ASSESSMENT REPORT TITLE PAGE AND SUMMARY

TITLE OF REPORT: Assessment Report on: Geological Work Performed on the Baez Property Cariboo Mining Division, B.C.

TOTAL COST: $49,039.10

AUTHOR(S): Julie Brown, PhD and Pamela Strand, MSc, PGeo
SIGNATURE(S):

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): N/A
STATEMENT OF WORK EVENT NUMBER(S)/DATE(S): 4244136 / October 31st, 2008

YEAR OF WORK: 2008

PROPERTY NAME: Baez

CLAIM NAME(S) (on which work was done): 535698, 559767, 559768, 591038, 591039, 591040, 591041, 591042, 591043, 591044, 591045, 591047, 591048, 591049, 591050, 591051, 591052, 591053, 591124, 591125, 591126, 591127, 591128

COMMODITIES SOUGHT: Gold and silver

MINERAL INVENTORY MINFILE NUMBER(S),IF KNOWN:

MINING DIVISION: Cariboo
NTS / BCGS: 092O/01
LATITUDE: _____52˚44' N
LONGITUDE: ___124°13'W _____" (at centre of work)
UTM Zone: 10 EASTING: 417620 NORTHING: 5843418

OWNER(S): Takara Resources through an option agreement with Stephen Wetherup. See press release dated August 19, 2008 http://www.takararesources.com/news/pdf/080819.pdf

MAILING ADDRESS: 80 Richmond St. W, suite 508, Toronto, ON, M5H 2A4

OPERATOR(S) [who paid for the work]: Takara Resources Inc.

MAILING ADDRESS: as above.

REPORT KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude. **Do not use abbreviations or codes**) gold and silver, epithermal style mineralization, argillic alteration

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:
Assessment Reports 15298, 16962, 23272, 23630A, 23803, 23804A, 24612.

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (in metric units)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping		All	49,039.10
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for …)			
Soil			
Silt			
Rock			
DRILLING (total metres, number of holes, size, storage location)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling / Assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale/area)			
PREPATORY / PHYSICAL			
Line/grid (km)			
Topo/Photogrammetric (scale, area)			
Legal Surveys (scale, area)			
Road, local access (km)/trail			
Trench (number/metres)			
Underground development (metres)			
Other			
		TOTAL COST	49,039.10

Assessment Report on:

Geological Work

Performed on the Baez Property

Cariboo Mining Division, B.C.

NTS Map Sheet 093C

BCGS Map Sheets 093C/09 and 093C/16

Centred on:

52˚44'N latitude, and 124˚13'W longitude
UTM NAD 83, Zone 10, 417620E, 5843418N

Owner:
Stephen Wetherup (FMC # 141077)

Titles: 535698, 559767, 559768, 591038, 591039, 591040, 591041, 591042, 591043, 591044, 591045, 591047, 591048, 591049, 591050, 591051, 591052, 591053, 591124, 591125, 591126, 591127, 591128

Operator:
Takara Resources Inc.
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November, 2008

Prepared by:
Julie Brown, PhD and Pamela Strand, MSc, PGeo on behalf of Takara Resources Inc.

Completed December 4th, 2008

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1. INTRODUCTION

This report provides a summary and discussion of the 2008 geological exploration work conducted on the Baez property in fulfillment of the assessment work requirements on behalf of Takara Resources Inc.

The work program that was carried out comprised 20 days of geological work to evaluate the property's epithermal gold-silver potential. The 2008 work program included: 1) geological mapping of bedrock exposures to identify prospective stratigraphy, structural setting, and alteration zones, 2) locating historical drill sites, and 3) assessing access to the property.

The mapping program component that took place in October was terminated early due to weather.

2. RELIANCE ON OTHER EXPERTS

This report was prepared by Julie Brown and Pamela Strand. The information, conclusions, and recommendations within this report are based on a review of published geological reports, interpretation and analysis, site visits (with Stephen Wetherup, PGeo) and geological field work. The author assumes that reference material (in the "References" section) is accurate and complete.

Mineral title, ownership, and claim status information in this report was obtained from MINFILE, a digital resource provided by the Ministry of Energy, Mines and Petroleum Branch, British Columbia.

The author has made every attempt to accurately convey the content of reference material, but nonetheless cannot guarantee the accuracy of validity of historical work.

3. PROPERTY LOCATION, DESCRIPTION and OWNERSHIP

3.1 Location, Physiography, and Access.

The Property is located ~50km southwest of the town of Nazko and 125 km west of Quesnel, B.C. The property is centred on 52˚44'N latitude, and 124˚13'W longitude on NTS mapsheet 93C (Figure 1). The claim block covers 10,786 ha, covering several relatively flat marsh and

grasslands, divided by broad ridges often covered in mixed conifer forest. Drainage is variable, to the Clisbako and Baezaeko Rivers to the east and north respectively. Elevation varies from 1200 to 1600m above sea level.

The entire property can be accessed by truck along well-maintained logging roads, and ATV along rougher tracks. The northern part of the property can be accessed by paved highway from Quesnel to Nazko, then along the 3900 and 4200 Forest Service Roads (about 70 km from the property). The southern portion of the property can be accessed via paved highway from Williams Lake to Redstone, then by the Clusko-Thunder Mountain Forest Service road (80km). A narrow track connects the 2 properties on the E side of Mount Dent. Logging is active to within ~20km of the claim, along the 4200 Forest Service Road.

3.2 Ownership

The Baez property consists of 23 contiguous mineral claims covering approximately 10,786 hectares (Table 1, Figure 2).

Table 1: List of Claims

Tenure number	Claim name	Map Number	Good to date*	Area (ha)
535698	BAEZ	093C	2010/sep/09	78.27
559767	BAEZ 2	093C	2010/sep/09	489.16
559768	BAEZ 3	093C	2010/sep/09	489.17
591038	BAEZ 4	093C	2010/sep/09	469.37
591039	BAEZ 5	093C	2010/sep/09	469.37
591040	BAEZ 6	093C	2010/sep/09	469.37
591041	BAEZ 7	093C	2010/sep/09	489.14
591042	BAEZ 8	093C	2010/sep/09	489.37
591043	BAEZ 9	093C	2010/sep/09	489.42
591044	BAEZ 10	093C	2010/sep/09	489.6
591045	BAEZ 11	093C	2010/sep/09	489.14
591047	BAEZ 12	093C	2010/sep/09	489.37
591048	BAEZ 13	093C	2010/sep/09	489.6
591049	BAEZ 14	093C	2010/sep/09	489.42
591050	BAEZ 15	093C	2010/sep/09	489.83
591051	BAEZ 16	093C	2010/sep/09	489.83
591052	BAEZ 17	093C	2010/sep/09	489.65
591053	BAEZ 18	093C	2010/sep/09	489.65
591124	BAEZ 19	093C	2010/sep/09	489.42
591125	BAEZ 20	093C	2010/sep/09	489.65
591126	BAEZ 21	093C	2010/sep/09	489.38
591127	BAEZ 22	093C	2010/sep/09	489.55
591128	BAEZ 23	093C	2010/sep/09	489.72

*assuming acceptance of this assessment report

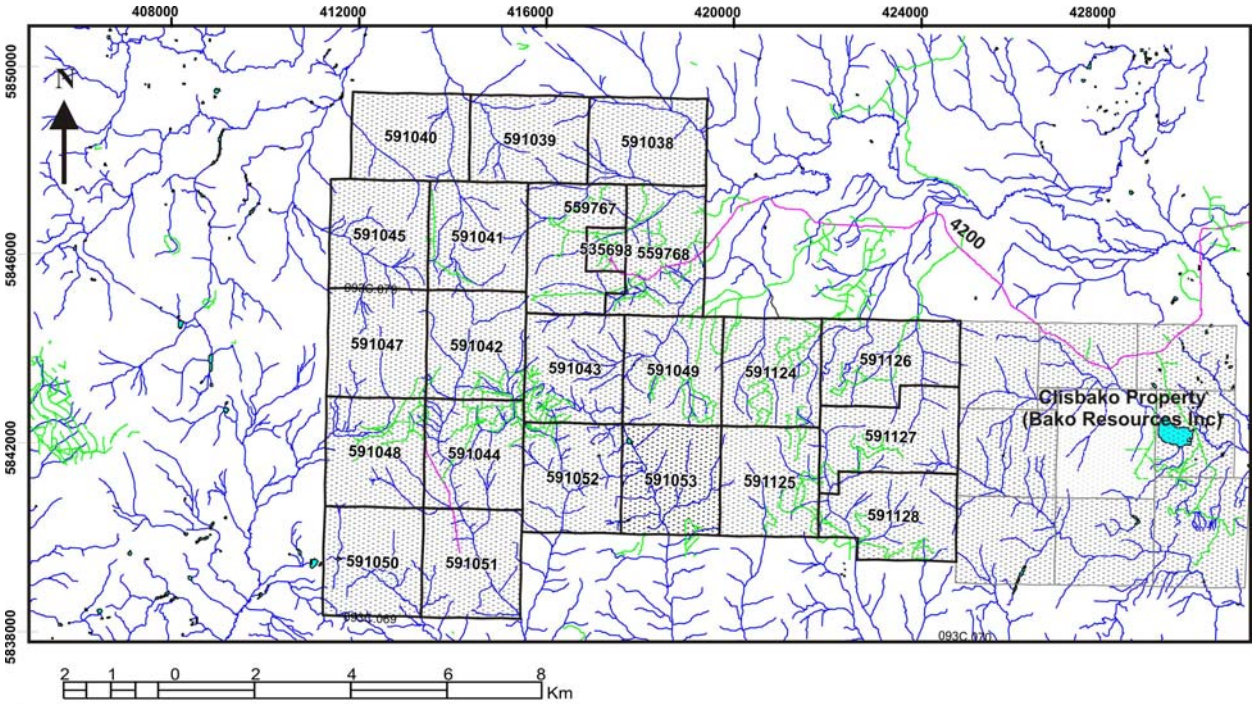

Figure 2:
The 23 claims (listed in Table 1), which comprise the Baez Property are labelled with mineral tenure numbers. Green lines are rough logging track, some of which was used to access claim blocks. The 4200 logging road that provides good access is labelled. The block contiguous block of claims to the east comprise the historical Clisbako claim group, currently maintained by Bako Resources Inc.

Takara Resources Inc.

Baez Property
Claim Map
Cariboo Mining Division

Takara Resources Inc. ("Takara") has acquired these claims through an option agreement (see press released dated August 19, 2008 at www.takararesources.com) with Stephen Wetherup (FMC # 141077), the current claim owner of the Baez Property. Takara is currently in the process of acquiring its own Free Miner's Certificate and as such is submitting this Report on behalf of the title holder, Stephen Wetherup.

4. HISTORICAL WORK

The O`boy showing on the property was discovered during regional reconnaissance and prospecting in the early 1980s. The property was staked in 1985 by Rio Algom Exploration Inc., following from a reconnaissance survey and was subsequently transferred to Lornex Mining Corporation Ltd (Watkins and Atkinson, 1986) through a joint venture agreement, and in 1986 Lornex conducted regional prospecting and soil sampling. Soils were spaced 200m apart along

lines spaced 500m apart. In 1987, Lornex completed six diamond drill holes, totalling 892m, 200m of trenching, and 11km of IP survey (Cann, 1987). The best result from the "Camp" zone, drilled in the Lornex joint venture, occurred over a 2 meter interval yielding 6.2 ppm Ag, 995 ppm As, and 320 ppb Au. Eighty-Eight Resources Ltd staked the eastern portion of the present claim block as part of the adjacent Clisbako claims in 1989, and optioned the property to Minnova in 1991. Over 2 years, Minnova spent more than 1 million dollars conducting geological and geophysical surveys, trenching and diamond drilling (as reported only in Goodall, 1994a).

Phelps Dodge began exploring in the region by staking the Baez claims in 1992. In 1993 they carried out a program of prospecting, soil geochemical sampling and preliminary geological mapping. In 1994, the conducted an 862 line-km DigHem V geophysical Mag-EM survey, and in 1995 conducted an additional 494 line-km DigHem V survey. Also in 1995, Phelps Dodge conducted 82.6 line km of IP geophysical surveys, some trenching and drilled 12 diamond drill holes totalling 1497m. They allowed the claims to expire in 1997 (reported in Goodall 1994a and b, Goodall, 1995a,b, and c).

5. GEOLOGICAL SETTING

5.1 Regional Geology and Economic Setting

Figure 3 outlines the tectonic setting (3a) and regional geology (3b) of the Interior Plateau of BC, where Baez is located within a large field of volcanic rocks. Regionally, the Permian age, largely sedimentary in origin, Cache Creek Group host the oldest rocks exposed. These are overlain by Triassic to Jurassic Takla Group andesite and basalt flows, tuffs, breccias, and related fragmental units. The Jurassic Hazelton Group – comprised of argillites, conglomerates, andesitic flows and breccias – occurs mainly in the northern portion of the plateau. The Ootsa Lake Group comprised of Cretaceous to Eocene rocks (the predominant map unit in which Baez is located) are felsic to intermediate volcanic flows, tuffs, breccias with less common basalt, conglomerate, and shale. The Ootsa Lake group is overlain by Eocene to Oligocene andesites, dacites, and rhyolites of the Endako group, which is in turn overlain by flood basalts of the Miocene to Pleistocene age Chilcotin group.

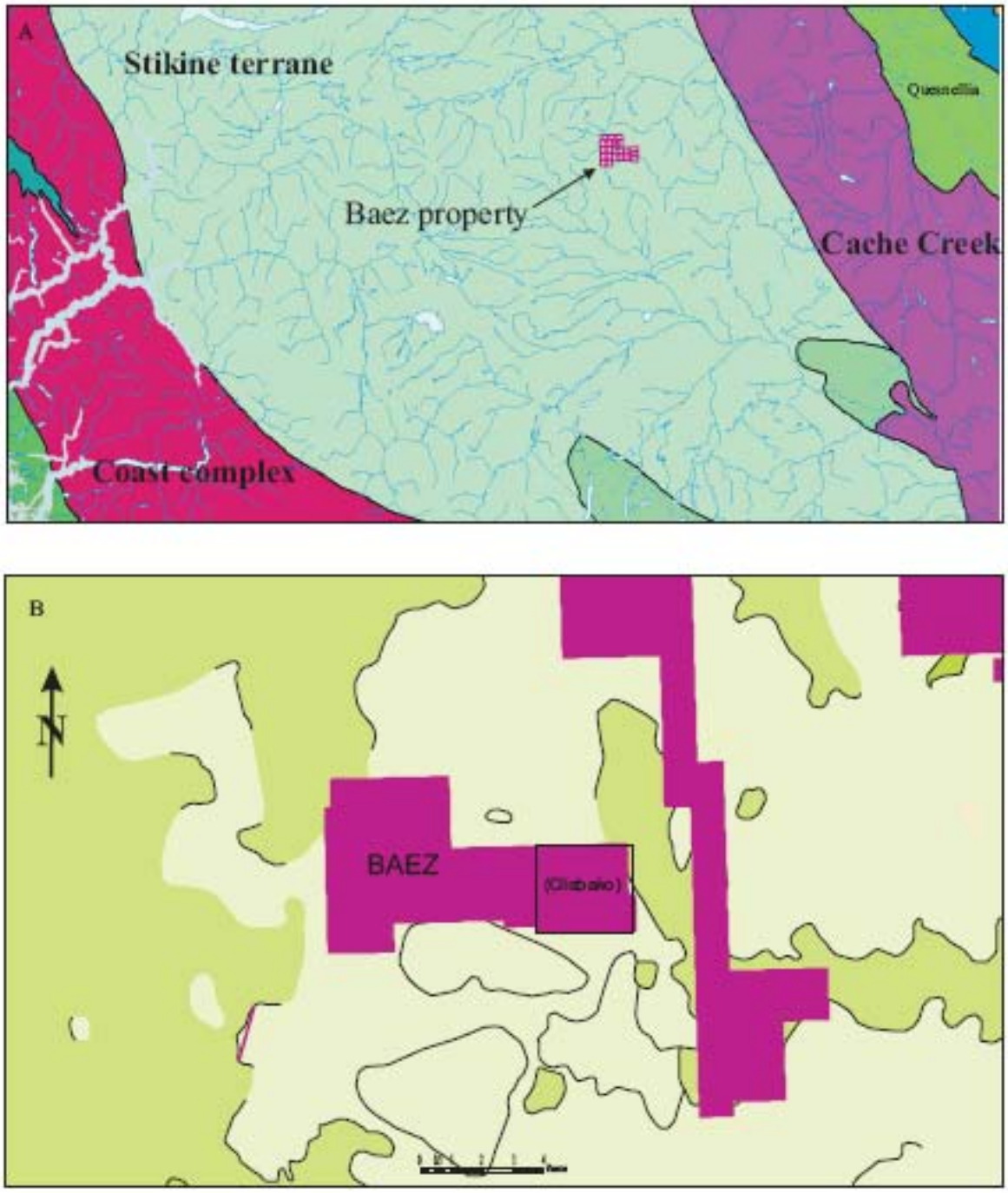

Figure 3. A: Tectonic assemblage map of the central interior of BC, showing the Baez property located within the Stikine terrane. B: Regional geology of the Baez property. Pale green are Eocene rocks of the Ootsa Lake and Endako Groups (the Endako being outlined in black, lying largely within the Ootsa Lake Group). Darker green are Miocene age Chilcoten Group flood basalts. Source: BCGS 2005 bedrock data, and BC map place.

Regionally, the Baez Property is part of a roughly circular highland, 50km in diameter that has been interpreted by Metcalfe et al. (1995) to be the erosional remnant of a large, Eocene volcano that was possibly a caldera. The caldera was subsequently flooded by the Chilcotin Group basalts, which may mask significant exploration targets regionally.

5.2 **Property Geology**

The property is largely underlain by the Ootsa Lake Group, which on the property are flat-lying rhyolites, andesites, flow breccias, and minor tuffs. Rhyolites of the Ootsa Lake group are the main exploration target, as they show significant alteration that can be attributed to epithermal-style mineralization that is prospective for gold and silver.

The mineralized zones are related to bleached alteration zones. To the west and north, Chilcotin Group basalts predominate (Figure 3 and 4). However, it should be noted that outcrop on the claim area is scarce with less than 5% exposure, and is restricted to ridgelines, and quite small outcrops in creek beds and road cuts.

Previously, work on the property (assessment report 24612) identified 4 distinct volcanic packages within the prospective Ootsa Lake Group: medium to fine-grained Dacite overlain by aphanitic purple to grey rhyodacite, which is in turn overlain by rhyolite flows with primary volcanic structures (flow banding, brecciation, and quartz phenocrysts). 2008 mapping suggests that dacite and rhyodacite are co-magmatic, and may be distinctive of the overlying Endako Group, with dacite crystallizing slightly earlier than the ryhodacite phase.

The prospective alteration assemblage is usually observed as intense argillic alteration, often associated with brecciation and silicification, in felsic volcanic rock (Ootsa Lake Group). Void space is created by the brecciation/silicification processes, and is often filled with prismatic quartz crystals, and sometimes carbonate (the latter was only rarely observed).

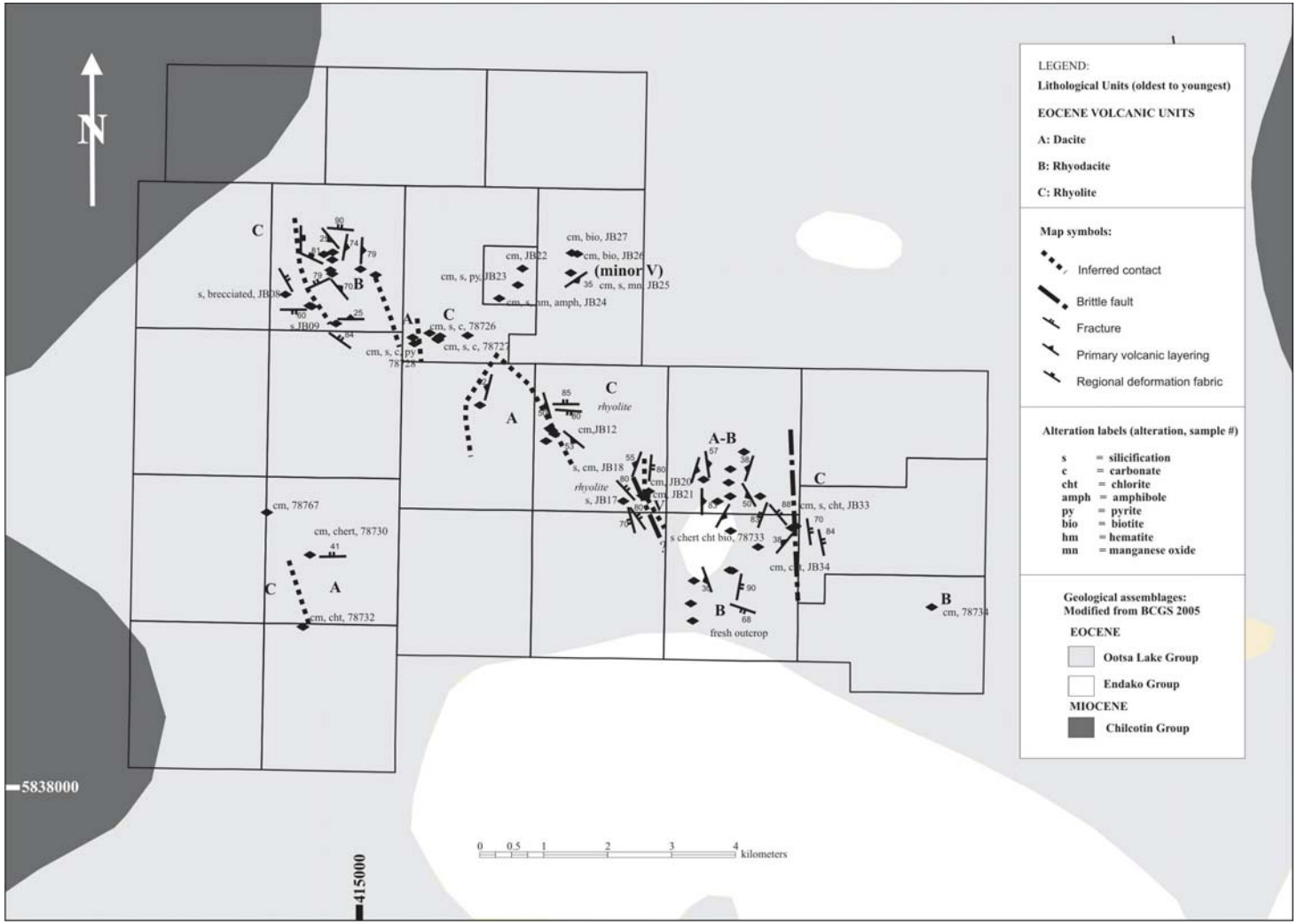

Figure 4: Property map showing the location of alteration zones. This image corresponds to three 1:10000 scale maps included with this report (appendix 3). Alteration data are included as appendices 1 and 2.

6.0 2008 WORK PROGRAM

6.1 Overview

The 2008 work program comprised an initial site visit was followed by a 20 day field program of reconnaissance, ground-truthing of existing soil sampling data, geological mapping, and alteration sampling. The purpose of the site visit was to determine whether the property was still accessible by logging road, and to devise a work program that was carried out jointly by CCIC (Caracle Creek International Consultants) geologists and Julie Brown, a geologist working for Takara Resources. The exploration work to date comprises part of the planned Phase 1 of exploration on the Property (see recommendations in section 7.0).

At the onset of the field season, CCIC began a detailed compilation, to create a GIS that included the existing soil geochemical data available from assessment reports, which is particularly comprehensive on the Baez Property, owing to the Phelps Dodge exploration programs. No further soil geochemistry being immediately deemed necessary, the 2008 field program concentrated on locating previously identified zones of alteration, locating and assessment of new alteration zones, and detailed structural mapping where possible. 24 grab samples were collected from alteration zones in either bedrock and subcrop. Hand sample descriptions are given in Appendix 1. Sulfide mineral occurrence was rare, and for this reason, only a few samples were deemed suitable for assay at this time, described in section 6.3.

Thin section analysis of alteration samples is recommended to further characterize the extent and variation of the prospective alteration system.

6.2 General geological evaluation

As with all projects, geological evaluation is an ongoing process. As 2008 was the current project owner's first opportunity to visit the project, our understanding is currently still being formulated. As a result of the 2008 fieldwork, new alteration zones were discovered (Figure 5) that will be further examined upon completion and compilation of an airborne geophysical survey. In general, occurrence of bedrock outcrop was patchy, but more frequent than expected. However, most outcroppings (though not all) were fresh, unaltered, dacite and ryhodacite units,

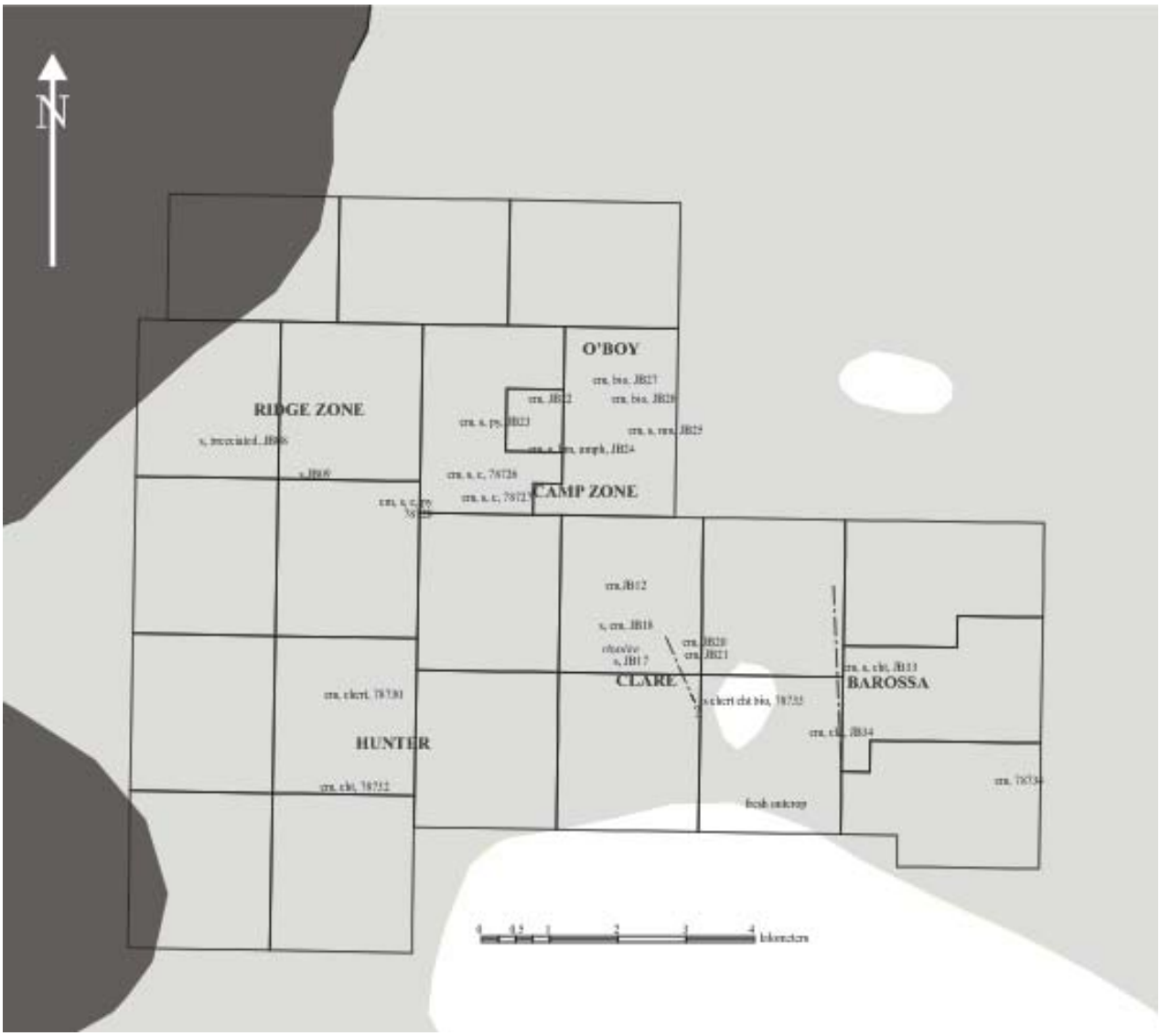

Figure 5: Relative location of Alteration Zones on the property with geology and alteration assemblages as in Figure 4. Description of the alteration samples from each zone is given in Appendix 1.

with primary volcanic textures. Altered zones were occasionally found along ridge lines on the property (as near the O`boy showing and E of Mount Dent). However, most often, the visible alteration was only available for examination and sampling in subcrop. As a result of earlier than expected snowfall, the extent of the alteration zones is not completely known, and structural analysis was limited.

Alteration and Structure

Alteration zones obscure primary physical volcanic features – the bulk of which appears to be within the rhyolitic unit, with significant clay mineral alteration and silicification. The patchiness of outcrop and extent of alteration made correlation of altered zones with unaltered equivalents difficult. Alteration zones are identified by the presence of rusty and fractured felsic volcanic rocks. Regionally, the Eocene volcanic rocks are shown to be faulted – and it is likely that several faults on the property occur in low areas and marshes. Identifying the extent of fracture and fault zones is important for the subsequent exploration program, aided by the completion of a Magnetic-VLFEM survey.

Generally, the trend of primary layering is variable, although inferred contacts between units are roughly N-S (Figure 4). Few bedrock exposures were large enough to measure structural fabrics in detail. Figure 6 shows a common relationship, with a N-S trending feature, primary or otherwise, cut by a secondary fracture set (roughly E-W).

In the southeastern portion of the Map area (along and east of Mount Dent), magma mingling features were observed between dacite and rhyodacite units. The dacitic unit is slightly older (or cooled more quickly) and alternates between being cut by, and supporting, rhyodacitic flows. Accretionary lapilli and zoned spherulites were occasionally observed in the rhyodacite unit. This zone (units A-B, labelled in the south east on Figure 4) is quite fresh and unaltered. It is very similar to the Ootsa Lake group (both have been described as intermediate to felsic volcanic in the existing literature), but part of it has been mapped by the BCGS as the Endako group, and this entire ridge is probably contiguous with the Endako group to the south of the claim area (this proposed continuity is not shown).

Figure 6: Top photo: Well-developed roughly N-S (primary?) fabric (striking 164˚, dipping 54˚ to the west) in locally plagioclase phenocrystic dacite, cut by E-W fractures. Sledge lies E-W. Location: 417857, 5843669, JB14.

Bottom photo: Altered Ootsa Lake Group, with two prominent fracture sets, one roughly N-S and a secondary set striking at 325˚, dipping steeply to the northeast. Pen is oriented NNW. Location: 419430, 5842678, JB20.

However, immediately east of the potential Endako correlatives, there is a small zone of brecciation and altered (Ootsa Lake group) rhyolite (JB33). An inferred, roughly north-south trending fault is reflected by fracturing and minor cataclasis in outcrop. The fault juxtaposes altered rocks (Ootsa Lake Group) with completely unaltered units (of likely Endako affinity).

The six currently identified alteration zones on the property (Figure 6 for location) were sampled (Appendix 1 described alteration in hand samples) from Unit "C" (Figure 4). These comprise the previously known O`Boy showing, the Camp zone, and the Ridge zone, as identified from assessment work (see References). Additionally, three new alteration zones identified during the 2008 field season are shown on Figure 5: hand sample descriptions of the alteration from the Hunter, Clare, and Barossa zones are given in Appendix 1.

West of JB33, alteration samples JB20-21 (Figure 5 and 6), within the Clare alteration zone, are located within a valley (and inferred fault) and adjacent to a large outcrop of rhyodacite, and a narrow volcaniclastic unit. Similarly, the Barossa zone is located adjacent to an inferred fault, in the eastern part of the property. The Barossa zone is associated with a bleached breccia zone (Figure 7).

Figure 7: Bleached breccia in the Barossa alteration zone. Location: 421700, 5842102

Much of the previous work focussed on the northern parts of the property (Camp, Ridge, and O`Boy). There are quite significant exposures along the ridge zone (although the best alteration samples are subcrop). A general similarity between the Ridge, Clare, and Barossa zones, is the presence of a fragmental volcanic unit.

6.3 Rock Assay data: Method and Results

Sulfide occurrence on the property was very rare. For this reason, only three rock samples have been submitted for analysis at this point in the work program. Sulfide-bearing rock grab samples from stations JB-17, JB-33, and JB-34 were submitted for multi-element analysis to Activation Laboratories, in Ancaster, Ontario. Thirty-seven elements were analyzed by AR-ICP, where the sample is digested with aqua regia (AR - a solution mixture of H2O, HNO3, and HCl) and homogenized. Elements were then analyzed by by ICPOES (Inductively Coupled Plasma with Optical Emission Spectroscopy). Gold was analyzed separately by Fire Assay fusion (FA), where 30g of sample is mixed with a flux, lead-oxide, and a collecter element (silver), and fused in a furnace. Gold and silver were then isolated into a bead, and gold content of the sample analyzed by Atomic Absorption (AA). A summary of selected elements are given in Table 2. Full results are given in Appendix 2.

Table 2: Rock sample assay results from the Baez Property, selected elements.

Analyte	Au	Ag	Cu	Mo	Ni	Pb	Zn	As	Ba	Co
Unit	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
Detection Limit	1	0.2	1	1	1	2	2	2	10	1
Analysis method	FA-INAA	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP
JB17 Clare zone	6	0.2	47	6	12	14	43	7	137	5
JB-33 Barossa zone	10	1.3	50	27	13	29	29	21	50	4
JB-34 Barossa zone	4	< 0.2	31	< 1	21	4	90	4	100	18

The samples analyzed are from the Clare and Barossa alteration zones (Figure 6). All have detectable gold, from 4-10 ppb. Related, detected, chalcophile elements are shown in Table 2.

Descriptions of hand samples correspond with Appendix 1. Grab samples for assays were sulfide-bearing.

7.0 RECOMMENDATIONS

Based on the confirmed presence of several alteration zones (previously identified and new) related to epithermal-style alteration, further work is needed to define the extent of the alteration, in a structurally constrained setting, to define the best targets for further exploration.

Phase 1 has been partially completed, was abbreviated owing to lateness of season and snow on the ground:

1. GIS compilation of historical soil sampling datasets (completed in fall 2008, by CCIC)

2. Ground truthing of soil data (completed)

3. Sampling of bedrock, in particular to assess alteration (completed, requires followup)

4. Locating best bedrock exposures for detailed structural/geological mapping and interpretation (partially completed).

5. Geophysical survey: magnetic-VLFEM survey. To identify faults and other structures, must be constrained by bedrock geology (**completed but not filed in this report).

TO BE COMPLETED

6. Follow up petrographic analysis of select alteration samples, to identify 'hot' zones of alteration.

7. Digitization and compilation of 2008 field program, including geophysics.

Phase 2 recommendations, providing that Phase 1 yields encouraging results:

1. Apply for work permits to cover potential drilling and for trail cutting to enable easier access.

2. Ground alteration mapping with handheld spectrometer – to supplement the petrography of alteration samples, important at this location because bedrock exposure is so poor.

3. Drilling to test for mineralization in new alteration systems, and new interpretations of previous showings (such as the O`boy).

8.0 CONCLUSIONS

1. The Baez property is prospective for epithermal-style gold and silver mineralization, similar to nearby deposits, such as the (currently not operational) Blackdome mine. Only grassroots exploration has been conducted to date, and structural interpretation together with modern geophysics and careful alteration mapping may lead to the completion of phase 2, as set forth in section 7.

2. The property is predominantly underlain by felsic volcanic rocks of the Ootsa Lake group, which includes the prospective ryholitic unit. The Chilcotin group was not observed, although it is inferred to overlie the Ootsa Lake group in the far northwestern and southwestern portions of the claim area based on regional geology maps and previous work – these areas were not visited in 2008.

3. Sulfide mineralization in alteration samples is very rare. This suggests alteration at Baez occurred in a low-sulfidation style epithermal system. Where sulfide mineralization does occur, it is predominantly pyrite.

4. Alteration is variable, and requires further characterization of hand specimens in Appendix 1, with polished thin section and micro-analytical work.

5. Primary fabrics on the property (inferred contacts, flow banding, or other layering) are variable, but tend to be (re?) oriented north south. Subsequently developed, steep E-W fracture sets show up well on features with that orientation.

6. Further work is required to define the best targets for future exploration and phase 2 of the work program. This includes completing the compilation of a digital database of the 2008 field program and petrography of alteration samples.

9.0 STATEMENT OF COSTS FOR 2008 EXPLORATION PROGRAM

The 2008 exploration programme cost approximately $49,039.10.

Accommodation, Food, and Travel			***# Units***	***Unit***	***Unit Cost***	***Cost***
Truck and ATV rental from CCIC				weeks		$3,340.50
All Field Expenses						$10,764.92
Property visit, due diligence and reconnaissance		August 16-18				
CCIC Project Geologist	James Masters		1	days	700	$700.00
CCIC Managing Geologist	Stephen Wetherup		2.5	days	1000	$2,500.00
Takara Resources Inc.	Julie Brown		1	days	355	$355.00
Expenses	Food, Accom, Fuel		3	people		$670.36
Geological mapping and sample collection						
CCIC	James Masters	Early September	10	days	700	$7,000.00
CCIC	Jeff Auston	September and October	19	days	400	$7,600.00
Takara Resources Inc.	Julie Brown	Early October	9	days	355	$3,195.00
Project Direction, management, and review						
CCIC	Steve Wetherup		2.75	days	1000	$2,750.00
Data compilation, reports, and maps						
CCIC	GIS compilation		14.75	days	$400.00	$5,900.00
CCIC	Printing, Trim data, maps					$672.05
Interpretation and report writing						
Takara Resources Inc.	Julie Brown		10	days	$355.00	$3,550.00
Field Expenses and supplies						
Various	*Sample bags, fuel, flagging tape, etc*					*$41.27*
TOTAL						$49,039.10

10.0 STATEMENT OF QUALIFICATIONS

I, Julie Brown, certify that:

1) I am a graduate in Geology-Biology (B.Sc. 1998) and Geology (M.Sc. 2002) from the University of Ottawa, and Earth Sciences (PhD. 2007) from the Australian National University.

2) I have practiced and studied within the geological profession for the past 10 years.

3) I am a member in good standing the American Geophysical Union.

4) The opinions, conclusions, and recommendations contained herein are based on observations on the Baez properties during a reconnaissance/prospecting visit carried out on the property by myself, and CCIC employees, Stephen Wetherup (PGeo) and James Masters. And work carried out by CCIC and myself on behalf of Takara Resources.

5) I am employed by Takara Resources Inc. for the purposes of fulfilling the assessment work requirements for the Baez property.

6) I have not received, nor do I expect to receive, any interest directly of indirectly, in the Baez Property.

7) I currently have an interest in Takara Resources Inc. in the form of securities.

8) I am not aware of any material fact or material change with respect to the subject matter of the Report that is not reflected in the Report of the omission to disclose which makes the Report misleading.

Julie Brown, PhD

Toronto ON

December 4, 2008

I, Pamela D. Strand, Residing at 10828-126 Street, Edmonton, Alberta, Canada do hereby certify that:

1. I am the Chairperson and a Director of Takara Resources Inc. 80 Richmond St W. Suite 508, Toronto ON, M5H 2A4, Canada.

2. I am a graduate of the University of Toronto with a BSc Degree in Geology (1988) and a graduate of the University of Western Ontario, London, Ontario with an MSc in Geology (1993) and have practiced my profession continuously since 1986.

3. I am a Professional Geologist registered with APEGGA (Association of Professional Engineers, Geologists and Geophysicists), and NAPEGG and a 'Qualified Person' in relation to the subject matter of this report.

4. I have not received, nor do I expect to receive, any interest directly of indirectly, in the Baez Property.

5. I currently have an interest in Takara Resources Inc. in the form of securities.

6. I am not aware of any material fact or material change with respect to the subject matter of the Report that is not reflected in the Report of the omission to disclose which makes the Report misleading.

7. I have not visited the property that is the subject of this report.

8. I hereby consent to the use of this Report and my name in the preparation of a prospectus for the submission to any Provincial or Federal regulatory authority.

Pamela Strand, M.Sc., P. Geol.

Edmonton, Alberta

December 4, 2008

11.0 REFERENCES

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Appendix 1

Sample Number	Zone	Easting	Northing	Elevation (m)	Rock Type	Alteration Minerals	Alteration Zone	Comments
78726	10 U	416074	5845087	1626	rhyolite	qtz/carb veins, and clay minerals	Camp	subcrop of brecciated rhyolite, clasts withing the breccia display flow banding. Qtz veins filling in the fractures in the breccia. Vuggy sample that contains around 2% sulphide spatially associated with the qtz/carb vns.
78727	10 U	416086	5845067	1625	rhyolite	qtz vns and clay minerals, some carbonate minerals	Camp	felsic unit with abundant clay minerals and a trace amount of sulphide (<1%)
78767	10 U	413365	5842346	1522	dacite	clay minerals, chert	Hunter	Subcrop of pink to grey to yellow heavily brecciated unit. The rock is fine grained with angular clasts. Flow banding noted in areas of less brecciation. Chert filling in fractures. A metallic weathering of sulphide looks to be
78730	10 U	414048	5841676	1446	dacite	clay alteration	Hunter	fine grained dacite with coarser feldspar minerals. Highly fractured unit with pervasive clay alteration
78732	10 U	413934	5840545	1401	rhyolite	clay alteration	Hunter	tuffaceous felsic volcanic groundmass with coarser cobble size clasts entrained in the unit. Clasts are around
78733	10 U	420733	5842053	1615	dacite		transitional	grey green dacite, with a fine grained crystal size. Tight folding seen in biotitic? Flow banding in the unit that is silica rich (chert).
78734	10 U	423925	5840852	1551	rhyolitic to dacitic	clay alteration	transitional	beige to white and light green coloured, sample taken from a small subcrop on the hilltop.
JB08	10 U	413660	5845783	1558 m	rhyolite	silica alteration, rusty, extensive brecciation associated with quartz veins (2 samples)	Ridge	Subcrop of silicified, brecciated, rhyolite. Angular fragments of felsic, quartz-rich breccias. Very rusty, gossanous appearance. Small relatively unaltered outcrop of rhyolite occurs just south of waypoint, on road.
JB09	10 U	414078	5845594	1538 m	rhyolite	advanced silica alteration	Ridge	numerous voids and vuggs with prismatic quartz mineral growth
JB12	10 U	417932	5843585	1414 m	rhyolite	clay alteration, rusty	transitional	outcrop is fresh (relatively unaltered), subcrop is altered
JB17	10 U	419026	5842524	1474 m	rhyolite	silicified	Clare	Subcrop on road. Altered felsic volcanic (rhyolite). Rusty, silicified. *pyrite-bearing sample submitted for assay. Pyrite content 7-10%.
JB18	10 U	419430	5842678	1514 m	rhyodacite	Clay minerals and silicification - not very intense.	Clare	Light grey-pale purple outcrop. Fresh. Rhyodacite (high silica, low feldspar) with blue quartz veins.
JB20	10 U	419365	5842617	1494 m	rhyodacite	clay minerals, very rusty, advanced alteration	Clare	Small outcrop in valley. Gossanous, altered. Strong subvertical cleavage/fracture. Highly altered, white clay mineral development. Altered volcanic (rhyolite to rhyodacite)
JB21	10 U	419328	5842612	1497 m	rhyodacite	clay minerals, very rusty, advanced alteration	Clare	Same alteration and structural relationships as last stop.
JB22	10 U	417425	5846191	1445 m	rhyolite	Clay mineral alteration, gossanous	O'Boy	Subcrop/rubble
JB23	10 U	417352	5845932	1481 m	rhyolite	white clay mineral, silica, and pyrite locally	O'Boy	Altered subcrop. Sample A: white alteration (clay-sericite) with narrow millimetric quartz stringers. Rusty. Fresh surface sticks to tongue. For thin section. Sample B: Various pieces with pyrite.

Sample Number	Zone	Easting	Northing	Elevation (m)	Rock Type	Alteration Minerals	Alteration Zone	Comments
JB24	10 U	417056	5845721	1466 m	rhyolite	clay minerals, silicified, hematite stained, amphibole	O'Boy	Very rubbly subcropAlteration sample - not as clay-rich as JB23. Rusty surfaces. Narrow quartz-rich seams and fgr prismatic quartz intergrowths. Hematite staining along seas. Contains grey-brown accessory mineral, subhedral laths to anhedral (amphibole? Likely a hydrous phase)
JB25	10 U	418192	5846123	1465 m	rhyolite	orange clay minerals, manganese oxide	O'Boy	Good outcrop. Can see more outcrop across ravine to the W, at 280. At this point, outcrop of highly altered, rusty felsic volcanic (likely the rhyolite). Orange tinge to samples, clay mineral present (varies to salmon coloured). Aphanitic to cgr. Mn dendrites on several surfaces.
JB26	10 U	418296	5846422	1433 m	volcaniclastic	biotite, clay minerals	O'Boy	Subcrop. Alteration sample of gritty textured rock. Several large, yet randomly oriented boulders. Fine to medium grained, quartzo-feldspathic rock. Altered, sticky tasting indicating clay mineral presence. Biotite-bearing. Layered and fractured. Altered quartzo-feldspathic volcaniclastic.. Containts some angular grey clasts - 0.5cm. Rusty.
JB27	10 U	418208	5846437	1439 m	ryholite	biotite, clay minerals	O'Boy	Subcrop - large boulder. Back to fgr altered felsic volcanic rock. Aphanitic. Locally layers of volcaniclastic material found.
JB33	10 U	421759	5842134	1473 m	ryholite	clay minerals, silicification, chlorite	Barossa	Highly silicified outcrop (photo). White, fine-grained rock, with numerous quartz veins. Outcrop is not clay-rich, but nearby rubble crop is. Local green chlorite alteration in outcrop. Cataclastic appearance. Small roughly N-S brittle faultof small valleys. *Sulfide-bearing sample submitted for assay, same mineralogy as alteration sample, with ~10% sulfide.
JB34	10 U	421751	5842117	1470 m	rhyodacite	clay minerals, chlorite	Barossa	subcrop*Sulfide-bearing sample submitted for assay.

Appendix 2

Report: A08-8622
Report Date: 1/15/2009

Final Report
Activation Laboratories

Analyte Symbol	Au	Mass	Ag	Cd	Cu	Mn	Mo	Ni	Pb	Zn	Al	As	B	Ba	Be	Bi	Ca
Unit Symbol	ppb	g	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	%
Detection Limit	1		0.2	0.5	1	5	1	1	2	2	0.01	2	10	10	0.5	2	0.01
Analysis Method	FA-INAA	FA-INAA	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP
JB17	6	30.1	0.2	< 0.5	47	124	6	12	14	43	1.32	7	< 10	137	1	< 2	0.11
JB-33	10	30.7	1.3	< 0.5	50	103	27	13	29	29	0.51	21	< 10	50	< 0.5	< 2	0.23
JB-34	4	30.3	< 0.2	0.7	31	782	< 1	21	4	90	2.13	4	< 10	100	1	< 2	2.35

Analyte Symbol	Co	Cr	Fe	Ga	Hg	K	La	Mg	Na	P	S	Sb	Sc	Sr	Ti	Te	Tl
Unit Symbol	ppm	ppm	%	ppm	ppm	%	ppm	%	%	%	%	ppm	ppm	ppm	%	ppm	ppm
Detection Limit	1	1	0.01	10	1	0.01	10	0.01	0.001	0.001	0.01	2	1	1	0.01	1	2
Analysis Method	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP
JB17	5	22	2.55	< 10	1	0.27	19	0.17	0.08	0.039	0.07	2	1	21	< 0.01	1	< 2
JB-33	4	28	1.37	< 10	< 1	0.19	< 10	0.22	0.02	0.085	< 0.01	3	1	9	< 0.01	< 1	< 2
JB-34	18	6	5.1	10	< 1	0.31	28	1.22	0.07	0.227	0.06	2	5	62	0.33	3	< 2

Analyte Symbol	U	V	W	Y	Zr
Unit Symbol	ppm	ppm	ppm	ppm	ppm
Detection Limit	10	1	10	1	1
Analysis Method	AR-ICP	AR-ICP	AR-ICP	AR-ICP	AR-ICP
JB17	< 10	19	< 10	2	8
JB-33	< 10	27	< 10	2	7
JB-34	< 10	75	< 10	17	9

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E-MAIL ancaster@actlabsint.com ACTLABS GROUP WEBSITE http://www.actlabsint.com

Appendix 3

Property Maps

1:10,000

412000 413000 414000 415000 416000 417000 418000 419000

5849000
5848000
5847000
5846000
5845000
5844000

Takara Resources Inc
BAEZ 1

N

C
90
25
74
81
79
79
70
B
s, brecciated, JB08
60
25
s,JB09
84
A
C
cm, s, c, 78726
cm, s, c, 78727
cm, s, c, py
78728
32
A
85
50
80
C
cm,JB12
53
55

cm, JB22
cm, bio, JB26
cm, s, py, JB23
(minor V)
35
cm, s, mm, JB25
cm, s, hm, amph, JB24
cm, bio, JB27

0 0.5 1 2 3 4 kilometers

1:10,000

411000 412000 413000 414000 415000 416000 417000 418000 419000 420000

5845000 5844000 5843000 5842000 5841000 5840000 5839000 5838000

N

cm, s, c, py
78728

cm, s, c, 78727

32

85

C

A

50

80

cm,JB12

53

55

s, cm, JB18

80

80

rhyolite

s, JB17

cm, JB

cm, JB

80

V

70

cm, 78767

cm, chert, 78730

41

C

A

cm, cht, 78732

Takara Resources Inc
BAEZ 2

0 0.5 1 2 3 4

scale 1:10,000

kilometers

Takara Resources Inc
Baez 3

416000 417000 418000 419000 420000 421000 422000 423000 424000 425000

5846000 5845000 5844000 5843000 5842000 5841000 5840000 5839000

N

cm, s, py, JB23

35 cm, s, mm, JB25

cm, s, hm, amph, JB24

C

cm, s, c, 78726

cm, s, c, 78727

32

85

50 80

A

C

cm,JB12

53

55

s, cm, JB18

80

80

cm, JB20

rhyolite

cm, JB21

s, JB17

80

V

70

A-B

37

38

83

50

88

cm, s, cht, JB33

C

83

70

84

s chert cht bio 78733

38

cm, cht, JB34

30

90

B

68

fresh outcrop

B

cm, 78734

0 0.5 1 2 3 4 kilometers

scale 1:10,000