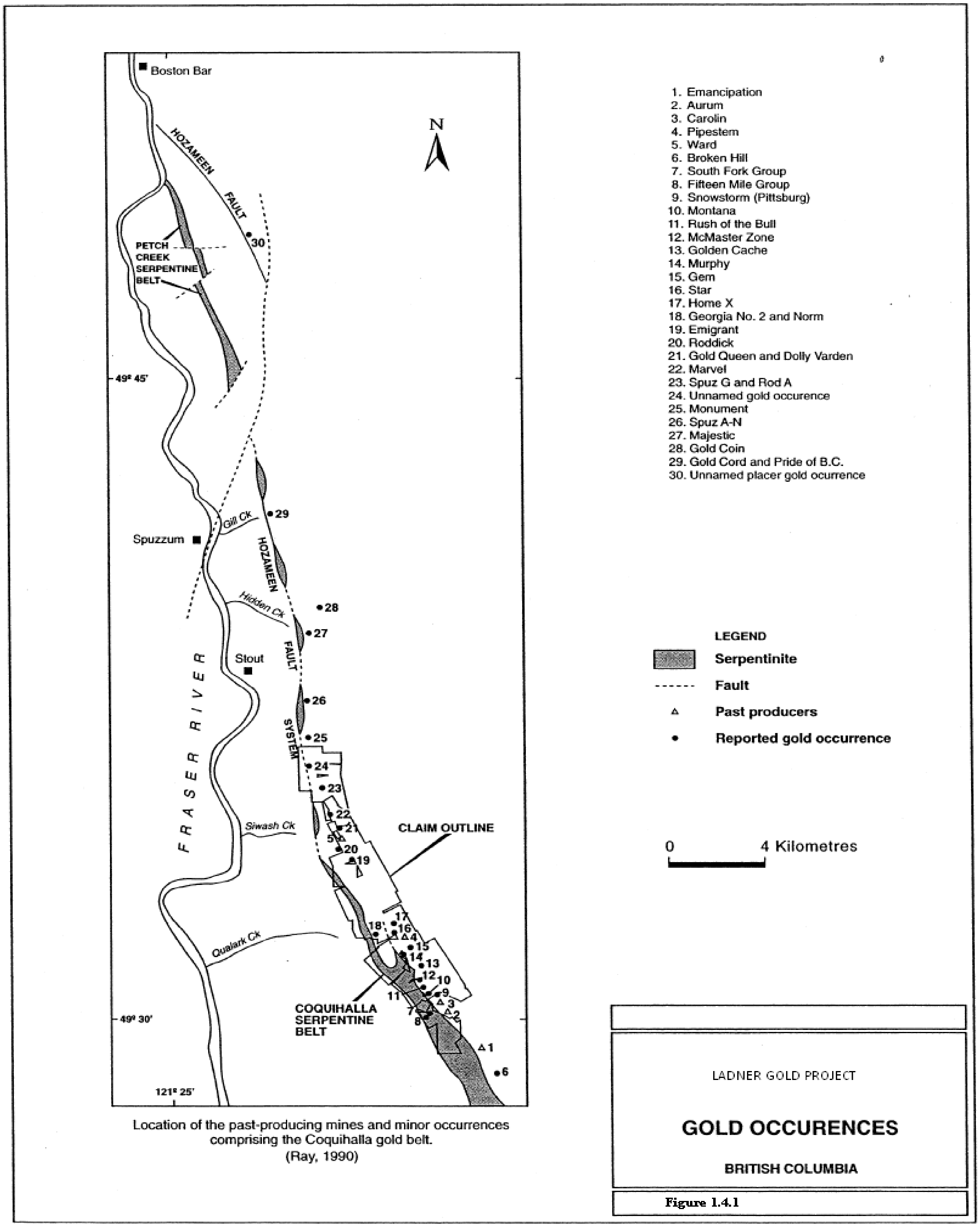

Figure 8.1 Coquihalla Gold Belt

8.2.2 Carolin Mine

Carolin Mines Ltd. conducted a major exploration and drilling program on the property in 1973. By the end of 1974, the mining potential of the Idaho zone was realized, but confirmation of the surface drill-indicated tonnage was required for senior financing.

Drilling by Carolin Mine Limited (and Precambrian Shield in 1975) totaled 39 initial surface holes (22,665 feet). The longest and most northerly, hole 37, was 1,617 feet deep.
From 1977 to 1978 Carolin was able to arrange further financing and carried out an extensive underground exploration program. This included driving 744 metres of decline, now known as the Idaho decline, and crosscut development from which 120 diamond drill holes were drilled in a close spaced, well surveyed, underground diamond drill and bulk sampling program from the Idaho Decline which was driven at roughly -20 degrees. Diamond drill cross sections were constructed at about 33 metre intervals along 600N, 625N, 650N, 700N, 733N, 766N, 804N and 867N.This drilling totaled 6792 metres. (Collins et.al. 1982).

A decision was taken to go into production and the Carolin Mine was commissioned at a cost of $40 million.

Further definition drilling U series and holes on individual IU series sections continued during underground development and mining between 1980 and 1984.

During the production years an aggressive exploration program north from existing workings had been considered by a number of individuals, Cochrane 1979, C. Clarke 1981, Niles 1982, and Shearer 1983.

This northerly exploration program was initiated after production had ceased, in 1995, by Athabaska Gold Resources. They advanced a drift on 862 Level, to the vicinity of 11,100N and then conducted a wide ranging diamond drilling program.

This program included 110 metres of new drifting to extend the workings on the 875 level, 1630 metres of underground drilling in 19 holes and 564 metres of surface drilling in six holes. The company also conducted metallurgical testing using freshly mined bulk samples (T. Schroeter, G. Cavey communication, 1995). This program was predicted on the assumption by Athabasca technical personnel that additional mineralized zones were extending to the north. It was hoped that some higher-grade mineralization could be located similar to that seen in holes NEX 1-3 drilled by Carolin in 1983 from the 938 scram drift to the north. These holes had intersected grades over 0.2 oz/t or 6.86 g/t over 10 metres length.

Due to the success of the initial programs and with partial Explore B.C. Program support, Athabasca Gold Resources Ltd. undertook an additional program consisting of 7,010 metres of underground diamond drilling in 92 diamond holes, 50 metres of trenching and 280 metres of tunneling. This work demonstrated that mineralization continues at least to 11,100N on 875 level (Figure 8.2). It also discovered a new type of higher-grade mineralization (hosted by altered

Spider Peak Formation volcanics labeled Western Highgrade Zone) west of old workings and alongside the Hozameen faults (Explore B.C. Program 95/96-M130).

Shearer (1996) summarized this drilling as being successful in demonstrating that the mineralization in sediments as mined in the Carolin Mine does continue northerly to Section 11100N (Table 8.1). In addition, a new style of higher grade mineralization was found west of the production area, toward the East Hozameen fault, hosted by the Spider Peak Formation. Follow up drilling was recommended and remains a high priority.

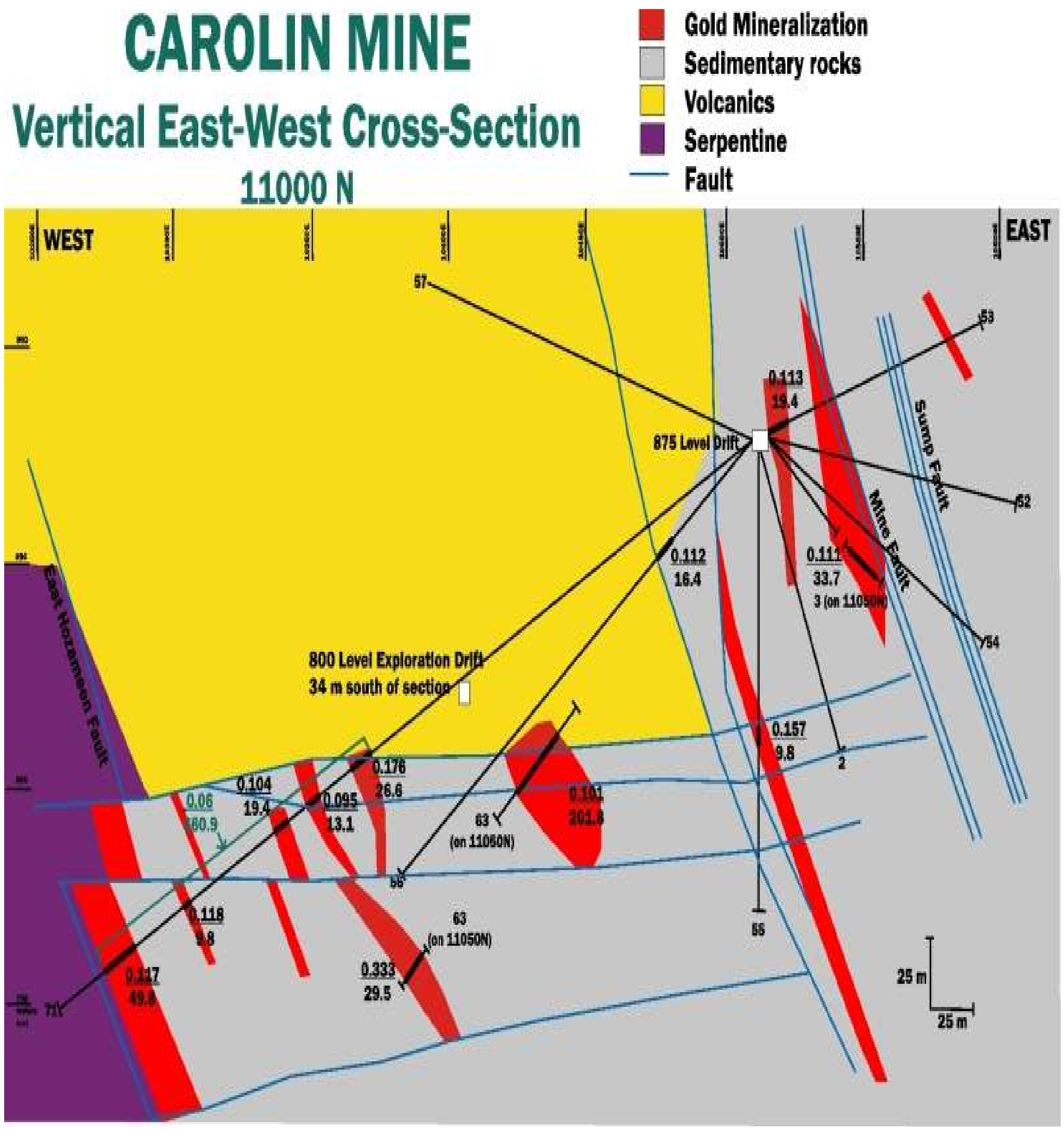

Figure 8.2 Cross-Section 11000 N looking north

The database at Carolin Mine includes a total of 39,993.40 metres of drilling and 10 kilometres of underground workings. Table 8.1 lists some of the significant intersections from the 1995-96 drilling.

Table 8.1 Intersections from 1995 drilling on Ladner Gold (Carolin) Property

DDH	INTERVAL (M)		WIDTH (M)	GOLD ASSAY	
	FROM	TO		(oz/t)	(g/t)
11000-52	3.00	8.00	5.00	0.112	3.85
11000-52	31.00	34.00	3.00	0.101	3.45
11000-55	64.00	66.00	2.00	0.198	6.79
11000-71	154.89	162.00	7.11	0.188	6.43
11000-71	192.00	195.00	3.00	0.126	4.33
11000-71	233.50	234.50	1.00	0.160	5.49
11000-71	255.50	262.50	7.00	0.150	5.15
11050-1	90.40	91.44	1.04	0.264	9.05
11050-2	40.10	41.15	1.05	0.109	3.74
11050-3	38.00	47.27	9.27	0.146	5.01
11050-59	25.00	27.00	2.00	0.164	5.62
11050-63	25.31	27.43	2.12	0.183	6.27
11050-63	114.00	118.00	4.00	0.177	6.07
11050-63	165.50	174.50	9.00	0.333	11.40
11100-61	176.68	177.83	1.15	0.142	4.87
11100-61	186.93	190.00	3.07	0.299	10.26
11100-62	62.50	63.60	1.10	0.121	4.15
11100-66	91.00	92.00	1.00	0.129	4.42
785-22	66.00	72.00	6.00	0.186	6.38
785-46	37.00	40.00	3.00	0.173	5.92
820-25	4.57	7.52	2.95	0.113	3.87
820-25	54.50	58.50	4.00	0.153	5.23
852-29	53.50	58.50	5.00	0.268	9.19
852-30	30.00	35.00	5.00	0.360	12.34
LD766-1	14.14	17.24	3.10	0.219	7.49

8.2.3 Emancipation Mine

The Emancipation Mine is situated 15 km northeast of the town of Hope. The property is in the New Westminster Mining Division of Latitude 49º 30' N and Longitude 121 º 15 W on the NTS Map Sheets 92H/6W and 92H/11W. The Emancipation property is contiguous on its northern boundary with the Ladner Property.

Much of the Emancipation Mine geological data presented below is referenced from Shearer (1994). The Emancipation Mine and surrounding claims are underlain by the important East Hozameen Fault Zone structure. In the vicinity of the mine a steeply east-dipping fault separates a fault-bounded slice of the Lower Triassic Spider Peak Formation altered andesite to the east from the serpentinites of the Coquihalla Serpentine Belt.

Further to the east, near the 2nd Level Adit, the Spider Peak altered andesite is in contact with Ladner Group (Jurassic) sediments along a high-angle reverse fault (Ray 1990). The Ladner Group rocks are overturned and dip westerly with the tops towards the east. The known gold-bearing veins and replacement alteration occur primarily within the altered Spider Peak Formation altered volcanic but may extend into the Ladner Group.

The Ladner Group in the vicinity of the Emancipation mine is mainly comprised of altered argillites and siltstones. The lower units of the Ladner Group are only represented by the 1-2 m thick unit of lithic wacke and siltstones containing clasts of chert and volcanic rock. This unit is adjacent to the faulted Spider Peak altered andesite.

Limited ground geophysical surveys were conducted in 1981, primarily to test the response of the instruments to bedrock geology and known mineralization.

An Induced Polarization (IP) orientation survey was carried out over drill section 500 N located 152 m north of the Emancipation portal (Cardinal, 1981), where drilling intersected a zone of replacement mineralization. The Wenner Array System was employed with electrode spacings of 366 m (1200 feet), 183 m (600 feet), and 91 m (300 feet) respectively. At each of these spacings, resistivity, chargeability and self-potential readings were recorded. IP response corresponded well within the known mineralization. The metal factor readings were plotted and superimposed onto geological cross-section 500 m which also illustrated the disseminated sulfide replacement zone.

Detailed and comprehensive geochemical soil surveys have been completed over the Emancipation Area (Cochrane, 1977). In 1981, detail soil surveys were conducted in the immediate area of the Emancipation portals (Cardinal, 1981). Also, crews extended, re-blazed and flagged the existing baseline and cross-lines using compass and chain. In 1981, soil samples were obtained at 15 m (50 foot) intervals and a total of 26 line kilometres were completed with 1,677 samples collected. The soils were collected, where possible, from the upper "B" soil horizon although in some cases only the residual "C" soil was present. In steep slopes the soil cover was thin, constituting a shallow "B" and "C" profile with evidence of down slope movement. In low relief terrain the soil was usually thicker (2-4 m and greater) with glacial gravels and boulder clay underlying the soil profile.

The geochemical contour intervals are based on geostatistical and profile studies carried out on the property some years ago by consultant D. R. Cochrane (1977). His study found that values from 15 to 45 parts per billion (ppb) gold were to be considered as weakly anomalous; from 45 to 75 ppb gold as moderately anomalous; and 75 ppb and greater as highly anomalous. Based on these intervals at least three anomalous areas were outlined south of the Emancipation mine and one large anomaly about 300 m northwest of the mine.

The anomalies occur along a major structural and geological trend. Two local anomalous zones located at L86S-100E and L91S-100W suggests some relationship to the Hozameen Fault and occurs within the volcanics. The L86S anomaly may also partly reflect the altered dioritized volcanics found in the area. The other major anomalous zone with its centre located at L96S-700W tails off to the southwest. This probably in part reflects the old Emancipation mill site and tailings stock pile, found just to the north. This should not entirely ignored due to its location, which occurs at the volcanic and sedimentary contact, as such contact horizons along the belt are known to auriferous, i.e. Idaho Zone. Other anomalous zones are along Tangent Creek and may reflect bedrock geology but could also reflect localized placer gold concentrations.

Between May 19, 1981 and October 28, 1981 a total of 2,078 m (6,618 feet) of diamond drilling was completed in the Emancipation mine area by Aquarius Resources Ltd. The drilling was in two phases; an underground phase and a surface phase. The underground drill holes were located and oriented to intersect proposed potential target sites as determined from previous underground mapping and sampling programs. During this period a total thirty-one (31 AQ size underground holes were completed for a total of 1,177 m (3,862 feet) of drilling.

The surface drilling phase was undertaken primarily to define the structure, quartz veins and geochemical highs that occur a short distance north of the Emancipation mine. The drilling consisted of ten BQ size surface holes for a total of 901 m (2,956 feet) of drilling.

One deeper hole (EU-38) intersected slates structurally underneath the serpentine partially (about 2 m in thickness) replaced by sulfides. The majority of the sulfide mineralization intersected occurs along the contact boundaries of the Boulder Vein system, predominantly on the hanging wall side. The sulfides consist of, in decreasing abundance, disseminated pyrrhotite, pyrite, chalcopyrite and arsenopyrite. The Boulder Vein system changes character down-dip and along strike from a more massive quartz vein type to a more quartz stringer and pervasive siliceous replacement type at depth or down-dip. The sulfides also increase with the system down-dip and change to a more siliceous-sulfide replacement zone. The “tuffaceous” sediments located on the hanging wall side of the boulder vein also become more replaced with sulfides down-dip and appear to host much of the mineralized replacement.

During the logging of the drill core visible gold was noted in at least three separate areas associated with the above replacement. The gold appears to be directly related to arsenopyrite. Coarse grained arsenopyrite (up to 1 cm in grain size) hosting coarse gold was observed in one instance. In other sections very fine gold found in quartz or siliceous replacement occurs with fine arsenopyrite crystals resembling “steel cuttings.” In most cases an increase in arsenopyrite reflects an increase in the grade of gold as indicated by some of the assays. Sporadic or isolated gold quartz stringers also occur in the altered volcanics suggesting local remobilization.

Surface drilling north of the Emancipation mine was conducted to delineate geological contacts, structures, quartz veins and mineralization, similar to those found in the Emancipation mine and to attempt to define the anomalous high gold associated with the bedrock. The drill holes intersected similar structures and rock types as discussed above with only limited quartz veining and mineralization, accompanied with low gold values. The surface holes outlined northwest trending structures and geological contacts favourable for sulfide replacement zones but no significant altered or mineralized sections were encountered during surface drilling.

During the underground drill program in 1981, intersections of higher grade mineralization (0. 6 oz/t Au over 5 feet, Hole U -15/81) were found. The results of the 1981 drilling are given in Table 8.2 below.

Table 8.2 Emancipation Drilling (ref. Homegold website, J.T. Shearer)

TABLE II

SUMMARY OF 1981 DIAMOND DRILLING

U = Underground Hole (AQ) S = Surface Hole (BQ) m = metres
opt. = troy oz. gold per ton No Values - 0.02 opt. or less

No.	Lat.	Dep.	Brg.	Dip	Elev.	Depth	Section	Remarks
U-8	3410N	10,462E	N63E	0°	2625	66’ 21.1 m	250NW	28.0-50.0’ (8.5-15.2 m) Boulder Vein. No values
U-9	3408N	10,460E	N63E	-50°	2629	72’ 21.9 m	250NW	34.5-41.0’ (10.5-12.5 m) Boulder Vein. No values
U-10	3407N	10,457E	--	-90°	2629	105’ 32.0 m	250NW	Quartz Stringers 48.0-53.0’ (14.6-16.2 m) 0.08 opt./5.0’ 67.0-72.0’ (20.4-21.9 m) Boulder Vein. No values.
U-11	3406N	10,455E	S63W	-60°	2629	231’ 70.4 m	250NW	25.0-26.0’ (7.6-7.9 m) Quartz-Carbonate Vein 0.027 opt. over 5.0’ (1.5 m) Reverse Vein. [?] 105.0-145.0’ (23.0-44.2 m) Hozameen Fault - Talc Zone.
U-12	3458N	10,447E	N63E	0°	2629	100’ 30.5 m		39.5-43.5’ (12.0-13.3 m) Boulder Vein. No values. 53.0-55.2’ (16.2-16.8 m) Quartz Vein. No values.
U-13	3455N	10,442E	--	-90°	2633	167.5’ 50.9 m		0-7.5’ (0-2.3 m) Quartz-Carbonate 0.15 opt./7.5’ 51.5-59.0’ (15.7-18.0 m) Boulder vein. No values
U-14	3455N	10,441E	S63W	-60°	2633	205’ 62.5 m	300NW	7.0-11.-’ (2.1-3.4 m) Quartz Stringers 0.076 opt./ 4.0’. 108.0-112.0’ (32.9-34.1 m) sheared, Quartz Carbonate Veinlets 0.065 opt./4.0’
U-15	3455N	10,440E	S63W	0°	2629	100’ 30.5 m	300NW	78.5-83.0’ (23.9-25.3 m) 4” Quartz Vein 0.60 opt/4.5’
U-16	3497N	10,413E	N63E	-50°	2633	100’ 30.5 m	350NW	25.0-30.0’ (7.6-9.1 m) 24” Quartz Vein 0.067 opt./5.0’. 40.5-46.0’ (12.3-14.0 m) Boulder Vein. No values. 46.0-52.0’ (14.0-15.8 m) Quartz Stringers, well mineralized. No values. 77.0-79.0’ (23.5-24.1 m) Brecciated Quartz Vein. No values.

U-17	3497N	10,414E	N63E	0°	2629	100’ 30.5 m	350NW	50.0-67.0’ (15.2-19.8 m) Boulder Vein. Best Assay 0.036 opt over 5 feet.
U-18	3496N	10,412E	--	-90°	2633	196’ 59.7 m	350NW	59.0-70.5’ (18.0-21.5 m) Boulder Vein. No values.
U-19	2495N	10,410E	N63W	-60°	2633	192’ 58.5 m	350NW	48.0-53.0’ (14.6-16.2 m) Brecciated Quartz 0.50 opt./5.0’
U-20	3497N	10,411E	N10W	-55°	2633	281’ 8.6 m	350NW	36.0-41.0’ (11.0-12.5 m) 30” Brecciated Quartz. No values
U-21	3608	10,288E	N63E	12°	2671	250’ 76.2 m	500NW	158.0-162.5’ (48.2-49.6 m) 30” Brecciated Quartz. No values.
U-22	3606N	10,283E	--	-90°	2665	251’ 76.5 m	500NW	109.5-160.0’ (33.4-48.8 m) Mineralized and Quartz Veining. 132.0-136.5’ (40.2-41.6 m) 0.59 opt./4.5’ 151.0-156.0’ (46.0-47.5 m) 0.35 opt./5.0’.
S-23	3526N	10,575E	N63E	-45°	2888	154’ 46.9 m	300NW	69.5-80.0’ (21.2-24.4 m) Boulder Vein. No values.
S24	3526N	10,575E	N63N	-80°	2888	202’ 61.6 m	350NW	90.5-102.5’ (27.6-31.2 m) Boulder Vein. No values. 163.0-164.5’ (49.7-50.1 m) Quartz Vein. No values.

U = Underground Hole (AQ) S = Surface Hole (BQ) m = metres
opt. = troy oz. gold per ton No Values - 0.02 opt. or less

No.	Lat.	Dep.	Brg.	Dip	Elev.	Depth	Section	Remarks
S-25	3521N	10,459E	N63E	-45°	2888	220’ 61.1 m	350NW	169.5-176.0 (51.7-53.7 m) Boulder Vein. No values.
S-26	2519N	10,455E	N63E	-75°	2888	270’ 82.3 m	350NW	219.0-225.0’ (67.8-68.6 m) Boulder Vein. No values.
S-27	3745N	10,572E	N63E	-55°	3035	220’ 67.1 m	500NW	124.5-129.0’ (37.9-39.3 m) 30’ Quartz 0.37 opt./4.5’ 143.5-148.0’ (43.8-45.1 m) 24” Quartz 0.035 opt./4.5’ 151.5-155.3’ (46.2-47.3 m) Boulder Vein. No values.
S-28	3741N	10,565E	S63W	-60°	3035	680’ 207.3 m	500NW	429.0-434.0’ (130.8-131.4m) Sheared Quartz-Carbonate. No values. 557.0-585.0’ (169.9-178.3m) Abundant Quartz-Carbonate. No values. 585.0’-end (178.3 m-end) Talc-Serpentine. Hozameen Fault Zone.
S-29			N63W [?]	-50°		400’ 121.6 m	600NW	Volcanic Greenstones. No values.
S-30				-90°		360’ 109.8 m		Volcanic Greenstones. No values.
S-31				-90°		300’ 91.4 m	1150NW	Volcanic Greenstones. No values.`
S-32			N63E	-60°		150’ 45.7 m	1150NW	Volcanic Greenstones. No values.
U-33	3607N	10,285E	N63E	-65°	2665	123’ 37.5 m	500NW	90.5-94.0’ (27.6-28.7 m) Boulder Vein. No values.
U-34	3606N	10,282E	S63W	-80°	2665	179’ 54.6 m	500NW	Volcanic Greenstones. No values.
U-35	3607N	10,284E	N63E	-75°	2665	140’ 42.7 m	500NW	96.0-102.0’ (29.3-31.1 m) Boulder Vein. No values.
U-36	3608N	10,281E	N30W	-60°	2665	157’ 47.9 m	500NW	107.5-112.5’ (32.8-34.3 m) Boulder Vein. No values.
U-37	3605N	10,282E	S63W	-86°	2665	225’ 68.6 m	500NW	153.0-160.0’ (46.6-48.8 m) Highly Siliceous, Abundant Sulfides. No values. 160.0-184.0’ (48.8-56.1 m) Tectonic Breccia.
U-38	3605N	10,281E	S63W	-75°	2665	298’ 88.1 m	500NW	75.0-79.0’ (22.9-24.1 m) Abundant Quartz-Carbonate. No values. 79.0-272.0’ (24.1-82.9 m)

								Serpentine-Talc Zone. 272.0-end (82.9 m-end) Volcanic Greenstone.
U-39	3666N	10,405E	S30E	-45°	2633	183’ 35.4 m	500NW	0-98.0’ (0-29.9 m) Volcanic Greenstones. 98’-end (29.9 m-end) Serpentinized Diorite and Serpentine with Talc.
U-40	3608N	10,286E	N63E	-45°	2665	116’ 35.4 m	500NW	35.0-37.0’ (10.7-11.3 m) Quartz Vein in Volcanic Greenstones. Not Assayed. 90.0-106.0’ (27.4-32.3 m) Brecciated Boulder Vein. No values.
U-41	3495N	10,412E	S63W	-73°	2633	32’ 9.8 m	350NW	Drill machine seized up and program terminated 27 Oct. 1981

8.2.4 McMaster Zone

The McMaster zone is located some 20 km northeast of Hope, BC, at latitude 49° 31’and longitude 121° 17’. The property is easily accessible and is about a 45 minute drive from Hope. The zone can be reached from the Carolin Mill site on a 4-wheel drive exploration access road. The McMaster zone is at about 1,460 m elevation. The zone is situated along a divide between to drainage systems, the Siwash Creek, which flows north and the Ladner Creek drainage flowing south.

In 1974 the McMaster zone was discovered approximately 1.5 kilometres northwest of the Carolin orebody. Mineralization similar to that developed at the mine was encountered in trenches and preliminary drill holes. A trenching program outlined five separate mineralized zones with similar grade and tonnage potential to the Idaho zone orebodies, as understood at the time.

In 1981, work began on a northerly extension of the main haulage level (800 metre level) at the Carolin mine towards the McMaster zone.

The zone was re-evaluated in 1989, which included detail mapping, sampling and drilling. The results from this work were encouraging and a detail work program was recommended but was not pursued at that time.

A drilling program on the McMaster zone in 1995 discovered a significant new gold structure not previously identified from past drilling. Results from this program are noted in Table 8.3.

A follow up program in 1996 was successful in extending the mineralized zones. No further work has been done since that time.

The geology underlying the McMaster zone consists of the north-northwest striking Hozameen fault system and the Coquihalla serpentinite gold belts. The zone also straddles the Spider Peak Formation and the western section of the Ladner Group. Both rock types are in fault contact with the East Hozameen Fault. The Spider Peak Formation is predominantly volcanic includes: mylonitic andesite, tuffaceous andesite, pillowed and agglomeritic volcanic and localized dioritic to gabbroic intrusive rocks. The western section of the Ladner Group sediments typically include from west to east: basal boulder conglomerate, pebble conglomerate, lithic-wacke, greywacke, turbidite, siltstone and argillite.

Table 8.3 McMaster Drill Hole Intersections over 0.5 g/t Au

Hole	From	To	Length	Grade
			Metres	g/t Gold
M-2	5.60	11.53	5.93	2.28
M-2	16.04	18.30	2.26	0.64
M-3	19.90	32.37	12.47	2.15
M-4	6.32	19.65	13.33	0.99
M-5	23.00	26.14	3.14	0.95
M-6	6.70	12.70	6.00	2.22
M-6	33.60	34.10	0.50	1.20
M-6	60.50	61.20	0.70	2.23
M-7	27.54	28.76	1.22	1.71
M-7	32.45	40.90	8.45	1.89
M-7	49.10	50.85	1.75	1.03
M-7	59.40	60.75	1.35	1.37
M-7	83.11	84.40	1.29	1.03
M-8	9.50	20.33	10.83	0.97
M-9	2.74	27.90	25.16	1.95
M-9	83.41	84.41	1.00	3.09
M-10	2.28	6.05	3.77	2.94
M-10	22.00	23.60	1.60	0.87
M-11	2.44	14.00	11.56	1.56
M-11	25.50	30.50	5.00	0.36
M-11	43.70	48.09	4.39	0.77
M-12	5.49	17.00	11.51	3.01
M-12	50.54	56.00	5.46	1.16
M-13	0.91	4.00	3.09	3.56
M-13	5.00	15.00	10.00	2.10
M-13	18.00	24.00	6.00	0.73
M-13	25.00	28.00	3.00	1.23
M-13	30.28	31.28	1.00	1.48
M-13	31.90	39.00	7.10	1.28
M-13	41.00	42.00	1.00	1.23
M-13	57.00	58.77	1.77	1.27
M-14	52.22	56.49	4.27	2.56
M-15	30.88	31.99	1.11	2.74
M-15	32.61	34.55	1.94	1.98

M-17	49.12	53.64	4.52	3.59
M-18	58.17	61.67	3.50	2.60
M-19	46.00	68.54	22.54	3.49
M-19	71.43	72.43	1.00	1.54
M-19	73.07	86.31	13.24	1.22
M-20	50.45	67.07	16.62	1.92

8.3 Historical Mineral Resource Estimates

There are currently no resource or reserve estimations that comply with NI 43-101. The historic resource figures generated by others have not been reviewed by a qualified person and redefined to conform to the CIM approved standards as required in NI 43-101.

When the milling of ore began in late 1981 at the Carolin mine, measured geological reserves (historical terminology which is non-compliant with NI 43-101 standards, and should not be relied upon) were 1.5 million tonnes grading 4.83 grams per tonne gold using a cutoff grade of 2.74 grams per tome gold and a 20 per cent dilution factor (BC MEMPR Fieldwork 1985).

The mine closed at the end of 1984 due to poor gold recoveries, low grades due primarily to dilution problems, environmental concerns and low gold prices. During the 3 years, 1,018,425 tonnes of ore were mined (901,567 tonnes milled), from which approximately 1,450 kilograms of gold and 109 kilograms of silver were recovered. An additional 12 kilograms of gold and 3 kilograms of silver were recovered from custom ore milled in 1988. In 1990, indicated (probable) reserves were stated as 898,000 tonnes grading 4.3 grams per tonne gold (George Cross News Letter No.25, February 5, 1990). These resources are considered "Historic Estimates" as defined by NI 43-101, and have not been reviewed by a Qualified Person. They should not be relied upon, although they are considered relevant in terms of property mineral resource potential.

A historical resource reported in, May 1996, by Athabaska Gold Resources Ltd was a "diluted reserve" of 1,489,000 short tons grading 0.129 oz/s.ton gold. Athabaska estimated a further 660,000 tons grading 0.051 oz/ton were present in the tailings pond. No effort has been made to confirm this estimate and it is included only as a historical reference and is not to be relied on. The above resource was calculated by J.S. Kermeen, P. Eng., M.P. Dickson, P. Eng., and J.T. Shearer, P.Geo. using data with a total population of 1,990 individual samples summarized as, 1,733 diamond drill holes from previous operations, 244 diamond drill holes samples from Athabaska drilling, and 13 chip samples from mine development workings (later chip samples were ignored).

The cut off grade used for this reserve calculation was approximately 2.74 g/t (0.08 ounces per short ton). The minimum width was 3 metres (9.94 feet) provided a minimum grade of 3.43 g/t was obtainable in isolated blocks. The Specific Gravity was 2.78 (Britton research-early metallurgical work) and a mining dilution of 15% at 1.0 g/t was used. Geological interpretations were completed by hand on 1:250 scale sections and digitized. Mineralized blocks were subsequently depicted on 1:500 scale sections. Grades for the mineralized blocks were based on a weighted average of diamond drill hole assays. Polygons representing diamond drill hole intersections, and in a few cases incorporating drift samples, were drawn on sections. A weighted average of all mineralized blocks constituted the total calculated, undiluted reserve. The spacing between sections (i.e. the length of mineralized blocks) varied from 7 to 100 metres and 87% of the mineralized blocks lie in 7 to 25 metre range. Those in excess of 25 metres were included because of exceptionally good correlation.

A Qualified Person has not reviewed these resources and reserves and no attempts have been made by the authors to verify them and they are therefore not to be relied upon. The authors did not have the ability to view any of the supporting documentation and verify analytical information. The numerous resource estimations are similar but have not been classified to the NI 43-101 standards, and have not been reviewed by a qualified person.

8.4 Historical Production

The Emancipation Mine produced 90.1 kg (2,897 ounces) of gold and 18.8kg (605 ounces) of silver between 1916 and 1941 (Ray 1990). Three other small producers (Pipestem, Aurum and Ward) mined a modest total of just under 29.2kg (940 ounces) of gold prior to 1943.

From February 1982 to November 1984, Carolin Mines Ltd. produced 44,411 ounces of gold using 0.08 ounce per ton cutoff grade and achieved 65.2% gold recovery (Table 8.4). The operation produced dore bars for shipment to the Royal Canadian Mint. (Ministry of Energy and Mines, 1989).

The principal stoping method in previous mining during the period 1982 to 1984 was by long-hole sub-level stoping. Rings of blastholes were drilled in five foot panels advancing longitudinally along the stope, leaving pillars in between stopes for support and later recovery.

Drilling was performed with Simba longhole drill rates of 6,000 to 10,000 metres per month. There are historical data estimates that suggest these pillars contain approximately 180,000 tons of ore. These figures are not in compliance with the CIM classifications and should not be relying upon. However, it must be recognized that this figure makes no allowance for mining recovery which is most unlikely to reach 100%. There is no evidence that any of stopes were backfilled during the mining sequence to enable the later extraction of pillars.

Ore was removed from drawpoints and transported by LHD machines to the ore passes, thence by rail haulage in 5-ton cars on the main level (800level) to a storage bins above the underground crusher. The crusher system consisted of a primary jaw crusher and a secondary cone crusher, operating in open circuit, capable of providing minus ¾ inch feed to the mill at a rate of 1,500 tons per day. The crushed ore was transported to the mill by conveyor belt and stored in a 2,000 ton fine ore storage bin. The crusher system is apparently still intact however this cannot be confirmed without pumping out the crusher station. The conveyor gallery is still in place, as is the fine ore bin.

In general, satisfactory efficiency and mining costs were achieved in the previous operation. However, excessive dilution of ore in the stopes did occur, resulting in a substantial reduction in the mill feed grade. This problem was partially alleviated by cable bolting areas of potential sloughing, and it was expected that this technique combined with modification to the stoping method would solve this dilution problem. The operators also intended to implement an underground back filling line, but there is no evidence that any of stopes were filled during the mining sequence to enable the later extraction of pillars.

The known mineralized zones are accessed through a series of adits. These mineralized zones are sufficiently large and continuous to permit the low-cost underground mining techniques utilized. The ground is generally very competent and required minimum support. An exception to this was noted in certain sections of the stope hanging wall, where excessive dilution was experienced due to sloughing of waste during mining.

These mine access adits were used as well for exploration and definition drilling to extend the mineralization along strike to the north.

Charles Watts, L.G. personally inspected the openings in 2006 and found them to be in good condition. However, during the recent mining boom, theft of underground piping and other easily accessible items from the mine has taken place, in spite of all attempts to close the mine openings and restrict access to the property.

Table 8.4 Monthly Mill Production Records for Carolin Mine

Month	Tons Milled	Grade Ounce/ton	Ounces Produced	Recovery %	Comments
Jan-June 1982	91,463	0.092	1,760	20.9	Pre-production
July, 1982	22,035	0.091	270	13.4	
August, 1982	22,101	0.094	902	43.4	
September, 1982	21,523	0.117	558	22.2	
October, 1982	30,718	0.098	1,126	37.4	
November, 1982	34,226	0.097	1,824	54.9	
December, 1982	36,800	0.088	1,702	52.6	
1982 TOTAL	**258,866**	**0.095**	**8,142**	**33%**	1982 Averages
January, 1983	38,930	0.084	2,242	68.6	
February, 1983	38,644	0.069	2,056	77.1	
March, 1983	17,909	0.066	1,304	110.3	
April, 1983	-	-	-	-	Environmental
May, 1983	30,565	0.082	930	37.1	Shutdown
June, 1983	39,547	0.083	1,424	43.4	
July, 1983	36,949	0.086	1,771	55.7	
August, 1983	42,712	0.092	1,610	41	
September, 1983	35,072	0.088	1,955	63.3	
October, 1983	39,300	0.085	1,913	57.3	
November, 1983	35,580	0.105	2,625	70.3	
December, 1983	27,238	0.108	2,245	76.3%	

1983 TOTAL	**382,446**	**0.087**	**20,075**	**60.6%**	**1983 Averages**
January, 1984	21,183	0.118	1,774	68.8	
February, 1984	33,728	0.116	2,717	68.6	
March, 1984	36,895	0.101	2,615	69.3	
April, 1984	33,092	0.117	2,315	60.9	
May, 1984	37,721	0.108	2,850	70.0%	
June, 1984	32,373	0.108	1,834	52.5%	
July, 1984	28,348	0.085	931	38.6%	Float only
August, 1984	7,881	0.088	528	76.1%	
September, 1984	8,525	0.097	630	76.2%	
1948 TOTAL	**239,746**	**0.106**	**16,194**	**63.5%**	
TOTAL MINELIFE	**881,058**	**0.094**	**44,411**	**53.4%**	
October, 1984	10,410	0.058	394	65.2%	Reprocessing of Tailings

8.5 Mineral Processing History

The Carolin Mill (Photograph 8.1) was constructed in the early 1980s and ran from 1982 to 1984 when the project was shut down due to a combination of low gold prices, poor recoveries and an environmental problem in which cyanide bearing solution leaked into Ladner Creek. The mill was crushed by snow in the winter of 1996-97, as seen in (Photograph 8.2). The rod mill, the ball mill, the regrind mill, the fine ore bin and the conveyor gallery are all that remains of the mill after the clean-up of the site in 2006 by Century Mining Corporation (Photograph 8.3).

The underground crushing circuit was located at the lowest point in the mine and included a jaw and cone crusher that reduced the ore to ¾ inch and then fed it to the fine ore bin via a conveyor. The crushing circuit is thought to be in place but the crushing area is currently under water and cannot be examined. The ore was fed to a rod mill / ball mill combination where it was ground then fed to a flotation circuit. The concentrate was then reground in a small ball mill prior to cyanidation and recovery in a Merrill Crowe circuit. The tails were pumped up to the tailings pond located above the mill at the head of Ladner Creek.

The original metallurgy had predicted a recovery of +80%; however, the mill had trouble with recoveries throughout the life of the mine. The achieved recoveries are given in (Table 8.4). A mineralogical study showed the gold to be partially encapsulated within pyrrhotite and arsenopyrite crystals.

Athabaska Gold Resources Inc. completed a sampling program on the tails to determine the metallurgical problems and see if improvements could be made. Melis Engineering Inc. and Lakefield Research completed metallurgical testing on the ore and the tailings. They examined the possibility of reprocessing the tailings to recover the gold that was missed during the original processing. The tailings grade was established to be approximately 0.05 ounces of gold per ton (1.71 g/t) by both the metallurgical head grade assays and the average assay grade of the tailings samples.

The Lakefield Research report (dated February 3, 1997) indicated that a concentrate could be produced which had a concentrated grade of approximately 350 g/t Au. This concentrate contained 2.5 to 4% arsenic and recovered 83 to 84% of the gold from the ore. The report also concluded that a low arsenic concentrate containing >700 g/t Au could be produced. This would contain <1% arsenic and would recover about 65% of the gold with an additional 20% being recovered by cyanidation. Research on the tailings material indicated that additional test work was required to develop a good flowsheet for the tailings.

Photograph 8.1 Historical Pictures (circa 1982) of the Carolin Mill

Photograph 8.2 Carolin Mill after collapse due to snow in winter of 1996-97 (photo by C. Watts 2006)

Photograph 8.3 Carolin Mill after 2006 clean up showing the mill, ball mill, regrind mill, fine ore bin and conveyer gallery. The crusher is located underground

8.6 Historical Sampling Method and Approach

Details of the sampling methods and assaying procedures are not available to the authors and cannot be verified by them. Procedures are indicated, by various authors, to be professional in the context of the standards of the time period (1970s to 1990s).

The samples were assayed by fire assay by ACME Labs of Vancouver using fire assay techniques and reportedly some check samples were sent to an independent second laboratory. Those samples not assayed in Vancouver labs were run on site using the mine site laboratory during the operation. The on-site lab reportedly initiated regular check analyses with independent labs.

Athabaska stated that metallic assays correlated with corresponding samples assayed by normal procedures, indicating that there is not a major nugget effect so assay results from the fire assaying method were considered accurate. This statement is backed by 1995/1996 data, where out of 2,000 samples, only 3 contained Au results greater than 30 g/t Au and only 30 samples were greater than 15 g/t Au. A total of 1,170 of these samples assayed between 2 and 6 g/t Au.

Given the above data the cutting of high gold values is not seen as a significant in the treatment of data. When Athabasca applied cutting procedures of above 30 g/t Au to 30 g/t Au their reported resource grade was 0.129 g/t. When they altered this procedure to 17 g/t Au the average grade became 0.126 g/t which verifies the fact that are not many assays above the 17 g/t figure and hence there is not a significant effect due to cutting the data.

The McMaster zone (the 1995 drilling program) drill holes and drill sites were tied into an existing grid and to previously surveyed drill holes. A total of 39 grab samples of various quartz veins were collected. For control, a map at a scale of 1:5000 was used. As well, a grid was laid out over the zone at a scale of 1:2500 for mapping, soil sampling and drill hole control purposes. The grid was established using compass and chain survey. A total of 70 soil samples were collected over the grid.

Drill core from the McMaster drilling were brought to the McMaster core shack. The core was logged and intervals marked for splitting by a geologist. The core was split by an experienced core splitter, bagged and readied for shipment to a Vancouver assay lab. The remaining core was then stored on a newly constructed core rack on site.

The summary of the major exploration program between August 1995 and February 1996 at the Ladner Gold (Carolin) Minesite describes the field procedures used. Drilling was done in feet and the core was carefully converted into metric lengths at the core shack. Core recovery was measured on each piece of core and closely estimated through the uncommon, short rubbly sections. Each drill core sample was carefully split by an experienced splitter. Athabaska personnel checked each sample number with the assay ticket number and each bag was numbered. Samples were brought to ACME Labs in Vancouver by truck. The core shack was locked at all times when Athabaska personnel were not actually working on the core. Analytical procedures (fire assay) at Acme Labs were regularly outlined in Appendixes. A suite of samples from this drilling project was sent to a second independent lab for check assay.

9.0 GEOLOGICAL SETTING

9.1 Regional Geology

The geology of the area is summarized by Cavey and Gunning (2003) as follows:

"The most prominent feature of the area is the Coquihalla Serpentine Belt, an elongate serpentine belt that hosts the Coquihalla Gold Belt, bounded by the east and west Hozameen faults. It separates the Hozameen Group to the west, an obducted ophiolite sequence, from the andesitic greenstones of the Spider Peak Formation and the much larger Ladner Group sedimentary rocks to the east."

The serpentine belt trends north-northwesterly through the area for upwards of 60 kilometres and is steeply dipping. The belt attains a maximum width of approximately 2 kilometres near the Carolin Mines area and gradually pinches out to the south and north until in the Siwash Creek and Manning Park areas the Hozameen and Ladner groups are in direct fault contact. (Ray 1983). The east and west margins of the serpentine belt are believed to represent two major sutures or fractures (Ray 1983) with both faults having gone through recurrent vertical and transcurrent movement (Ray 1984).

The Hozameen Group is an oceanic supracrustal sequence (Ray 1990) of Permian to Triassic age comprised mainly of cherts, pelites and basaltic greenstones. The rocks have been metamorphosed to lower greenschist facies, with deformation increasing towards the serpentine and the fault boundaries. Serpentine along the West Hozameen fault is commonly sheared to a crumbly, talcose schist and/or gouge. The Hozameen Group has been divided into three main divisions: a lower ultramafic unit, comprising the Petch Creek serpentine belt; a middle mafic unit, comprised mainly of volcanic greenstone; and an upper sedimentary unit, comprised mostly of chert, with lessor interbedded greenstone, limestone and argillite.

The Spider Peak Formation is in direct contact with the East Hozameen fault and can be traced for approximately 15 kilometres (Ray 1990). Its contact with the overlying Ladner Group is unconformable and tentative fossil dating has yielded an age of Early Triassic. At its typical section the Formation is comprised of a basal portion of massive medium-grained gabbro, which in turn is overlain by a thick succession massive and pillowed greenstone. In the upper portion of the formation some volcaniclastic sedimentary material and occasional chert fragments have been observed between individual pillows. Also present are some thin bands of aquagene breccia and immature volcanic siltstone (Ray 1990).

The Jurassic age Ladner Group represents a sedimentary sequence of poorly to well bedded turbiditic wackes, siltstones and slaty argillites. A simplified stratigraphic sequence (Ray 1983) consists of a thin layer of coarse clastic partly volcanogenic sedimentary rocks passing upward into a thicker sequence of well-bedded siltstones which are overlain in turn by a thick unit of carbon and iron rich argillites.

The serpentine belt itself is comprised dominantly of serpentine with varying amounts of gabbro and micro gabbro. Intrusive rocks cut both the Hozameen Group and Ladner Group. Intrusions in the Hozameen Group are less common and are comprised of dykes and sills of feldspar-quartz porphyry and basic to intermediate rocks. The feldspar-quartz porphyries form narrow dykes and sills less than 25 metres wide, though locally are larger. Gabbroic to dioritic intrusions are found chiefly as narrow sheared sills and rarely as narrow cross-cutting dykes. The Ladner Group and other sedimentary assemblages east of the Hozameen fault contain abundant minor intrusions ranging from narrow dykes and sills to larger bodies up to 300 metres wide. These intrusions vary from felsic to mafic dykes and sills to locally larger mafic bodies. The felsic dykes range from monzonite to granodiorite, mafic rocks range from quartz diorite to diorite to gabbro.

The Hozameen Group is recognized as an obducted ophiolite sequence with the Hozameen fault representing a major suture zone. It is uncertain whether the serpentine is a part of the Hozameen or if it underlies the Ladner Group. One theory is that the serpentine formed the basement of the Hozameen Group and was emplaced by easterly directed overthrusting with main movement along the East Hozameen fault. This implies that the greenstone underlying the Ladner Group and the serpentine are not related. The second model has the serpentine below and related to the greenstone which underlies the Ladner Group. Emplacement was achieved during easterly thrusting of the Hozameen Group with the main movement along the West Hozameen fault (Ray, 1983). Right lateral movement along the Hozameen fault system, at least 18 kilometres (Ray, 1984) hinders interpretation of the serpentine emplacement.

9.2 Property Geology

At a property scale rocks of the Coquihalla Serpentine Belt are generally comprised of massive dark serpentinite of probable peridotite origin, and fine- to coarse-grained intrusive rocks of gabbroic composition (Ray 1990). Closer to the fault contacts the rocks are highly sheared and talcose. Also present are minor amounts of listwanite, a magnesite-rich fuchsite-bearing quartz-carbonate rock. Along the East Hozameen fault lie Spider Peak Formation volcanics, including amygdaloidal and pillowed andesite, tuffaceous andesite, agglomeritic volcanics and some localized dioritic to gabbroic intrusive rocks.

The Ladner Group sedimentary rocks, which host the gold mineralized zones, are comprised of clastic sediments including turbidities, conglomerates, greywacke, siltstone, and argillite. The sequence is believed to be overturned based on evidence seen in graded bedding and sedimentary scouring. (G.E. Ray, MEMPR Bulletin 79).

9.3 Regional Geophysics

The regional provincial aeromagnetic map shows the Carolin mine lying within a northwesterly trending magnetic high which reflects the strong magnetic response of the serpentinite within the Hozameen fault. Zones of reduced magnetic response may be fault zones cutting across or displacing the serpentinite body.

9.4 Property Gold Geochemistry

In 1976 a geochemical soil grid was completed over the Ladner Gold (Carolin) property that returned values over 1 g/t in places. These high responses were probably due to placer concentrations in the soil. The anomalies define a zone approximately 4 kilometres in length stretching from Ladner Creek to north of the McMaster deposit. The contoured map is provided as Figure 9.1).

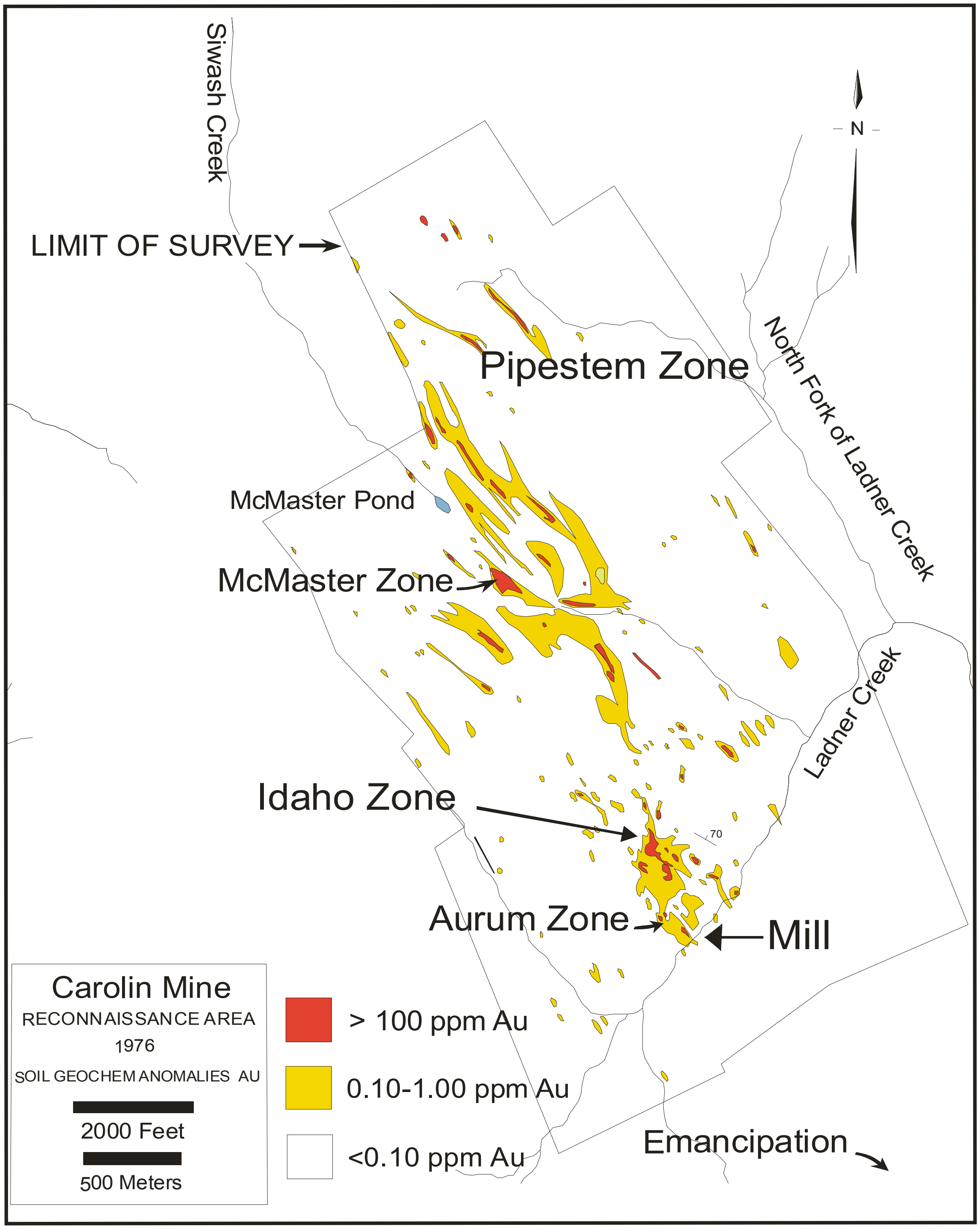

Figure 9.1 Soil Geochemistry

10.0 DEPOSITS TYPES

The most important element in the consideration of the Carolin and Emancipation deposits is the relationship of the deposits to the Hozameen Fault. The Hozameen Fault can be traced from Washington State to the Bralone area and has a strong right lateral movement of unknown extent. Mineralization is tightly confined to the faulted area as the fault is a conduit for mineralized fluids which have mineralized openings in brittle rocks adjacent to the fault regardless of the rock type.

Similar major faults are associated with serpentine in major gold camps such as the Mother Lode area of California and the Juneau Gold Belt, Alaska and the Destor-Porcupine fault in Timmins and other gold camps throughout the world. The common feature is the deep seated structure not the rock type which can vary from sediments and greenstones to intrusive bodies. Rock types, that are brittle and maintain openings induced by the faulting, are the most likely to contain economic grades of gold mineralization.

A review of the lithological and tectonic setting of gold-quartz veins by Ash (2002) has determined that on the basis of host lithologies, gold-quartz vein deposits can be divided into two main types, 'ophiolite-hosted' and 'mixed mafic igneous-sedimentary-hosted'.

Ophiolite-hosted gold veins are contained in fault-bounded, internally imbricated lenses of oceanic igneous crust and include the mining camps of Bralorn, Atlin and Cassiar in BC and Grass Valley and Allegheny in the USA.

Mixed mafic igneous-sedimentary hosted gold vein deposits include most of the deposits of the Mother Lode belt and the Alaska Juneau area in the USA as well as the Carolin Mine and other gold occurrences in the Coquihalla Belt in BC. The host rocks containing these deposits contain Mesozoic sequences of mafic igneous rocks alternating with slate and phyllite.

The Coquihalla Gold belt is host for five historic small gold producers (Carolin, Emancipation, Aurum, Pipestem and Ward) as well as 24 other gold occurrences. The gold occurrences differ in host rock, mineralogy and geochemistry, but some common factors are apparent. All gold occurrences have been found east of the East Hozameen fault, none in the serpentine and the majority within 600 metres of the East Hozameen fault. Gold has been found up to one kilometre east of the fault, but most of the gold production has come from deposits less than 200 metres from the serpentine margin and East Hozameen fault (Ray, 1984). Ray (1984) has found that 95% of the gold production from the belt has come from within 150 metres of this contact.

Rock types hosting gold showings vary; however, they are all more competent than the surrounding country rock and therefore hold open spaces after fracturing, providing a good depositional environment for subsequent mineralizing fluids. Silicification has accompanied all cases of gold enrichment and four types of orebodies have been recognized. (Ray, 1984):

(1) Thin, highly irregular and generally discontinuous quartz veins. These host the majority of the minor gold occurrences.

(2) More continuous, wider and discrete quartz veins as seen at the Emancipation Mine and the Monument occurrence.

(3) Irregular orebodies hosted in highly fractured, coarse clastic sedimentary rocks which are associated with silicification, network quartz veining, albitization, and abundant sulfides as present at the Carolin mind deposit and the McMaster Zone. Underground mapping by Carolin mine geologists (Shearer and Niels, 1983) shows that the Idaho zone mineralization is concentrated in an antiformal hinge zone.

(4) Gold within talcose shears along the East Hozameen fault immediately adjacent to serpentinites and Ladner Group metasedimentary rocks. The Aurum mineralization is the only known example of this type.

There is a similarity in the mode of occurrences of gold deposits between the Ladner Gold property and the Mother Lode/Grass Valley Deposits in California. In both areas gold showings and deposits are located adjacent to and along the length of deep crustal right lateral north-west trending faults that are marked by serpentine belts (the Hozameen and Melones faults).

The faults have provided, in each case, a conduit for mineralized fluids and have also created dilatant zones within the adjacent rocks for the emplacement of mineralization.

The Ladner Gold property has been examined close to surface; however, the depth of some of the Mother Lode/Grass Valley deposits indicates that there is the potential for the Ladner Gold property mineralization to extend to depth.

11.0 MINERALIZATION

As noted by Cavey and Gunning (2003), gold mineralization from the past producing Carolin Mine is hosted in the lower coarse clastic unit of the Ladner Group. It is comprised of a dense network of variably deformed quartz-carbonate veins with intense albitic alteration and disseminated sulphides. The albite-quartz-carbonate-sulphide bearing veins are hosted in the more permeable and competent rocks, such as wackes, conglomerates, and siltstones; argillites are generally unmineralized. This mineralization is focused and thickened within the hinge of a complex antiform and is narrower in the fold limbs. Three main zones of mineralization have been outlined at the Idaho deposit, (Carolin Mine) the upper No. 2 deposit, a middle No. 1 deposit, and a lower No.3 deposit.

Sulphides consist mainly of pyrrhotite, arsenopyrite, pyrite, and magnetite and can be found in concentrations of up to 15%. Less common are traces of chalcopyrite, bornite, and sphalerite. The deposit as a whole exhibits a general vertical zonation. Shearer (1982b) concluded that the upper No. 2 deposit is pyrite rich while the lower No. 1 ore body is pyrrhotite rich. The No. 1 deposit is hosted in graywacke and has very uniform gold grades, the orebody, hosted in siltstone has erratic gold values. This is believed to be due to different permeability of the host rocks (Ray 1990).

The deeper No. 3 deposit is not well understood but appears to be similar in nature to the No. 1 deposit. Alteration includes coarse-grained pervasive albitization in both the orezones and wallrock. Fine-grained chlorite and sericite alteration is well developed in the wallrock and much less so in the ore zones. Previous workers have determined that the gold mineralization lies in the basal portion of the Lower Jurassic Ladner Group which consists of quartz-albite altered greywacke within an imbricated fault zone related to the East Hozameen Fault. Additional mineralization has been outlined in the altered andesitic volcanic rocks of the Spider Peak Formation. Most of the gold showings along the Coquihalla belt lie close to the east contact of the ultramafic Serpentinite Complex. The mineralized zones at the Carolin Mine and in the immediate area consist of:

"Stockwork veins, sheeted vein zones and cymoidally distorted, en echelon vein sets, and pervasively disseminated sulfide-rich albite-quartz systems"

Government geologists have also determined that the mineralized zones in the mine are up to 30 meters thick and that:

"The Carolin ore bodies are turbidite-hosted, mesothermal, epigenetic deposits characterized by the introduction of sulphides, albite, quartz and precious metals. This mineralization is hosted in the lower clastic unit of the Ladner Group succession, approximately 150 to 200 metres above the unconformable contact with the Spider Peak Formation. Here, this unit includes discontinuous wedges of interbedded greywacke, lithic-wacke, sedimentary breccia and conglomerate, together with intercalated sequences of siltstone and minor argillite. The basal portion also includes rare, thin horizons of clastic, impure limestone."

Surface mapping in the mine area indicates that both the Ladner Group and the stratigraphically underlying Spider Peak Formation were tectonically inverted, and subsequently deformed into large scale, upright to asymmetric folds.

Underground mapping has demonstrated that the gold mineralization is both lithologically and structurally controlled. It is preferentially concentrated in the more competent and permeable coarser-grained wacke, lithic wacke and conglomerate layers in the tectonically thickened hinge regions of a disrupted, asymmetric antiform. As a result, the mineralized deposits exhibit a saddle reef- like morphology and the deposit plunges gently northwest, sub parallel to the antiformal axis. Polished section studies indicate that pyrite predominates in the upper parts of the deposit while pyrrhotite predominates at depth. Similar zoning has been noted in other gold deposits, such as the Mount Charlotte in Western Australia. The pyrite-pyrrhotite zoning suggests that the deposit is upright and younger than the tectonic overturning that affected the host rocks. However, the presence of folded, post-ore quartz veins suggests that mineralization either predated or accompanied the episode of upright to asymmetric folding. (B.C., MEMPR Fieldwork 1985.)

The best description of the mine and the related geology comes from Province of BC, MEMPR Minfile that states:

"The surface expression of the deposit is a strongly faulted and altered zone up to 40 metres in exposed width. It is characterized by secondary manganese and iron oxides, intense albitic alteration, disseminated sulphides and a dense network of irregular, variably deformed, multiphase quartz-carbonate veins. Not all areas containing these features are, however, enriched in gold. The ore largely consists of quartz and albite with variable amounts of carbonate, chlorite, very fine sericite and opaque minerals. Opaque minerals make up between 1 and 15 per cent of the ore and comprise, in decreasing order of abundance, pyrrhotite, arsenopyrite, pyrite, magnetite, chalcopyrite, bornite and gold. Minor sphalerite and, in rare instances, small flakes of pyrobitumen have also been observed. Gold generally forms small grains up to 0.02 millimetre in size that generally occur as inclusions in pyrite and arsenopyrite, or as rims around pyrite, pyrrhotite and chalcopyrite crystals. Gold is also found independent of the sulphides as minute grains within or along the grain boundaries of some quartz, carbonate or albite crystals. Visible gold, although uncommon, is present as thin plates and smears on fault surfaces and as rare leaf-like masses, small scales and rods. Several theories of paragenesis of the opaque minerals have been put forward. Earlier reports suggest the following: (1) magnetite, (2) arsenopyrite, (3) pyrite, (4) gold, (5) pyrrhotite, (6) sphalerite and (7) chalcopyrite, with a partial overlap in the deposition of arsenopyrite, pyrite and pyrrhotite (Kayira, 1975). Shearer (1982), however, determined the order as follows:

(1) Magnetite,
(2) arsenopyrite and some gold,
(3) **c**ontemporaneous deposition of pyrite, pyrrhotite and some gold,
(4) minor magnetite and, finally,
(5) traces of chalcopyrite and gold. In any case, magnetite appears to be the oldest opaque ore mineral and is probably unrelated to the mineralization since it shows no spatial relationship to either gold or sulphides.

Weak silicification and intense, pervasive albitic and carbonate alteration are evident throughout the Idaho zone and adjacent wallrocks. Exceedingly fine-grained chloritic and sericitic alterations related to the mineralizing event are also well developed in the surrounding wallrocks, but is not so abundant in the ore. This alteration is believed to have occurred according to the following sequence of events:

(1) Chloritization together with some sericitization and weak kaolinization;
(2) the introduction of quartz, albite, sulphides and gold;
(3) continuing introduction of quartz and albite;
(4) emplacement of multiple phases of quartz with or without carbonate veins with local envelopes of disseminated carbonate; followed by
(5) the late emplacement of veins and disseminations of calcite and ankerite. Weak sericitization and chloritization probably took place throughout the entire sequence.

There are at least three generations of albitization, the earliest and finest grained being coeval with the sulphide-gold mineralization. The subsequent two generations produced veins and masses containing coarse-grained, well-twinned albite crystals. Locally, angular fragments of sulphide-rich ore are engulfed by the youngest albitic phase. The deposit is surrounded by an albitic envelope which extends at least 60 metres beyond the mineralization. The gold mineralization is marked by distinct zones of barium and potassium depletion that are generally twice as thick as their associated gold-bearing horizons.

The deposit is cut by numerous northerly trending faults, some of which contain carbonaceous material. It is also truncated to the north by the younger, east striking, north dipping "hanging wall shear," which may be the downward continuation of the Richardson fault, a normal fault mapped on the surface.

12.0 EXPLORATION

Neither the Vendor (Century) nor Issuer (Module) have completed any exploration work on the property as of the date of this report. Previous property exploration is reported in Section 8.0.

13.0 DRILLING

Neither the Vendor (Century) nor Issuer (Module) reported any drilling programs on the property as of the date of this report. Previous drill programs on the property are reported in Section 8.0.

14.0 SAMPLING METHOD AND APPROACH

Neither the Vendor (Century) nor Issuer (Module) have completed any sampling programs as of the date of this report. Previous sampling approach and methods are reported in Section 8.0.

15.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

Neither the Vendor (Century) nor Issuer (Module) have analyzed any samples from the property as of the date of this report. Previous sample preparation and analysis standards are reported in Section 8.0.

16.0 DATA VERIFICATION

C. Pearson, P. Geo., and Independent Qualified Person, visited the property on July 25, 2008, in the company of A. Muja, P. Geo. Mr. Muja is employed by Module Resources and is familiar with the area.

Property location, access, physiography and infrastructure are as described in this report. C. Pearson, P. Geo. randomly selected 20 of the listed 173 claims defining the property and checked claim details between the company records and B.C. government database. No discrepancies were noted in this process. The site access road from the Coquihalla Highway is unpaved but easily passable. There was no property gate in evidence at the time of the site visit and the road was being used by ATV and motorbike traffic.

The surface infrastructure remaining consists of exposed rod and ball mills, fine ore bin and ore conveyor from underground. The tailings disposal facility is some distance from the mill site and at a higher elevation. This access road is rough, but passable, and the facility itself appears in reasonable condition. There was no evidence of power supply to the property. Power lines and cable are reported to have been removed by vandals.

Three adits were located. These would normally provide access to the underground workings. The lowest adit noted was the conveyor decline, which would provide access to the underground ore bins and crushers. These facilities are reported to be intact but could not be visited, as the adit was effectively blocked and inaccessible. At a slightly higher elevation the 800L adit was located. This was the mine ore haulage level that was used to transport ore to the underground crushers and from there a switchback road, rough but passable, provided access to the 900L adit above. This adit is effectively blocked as well.

A good volume of cold air was blowing out from the 800L and 900L adits, indicating the mine has natural ventilation at this time.

Although the underground workings could not be seen on this visit, it is noted that Charles Watts, L.G., personally inspected them in 2006 and found them to be in good condition.

Time did not permit access to the historic Emancipation mine site or to the McMaster drill sites. A considerable volume of dumped and scattered drill core was noted on the main access road. This core is now unusable and no evidence was found of drill core storage on the property, nor were any drillhole collars observed.

Rock outcrops were noted along the access road cuts and match recorded property geology units, namely fine-grained sediments and serpentinites, cut by faults and sheared zones.

In addition to the site visit, Module Resources provided the Independent Qualified Person with requisite professional, corporate and government reports and references. Any reference in the report to ore resources or reserves must be considered as historical, undocumented and non-complaint to NI 43-101 standards, and has not been reviewed by a Qualified Person.

17.0 ADJACENT PROEPRTIES

No information concerning an adjacent property is included in this report.

18.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Neither the Vendor (Century) nor Issuer (Module) have completed any mineral processing or metallurgical work as of the date of this report. Previous work is reported in Section 8.0.

19.0 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

No current 43-101 compliant Mineral Resource or Reserve estimates are included in this report. Previous historical estimates are not compliant and are discussed in the Section 8.0.

20.0 OTHER RELEVANT DATA AND INFORMATION

Module Resources Inc. is expecting to replace a reclamation bond of $200,000 currently placed by Century Mining Corp. with the Ministry of Energy and Mines, B. C. Discussion to date indicates that this bond may be refunded as work is performed to remediate the mill building.

A Notice of Work for Phase I of the 2008 site exploration program has been filed with B. C. Government and the work permit has been issued.

The tailings area (Photo 20.1) is of interest for two reasons. Firstly, if mining was to restart at Carolin the volume of tailings that the current dam could hold needs to be known, and secondly, the tailings in the pond may be of economic interest due to the poor Gold recovery during the mine life.

Athabaska estimated in May 1996 there to be 660,000 tons of tailings left in the pond. This figure is not calculated in compliance with the CIM classifications and should not be relied upon.

A 1997 calculation, by M. P. Dickson, P. Eng., Manager, Ladner Creek for Athabaska Gold Resources Ltd. indicated that there was room for an additional 1.3 million tonnes of tailings in the pond, which he stated would be enough for 3 years production at 450,000 tonnes per year. He further asserted that the pond was designed to have a further 10 metre lift on the dam which would give the pond a capacity for 4.5 million tonnes of tails or 10 years of production at the production rate of 450,000 tonnes per annum.

The tailings in the pond were sampled by coring on a grid basis by Ash Consultants in 1995. The recovered material was logged and sent to ACME lab for gold assay to determine the overall grade of the tails. Samples were also sent to Melis Engineering in Saskatchewan for metallurgical testing to determine the reason the gold recovery was so poor during the operation of the mill and to determine if the tailings could be reprocessed to recover the gold that was missed by the original processing. It was determined that the tails had an average grade of 0.055 ounces per ton using a length weighted average of the ACME assays (Table 20.1).

Table 20.1 Tailings Calculated Head Grade

Melis Engineering--Composite of Existing Tailings—Calculated Head		
Test No.	**Grams per tonne gold**	**Ounce per ton gold**
53	1.61	0.047
54	1.92	0.056
55	1.81	0.053
56	2.25	0.066

57	1.73	0.051
Average	**1.86**	**0.055**

Some thought has been given to re-processing the tailings and then using the cemented tailings to back fill the empty stopes in the Carolin mine. This would allow the recovery of gold from the tails and allow the pillars to be mined. No engineering has been completed on this to date.

Photograph 20.1 Tailings Area looking south across the Ladner Creek Valley from the top of the Carolin Mine

There is no other "Relevant Data or Information" needed to make this technical report understandable.

21.0 INTERPRETATION AND CONCLUSINOS

- The Ladner Gold property is a past producer with previously stated historical resources of unsubstantiated quality.
- Property location is advantageous, being less than 3 hours from Vancouver, B.C. Electric power is readily available, water is abundant and considerable surface and underground infrastructure remains in place.
- Gold mineralization is hosted in folded sedimentary and volcanic rocks of reasonable competency. The mineralized trends are traceable throughout the property in proximity to the East Hozameen Fault, a regional structural feature.

- The Carolin mine commenced production in late 1981 and processed some 900,000 tonnes of ore. It produced some 1,354 kg of gold before ceasing operations in 1984.

- Subsequent underground exploration was undertaken from the Carolin mine in 1995-1996. Development work advanced the 875 level to the north, and allowed diamond drilling programs to test the mineralized trend to Section 11100N. This drilling has demonstrated that the main mineralized trend extends that far north and has discovered previously unknown mineralization to the west of the main trend.

- It has been postulated that high angle faults have moved the gold bearing stratigraphy upwards as it trends northwards towards the McMaster zone. This area has been targeted as a potential open pit operation.

- The Ladner Gold property is an excellent exploration prospect, providing easy access, multiple mineralized targets and existing infrastructure.

22.0 RECOMMENDATIONS

- Re-establish survey control on the property, both on surface and underground. Access all available mine engineering and geology data and, in conjunction with the mapping and confirmatory drilling noted above, construct a computerized mine model. This would support a new mineral resource estimate to NI 43-101 standards.

- Conduct confirmation surface drilling on the McMaster Zone, north of the Carolin mine, to define open pit potential.

- Test mineralized trends between Carolin Mine and McMaster Zone, a distance of 1.2 km, with a surface drill program. The aim of this program is to begin to establish the stratigraphic and structural correlation between the two areas.

- Reopen the Carolin mine underground workings for geological mapping and confirmation drilling of mineralized zones in the historical resource, both as defined before mining ceased and from subsequent drilling in 1995-1996.

- Continue metallurgical testing of the mineralization and tailings to optimize gold recovery in both.

- Based on the successful completion of the above recommended tasks a scoping study may be completed to determine what would be required to start an economic operation at Ladner Gold.

- A two phase work program is hereby recommended to advance the property.

- Phase 1 will consist of data acquisition, compilation and verification – working toward a comprehensive computerized property model - to include topography, infrastructure, stratigraphy, geological structures and mineral occurrences. A total of 1,000 metres of surface drilling is proposed as part of the data acquisition phase, to jointly confirm known mineralized zones and explore in proximity to them.

- Phase 2 will build upon successful completion of the initial phase of work. This phase will focus on confirming the property model and mineral resource base (currently non-compliant to NI 43-101 standards). A total of 2,000 metres of confirmation drilling is planned (mainly from underground workings) to verify the resource model and progress toward making it NI 43-101 compliant. In addition, 1,000 metres of diamond drilling is recommended to expand the mineralized zones and continue property exploration. Technical studies (metallurgical, geostatistical, engineering, resource/reserve compilation and financial) are anticipated and budgeted. Detailed cost estimates for both phases of work as noted below.

PHASE I

Data Compilation and Modeling	$50,000
Confirm, Verify, Re-Survey and Map	$60,000
Resource Confirmation Diamond drilling	
500m @ $210 per m all inclusive	$105,000
Resource Expansion, Property Exploration	
500m @$210 per m all inclusive	$105,000
Sample Analysis, 200@$30	$6,000
Contingency at 7%	$24,000
	Total: $350,000

PHASE II

Data Compilation and Modeling	$25,000
Data Generation, Supervision	$25,000
Resource Confirmation, U/G Diamond Drilling	
2000m @ $150 per m all inclusive	$300,000

Resource Expansion, Property Exploration	
1000m @$200 per m all inclusive	$200,000
Sample Analysis, 700@$30	$21,000
Technical Studies	$50,000
Contingency at 7%	$44,000
	Total: $665,000

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24.0 DATE AND SIGNATURE

24.1 Certificate of Qualifications - C. A. Pearson, P. Geo.

24.2 Consent of Author

25.0 FIGURES, TABLES AND PHOTOGRAPHS

CERTIFICATE OF AUTHOR

I, C.A. Pearson, P.Geo., am a Professional Geoscientist and consulting geologist (Pearson Geological Services) of 2604 Roseberry Avenue in the City of Victoria, in the province of British Columbia of Canada.

1. I am a member of the Association of Professional Engineers and Geoscientists of British Columbia and the Canadian Institute of Mines.

2. I am the author of the report dated November 24, 2008, entitled "Technical Report on the Ladner Gold Property, to which this Certificate applies.

3. I graduated from the University of British Columbia with a Bachelor of Science degree in 1969, and I have practised my professional continuously since 1969. My experience includes the following:

(a) Mine Geologist for Western Mines from 1969 until 1975.
(b) Exploration Geologist for Western Mines from 1975-1981.
(c) Senior Project Geologist for Westmin Resources from 1982-1985.
(d) Senior Mine Geologist for Westmin Resources from 1986-1989
(e) Chief Geologist for Boliden-Westmin Canada Ltd. from 1989-1999.
(f) From 2000 to the present I have been self-employed as a consulting and contract geologist (Pearson Geological Services.)

4. As a result of my education, professional qualifications and experience, I am a Qualified Person as defined in NI 43-101.

5. I visited the Ladner Gold property of Module Resources on July 25, 2008. I also spent seven days, July 24, July 26 to August 1, reviewing the reference reports made available by Module Resources and preparing this technical report.

6. I am responsible for all items of the technical report,

7. I am independent of Module Resources in accordance with the application of Section 1.4 of National Instrument 43-101.

8. I have had no prior involvement with the Ladner Gold Project.

9. I have read National Instrument 43-101, Form 43-101F1 and the Comparison Policy 43-101 CP and this technical report has been prepared in compliance with NI 43-101, Form 43-101F1 and 43-101 CP.

10. As of the date of this Certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated at Victoria, British Columbia, this Twenty-fourth day of November, 2008.

PROFESSIONAL PROVINCE OF C. A. PEARSON BRITISH COLUMBIA GEOSCIENTIST

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CONSENT OF AUTHOR

To: The British Columbia Securities Commission and the Toronto Venture Exchange

I, Clifford A. Pearson, do hereby consent to the filing of the written disclosure of the technical report titled Technical Report, Ladner Gold Project dated November 24, 2008, and to the filing of the Technical Report with the securities regulatory authorities referred to above I do hereby consent to extracts from or a summary of the Technical Report in the written disclosure being filed.

Qualified Person's Signature Clifford A. Pearson